



HOME CONTROL INTERNATIONAL LIMITED

(incorporated in the Cayman Islands with limited liability)
Stock Code : 1747



2025
INTERIM REPORT

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Kwok Hoong SIU (*Chief Executive Officer*)

Mr. Haofang YANG (*appointed with effect from 16 July 2025*)

Non-executive Directors

Mr. Alain PERROT (*Chairman of the Board*)

Mr. Wei ZHOU (*resigned with effect from 6 August 2025*)

Mr. Ewing FANG (*resigned with effect from 6 August 2025*)

Ms. Ying MA (*appointed with effect from 16 July 2025*)

Independent Non-executive Directors

Ms. Keet Yee LAI

Mr. Werner Peter VAN ECK

Dr. Shou Kang CHEN

Mr. Min YE (*appointed with effect from 3 September 2025*)

Mr. Yi Chung CHEN
(*appointed with effect from 3 September 2025*)

AUDIT COMMITTEE

Dr. Shou Kang CHEN (*Chairman*)

Mr. Werner Peter VAN ECK (*ceased to be a member with effect from 3 September 2025*)

Ms. Keet Yee LAI (*ceased to be a member with effect from 3 September 2025*)

Mr. Min YE (*appointed with effect from 3 September 2025*)

Mr. Yi Chung CHEN
(*appointed with effect from 3 September 2025*)

REMUNERATION COMMITTEE

Mr. Yi Chung CHEN (*Chairman*) (*appointed with effect from 3 September 2025*)

Dr. Shou Kang CHEN (*ceased to be Chairman and member with effect from 3 September 2025*)

Mr. Werner Peter VAN ECK (*ceased to be a member with effect from 3 September 2025*)

Mr. Wei ZHOU (*resigned with effect from 6 August 2025*)

Ms. Ying MA (*appointed with effect from 6 August 2025*)

Mr. Min YE (*appointed with effect from 3 September 2025*)

NOMINATION COMMITTEE

Mr. Min YE (*Chairman*) (*appointed with effect from 3 September 2025*)

Mr. Werner Peter VAN ECK (*ceased to be Chairman and member with effect from 3 September 2025*)

Mr. Alain PERROT (*ceased to be a member with effect from 3 September 2025*)

Ms. Keet Yee LAI

Ms. Ying MA (*appointed with effect from 3 September 2025*)

COMPANY SECRETARY

Ms. Sum Yi TSUI ACG, HKACG

AUTHORISED REPRESENTATIVES

Mr. Wei ZHOU (*resigned with effect from 6 August 2025*)

Mr. Haofang YANG (*appointed with effect from 6 August 2025*)

Ms. Sum Yi TSUI

REGISTERED OFFICE

Sertus Chambers, Governors Square

Suite #5-204

23 Lime Tree Bay Avenue

P.O. Box 2547

Grand Cayman, KY1-1104

Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN SINGAPORE

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Singapore 408533

PRINCIPAL PLACE OF BUSINESS IN HONG KONG REGISTERED UNDER PART 16 OF THE COMPANIES ORDINANCE

Room 1901, 19/F, Lee Garden One

33 Hysan Avenue, Causeway Bay, Hong Kong

Corporate Information

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Sertus Incorporations (Cayman) Limited
Sertus Chambers, Governors Square
Suite #5-204, 23 Lime Tree Bay Avenue
P.O. Box 2547
Grand Cayman, KY1-1104
Cayman Islands

HONG KONG SHARE REGISTRAR

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

PRINCIPAL BANK

Citibank N.A. Singapore Branch
8 Marina View
#17-01 Asia Square Tower 1
Singapore 018960

LEGAL ADVISER TO THE COMPANY

As to Hong Kong law

Haiwen & Partners LLP

Suites 1101-1104, 11/F
One Exchange Square
8 Connaught Place
Central
Hong Kong

AUDITOR

PricewaterhouseCoopers LLP

Public Accountants and Chartered Accountants
Recognised Public Interest Entity Auditor
7 Straits View, Marina One, East Tower
Level 12, Singapore 018936

STOCK CODE

1747

COMPANY'S WEBSITE

www.omnidevices.com

* For the purposes of this interim report, "Latest Practicable Date" refers to 4 September 2025, being the latest practicable date prior to the printing of this interim report for the purpose of ascertaining certain information contained herein

Management Discussion and Analysis

OVERVIEW

Home Control International Limited (the “Company”, together with its subsidiaries, the “Group”) is a globally leading provider of home control solutions, headquartered in Singapore with a presence in North America, Europe, Asia, and Latin America. Initially established as the home control division of Koninklijke Philips N.V. in the late eighties, the Group was fully acquired by Morgan Stanley Private Equity Asia in May 2015 and listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) in November 2019.

Renowned for developing and offering bespoke, high-quality remote controls for home entertainment, the Group caters to an extensive array of pay television operators and consumer electronics brands. Our products have been shipped to over 40 countries to blue-chip customers such as AT&T Services Inc. in North America, Sky CP Limited, British Telecommunications PLC, Vodafone Group Services Limited, and Liberty Global Services B.V. in Europe, along with Reliance Retail Limited, Bharti Airtel Limited, and Hisense Electric Co., Ltd. in Asia.

Innovation is at the core of the Group’s operations, as evidenced by our portfolio of over 200 invention patents and one of the world’s most comprehensive Infrared (IR) code databases. Our intelligent multi-device control solution, Simple Setup, has been successfully deployed to numerous customers within the pay television and consumer electronics sectors. Furthermore, our sustainability-focused portfolio, featuring solar and ultra-low power platforms, has garnered significant industry recognition and commercial interest.

At the end of 2024, the Group updated its brand from “Omni Remotes” to include “Omni Devices” to better reflect our expanding ambitions beyond Control Solutions, driven by notable progress particularly in the healthcare domain. By leveraging our decades-long professional experience and strength, and through long-standing efforts of technological innovation and market exploration, our Healthcare Solutions segment grew to approximately 19.7% of total revenue in the first half of 2025, up from approximately 15.5% in the first half of 2024. We are committed to investing in technologies related to sustainability, advanced sensing and wireless connectivity to develop targeted solutions for vertical segments, particularly in healthcare domain.

On 24 June 2025, the Group reached a new milestone with the acquisition of the majority shareholding of the Company by Meta-Wisdom Tech Limited, a holding company focused on healthcare. This new partnership builds on our legacy of sustainability and momentum in providing Healthcare Solutions. We aim to establish a health monitoring ecosystem tailored to foreseeable home care scenarios. This will be put together through our prior innovations conceived for home living, the new shareholder’s healthcare expertise, and collaborations with relevant institutions and domain experts in the coming period. The Group will strategically expand in the healthcare domain, allocating resources and form broader partnership to explore wider range of products, services and integrated solutions tailored to consumer needs.

Moving forward, the Group remains committed to serving the Pay TV and Consumer Electronics domains with products that offer evolving usability, sensing, and wireless connectivity, all produced at our sustainable high-value manufacturing facilities as they have been for decades. Additionally, we will extend our healthcare propositions to stakeholders in these domains, to collectively enhance consumer well-being while enjoying entertainment at home.

Management Discussion and Analysis

BUSINESS REVIEW

The Group's revenue for the six months ended 30 June 2025 came in at approximately US\$59.6 million, representing an increase of approximately 14.3% from approximately US\$52.1 million for the six months ended 30 June 2024.

In line with market expectations, and with the automation and improved cost management measures adopted by the Group as set out in the Company's annual report for the year ended 31 December 2024, as well as greater efficiency and material savings, the Group has turned in a net profit of approximately US\$5.0 million for the six months ended 30 June 2025, representing an increase of approximately 56.3% as compared to a net profit of approximately US\$3.2 million for the six months ended 30 June 2024.

PROSPECT AND OUTLOOK

The persistent and heightened worldwide inflation has eased, but the instability of the political and economic situation arising from conflicts in Russia-Ukraine and the Middle East region, as well as the changes of US policy on global trade will pose uncertainty to the business. These factors may impede customer resummptions of new projects and consumer acquisitions. It is difficult to estimate the full impact given the dynamic nature of these circumstances. The Group will pay continuous attention to the situation, adhere to government measures and recommendations, continue to mitigate foreseeable risks with all sites and subsidiaries, and endeavor to operate with minimal impact on any function serving the business and the customers.

While the Group will continue to take steps in cost management, fresh resources will be channeled into research & development, sales force expansion to diversify into several adjacent domains of the business including the focus on home healthcare, as well as improvements of its supply chain to support the existing business and the ongoing diversification. Looking ahead, we aim to develop an integrated suite of AIoT-enabled solutions and platforms that foster a healthy home environment, enabling real-time personal health management and a seamless online-offline healthcare experience.

The Group has mitigation plans in place if and when the global political situation evolves to materially impact the freedom of trade within our business.

Management Discussion and Analysis

FINANCIAL REVIEW

Revenue

Revenue of the Group for the six months ended 30 June 2025 increased by approximately 14.3% (approximately US\$7.5 million) compared to the six months ended 30 June 2024 mainly due to an approximate US\$11.8 million increase in revenue in the Asia and Europe regions, partially offset by an approximate US\$4.3 million decrease in the North America and Latin America regions.

The following table sets forth the breakdown of revenue of the Group by the geographical location of customers for the six months ended 30 June 2025 and 30 June 2024, respectively.

	For the six months ended 30 June 2025		For the six months ended 30 June 2024		Changes	
	US\$'000 (Unaudited)	% of Revenue	US\$'000 (Unaudited)	% of Revenue	US\$'000	%
North America	17,605	29.6	21,713	41.6	(4,108)	(18.9)
Europe	26,018	43.6	20,259	38.9	5,759	28.4
Asia	12,868	21.6	6,864	13.2	6,004	87.5
Latin America	3,073	5.2	3,271	6.3	(198)	(6.1)
Total	59,564	100.0	52,107	100.0	7,457	14.3

Cost of sales

The cost of sales of the Group mainly consists of components including finished goods from ODM (original design manufacturing), outsourcing and overheads. The cost of sales amounted to approximately US\$41.9 million and approximately US\$36.7 million for the six months ended 30 June 2025 and the six months ended 30 June 2024 respectively, representing approximately 70.3% and approximately 70.4% of the total revenue for the corresponding periods.

Management Discussion and Analysis

The following table sets forth the breakdown of the cost of sales for the six months ended 30 June 2025 and the six months ended 30 June 2024, respectively.

	For the six months ended 30 June 2025		For the six months ended 30 June 2024	
	US\$'000 (Unaudited)	%	US\$'000 (Unaudited)	%
Cost of components	36,058	86.1	31,069	84.7
Outsourcing	4,881	11.7	4,617	12.6
Overheads	933	2.2	982	2.7
	41,872	100.0	36,668	100.0

Gross profit

Gross profit increased by approximately US\$2.3 million from approximately US\$15.4 million for the six months ended 30 June 2024 to approximately US\$17.7 million for the six months ended 30 June 2025. Gross profit has increased mainly due to an increase in revenue.

Other income

Other income of the Group has remained the same at approximately US\$0.1 million for the six months ended 30 June 2025 and 30 June 2024 respectively.

Selling and distribution expenses

Selling and distribution expenses of the Group increased from approximately US\$3.6 million for the six months ended 30 June 2024 to approximately US\$3.9 million for the six months ended 30 June 2025. The increase in selling and distribution expenses was mainly due to an approximate US\$0.2 million increase in salaries and wages, and an approximate US\$0.1 million increase in distribution costs.

Administrative expenses

Administrative expenses of the Group decreased by approximately US\$0.1 million, from approximately US\$5.9 million for the six months ended 30 June 2024 to approximately US\$5.8 million for the six months ended 30 June 2025. The decrease was mainly due to an approximate US\$0.1 million decrease in non-capitalised fixed assets.

Management Discussion and Analysis

Other expenses

Other expenses of the Group decreased from approximately US\$1.5 million for the six months ended 30 June 2024 to approximately US\$1.4 million for the six months ended 30 June 2025. The decrease of US\$0.1 million was mainly due to an approximate US\$0.5 million decrease in restructuring expenses, an approximate US\$0.2 million increase in non-recurring engineering costs recovery, an approximate US\$0.1 million decrease in approbation fees, an approximate US\$0.1 million decrease in foreign currency differences, partially offset by a US\$0.9 million increase in legal expenses.

Finance costs – net

Compared to the six months ended 30 June 2024, net finance cost of the Group incurred during the six months ended 30 June 2025 decreased by approximately US\$0.2 million. The decrease was mainly due to an approximate US\$0.4 million decrease in interest on bank loans, partially offset by an approximate US\$0.2 million increase due to modification gain on financial assets recorded for six months ended 30 June 2024 that did not recur for six months ended 30 June 2025.

Profit before tax

Profit before tax of the Group for the six months ended 30 June 2025 was approximately US\$6.4 million, as compared to a profit before tax of approximately US\$4.1 million for the six months ended 30 June 2024. This was mainly due to the changes of the profit and loss items stated above.

Income tax expense

The Group's income tax expense increased from approximately US\$0.9 million for the six months ended 30 June 2024 to a tax expense of approximately US\$1.4 million for the six months ended 30 June 2025. The income tax expense for the six months ended 30 June 2025 was higher mainly due to an increase in profit before tax.

Profit for the period

As a result of the above, the Group recorded a net profit after tax of approximately US\$5.0 million for the six months ended 30 June 2025, representing an increase of approximately US\$1.8 million from the net profit after tax for the six months ended 30 June 2024 of approximately US\$3.2 million.

Earnings per Share

The basic and diluted earnings per share of the Group for the six months ended 30 June 2025 is US0.99 cents and US0.99 cents, respectively (six months ended 30 June 2024: US0.63 cents and US0.63 cents).

Management Discussion and Analysis

LIQUIDITY AND CAPITAL RESOURCES

As at 30 June 2025, the Group had cash and cash equivalents of approximately US\$14.5 million. The board (the “Board”) of directors (the “Directors”) of the Company is of the opinion that the financial position of the Group is healthy, and the Group has sufficient resources to support its operations and meet its foreseeable capital expenditures.

Cash flow

The following table sets forth a summary of the cash flows of the Group for the six months ended 30 June 2025 and 30 June 2024, respectively:

	For the six months ended	
	30 June 2025 US\$'000 (Unaudited)	30 June 2024 US\$'000 (Unaudited)
Net cash generated from operating activities	1,658	5,507
Net cash used in investing activities	(676)	(159)
Net cash used in financing activities	(6,345)	(2,654)
Net (decrease)/increase in cash and cash equivalents	(5,363)	2,694
Cash and cash equivalents at beginning of the period	19,443	16,872
Effects of exchange rate changes on cash and cash equivalents	393	(143)
Cash and cash equivalents at end of the period	14,473	19,423

The Group generates cash from operating activities primarily from sales of goods. Cash flows from operating activities reflects profit before taxation for the six months ended 30 June 2025 adjusted for (i) non-cash item such as depreciation of property, plant and equipment, and depreciation of right-of-use assets, interest expenses, provision for inventories and other items, which lead to the operating profit before changes in working capital; and (ii) effects of cash flows arising from changes in working capital, including changes in inventories, trade and other receivables and trade and other payables and other items, which lead to cash generated from operations; and income tax paid, which result in net cash generated from operating activities.

For the six months ended 30 June 2025, the Group’s net cash generated from operating activities was approximately US\$1.7 million, primarily due to (i) cash generated before working capital changes of approximately US\$7.5 million; (ii) decrease in inventories of approximately US\$0.8 million; and (iii) increase in trade payables of approximately US\$1.1 million, partially offset by (i) increase in trade receivables of approximately US\$6.9 million; and (ii) net income tax paid of approximately US\$0.8 million.

Management Discussion and Analysis

Net cash flow used in investing activities

Cash flow used in investing activities mainly relates to purchase of property, plant and equipment. For the six months ended 30 June 2025, the Group's net cash used in investing activities was approximately US\$0.7 million, which was primarily attributable to purchases of property, plant and equipment of approximately US\$0.7 million.

Net cash flow used in financing activities

Cash flows used in financing activities mainly includes repayment of interest-bearing bank loans. For the six months ended 30 June 2025, the Group's net cash flow used in financing activities was approximately US\$6.3 million, mainly attributable to approximately US\$6.3 million repayment of interest-bearing bank loans.

NET CURRENT ASSETS

The Group's net current assets increased by approximately US\$3.8 million from approximately US\$14.3 million as at 31 December 2024 to approximately US\$18.1 million as at 30 June 2025. The increase was primarily due to (i) a increase in trade receivables of approximately US\$6.3 million; (ii) a decrease in interest-bearing loans of approximately US\$6.2 million; partially offset by (i) a decrease in cash and cash equivalents of approximately US\$5.0 million; (ii) a decrease in inventories of approximately US\$0.9 million; (iii) increase in trade payables of approximately US\$1.1 million, (iv) a increase in other payables and accruals of approximately US\$1.4 million; and (v) a increase in tax payable of approximately US\$0.6 million.

CAPITAL EXPENDITURE

The Group's capital expenditure consisted of purchase costs relating to property, plant and equipment. For the six months ended 30 June 2025, the Group's capital expenditure amounted to approximately US\$0.7 million for the acquisition of property, plant and equipment. The Group funded such capital expenditure primarily with cash generated from operating activities.

Capital and investment commitments

As at 30 June 2025, the Group did not have any capital and investment expenditure contracted for as at the end of the reporting period, being the six months ended June 2025 (the "reporting period") but not recognised in the interim condensed consolidated financial statements.

Management Discussion and Analysis

BANK LOANS AND CONTINGENT LIABILITIES

Bank loans

As at 30 June 2025, the Group had approximately nil (2024: US\$6.2 million) short-term bank loans.

Contingent liabilities

As at 30 June 2025, the Group did not have material contingent liabilities and guarantees.

Gearing ratio

Gearing ratio equals total debt divided by the adjusted total assets of the Group. Total debt includes all interest-bearing bank loans and lease liabilities. Adjusted total assets excludes goodwill. The gearing ratios as at 30 June 2025 and 31 December 2024 are approximately 0.9% and approximately 11.2%, respectively.

SEGMENT INFORMATION

An analysis of the Group's revenue and results by geographical segment based on the location of customers for the six months ended 30 June 2025 is set out in note 5 in the "Notes to Interim Condensed Consolidated Financial Information".

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group did not have other plans for material investments or capital assets as at 30 June 2025.

MATERIAL INVESTMENTS, ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

There were no other significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures during the six months ended 30 June 2025.

Management Discussion and Analysis

CAPITAL STRUCTURE AND TREASURY POLICIES

The business activities of the Group are mainly financed by the share capital, interest-bearing bank loans and cash generated from the operating activities. As at 30 June 2025, the interest-bearing bank loans which were denominated in USD, at floating contractual interest rate, and maturing from 2024 up to 2025 was nil (as at 31 December 2024: US\$6.2 million). For details of the interest rates and maturity profile, please refer to note 17 in the “Notes to Interim Condensed Consolidated Financial Information”. No additional share of the Company (the “Shares”) was issued during the six months ended 30 June 2025. Details of the movements in the Company’s share capital are set out in note 18 in the “Notes to Interim Condensed Consolidated Financial Information”. The Board will continue to follow a prudent policy in managing the Group’s financial resources such as cash with the objective of maintaining a strong and healthy liquidity position to ensure that the Group is placed to seize future growth opportunities as and when such opportunities appear. At present, the Group does not intend to seek to hedge its exposure to foreign exchange fluctuations when the majority of the cash maintained by the Group is denominated in USD despite also denominated in various other currencies including Euro, Singapore Dollar, Renminbi (“RMB”) and HKD. For details, please refer to the section headed “Foreign Exchange Risk Management” in this report below. However, the management of the Group constantly monitors the economic situation and the Group’s foreign exchange risk profile and will consider appropriate hedging measures in the future should the need arise.

FOREIGN EXCHANGE RISK MANAGEMENT

The functional currency of the Group is U.S. Dollar. The sales of the Group are mainly denominated in U.S. Dollar while purchases are mainly denominated in U.S. Dollar or RMB. The Group has its headquarters in Singapore and operating subsidiaries in the U.S., Belgium, the PRC and Brazil, of which overheads are settled in local currencies and therefore the Group is exposed to foreign exchange risks. Fluctuations in foreign exchange rates may be caused by various factors such as change in government policies, change in domestic and international economic and political conditions, and are always unpredictable. The Group had not entered into any agreements to hedge its exchange rate exposure, as the Group’s results of operations has generally been partially mitigated by the natural offset of foreign currency receivables with foreign currency payables. Going forward, the Group expects that exchange rates of SGD, RMB and US\$ will continue to fluctuate. Changes in the foreign exchange rates between the Group’s functional currencies and reporting currency may have an adverse impact on the Group’s finance costs, sales and product margins, and may reduce the value of, and dividends payable on, the Shares. The Group’s business and financial position may be materially and adversely affected. The management of the Group will continue to monitor the Group’s foreign currency exchange exposure and will take prudent measures to minimise that currency exchange risk.

EMPLOYEES, REMUNERATION POLICY

As at 30 June 2025, the Group had 143 employees (31 December 2024: 144 employees). The employees benefit expense incurred during the six months ended 30 June 2025 was approximately US\$6.5 million. As required by the applicable laws and regulations, the Group participates in various employee social security plans for its employees that are administered by local government. The Group’s remuneration policy rewards employees and Directors based on individual’s performance, demonstrated capabilities, involvement, market comparable information and the performance of the Group. The Group improves the professional skills and management level of its employees through internal and external training. To ensure that the Group attracts and retains competent staff, remuneration packages are reviewed on a regular basis. Performance bonuses are offered to qualified employees based on individual and the Group’s performance. The Group did not experience any material labour disputes during the six months ended 30 June 2025.

Management Discussion and Analysis

The Company adopted a stock option plan of the Company as approved by the Board on 1 May 2015 (the “Scheme”) as incentive for eligible employees. As at 1 May 2022, the Scheme was terminated upon the expiry of the Scheme period. No new options were granted and exercised thereunder during six months ended 30 June 2025. As at 1 May 2022, all options granted and accepted prior to such termination and not yet exercised under the Scheme were lapsed in accordance with the terms of the Scheme.

The Company adopted the share award scheme on 20 August 2020 (the “Share Award Scheme”) in order to recognise the contributions of such selected grantees (the “Selected Grantees”) and in driving the continuous business operation and development of the Group. The Share Award Scheme shall terminate on the earlier of (i) the tenth (10th) anniversary date of the adoption date, being 20 August 2020; and (ii) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Grantees under the Share Award Scheme.

On 5 October 2020, the Board has resolved to award a total of not more than 5,016,337 award shares (the “Award Shares”), representing approximately 1.00% of the total issued Shares as at the Latest Practicable Date, to ten Selected Grantees pursuant to the Share Award Scheme. On 5 October 2022, 2,508,166 Award Shares were vested and the Board has resolved to allot and issue a total of 2,508,166 new Shares, representing approximately 0.50% of the total issued Shares as at the Latest Practicable Date of which (a) 1,191,379 new Shares were allotted and issued to four connected Selected Grantees (being Mr. Alain PERROT, Chairman of the Board and the then executive Director (and currently a non-executive Director), and three other connected Selected Grantees who are or were then directors of certain subsidiaries of the Company) pursuant to specific mandate; and (b) 1,316,787 new Shares were allotted and issued to six non-connected Selected Grantees pursuant to general mandate. On 5 October 2023, 2,508,171 Award Shares were vested and the Board has resolved to allot and issue a total of 2,508,171 new Shares, representing approximately 0.50% of the total issued Shares as at the Latest Practicable Date of which (a) 1,191,381 new Shares were allotted and issued to four connected Selected Grantees (being Mr. Alain PERROT, Chairman of the Board and the then executive Director (and currently a non-executive Director), and three other connected Selected Grantees who are or were then directors of certain subsidiaries of the Company) pursuant to specific mandate; and (b) 1,316,790 new Shares were allotted and issued to six non-connected Selected Grantees pursuant to general mandate.

As at 30 June 2025, all 5,016,337 Award Shares granted under the Share Award Scheme have been vested and no new Share Awards have been granted during the six months ended 30 June 2025. Accordingly, no Award Shares remain outstanding and unvested as at 30 June 2025. The details of the Share Award Scheme are disclosed in the announcements of the Company dated 20 August 2020, 5 October 2020 and 12 November 2020; and the circular of the Company dated 27 October 2020.

Management Discussion and Analysis

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the Latest Practicable Date, the Group had not entered into any off-balance sheet transactions.

USE OF PROCEEDS FROM LISTING

Reference is made to the Company's announcement dated 25 February 2025 in relation to, among other things, the change in use of the IPO Proceeds (as defined below) (the "Change in UOP Announcement").

The shares of the Company were listed on the Main Board of the Stock Exchange on the Listing Date and the net proceeds raised from this initial public offering after deducting underwriting fees and other related listing expenses amounted to approximately HK\$84.93 million (equivalent to approximately US\$10.83 million) (the "IPO Proceeds").

As disclosed in the Change in UOP Announcement, the subscription of a treasury management principal protected product in the amount of HK\$38,000,000 was settled through a deposit account in the name of the Company maintained with financial intermediary acting as the custodian in November 2019. Accordingly, the planned use and actual use of the IPO Proceeds as at 30 June 2025 were as follows:

			Partial redemption for Treasury Management Principal Protected Product Scheme No. 608 and					
	Planned use of IPO Proceeds (adjusted on a pro rata basis on the actual net proceeds) HK\$' million	Planned use of IPO Proceeds (adjusted on a pro rata basis on the actual net proceeds) US\$' million	channelled towards working capital and general corporate purpose for year ended 31 December 2022 US\$' million	Unutilised IPO Proceeds as at beginning of the financial year i.e. 1 January 2025 US\$' million	Proceeds utilised during the six months ended 30 June 2025 US\$' million	Utilised IPO Proceeds up to 30 June 2025 US\$' million	Unutilised as at 30 June 2025 US\$' million	Expected timeline for the unutilised IPO Proceeds
1	Strategic investments or acquisitions in the over-the-top ("OTT") system and/or smart home security products	-	-	-	-	-	-	Originally allocated funds not utilised due to COVID-19, the economic environment had been unstable and has hindered business discussions.
2	Repayment of bank borrowing	21.12	2.69	-	-	2.69	-	-

Management Discussion and Analysis

		Partial redemption for Treasury Management Principal Protected Product Scheme No. 608 and							Expected timeline for the unutilised IPO Proceeds
		Planned use of IPO Proceeds (adjusted on a pro rata basis on the actual net proceeds) HK\$' million	Planned use of IPO Proceeds (adjusted on a pro rata basis on the actual net proceeds) US\$' million	channelled towards working capital and general corporate purpose for year ended 31 December 2022 US\$' million	Unutilised IPO Proceeds as at beginning of the financial year i.e. 1 January 2025 US\$' million	Proceeds utilised during the six months ended 30 June 2025 US\$' million	Utilised IPO Proceeds up to 30 June 2025 US\$' million	Unutilised as at 30 June 2025 US\$' million	
3	R&D and develop the products for OTT segment and extend product lines in smart home products	–	–	–	–	–	–	–	Originally allocated funds not utilised due to COVID-19, the economic environment had been unstable and has hindered business discussions.
4	Expansion of professional sales force to support business expansion	13.8	1.76	–	0.80	0.41	1.37	0.39	The unutilised IPO Proceeds are expected to be fully utilised by 31 December 2026.
5	Strengthen the supply chain management and investment by extending beyond the PRC	6.57	0.84	–	–	–	0.84	–	–
6	Working capital and general corporate purposes	5.44	0.70	1.63	2.33	–	–	2.33	The unutilised IPO Proceeds are expected to be fully utilised by 31 December 2027. Note that partial redemption of the Investment Product should be channelled towards this category instead.
7	Subscription for the Treasury Management Principal Protected Product Scheme No. 608	38.00	4.84	–1.63	–	–	3.21	–	–
		84.93	10.83	–	3.13	0.41	8.11	2.72	

Management Discussion and Analysis

Based on the Directors' best estimation and assumption of future market conditions, the unutilised IPO Proceeds are expected to be fully utilised by 31 December 2027.

The Directors expect that the use of IPO Proceeds can bring further improvements to the Group's overall business performance.

The Directors will constantly evaluate the Group's business strategies and specific needs from time to time. Further announcement will be made if there are any additional changes on the use of proceeds as and when appropriate.

The business objectives, future plans and planned use of proceeds as stated above were based on the best estimation and assumption of future market conditions made by the Group while the proceeds might be applied based on the actual development of the Group's business and the industry.

EVENTS AFTER THE REPORTING PERIOD

On 15 July 2025, Meta-Wisdom Tech Limited ("Meta-Wisdom") and the Company jointly issued a composite document (the "Composite Document") in relation to, among others, making a mandatory unconditional cash offer by Emperor Corporate Finance Limited for and on behalf of Meta-Wisdom for all the issued Shares (other than those already owned and/or agreed to be acquired by Meta-Wisdom) (the "Share Offer") under Rule 26.1 of The Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong.

On 6 August 2025, the Share Offer was closed at 4:00 p.m. and Meta-Wisdom received seven valid acceptances in respect of a total of 202,000 Shares under the Share Offer, representing approximately 0.04% of the entire issued share capital of the Company.

Immediately after the close of the Share Offer, Meta-Wisdom was interested in an aggregate of 375,202,000 Shares, representing approximately 74.06% of the entire issued share capital of the Company.

Further details of the Share Offer and the results of the Share Offer are set out in the joint announcements of Meta-Wisdom and the Company dated 24 June 2025, 14 July 2025, 5 August 2025 and 6 August 2025 and the Composite Document dated 15 July 2025.

Saved as disclosed above, there were no events affecting the Company and its subsidiaries that require additional disclosure or adjustment that occurred after the six months ended 30 June 2025 and up to the Latest Practicable Date.

Corporate Governance and Other Information

CORPORATE GOVERNANCE CODE

The Group is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organization which is open and accountable to the shareholders of the Company (the "Shareholders"). The Board strives for adhering to the principles of corporate governance and has adopted sound corporate governance practices to meet the legal and commercial standards, focusing on areas such as internal control, fair disclosure and accountability to all Shareholders to ensure the transparency and accountability of all operations of the Company. The Company believes that effective corporate governance is an essential factor to create more value for its Shareholders.

The Company has adopted a corporate governance policy with provisions no less exacting than the Corporate Governance Code (the "Corporate Governance Code") as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange (the "Listing Rules") and complied with all the applicable code provisions set out in the Corporate Governance Code throughout the six months ended 30 June 2025.

The Board will continue to review and improve the corporate governance practices of the Group from time to time to ensure that the Group is led by an effective Board in order to optimise return for Shareholders.

INTERIM DIVIDEND

The Board did not recommend to declare any interim dividend for the six months ended 30 June 2025 (for the six months ended 30 June 2024: Nil).

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the model code for securities transactions by directors of the listed issuer as set out in Appendix C3 of the Listing Rules (the "Model Code") as its code of conduct regarding securities transactions by the Directors and relevant employees. Upon specific enquiry of all Directors, all Directors have confirmed that they complied with the required standards set out in the Model Code for the six months ended 30 June 2025.

DISCLOSURE PURSUANT TO RULE 13.18 OF THE LISTING RULES

As at 30 June 2025, there was no loan agreement of the Company with covenants relating to specific performance of the controlling shareholder of the Company.

LOAN ARRANGEMENTS GRANTED TO ENTITIES

For the six months ended 30 June 2025, the Group did not grant any loan to any entity which is subject to disclosure requirements under Rule 13.13 of the Listing Rules.

PLEDGE OF SHARES BY CONTROLLING SHAREHOLDER

For the six months ended 30 June 2025, there was no pledge of Shares by the controlling shareholder of the Company.

BREACH OF LOAN AGREEMENTS

For the six months ended 30 June 2025, there was no breach of the loan agreements by the Company in which the loan involved would have a significant impact on the business operations of the Company.

Corporate Governance and Other Information

FINANCIAL ASSISTANCE AND GUARANTEES TO AFFILIATED COMPANIES

For the six months ended 30 June 2025, there was no financial assistance or guarantee to affiliated companies by the Company which is subject to disclosure.

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

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

SHARE AWARD SCHEME

The Company adopted the Share Award Scheme on 20 August 2020 (the "Adoption Date").

Any full-time employee, director or senior management of the Company or other members of the Group are eligible to participate in the Share Award Scheme.

The purpose of the Share Award Scheme is to (i) align the interests of eligible participants directly to those of the Shareholders through ownership of Shares; (ii) recognize the contributions made by the Selected Grantees and to give incentives thereto in order to retain them for the continual operation and development of the Group; and (iii) attract high-calibre employees for further development of the Group. Subject to any early termination as may be determined by the Board in accordance with the terms of the Share Award Scheme, the Share Award Scheme shall be effective for ten (10) years commencing from the Adoption Date. As at the Latest Practicable Date, the remaining life of the Share Award Scheme was approximately five years.

The Board shall not make any further award under the Share Award Scheme which will result in the number of Shares awarded by the Board thereunder representing in excess of 1.5% of the total issued Shares as at the Adoption Date or result in a breach of the public float of the Company falling below the minimum level required in the Listing Rules upon issuance of the Award Shares. On the basis of a total of 501,633,663 Shares in issue as at the Adoption Date, the maximum number of Shares permitted to be issued under the Share Award Scheme is 7,524,504 Shares, which represents approximately (but not more than) 1.50% of the total issued Shares as at the Adoption Date and represents approximately 1.49% of the total issued Shares as at the Latest Practicable Date.

On 5 October 2020, the Board has resolved to award a total of not more than 5,016,337 Award Shares, representing approximately 1.00% of the total issued Shares as at the date of the grant, at nil consideration under the Share Award Scheme of which (a) 2,382,760 Award Shares are granted to four connected Selected Grantees (being Mr. Alain PERROT, Chairman of the Board and the then executive Director (and currently a non-executive Director), and three other connected Selected Grantees who are directors of certain subsidiaries of the Company) by way of the proposed allotment and issue of new Shares pursuant to specific mandate; and (b) not more than 2,633,577 Award Shares are granted to six non-connected Selected Grantees by way of the proposed allotment and issue of new Shares pursuant to general mandate.

Corporate Governance and Other Information

Pursuant to the Share Award Scheme, no amount is payable on application or acceptance of the Award Shares and no purchase price is payable for the Award Shares awarded, which is determined by the Board in its absolute discretion after taking into account that the purposes of the Share Award Scheme, as detailed above, are to incentivize and retain Selected Grantees, and to attract talents to join the Group. As such, for those Award Shares awarded pursuant to the rules of the Share Award Scheme, the purchase price for the Award Shares under the Share Award Scheme is nil.

At the extraordinary general meeting of the Company held on 12 November 2020, ordinary resolutions were passed in relation to the grant of Award Shares to the connected Selected Grantees and the grant of specific mandate to the Directors regarding the issue and allotment of 2,382,760 Award Shares to the connected Selected Grantees.

50% of the total Award Shares shall be vested on the second anniversary of the date of grant; and 50% of the total Award Shares shall be vested on the third anniversary of the date of grant. There is no other performance target required except the eligible participant remains as an employee of the Group during the vesting period.

On 5 October 2022, 2,508,166 Award Shares were vested and the Board has resolved to allot and issue a total of 2,508,166 new Shares to satisfy the grant of the Award Shares to the ten Selected Grantees on 5 October 2020 pursuant to the Share Award Scheme.

On 5 October 2023, 2,508,171 Award Shares were vested and the Board has resolved to allot and issue a total of 2,508,171 new Shares, representing approximately 0.50% of the total issued Shares as enlarged by such allotment and issue, to satisfy the grant of the Award Shares to the ten Selected Grantees on 5 October 2020 pursuant to the Share Award Scheme. As at 31 December 2023, a total of 5,016,337 Shares have been allotted and issued to the ten Selected Grantees pursuant to the Share Award Scheme.

As at 1 January 2025, there were 2,508,167 Award Shares available for grant under the Share Award Scheme. During the six months ended 30 June 2025, no Award Shares were granted, and accordingly as at 30 June 2025, there were 2,508,167 Award Shares available for grant under the Share Award Scheme. As at the Latest Practicable Date, the total number of Shares available for issue under the Share Award Scheme is 2,508,167 Shares (representing approximately 0.5% of the total issued Shares as at the Latest Practicable Date), of which 2,508,167 Shares are available for issue in case of further grant of 2,508,167 Share Awards (representing approximately 0.5% of the total issued Shares as at the Latest Practicable Date). There is no maximum entitlement for each eligible participant under the rules of the Share Award Scheme and as at the Latest Practicable Date, no Selected Grantee has been granted Award Shares exceeding 1% of the issued share capital of the Company.

Corporate Governance and Other Information

As at 30 June 2025, all 5,016,337 Award Shares granted under the Share Award Scheme have been vested (prior to the six months ended 30 June 2025) and no new Award Shares have been granted (and accordingly no Award Shares have been vested) during the period. Accordingly, no Award Shares remain outstanding and unvested as at 30 June 2025. There was also no cancellation, forfeiture, expiration or lapse of Award Shares during the six months ended 30 June 2025. Details of the relevant selected grantees under the Share Award Scheme are as follows:

Name of Grantees	Relationship with the Group	Date of Grant	Number of Award Shares				Outstanding as at 30 June 2025
			Outstanding as at 1 January 2025	Granted during the period	Vested during the period	Cancelled/ lapsed during the period	
Alain PERROT	Chairman of the Board and non-executive Director	5 October 2020	–	–	–	–	–
Jean Paul L. ABRAMS	Director of a subsidiary of the Company	5 October 2020	–	–	–	–	–
Guat Beng NG (黃月明)	Director of certain subsidiaries of the Company	5 October 2020	–	–	–	–	–
Six non-connected selected grantees ^{Note}	Full-time employees of the Group	5 October 2020	–	–	–	–	–
Total			–	–	–	–	–

Note

- 1) Kwok Hoong SIU was appointed as Chief executive Officer with effect from 1 April 2024.
- 2) One of the selected grantees has resigned with effect from 31 October 2024.
- 3) Barry Cheng was appointed as director of certain subsidiaries of the group with effect from 18 September 2024.

For further details of the Share Award Scheme, please refer to the announcements of the Company dated 20 August 2020, 5 October 2020 and 12 November 2020; and the circular of the Company dated 27 October 2020.

Corporate Governance and Other Information

CHANGE OF DIRECTORS AND CHANGE IN THE DIRECTORS' INFORMATION PURSUANT TO RULE 13.51B OF THE LISTING RULES

The change of Directors after the reporting period, and the change in Directors' information (if any) as required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules are set out below:

- Mr. YANG Haofang (楊豪放) ("Mr. Yang") has been appointed as an executive Director, with effect from 16 July 2025.
- Ms. MA Ying (馬鷹) ("Ms. Ma") has been appointed as a non-executive Director, with effect from 16 July 2025. Ms. Ma has been appointed as a member of the remuneration committee of the Company (the "Remuneration Committee") with effect from 6 August 2025 and a member of the nomination committee of the Company (the "Nomination Committee") with effect from 3 September 2025.
- Mr. Min YE (葉敏) ("Mr. Ye") has been appointed as an independent non-executive Director, the chairman of the Nomination Committee and a member of each of the audit committee of the Company (the "Audit Committee") and the Remuneration Committee, with effect from 3 September 2025.
- Mr. Yi Chung CHEN (陳一中) ("Mr. Chen") has been appointed as an independent non-executive Director, the chairman of the Remuneration Committee and a member of the Audit Committee, with effect from 3 September 2025.
- Mr. Werner Peter VAN ECK has ceased to be the chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee with effect from 3 September 2025.
- Dr. Shou Kang CHEN ("Dr. Chen") has ceased to be the chairman of the Remuneration Committee with effect from 3 September 2025.
- Ms. Keet Yee LAI has ceased to be a member of the Audit Committee with effect from 3 September 2025.
- Mr. Alain PERROT has ceased to be a member of the Nomination Committee with effect from 3 September 2025.
- Mr. Wei ZHOU ("Mr. Zhou") and Mr. Ewing FANG have resigned as non-executive Directors with effect from 6 August 2025. Following the resignation of Mr. Zhou as a non-executive Director, he has also ceased to be an authorised representative of the Company under Rule 3.05 of the Listing Rules, and Mr. Yang, an executive Director, has been appointed as an authorised representative of the Company under Rule 3.05 of the Listing Rules with effect from 6 August 2025.
- The annual remuneration of Mr. Kwok Hoong SIU (蕭國雄) for his appointment as the Chief Executive Officer has been adjusted to SGD305,500 with effect from 1 April 2025.

Save for the information disclosed above, there is no other information required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Corporate Governance and Other Information

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

As at 30 June 2025, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

(i) Interest in the Shares

Name of Director	Nature of interest	Number of Shares or underlying Shares ^(Note 1)	Approximate percentage of interest in the Company ^(Note 1)
Alain PERROT	Beneficial owner	1,254,084 (L)	0.25%
Kwok Hoong SIU	Beneficial owner	501,634 (L)	0.10%

Note:

- As at 30 June 2025, the Company issued 506,650,000 Shares. The letter (L) denotes the entity's long position in the relevant Shares.

(ii) Interest in associated corporation

Name of Director	Name of associated corporation	Nature of Interest	Number of shares interested ^(Note 1)	Approximate percentage of interest in the associated corporation
Alain PERROT	Omni Remotes do Brasil Ltda	Beneficial owner	100	1%

Note:

- All interests stated are long positions.

Corporate Governance and Other Information

Save as disclosed above, as at 30 June 2025, none of the Directors or chief executive of the Company had any interest or short position in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS INTERESTS AND SHORT POSITIONS IN SHARES OR UNDERLYING SHARES

As at 30 June 2025, to the best knowledge of the Directors, the following persons (other than the Directors or the chief executive of the Company) had interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO, or otherwise notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, were as follows:

Name of Shareholders	Nature of interest	Number of Shares or underlying Shares ^(Note 1)	Approximate percentage of shareholding ^(Note 1)
YANG Haofang	Founder of a discretionary trust who can influence how the trustee exercises his discretion	375,000,000 (L) <i>(Notes 2 and 3)</i>	74.02%
Trident Trust Company (HK) Limited.	Trustee	375,000,000 (L) <i>(Notes 2 and 3)</i>	74.02%
O-sycamore Holdings Limited	Interest of controlled corporation	375,000,000 (L) <i>(Notes 2 and 3)</i>	74.02%
Meta-Wisdom Tech Limited	Beneficial owner	375,000,000 (L) <i>(Notes 2 and 3)</i>	74.02%

Corporate Governance and Other Information

Notes:

1. As at 30 June 2025, the Company issued 506,650,000 Shares. The letter (L) denotes the entity's long position in the relevant Shares.
2. As at 30 June 2025, Meta-Wisdom Tech Limited was beneficially owned as to 99% by O-sycamore Holdings Limited, which was in turn wholly-owned by the Thomethan Settlement. Mr. Yang and Trident Trust Company (HK) Limited are the settlor and the trustee of the Thomethan Settlement, respectively. Mr. Yang (as the settlor of Thomethan Settlement), Trident Trust Company (HK) Limited (as the trustee of Thomethan Settlement) and O-sycamore Holdings Limited (which directly held 99% of the issued share capital of Meta-Wisdom Tech Limited) were accordingly deemed to be interested in the 375,000,000 Shares held by Meta-Wisdom Tech Limited as at 30 June 2025, under Part XV of the SFO.
3. Pursuant to section 336 of the SFO, if certain conditions are met, the Shareholders are required to submit a disclosure of interest notice. In the event of changes in the shareholding of the Shareholders in the Company, the Shareholders will not be required to notify the Company and the Stock Exchange unless certain conditions are met. Therefore, the latest shareholding of the Shareholders in the Company may be different from the shareholding submitted to the Stock Exchange.

Save as disclosed above, as at 30 June 2025, the Directors are not aware of any other persons (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO, or otherwise notified to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

REVIEW OF FINANCIAL INFORMATION BY THE AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference in compliance with the Corporate Governance Code. As at the Latest Practicable Date, the Audit Committee consists of the three independent non-executive Directors, namely, Dr. Chen (Chairman), Mr. Ye and Mr. Chen. Mr. Werner Peter VAN ECK and Ms. Keet Yee LAI ceased to be members of the Audit Committee with effect from 3 September 2025, with Mr. Ye and Mr. Chen being appointed in their stead.

The Audit Committee (then comprising independent non-executive Directors, Dr. Chen (Chairman), Mr. Werner Peter VAN ECK and Ms. Keet Yee LAI) has reviewed the unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2025 and discussed with the management the accounting principles and practices adopted by the Group, risk management and internal controls and financial reporting matters of the Group and this report. The Audit Committee has no disagreement with the accounting treatment adopted by the Company. The unaudited interim financial information of the Group for the six months ended 30 June 2025 has been reviewed by the auditor of the Company in accordance with International Standard on Review Engagements 2410 "Review of interim financial information performed by the independent auditor of the entity" issued by the International Auditing and Assurance Standards Board.

Review Report of Interim Financial Information

Report on Review of Interim Financial Information

To the Board of Directors of Home Control International Limited

(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 27 to 52, which comprises the interim condensed consolidated statement of financial position of Home Control International Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2025 and the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting”. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Review Report of Interim Financial Information

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers LLP

Public Accountants and Chartered Accountants

Singapore, 15 August 2025

Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2025

	Notes	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Revenue	6	59,564	52,107
Cost of Sales	8	(41,872)	(36,668)
Gross Profit		17,692	15,439
Other Income	6	47	54
Selling and distribution expenses	8	(3,927)	(3,598)
Administrative expenses	8	(5,791)	(5,885)
Provision for impairment loss:			
– Trade receivables		–	(6)
Other expenses	8	(1,377)	(1,485)
Finance costs – net	7	(211)	(413)
Profit before tax		6,433	4,106
Income tax expense	9	(1,399)	(898)
Profit for the period and attributable to owners of the Company		5,034	3,208
Other comprehensive loss:			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		(44)	(71)
Other comprehensive loss		(44)	(71)
Total comprehensive income for the period and attributable to owners of the Company		4,990	3,137
Earnings per share for profit attributable to owners of the company:			
Basic	19	US 0.99 cents	US 0.63 cents
Diluted	19	US 0.99 cents	US 0.63 cents

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Financial Position

30 June 2025

		30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
	Notes		
ASSETS			
Non-current asset			
Property, plant and equipment and right-of-use assets	10	2,197	2,255
Other intangible assets		18	24
Goodwill	11	8,877	8,877
Deferred tax assets		219	200
Total non-current assets		11,311	11,356
Current assets			
Financial asset at amortised cost	12	–	–
Inventories		12,447	13,371
Trade receivables	13	29,897	23,575
Prepayments and other receivables	14	963	746
Cash and cash equivalents	15	14,473	19,443
Total current assets		57,780	57,135
Total assets		69,091	68,491
LIABILITIES			
Current liabilities			
Trade payables	16	29,721	28,656
Other payables and accruals		7,687	6,325
Advance received from customers		7	15
Interest-bearing bank loans	17	–	6,171
Lease liabilities		382	333
Provisions		–	42
Tax payable		1,853	1,266
Total current liabilities		39,650	42,808
Net current assets		18,130	14,327
Total assets less current liabilities		29,441	25,683

Interim Condensed Consolidated Statement of Financial Position

30 June 2025

		30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
	Notes		
Non-current liabilities			
Other payables and accruals		60	59
Lease liabilities		153	165
Provisions		230	183
Deferred tax liabilities		102	103
Total non-current liabilities		545	510
Net assets		28,896	25,173
EQUITY			
Share capital	18	5,067	5,067
Reserves		23,829	20,106
Total equity		28,896	25,173

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2025

	Share capital US\$'000	Share premium* US\$'000	Statutory reserve* US\$'000	Retained profits* US\$'000	Exchange fluctuation reserve* US\$'000	Capital reserve* US\$'000	Total US\$'000
At 1 January 2025	5,067	8,013	47	8,879	(453)	3,620	25,173
Profit for the year	–	–	–	5,034	–	–	5,034
Other comprehensive income for the year:							
Exchange differences related to foreign operations	–	–	–	–	(44)	–	(44)
Total comprehensive income for the year	–	–	–	5,034	(44)	–	4,990
Dividends declared (Note 22)	–	–	–	(1,267)	–	–	(1,267)
At 30 June 2025	5,067	8,013	47	12,646	(497)	3,620	28,896
At 1 January 2024	5,067	8,013	47	6,371	(307)	3,620	22,811
Profit for the year	–	–	–	3,208	–	–	3,208
Other comprehensive income for the year:							
Exchange differences related to foreign operations	–	–	–	–	(71)	–	(71)
Total comprehensive income for the year	–	–	–	3,208	(71)	–	3,137
At 30 June 2024	5,067	8,013	47	9,579	(378)	3,620	25,948

* These reserve accounts comprise the consolidated reserves of US\$23,829,000 (2024: US\$20,881,000) in the consolidated statement of financial position as at 30 June 2025.

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

	Note	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Cash flows from operating activities			
Profit before tax		6,433	4,106
Adjustments for:			
– Depreciation of property, plant and equipment	8	587	679
– Depreciation of right-of-use assets	8	201	264
– Amortisation of other intangible assets	8	6	6
– Amortisation of loan arrangement fee and facility fee	7	79	33
– Loss on disposal of property, plant and equipment	8	7	1
– Interest expenses	7	132	579
– Interest income from bank deposits		(32)	(26)
– Modification gain on financial assets	7	–	(199)
– Impairment loss on financial assets	13	–	6
– Provision for inventories		88	459
– Effect of exchange rate changes		47	84
		7,548	5,992
Change in working capital:			
– Decrease/(Increase) in inventories		837	(187)
– (Increase)/Decrease in trade receivables		(6,933)	2,105
– (Increase)/Decrease in prepayment and other receivables		(194)	707
– Increase/(Decrease) in trade payables		1,075	(3,368)
– Increase in other payables and accruals		160	648
– Decrease in payment from customers		(8)	(53)
– Decrease/(Increase) in provisions		5	(29)
Cash generated from operating activities		2,490	5,815
Net income tax paid		(832)	(308)
Net cash generated from operating activities		1,658	5,507
Cash flows from investing activities			
Purchases of property, plant and equipment	10	(708)	(185)
Interest received		32	26
Net cash used in investing activities		(676)	(159)

Interim Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2025

		2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
	Note		
Cash flows from financing activities			
Repayment of interest-bearing bank loans		(6,250)	(1,800)
Principal portion of lease payments		37	(275)
Interest portion of lease liabilities		(19)	(12)
Interest paid		(113)	(567)
Net cash used in financing activities		(6,345)	(2,654)
Net (decrease)/increase in cash and cash equivalents		(5,363)	2,694
Cash and cash equivalents at beginning of period		19,443	16,872
Effects of exchange rate changes on cash and cash equivalents		393	(143)
Cash and cash equivalents at end of period	15	14,473	19,423

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

1. CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The registered office of the Company is Sertus Chambers, Governors Square, Suite #5-204, 23 Lime Tree Bay Avenue, P.O. Box 2547, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries are principally engaged in the provision of solutions for sensing and control technologies marketed in the smart home automation, consumer electronics and set-top-box segments.

The Shares of the Company have been listed on the Main Board of the Stock Exchange since the listing date on 14 November 2019.

The immediate holding company of the Company is Meta-Wisdom Tech Limited, a company incorporated in the British Virgin Islands.

This interim condensed consolidated financial information is presented in thousands of unit of United States Dollars ("US\$'000"), unless otherwise stated. This interim condensed consolidated financial information has been approved for issue by the Board on 15 August 2025.

This interim condensed consolidated financial information has not been audited.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information of the Group have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting.

The interim condensed consolidated financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's audited consolidated financial statements for the year ended 31 December 2024, which have been prepared in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board ("IFRS Accounting Standards").

The preparation of the interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses on a year-to-date basis. Actual results may differ from these estimates. In preparing this unaudited interim condensed consolidated financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

Taxes on income for the six-month periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

The interim condensed consolidated financial information has been prepared under the historical cost convention.

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the new standards and amendments to its existing standards which are relevant to the Group's operations and are applicable to the Group's accounting periods beginning on 1 January 2025. The Group has adopted all the new and revised standards, amendments and interpretations that are relevant to the Group's operations and mandatory for annual period beginning 1 January 2025. The effect of the adoption of these new and revised standards, amendments and interpretations was not material to the Group's current and prior years' results or financial position.

The Group has adopted the following revised IFRSs for the first time for annual period beginning 1 January 2025

Amendments to IAS 21 and IFRS 1	<i>Lack of Exchangeability</i>
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Standards and amendments which are not yet effective and not early adopted

Amendments to IFRS 9 and IFRS 7 ⁽¹⁾	<i>Classification and Measurement of Financial Instruments</i>
Amendments to IFRS 9 and IFRS 7 ⁽¹⁾	<i>Contracts Referencing Nature-dependent Electricity</i>
Annual improvements to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7 ⁽¹⁾	<i>Annual improvements to IFRS Accounting Standards – Volume 11</i>
IFRS 18 ⁽²⁾	<i>Presentation and Disclosure in Financial Statements</i>
IFRS 19 ⁽²⁾	<i>Subsidiaries without Public Accountability: Disclosures</i>
Amendments to IFRS 10 and IAS 28 ⁽³⁾	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>

⁽¹⁾ Effective for annual periods beginning on or after 1 January 2026

⁽²⁾ Effective for annual periods beginning on or after 1 January 2027

⁽³⁾ Effective date to be determined

The Group is assessing the full impact of these new and amended standards, interpretation and accounting guideline. Some of them may give rise to change in presentation, disclosure and measurements of certain items on the Group's results of operations and financial position, but the impacts are not expected to be significant.

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

4. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Management has determined that the carrying amounts of cash and cash equivalents, trade receivables, financial assets included in prepayments and other receivables, trade payables, financial liabilities included in other payables and accruals, reasonably approximate to their fair values because these financial instruments are mostly short term in nature.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

5. OPERATING SEGMENT INFORMATION

An operating segment, in part, is a component of an enterprise whose operating results are regularly reviewed by management to make decisions about resources to be allocated to the segment and assess its performance. Operating segments may be aggregated only to a limited extent. Management reviews the financial information about revenues and operating results as a whole for purpose of making operating decisions and assessing financial performance. Accordingly, the Group only has a single operating and reportable segment. Therefore, no further information about the operating segment is presented other than the entity-wide disclosures.

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

5. OPERATING SEGMENT INFORMATION (Continued)

Entity-wide Disclosures

Geographical information

(a) Revenue from external customers

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
North America	17,605	21,713
Europe	26,018	20,259
Asia	12,868	6,864
Latin America	3,073	3,271
	59,564	52,107

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
North America	10	20
Europe	201	82
Asia	2,004	2,177
	2,215	2,279

The non-current asset information above is based on the locations of the non-current assets and excludes goodwill and deferred tax assets.

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

5. OPERATING SEGMENT INFORMATION (Continued)

Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue for the six months ended 30 June 2025 and 2024 is set out below:

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Customer 1	12,510	10,822
Customer 2	9,775	7,191

6. REVENUE AND OTHER INCOME

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
<i>Revenue from contracts with customers</i>		
Sale of goods		
– Control Solutions	47,742	43,995
– Healthcare accessories	11,725	8,051
Royalty income	97	61
	59,564	52,107

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

6. REVENUE AND OTHER INCOME (Continued)

Revenue from contracts with customers

(i) Disaggregated revenue information

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Timing of revenue recognition		
At a point in time		
– Sale of goods	59,467	52,046
Over time		
– Royalty income	97	61
Total revenue from contracts with customers	59,564	52,107

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of goods

The performance obligation is satisfied upon passage of control of goods.

Payment is generally due within 30 to 90 days from delivery, except for new customers, where payment in advance is normally required.

Royalty income

The performance obligation is satisfied over time based on each licensed product manufactured by the licensee.

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

6. REVENUE AND OTHER INCOME (Continued)

Revenue from contracts with customers (Continued)

(ii) Performance obligations (Continued)

Royalty income (Continued)

An analysis of other income is as follows:

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Government grants (Note (a))	–	28
Interest income	32	26
Others	15	–
	47	54

(a) The government grants for the six months ended 30 June 2024 comprised subsidies received from the local governments to support the business operation of the entities.

7. FINANCE COSTS – NET

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Interests on:		
– Bank borrowings	113	567
– Lease liabilities	19	12
Amortisation of loan arrangement fee, facility and legal fee	79	33
Modification gain on other receivables (Note (a))	–	(199)
	211	413

(a) The non-current other receivables of US\$628,000 as at 31 December 2023 were loan receivables from a non-related party. During the year ended 31 December 2024, the amounts were settled and a modification gain was recognised.

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

8. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Cost of inventories sold	35,969	30,612
Provision for inventories	88	459
Outsourcing costs	4,881	4,617
Depreciation of property, plant and equipment	587	679
Depreciation of right-of-use assets	201	264
Loss on disposal of property, plant and equipment	7	1
Amortisation of other intangible assets	6	6
Distribution costs	674	594
Foreign exchange differences, net	(38)	44
Auditor's remuneration		
– Audit service	75	75
– Non-audit services	22	25
Restructuring and severance costs	10	545
Expenses for short term leases	7	–
Expenses for low value leases	1	2
Employee benefits expense		
– <i>Wage and salaries</i>	5,344	5,080
– <i>Pension scheme contributions</i>	1,022	905
– <i>Long service awards</i>	5	11
– <i>Other employee benefits</i>	115	121

During the six months ended 30 June 2025, the Group incurred expenses for the purpose of research and development of US\$2,251,000 (2024: US\$2,866,000), which comprised employee benefits expenses of US\$2,014,000 (2024: US\$2,048,000).

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

9. INCOME TAXES

The Group is subject to income tax on an entity basis on profit arising in or derived from the jurisdictions in which entities of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands, the Company and HCIL Master Option Limited are not subject to any income tax in this jurisdiction.

The Singapore statutory income tax for Home Control Singapore Pte. Ltd. has been provided at the rate of 17% (2024: 17%) on the estimated assessable profits arising in Singapore during the reporting period.

The federal tax for Premium Home Control Solutions LLC has been provided at the rate of 21% (2024: 21%), and the state tax has been provided at the rate of 4% (2024: 4%) on the estimated assessable profits arising in the United States of America during the reporting period.

The provision for Mainland China income tax has been provided at the applicable income tax rate of 25% (2024: 25%) on the estimated assessable profits of the PRC subsidiaries of the Group in accordance with the PRC Corporate Income Tax Law. Home Control Solutions (Suzhou) Limited was qualified as a Small and Low-profit Enterprise and was subject to a preferential income tax rate of 5% (2024: 5%) until 31 December 2027. During the six months ended 30 June 2025, HCS (Suzhou) Limited qualified as a Technologically-advanced Service Enterprise and was subject to a preferential income tax rate of 5%. For the six months ended June 2024, the income tax for HCS (Suzhou) Limited was provided at the rate of 25%. A lower tax rate was applied in 2025 as compared to 2024 after HCS (Suzhou) Limited was granted the preferential rate in December 2024.

The corporate income tax rate for Home Control Europe NV has been provided at the rate of 25% (2024: 25%) on the estimated assessable profits arising in Belgium during the reporting period.

The corporate income tax rate for Omni Remotes do Brasil Ltda has been provided at the rate of 24% (2024: 24%) on the estimated assessable profits arising in Brazil during the reporting period.

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

9. INCOME TAXES (Continued)

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense are as follows:

	For the six months ended 30 June	
	2025 US\$'000 (Unaudited)	2024 US\$'000 (Unaudited)
Current tax – Singapore		
Charge for the period	1,366	761
(Over)/under provision in prior periods	(32)	1
Current tax – United States of America		
Charge for the period	39	96
Current tax – China and elsewhere		
Charge for the period	33	141
	1,406	999
Deferred tax		
Credit for the year	(7)	(101)
Total tax expense for the period	1,399	898

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

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

	Property, plant and equipment					Right-of-use assets				
	Machinery					Re- instatement	Office premises	Motor vehicles	Sub-total	Total
	Furniture and fittings	Specific tools	and equipment	Construction-in- progress	Sub-total					
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000					
						US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Cost										
At 31 December 2023 and										
1 January 2024 (Audited)	132	15,156	5,995	470	21,753	345	3,518	272	4,135	25,888
Additions	–	–	–	185	185	–	10	–	10	195
Transfer	–	327	–	(327)	–	–	–	–	–	–
Disposals	–	–	(57)	–	(57)	–	–	–	–	(57)
Exchange differences	–	(24)	(42)	–	(66)	(5)	(44)	(9)	(58)	(124)
At 30 June 2024 (Unaudited)	132	15,459	5,896	328	21,815	340	3,484	263	4,087	25,902
Accumulated depreciation										
At 31 December 2023 and										
1 January 2024 (Audited)	132	14,367	4,993	–	19,492	317	3,188	116	3,621	23,113
Charge for the period	–	356	323	–	679	7	221	36	264	943
Disposals	–	–	(56)	–	(56)	–	–	–	–	(56)
Exchange differences	–	(24)	(39)	–	(63)	(4)	(42)	(4)	(50)	(113)
At 30 June 2024 (Unaudited)	132	14,699	5,221	–	20,052	320	3,367	148	3,835	23,887

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

10. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS (Continued)

	Property, plant and equipment					Right-of-use assets				
	Furniture and fittings	Machinery and equipment			Sub-total	Re-instatement	Office premises	Motor vehicles	Sub-total	Total
	US\$'000	Specific tools	and equipment	Construction-in-progress	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Cost										
At 31 December 2024 and 1 January 2025 (Audited)	-	16,083	5,284	328	21,695	93	2,437	258	2,788	24,483
Additions	-	14	165	313	492	-	72	144	216	708
Transfer	-	376	-	(376)	-	-	-	-	-	-
Disposals	-	-	(303)	-	(303)	(66)	-	(133)	(199)	(502)
Exchange differences	-	20	32	-	52	3	40	26	69	121
At 30 June 2025 (Unaudited)	-	16,493	5,178	265	21,936	30	2,549	295	2,874	24,810
Accumulated depreciation										
At 31 December 2024 and 1 January 2025 (Audited)	-	15,060	4,874	-	19,934	85	2,029	180	2,294	22,228
Charge for the period	-	462	125	-	587	2	162	37	201	788
Disposals	-	-	(301)	-	(301)	(66)	-	(128)	(194)	(495)
Exchange differences	-	17	28	-	45	3	36	8	47	92
At 30 June 2025 (Unaudited)	-	15,539	4,726	-	20,265	24	2,227	97	2,348	22,613
Net carrying amount										
At 30 June 2024 (Unaudited)	-	760	675	328	1,763	20	117	115	252	2,015
At 31 December 2024 (Audited)	-	1,023	410	328	1,761	8	408	78	494	2,255
At 30 June 2025 (Unaudited)	-	954	452	265	1,671	6	322	198	526	2,197

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

11. GOODWILL

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Cost and net carrying amount	8,877	8,877

As at 30 June 2025, no impairment charge has been recorded against goodwill. (30 June 2024: no impairment charge).

12. FINANCIAL ASSETS AT AMORTISED COSTS

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Unlisted investment	3,437	3,437
Less: Loss allowance	(3,437)	(3,437)
	—	—

The above investments were treasury management principal protected products issued by a financial intermediary. The investment is denominated in Hong Kong Dollar. The investment matures initially 1.5 years from inception, and will be rolled over automatically unless the parties mutually agree to terminate it. The financial intermediary has the right to redeem the investments prior to its termination, and the discretion to determine the interest to be compensated.

These investments are classified as financial assets at amortised cost as their contractual cash flows are solely payments of principal and interest.

The financial intermediary did not agree to the Company's redemption of the investment during the financial year ended 31 December 2024 and it was rolled over in May 2024. The Group assess that there is a significant increase in credit risk since the inception of the investment as there is uncertainty as to when and whether the investment will be redeemed in full.

As at 31 December 2024, the estimated lifetime expected credit loss is assessed to be the carrying value of the investment due to the lack of adequate information to estimate the cash flows that the Company expects to receive from the financial intermediary.

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

13. TRADE RECEIVABLES

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Trade receivables	30,112	23,790
Impairment	(215)	(215)
	29,897	23,575

Trade receivables are non-interest bearing and are generally on 30 to 90 days' credit terms. They are recognised at their original invoice amounts on initial recognition.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
0–90 days	29,168	20,240
91 to 180 days	527	2,130
More than 180 days	202	1,205
	29,897	23,575

The movements in the loss allowance for impairment of trade receivables are as follows:

	30 June 2025 US\$'000 (Unaudited)	30 June 2024 US\$'000 (Unaudited)
At beginning of period	215	333
Impairment loss	–	6
At end of period	215	339

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

14. PREPAYMENTS AND OTHER RECEIVABLES

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Other receivables	203	210
Value-added tax recoverable	86	102
Prepayments	674	434
	963	746

The financial assets included in the above balances relate to receivables for which there was no recent history of default and past due amounts.

The Group had applied the general approach to provide for expected credit losses for non-trade other receivables under IFRS 9. For current other receivables, the balances were settled within 12 months and had no historical default.

15. CASH AND CASH EQUIVALENTS

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Cash and cash equivalents	14,473	19,443
Denominated in:		
US\$	9,442	11,204
Euro	1,334	898
Singapore Dollar	212	888
RMB	1,389	4,670
British Pound Sterling	1,708	1,475
Brazilian Real	214	141
Others	174	167
Total	14,473	19,443

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

15. CASH AND CASH EQUIVALENTS (Continued)

Cash at banks earn interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

The RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business. The remittance of funds out of Mainland China is subject to exchange restrictions imposed by the PRC government.

16. TRADE PAYABLES

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Trade payables	29,721	28,656

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
0-90 days	21,790	21,158
91 to 180 days	7,855	7,446
More than 180 days	76	52
	29,721	28,656

The trade payables are non-interest-bearing and are normally settled on 90-day credit terms.

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

17. INTEREST-BEARING BANK LOANS

	As at 30 June 2025 (Unaudited) US\$'000
Current	
Loan from bank – secured	–

	As at 31 December 2024 (Audited)		
	Contractual interest rate (%)	Maturity	US\$'000
Current			
Loan from bank – secured*	SOFR + 2.5%	Mar & Sep 2025	6,171
			6,171

* As at 31 December 2024, the bank loan was secured by a floating charge over bank accounts of HCS amounting to approximately US\$12.0 million. The bank loan of the Group has been presented net of the amortisation of loan facility and legal fee.

All interest-bearing bank loans are denominated in USD.

If SOFR is less than zero, SOFR shall be deemed to be zero.

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Analysed into:		
Loan from bank repayable:		
– Within one year or on demand	–	6,171
	–	6,171

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

18. SHARE CAPITAL

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Authorised: 5,000,000,000 (31 December 2024: 5,000,000,000) ordinary shares of US\$0.01 each	50,000	50,000
Issued and fully paid: 506,650,000 (31 December 2024: 506,650,000) ordinary shares US\$0.01 each	5,067	5,067

19. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share amounts is based on profit for the period attributable to owners of the Company, and the weighted average number of ordinary shares of 506,650,000 (2024: 506,650,000) in issue.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to owners of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

19. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY (Continued)

The calculations of basic and diluted earnings per share are based on:

	30 June 2025 US\$'000 (Unaudited)	30 June 2024 US\$'000 (Unaudited)
Earnings		
Profit attributable to owners of the Company, used in the basic earnings per share calculation	5,034	3,208
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	506,650,000	506,650,000
	506,650,000	506,650,000

Diluted earnings per share for six months ended 30 June 2025 and 2024 are the same as basic earnings per share as there were no potentially dilutive ordinary shares.

20. RELATED PARTY TRANSACTIONS

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

Compensation of key management personnel of the Group:

	30 June 2025 US\$'000 (Unaudited)	30 June 2024 US\$'000 (Unaudited)
Short-term employee benefits	552	662
Pension scheme contributions	64	74
Total compensation paid to key management personnel	616	736

Notes to Interim Condensed Consolidated Financial Information

For the six months ended 30 June 2025

21. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

	30 June 2025 US\$'000 (Unaudited)	31 December 2024 US\$'000 (Audited)
Financial assets		
Trade receivables	29,897	23,575
Other receivables	203	210
Cash and cash equivalents	14,473	19,443
	44,573	43,228
Financial liabilities		
Trade payables	29,721	28,656
Financial liabilities included in other payables and accruals	4,846	4,297
Dividend payable	1,267	–
Interest-bearing bank loans	–	6,171
Lease liabilities	535	498
	36,369	39,622

22. DIVIDENDS

The proposed final dividend of US\$1,267,000 in respect of the financial year ended 31 December 2024 (2023: nil) was approved by the shareholders during the annual general meeting on 20 June 2025 and will be payable on or around Friday, 22 August 2025. No other dividend has been declared by the Company during the six months ended 30 June 2025 and 30 June 2024.

23. EVENTS AFTER THE REPORTING PERIOD

There were no events affecting the Company and its subsidiaries that require additional disclosures or adjustments occurred after the six months ended 30 June 2025.