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**PINE TECHNOLOGY HOLDINGS LIMITED**  
**松景科技控股有限公司\***  
*(Incorporated in Bermuda with limited liability)*  
**(Stock Code: 1079)**

**INTERIM RESULTS ANNOUNCEMENT**  
**FOR THE SIX MONTHS ENDED 31 DECEMBER 2024**

The board (the “**Board**”) of directors (the “**Director(s)**”) of PINE Technology Holdings Limited (the “**Company**”) is pleased to present the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 31 December 2024 (the “**Period**”) together with the comparative figures for the corresponding period in 2023 and the relevant explanatory notes.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the six months ended 31 December 2024*

	Notes	<b>For the six months ended</b>	
		<b>31 December</b>	
		<b>2024</b>	<b>2023</b>
		<i>HK\$'000</i>	<i>HK\$'000</i>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Revenue</b>	3	<b>140,048</b>	127,559
Cost of sales		<u><b>(138,043)</b></u>	<u>126,069</u>
<b>Gross profit</b>		<b>2,005</b>	1,490
Other income		<b>6</b>	26
Other gains and losses, net		<b>(104)</b>	1,051
Gain on disposal of subsidiaries	10	<b>–</b>	57,412
Selling and distribution expenses		<b>(693)</b>	(340)
General and administrative expenses		<u><b>(7,540)</b></u>	<u>(7,346)</u>
<b>Operating (loss)/profit</b>		<b>(6,326)</b>	52,293
Finance costs		<u><b>(26)</b></u>	<u>(78)</u>

\* For identification purposes only

		<b>For the six months ended</b>	
		<b>31 December</b>	
		<b>2024</b>	2023
	Notes	<i>HK\$'000</i>	<i>HK\$'000</i>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>(Loss)/profit before taxation</b>	4	<b>(6,352)</b>	52,215
Income tax expenses	5	<u>(255)</u>	<u>(372)</u>
<b>(Loss)/profit for the period</b>		<b>(6,607)</b>	51,843
<b>Other comprehensive (expense)/income:</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translation of foreign operations		<b>(1,139)</b>	401
Foreign currency translation reserve reclassified to profit or loss upon disposal of subsidiaries		<u>–</u>	<u>1,346</u>
<b>Total other comprehensive (expense)/income for the period</b>		<b>(1,139)</b>	1,747
<b>Total comprehensive (expense)/income for the period</b>		<b>(7,746)</b>	53,590
<b>(Loss)/profit for the period attributable to:</b>			
– Owners of the Company		<b>(6,827)</b>	52,458
– Non-controlling interests		<u>220</u>	<u>(615)</u>
		<b>(6,607)</b>	51,843
<b>Total comprehensive (expense)/income for the period attributable to:</b>			
– Owners of the Company		<b>(7,934)</b>	54,210
– Non-controlling interests		<u>188</u>	<u>(620)</u>
		<b>(7,746)</b>	53,590
<b>(Loss)/earnings per share</b>			
Basic and diluted ( <i>HK\$</i> )	7	<b>(0.005)</b>	0.040

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 31 December 2024*

		As at <b>31 December 2024</b>	As at 30 June 2024
	Notes	<i>HK\$'000</i> <b>(Unaudited)</b>	<i>HK\$'000</i> (Audited)
<b>Non-current assets</b>			
Property, plant and equipment		187	224
Right-of-use assets		–	462
Intangible assets		<u>2,492</u>	<u>2,672</u>
		<u>2,679</u>	<u>3,358</u>
<b>Current assets</b>			
Inventories		190	–
Trade and other receivables	8	2,260	3,190
Tax recoverable		260	260
Bank balances and cash		<u>75,327</u>	<u>83,646</u>
		<u>78,037</u>	<u>87,096</u>
<b>Current liabilities</b>			
Trade and other payables	9	1,485	1,374
Contract liabilities		162	1,864
Loan from a director		107	124
Tax payable		319	227
Lease liabilities		<u>–</u>	<u>476</u>
		<u>2,073</u>	<u>4,065</u>
<b>Net current assets</b>		<u>75,964</u>	<u>83,031</u>
<b>Total assets less current liabilities</b>		<u>78,643</u>	<u>86,389</u>
<b>NET ASSETS</b>		<u><u>78,643</u></u>	<u><u>86,389</u></u>

	<b>As at 31 December 2024</b>	As at 30 June 2024
Notes	<b><i>HK\$'000</i></b> <b>(Unaudited)</b>	<b><i>HK\$'000</i></b> <b>(Audited)</b>
<b>Capital and reserves</b>		
Share capital	<b>132,670</b>	132,670
Reserves	<b>(56,948)</b>	(49,014)
	<hr/>	<hr/>
Equity attributable to owners of the Company	<b>75,722</b>	83,656
Non-controlling interests	<b>2,921</b>	2,733
	<hr/>	<hr/>
<b>TOTAL EQUITY</b>	<b>78,643</b>	86,389
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# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION

The Company is incorporated in Bermuda as an exempted company with limited liability under the Companies Law of Bermuda and its shares are listed and traded on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The address of the Company’s registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The address of the Company’s head office and principal place of business in Hong Kong is Unit B, 12/F., Central 88, 88–98 Des Voeux Road Central, Central, Hong Kong.

The principal activities of the Group are the manufacture and sales of market video graphics cards and other computer components under the Group’s brand name, distribution of other manufacturers’ computer components and, consumer electronic products and others, trading business and provision of computer software and hardware and system development service. The Company is an investment holding company.

The condensed consolidated interim financial statements are presented in Hong Kong Dollars (“**HKD**”) and all values are rounded to the nearest thousand except when otherwise indicated.

## 2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements for the Period have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and the Hong Kong Accounting Standards (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). The unaudited condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 30 June 2024.

The accounting policies and methods of computation used in the unaudited condensed consolidated interim financial statements for the Period are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 30 June 2024.

### **Adoption of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”)**

During the Period, the Group has adopted all the new and revised HKFRSs issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 July 2024 for the preparation of the condensed consolidated interim financial statements. The adoption of these new and revised HKFRSs in the Period did not result in significant changes to the Group’s accounting policies, presentation of the Group’s consolidated financial statements and amounts reported for the Period and prior periods.

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

### 3. REVENUE AND SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker (“CODM”), for the purpose of resources allocation and assessment of segment performance focuses on the types of goods delivered or services provided by the Group’s operating divisions.

The Group is currently organised into four operating divisions, which are the sales of Group’s brand products; sales of other brand products; trading business; and provision of computer software and hardware and system development service. These four operating divisions form the basis of internal reports on the Group’s components, which are regularly reviewed by the CODM for the purpose of resources allocation and performance assessment. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group. Specifically, the Group’s reportable and operating segments under HKFRS 8 Operating Segments are as follows:

Group’s brand products	–	manufacture and sales of market video graphics cards and other computer components under the Group’s brand name
Other brand products	–	distribution of other manufacturers’ computer components and consumer electronic products and others
Trading business	–	trading business in the People’s Republic of China (the “PRC”)
Computer software and hardware and system development service	–	provision of computer software and hardware and system development service in the PRC

An analysis of the Group’s unaudited revenue and results for the Period and its comparatives are as follows:

#### 2024

	Group’s brand products <i>HK\$’000</i> (Unaudited)	Other brand products <i>HK\$’000</i> (Unaudited)	Trading business <i>HK\$’000</i> (Unaudited)	Computer software and hardware and system development service <i>HK\$’000</i> (Unaudited)	Consolidated <i>HK\$’000</i> (Unaudited)
REVENUE	<u>19</u>	<u>109,098</u>	<u>29,579</u>	<u>1,352</u>	<u>140,048</u>
SEGMENT RESULTS	<u>3</u>	<u>815</u>	<u>47</u>	<u>487</u>	1,352
Interest income					6
Unallocated corporate expenses					(7,684)
Finance costs					<u>(26)</u>
Loss before taxation					<u>(6,352)</u>

**2023**

	Group's brand products <i>HK\$'000</i> (Unaudited)	Other brand products <i>HK\$'000</i> (Unaudited)	Trading business <i>HK\$'000</i> (Unaudited)	Computer software and hardware and system development service <i>HK\$'000</i> (Unaudited)	Consolidated <i>HK\$'000</i> (Unaudited)
REVENUE	–	101,363	24,965	1,231	127,559
SEGMENT RESULTS	(11)	938	204	(1,510)	(379)
Interest income					26
Gain on disposal of subsidiaries ( <i>Note 10</i> )					57,412
Unallocated corporate expenses					(4,766)
Finance costs					(78)
Profit before taxation					52,215

**4. (LOSS)/PROFIT BEFORE TAXATION**

The Group's (loss)/profit before taxation for the Period is stated after charging/(crediting) the following:

	<b>For the six months ended 31 December</b>	
	<b>2024</b>	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Amortisation of intangible assets	142	–
Depreciation of property, plant and equipment	37	49
Depreciation of right-of-use assets	462	509
Interest income on bank deposits	(6)	(26)
Staff costs (including directors' remuneration)		
Salaries, bonus and allowances	5,616	4,884
Retirement benefits scheme contributions	145	132
	5,761	5,016

## 5. INCOME TAX EXPENSE

	For the six months ended	
	31 December	
	2024	2023
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current tax:		
The PRC enterprise income tax	255	372
Deferred tax	—	—
Income tax expense	<u>255</u>	<u>372</u>

For the Period and prior periods, Hong Kong Profits Tax is calculated under two-tier profits tax rate regime. First HK\$2 million of estimated assessable profits is taxed at a rate of 8.25% and the remaining estimated assessable profits is taxed at 16.5%. The Group has selected one of the Hong Kong subsidiaries to apply the two-tier profits tax rate.

Under the law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of PRC subsidiaries is 25% from 1 January 2008 onwards.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

## 6. DIVIDEND

No dividend had been paid or proposed for the Period (six months ended 31 December 2023: Nil). The Directors do not recommend a dividend in respect of the Period (six months ended 31 December 2023: Nil).

## 7. (LOSS)/EARNINGS PER SHARE

Basic and diluted loss per share is HK\$0.005 per share (six months ended 31 December 2023: earning per share of approximately HK\$0.04) for the Period, based on the loss of approximately HK\$6,827,000 (six months ended 31 December 2023: profit of approximately HK\$52,458,000) for the Period attributable to owners of the Company divided by the weighted average number of approximately 1,326,702,000 (six months ended 31 December 2023: approximately 1,326,702,000) ordinary shares in issue during the Period.

The effects of all potential ordinary shares are anti-dilutive for the Period (six months ended 31 December 2023: anti-dilutive).



## 8. TRADE AND OTHER RECEIVABLES

The Group allows a credit period of 90 to 180 days (30 June 2024: 90 to 180 days) to its trade customers. The aged analysis of trade receivables, net of allowance for doubtful debt, presented based on the invoice date is as follows:

	As at 31 December 2024 HK\$'000 (Unaudited)	As at 30 June 2024 HK\$'000 (Audited)
1 to 30 days	36	193
31 to 60 days	756	–
61 to 90 days	387	–
Over 90 days	–	–
	<hr/>	<hr/>
Trade receivables, net	1,179	193
Deposits, prepayments and other receivables	1,081	2,997
	<hr/>	<hr/>
	<b>2,260</b>	<b>3,190</b>
	<hr/> <hr/>	<hr/> <hr/>

No trade and other receivables were pledged to secure general banking facilities granted to the Group for the Period (30 June 2024: Nil).

## 9. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date is as follows:

	As at 31 December 2024 HK\$'000 (Unaudited)	As at 30 June 2024 HK\$'000 (Audited)
1 to 30 days	5	–
31 to 60 days	–	–
61 to 90 days	–	–
Over 90 days	–	–
	<hr/>	<hr/>
Trade payables	5	–
Accruals and other payables	1,480	1,374
	<hr/>	<hr/>
	<b>1,485</b>	<b>1,374</b>
	<hr/> <hr/>	<hr/> <hr/>

The average credit period on purchase of goods is 30 to 60 days (30 June 2024: 30 to 60 days).

## 10. DISPOSAL OF SUBSIDIARIES

### For the six months ended 31 December 2024

There was no subsidiary disposed during the Period.

### For the six months ended 31 December 2023

On 21 December 2023, the Group entered into an agreement with a purchaser to dispose of 100% equity interest in a subsidiary, namely Talent Crest Limited (“**Talent Crest**”), and the related shareholders’ loans at an aggregate cash consideration of US\$100 (the “**Disposal**”). The Disposal was completed on 22 December 2023.

Details of the Disposal were disclosed in the announcements of the Company dated 21 December 2023 and 22 December 2023. The net liabilities of Talent Crest and its subsidiaries as at the date of completion of the Disposal were as follow:

	As at 22 December 2023 HK\$'000 (Audited)
Property, plant and equipment	98
Trade and other receivables	3,700
Contract assets and contract costs	221
Bank balances and cash	3,482
Trade and other payables	(13,659)
Amount due to the group company	(135,733)
Contract liabilities	(527)
Bank borrowings	(1,126)
Tax payable	(2,475)
	<hr/>
Net liabilities disposed of	(146,019)
	<hr/> <hr/>
<b>Gain on disposal of subsidiaries</b>	
Consideration received	1
Shareholders’ loans assigned of	(135,733)
Non-controlling interests	48,471
Release of exchange reserve upon disposal	(1,346)
Net liabilities disposed of	146,019
	<hr/>
	57,412
	<hr/> <hr/>
<b>Net cash outflow arising from disposal of subsidiaries</b>	
Cash consideration received	1
Bank balances and cash disposed of	(3,482)
	<hr/>
	(3,481)
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## MANAGEMENT DISCUSSION AND ANALYSIS

The board (the “**Board**”) of directors (the “**Director(s)**”) of PINE Technology Holdings Limited (the “**Company**”) is pleased to present the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 31 December 2024 (the “**Period**”) together with the comparative figures for the corresponding period in 2023 and the relevant explanatory notes.

### FINANCIAL REVIEW

#### Revenue

The Group’s revenue for the Period was approximately HK\$140,048,000, representing an increase of approximately 9.8% as compared with approximately HK\$127,559,000 for the corresponding period in 2023. The increase in revenue was mainly attributable to the increase in the sale of other manufacturers’ computer components and consumer electronic products and others and the trading of raw plastic materials during the Period.

The Group generated revenue of approximately HK\$109,098,000 from the sale of other manufacturers’ computer components and consumer electronic products and others during the Period (six months ended 31 December 2023: approximately HK\$101,363,000) and approximately HK\$29,579,000 from the trading of raw plastic materials during the Period (six months ended 31 December 2023: approximately HK\$24,965,000).

#### Gross Profit and Gross Profit Margin

The Group’s gross profit increased from approximately HK\$1,490,000 for the corresponding period in 2023 to approximately HK\$2,005,000 for the Period, while the gross profit margin improved from approximately 1.2% for the corresponding period in 2023 to approximately 1.4% for the Period. The increase in gross profit for the Period was mainly attributable to the increase in sales volume.

#### Other Gains and Losses, net

The Group’s other losses (net) for the Period was approximately HK\$104,000 compared with other gains (net) of approximately HK\$1,051,000 for the corresponding period in 2023. The turnaround was mainly attributable to the adverse fluctuation of foreign currencies, particularly the depreciation of the Renminbi, which is one of the major currencies used in the Group’s operating activities.

## **Gain on Disposal of Subsidiaries**

For the Period, the Group did not record any disposal of subsidiaries, where a gain on disposal of subsidiaries of approximately HK\$57,412,000 was recorded for the corresponding period in 2023. For details, please refer to Note 10 to the condensed consolidated interim financial statements for the Period and the Company's announcements dated 21 December 2023 and 22 December 2023 respectively.

## **Selling and Distribution Expenses**

Selling and distribution expenses comprised mainly salaries of sales and marketing personnel, as well as employer contributions to the mandatory provident fund. Due to an increase in number of sales staff during the Period, the Group's selling and distribution expenses for the Period increased by approximately 103.8% to approximately HK\$693,000 compared to approximately HK\$340,000 for the corresponding period in 2023.

## **General and Administrative Expenses**

General and administrative expenses comprised mainly staff costs (including Directors' remuneration) in relation to the Group's management and administrative personnel, office expenses, depreciation of right-of-use assets, travelling and other expenses. The Group's general and administrative expenses increased from approximately HK\$7,346,000 for the corresponding period in 2023 to approximately HK\$7,540,000 for the Period, representing an increase of approximately 2.6%. The increase was mainly attributable to the increase in the number of staff during the Period.

## **(Loss)/Profit for the Period**

Loss attributable to owners of the Company for the Period amounted to approximately HK\$6,827,000 as compared with a profit attributable to owners of the Company approximately HK\$52,458,000 for the corresponding period in 2023. The turnaround from profit to loss was primarily attributable to the absence of gain on disposal of subsidiaries in the Period, whereas the Group recognised a gain of approximately HK\$57,412,000 from such disposal for the corresponding period in 2023.

## **Liquidity and Financial Resources**

The Group adopts a prudent cash and financial management policy. In order to achieve better cost control and minimise the costs of funds, the Group's treasury activities are centralised and cash is generally deposited with banks in Hong Kong and the People's Republic of China (the "PRC").

The Group has maintained its funds at a sound and healthy financial resource level. The Group's net current assets and equity attributable to owners of the Company as of 31 December 2024 were approximately HK\$75,964,000 and approximately HK\$75,722,000 respectively (30 June 2024: approximately HK\$83,031,000 and approximately HK\$83,656,000 respectively). As of 31 December 2024, net current assets included bank balances and cash of approximately HK\$75,327,000 (30 June 2024: approximately HK\$83,646,000).

As of 31 December 2024, the Group had no outstanding bank borrowings (30 June 2024: Nil).

The current ratio, being the ratio of current assets to current liabilities, was approximately 38 times as at 31 December 2024 (30 June 2024: approximately 21 times).

The Group continued to maintain a healthy financial and cash position. The Company did not carry out any fund raising activities by issuing new shares of the Company during the Period.

### **Pledge of Group's assets**

The Group did not have any charge on assets for the Period (30 June 2024: Nil).

### ***Share Capital and Capital Structure of the Company***

As at 31 December 2024, the Company had 1,326,701,739 ordinary shares of HK\$0.10 each (the "Shares") in issue (30 June 2024: 1,326,701,739 Shares).

### **Gearing Ratio**

As at 31 December 2024, the gearing ratio of the Group based on total liabilities over total assets was approximately 3% (30 June 2024: approximately 4%).

### **Foreign Exchange Exposure**

The Group's monetary assets, liabilities and transactions are mainly denominated in Hong Kong dollars and Renminbi. The Group is mainly exposed to foreign exchange risk with respect to Renminbi which may affect the Group's performance. The Group regularly reviews the balances of assets and liabilities and the currencies in which the transactions are denominated so as to minimise the Group's exposure to foreign currency risk. During the Period, no financial instruments had been used for hedging purpose. The Directors are of the view that the transactional exposure of the Group in currencies other than the functional currencies is maintained at an acceptable level.

## **BUSINESS REVIEW**

During the Period under review, the economy of the PRC and Hong Kong continued on a modest post-pandemic growth. The global market has shown remarkable resilience over the past year. However, the Group continues to operate in a very complex world; rising geopolitical tensions in general are testing the Group's resilience. Geopolitical conflicts in Europe and the Middle East and escalating US-China trade tension have resulted in a decline in global trade cooperation causing the world to move from global to a geopolitically aligned trade.

### **Group's Brand Products**

The segment revenue and segment profit from the Group's brand products were approximately HK\$19,000 and approximately HK\$3,000 respectively for the Period (corresponding period in 2023: no segment revenue and a segment loss was approximately HK\$11,000).

During the Period, the Group commenced the sale of its brand products through the establishment of its online sales platform. Looking ahead, the Group plans to further develop this business segment by leveraging its online sales platform while actively exploring other viable sales channels. The Group is committed to enhancing its brand presence, expanding its customer base, and optimizing its sales strategies to achieve sustainable growth in this segment.

### **Other Brand Products**

The segment revenue and segment profit from other brand products were approximately HK\$109,098,000 and approximately HK\$815,000 respectively for the Period (corresponding period in 2023: segment revenue was approximately HK\$101,363,000 and segment profit was approximately HK\$938,000).

The products sold by the Group under this segment are generally classified into (i) the sale of other manufacturers' computer components (the "**Other Computer Components**") and (ii) the sale of consumer electronic products including mobile phones, laptop, tablet, security cameras, wireless mice, USB flash drives, external hard disks, printers and monitor (the "**Other Electronic Products**", together with Other Computer Components, the "**Other Products**").

Other Products were mainly sold to distributors and retailers across Asia. The Directors believe that by selling products to distributors and retailers, the Group can maintain stable profits and achieve higher sales volumes. This approach also helps the Group save time and reduce costs, when compared with selling directly to individual end customers. The Group strives to attract new customers in the coming period to diversify and broaden its existing customer base. Leveraging the business network of the Group's sales team in the industry, the Group is positioned to maintain its relationship with its current customers while gradually expanding its customer base.

The Directors believe that (i) the Group's long operating history in the computer components and electronic products industry in the PRC; (ii) close relationships with its suppliers and customers; and (iii) experienced professional management team, are the key factors that will enable the Group to resume to its prior market position in the computer components and electronic products industry and capture the future growth in the computer components and electronic products market.

### **Trading Business**

The segment revenue and segment profits from the trading business were approximately HK\$29,579,000 and approximately HK\$47,000 respectively for the Period (corresponding period in 2023: segment revenue was approximately HK\$24,965,000 and segment profit was approximately HK\$204,000).

The revenue of this segment business was generated from the sales of raw plastic materials. In view of the gradual resumption of economic activities in the PRC since January 2023 after the pandemic, various industries experienced a resurgence in commercial activities. Recognising the increasing demand for raw plastic materials, the Company seized the opportunity to venture into the trading of raw plastic materials, with a view to explore new business market and capitalise on the market growth in the plastic industry.

The Group carries out market researches to keep abreast of the raw plastic material market trends, development and changes in end-user preferences in the PRC. Leveraging the business network of the Group's sales team in the industry, the Group is well-positioned to maintain solid relationships with existing customers while steadily expanding its customer base. Supported by robust capital reserves, the Group is able to procure raw plastic materials in bulk directly from suppliers at discounted rates. This cost advantage allows the Group to offer its customers more competitive pricing compared to purchasing smaller quantities directly from suppliers. These strategic advantages position the Group's raw plastic material trading business for continued growth and long-term success.

### **Computer Software and Hardware and System Development Service**

On 23 January 2024, the Group established a joint venture company (the "JV Company") in Shenzhen, the PRC. The Group indirectly holds a 51% equity stake in the JV Company. Apart from the provision of computer software and hardware and system development services, the JV Company will expand into measurement and control equipment integration, as well as the drone and robotics markets. This expansion aims to increase revenue and take advantage of new market opportunities. The main target customers are measurement and control equipment integrators and small to medium-sized businesses. By leveraging the benefits of the joint venture, the Directors believe that the JV Company will quickly establish its market presence and improve the Group's financial performance.

During the Period, the segment's revenue was approximately HK\$1,352,000, representing an approximate 10% increase compared to that of approximately HK\$1,231,000 for the corresponding period in 2023. The segment's profit was approximately HK\$487,000, which marks a significant improvement compared to a segment's loss of approximately HK\$1,510,000 for the corresponding period in 2023. The growth in revenue and the improvement in segment results have started to make a meaningful contribution to the Group's overall business performance.

## **BUSINESS OUTLOOK**

The economies of Hong Kong and the PRC are anticipated to continue on a slow post-pandemic recovery path in the year of 2025, but the prospects remain highly uncertain driven by the development of geopolitical factors. The risk appetites for corporate investments/business expansion and individual's consumption are expected to remain conservative in the near term until a clearer economic outlook is ascertained.

Anticipating an uncertain global environment, the Group has maintained its focus on resilience and sustained growth. The Group will continue adopting sound and flexible marketing strategies to expand customer base and channels of services. Being acutely aware of the financial and operational risks it faces, the Group has further strengthened its credit control policy. Prudent working capital and cashflow management continues to be in place to ensure smooth and continuous short- and long-term operation. The Group will also strive for the diversification of income streams through the development of other business opportunities.

## **SIGNIFICANT INVESTMENTS AND MATERIAL ACQUISITIONS AND/OR DISPOSALS**

There was no significant investment held by the Group, nor were there any material acquisitions and/or disposals of subsidiaries, associates and joint ventures during the Period.

## **FUTURE PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

The Group did not have any plan for material investments or capital assets as at 31 December 2024.

## **EMPLOYEES AND REMUNERATION POLICY**

The Group ensured that its employees are remunerated according to the prevailing manpower market conditions, individual performance, qualification, experience and remuneration policies, which are reviewed on a regular basis. As at 31 December 2024, the Group had 28 employees, including 2 executive Directors and 3 independent non-executive Directors, at market remuneration with employee benefits such as medical coverage, insurance plan, retirement benefits schemes, discretionary bonus and employee share option scheme. Staff costs, including Directors' emoluments, were approximately HK\$5,761,000 for the Period as compared with that of approximately HK\$5,016,000 for the corresponding period in 2023.



## **CONTINGENT LIABILITIES**

The Group had no material contingent liabilities as at 31 December 2024 (30 June 2024: Nil).

## **INTERIM DIVIDEND**

The Directors do not recommend an interim dividend for the Period (six months ended 31 December 2023: Nil).

## **CORPORATE GOVERNANCE CODE AND OTHER INFORMATION**

### **Compliance with the Corporate Governance Code**

The Company is committed to achieving and maintaining high standards of corporate governance, as the Board believes that good and effective corporate governance practices are key to obtain and maintain the trust of the shareholders of the Company and other stakeholders, and are essential for encouraging accountability and transparency so as to sustain the success of the Group and to create long-term value for the shareholders of the Company.

The Company has adopted the principles and code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Listing Rules. Save for code provision C.2.1 of the CG Code, the Company has fully complied with the CG Code during the Period.

Pursuant to the code provision C.2.1 of the CG Code, 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.

As Mr. Zhang Sanhuo is the chairman (the “**Chairman**”) of the Board and the chief executive officer (the “**Chief Executive Officer**”) of the Company, his appointment as both the Chairman and Chief Executive Officer deviates from code provision C.2.1 of the CG Code. The positions of the Chairman and Chief Executive Officer are held by Mr. Zhang Sanhuo who has extensive knowledge about the management. The Company believes that this structure is conducive to strong and consistent leadership, enabling the Company to formulate and implement strategies efficiently and effectively. Under the supervision of the Board and its independent non-executive Directors, a balancing mechanism exists so that the interests of the shareholders of the Company are adequately and fairly represented. The Company considers that there is no imminent need to change this structure.

## Share Option Scheme

The Company's share option scheme (the "**Scheme**") was adopted pursuant to the ordinary resolution passed by the shareholders of the Company on 22 November 2013 for the purpose of providing incentives or reward to the Directors, eligible employees or any person who have contributed or may contribute to the Group. The Scheme was amended pursuant to the ordinary resolution passed by the shareholders of the Company on 15 November 2018 and the Directors considered that the amendment to the Scheme was in line with Rule 17.04(1) of the Listing Rules. Please refer to the circular of the Company dated 16 October 2018 and the announcement of the Company dated 15 November 2018 for further information in relation to the amendment to the Scheme. As at 1 July 2024, the beginning of the Period, the Company had 132,670,173 share options available for grant under the Scheme. The Scheme expired on the tenth anniversary of the adoption date (i.e. 22 November 2023), and thereafter no further share options could be granted but the provisions of the Scheme shall remain in full force and effect in respect of any share options granted before its expiry or termination but not yet exercised. As such, at the beginning and the end of the Period, no further share options may be granted under the Scheme.

Share options granted must be taken up within 21 days from the date of grant, upon payment of HK\$1 per share option. A share option may be exercised in accordance with the terms of the Scheme at any time during the respective effective period of the Scheme to be notified by the Board which shall not be later than 10 years from the date of grant.

As disclosed in the announcement of the Company dated 12 December 2018, there were 80,140,000 share options granted to certain grantees which included the Directors with an exercise price of HK\$0.46 per share pursuant to the Scheme. The exercise price of HK\$0.46 per share was the highest of: (i) the closing price of HK\$0.45 per share as quoted in the Stock Exchange's daily quotation sheet on the date of grant; (ii) the average closing price of approximately HK\$0.46 per share as quoted in the Stock Exchange's daily quotation sheets for the 5 business days immediately preceding the date of grant; and (iii) the nominal value of HK\$0.10 per share.

Unless approved by the shareholders of the Company, the total number of Shares issued and to be issued upon exercise of the share options granted to each eligible participant (including both exercised and outstanding share options) in any 12-month period must not exceed 1 per cent of the Shares in issue.

The subscription price shall be determined by the Board at its absolute discretion, provided that it shall be not less than the highest of:

- (1) the closing price of the Shares on the Stock Exchange (as stated in the Stock Exchange's daily quotations sheet) on the offer date, which must be a business day;

- (2) the average closing price of the Shares on the Stock Exchange (as stated in the Stock Exchange's daily quotations sheets) for the five business days immediately preceding the offer date; and
- (3) the nominal value of a Share on the offer date.

On 28 November 2019, an ordinary resolution was duly passed by the shareholders of the Company at an annual general meeting of the Company, approving, inter alia, the refreshment of the scheme mandate limit under the Scheme. Upon the refreshment of the scheme mandate limit and prior to the expiry of the Scheme, the Company was able to grant share options entitling holders thereof to subscribe for up to a maximum number of 132,670,173 Shares, representing approximately 10% of the number of issued Shares as at the date of the annual general meeting held on November 2019. Please refer to the circular of the Company dated 29 October 2019 and the announcement of the Company dated 28 November 2019 for further details of the refreshment of the scheme mandate limit.

### **Securities Transactions by Directors**

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard under the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules. Having made specific enquiry of all Directors by the Company, all Directors confirmed that they had complied with the required standards set out in the Model Code and its code of conduct regarding directors' securities transactions during the Period.

Pursuant to paragraph A.3 of Appendix C3 to the Listing Rules, the Directors are prohibited from dealing in any securities of the Company on any day on which its financial results are published and during the period of 30 days immediately preceding the publication date of the results.

The Company has also established written guidelines on terms no less exacting than the Model Code for securities transactions by employees (the "**Employees Written Guidelines**") who are likely to be in possession of unpublished price-sensitive information of the Company.

No incident of non-compliance with the Employees Written Guidelines by the employees was noted by the Board during the Period.

### **Competing Interests**

The Directors confirm that neither the controlling shareholders of the Company nor the Directors and their respective close associates (as defined in the Listing Rules) is interested in a business apart from the Group's business which competes or is likely to compete, directly or indirectly, with the Group's business for the Period and up to the date of this announcement, and that is required to be disclosed pursuant to Rule 8.10 of the Listing Rules.

## **Sufficiency of Public Float**

Based on the information that was publicly available and with the knowledge of the Directors as at the date of this announcement, the Company has maintained the prescribed minimum public float for its shares as required under the Listing Rules during the Period and up to the date of this announcement.

## **Audit Committee**

The audit committee of the Company (the “**Audit Committee**”) consists of three independent non-executive Directors, namely, Mr. So Stephen Hon Cheung (chairman of the committee), Mr. Zhou Chunsheng and Mr. Tian Hong.

The Audit Committee was established with written terms of reference that sets out the authorities and duties of the Audit Committee adopted by the Board. The functions of risk management, internal control and corporate governance were adopted into the terms of reference of Audit Committee in compliance with the Listing Rules.

The main duties of the Audit Committee are to assist the Board in overseeing the Company’s relationship with external auditors, and reviewing the financial information and reporting process, internal control procedures, risk management system, audit plan and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The unaudited condensed consolidated interim financial statements for the Period have been reviewed by the Audit Committee, which is of the opinion that such statements have been prepared in accordance with the applicable accounting standards, the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the Listing Rules, but have not been reviewed by the Company’s auditors.

## **Purchase, Sale or Redemption of Listed Securities**

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities.

## **Events after the Reporting Period**

There is no material subsequent event undertaken by the Company or by the Group after 31 December 2024 and up to the date of this announcement.

## **Publication of Interim Results and Interim Report**

This announcement is published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.irasia.com/listco/hk/pine](http://www.irasia.com/listco/hk/pine)) respectively. The interim report of the Company for the Period containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board  
**PINE Technology Holdings Limited**  
**Zhang Sanhuo**  
*Chairman*

Hong Kong, 27 February 2025

*As at the date of this announcement, the executive Directors are Mr. Zhang Sanhuo and Ms. An Juan; and the independent non-executive Directors are Mr. So Stephen Hon Cheung, Mr. Zhou Chunsheng and Mr. Tian Hong.*