



利通太平洋金融控股有限公司
Net Pacific Financial Holdings Limited



**Every Effort Put In Will
Translate Into Gains**

Annual Report 2025



Company Profile

Net Pacific Financial Holdings Limited ("**Net Pacific**", and together with its subsidiaries, the "**Group**") is an investment company specialising in providing financing services and access to capital primarily to small and medium-sized enterprises (SMEs) in the People's Republic of China ("**PRC**"), and Hong Kong Special Administrative Region ("**HKSAR**"). With a strong emphasis on sustainable growth, the Group expanded into the operations of the Golf business and travel product solutions business, namely the Luggage business.

Financing Services

Our range of financing services includes working capital financing via asset-backed loans and mezzanine loans secured by floating or fixed charges over specific assets or shares of the borrower or guaranteed by major shareholders. This comprehensive approach ensures flexibility and stability in meeting the financing requirements of our clients while minimising downside risks to our Group. We focus on optimising investments in companies with strong fundamentals and growth potential. Our investments are strategically structured in the form of convertible loans or preferential shares with capital protection mechanisms to safeguard our interests. By maintaining a prudent operational approach, we aim to capitalise on emerging opportunities while mitigating risks effectively.

Golf Business

The acquisition of the Golf Business marks a strategic expansion into the sale of golf simulators and operator of indoor golf simulator venues in the PRC. Led by a seasoned team with extensive experience in golf-related operations, including coaching, training centres, and brand marketing, this venture aligns with our goal of sustainable growth and revenue diversification. Leveraging a scalable business model and expertise, we have experienced and continue to anticipate a steady income stream from this venture, further contributing to our overall success.

Luggage Business

Recognizing the potential in the rebounding travel industry post-COVID-19, Net Pacific has in 2024 ventured into the travel product solutions business through the acquisition of Saint Pearl Travel Products (Guangdong) Co., Ltd., which completed on 10 May 2024. Our Luggage Business specializes in hard case luggage manufacturing and sales in the Business-to-Business sector. Backed by an experienced management team with expertise in manufacturing and sales networks, this initiative positions us for scalable growth and diversification of revenue streams, tapping into the resurgence of travel demand domestically and globally.

At Net Pacific, we are dedicated to fostering sustainable growth and creating value for our clients, shareholders and stakeholders. With a focus on innovation, diversification, and prudent risk management, we are poised to drive mutual success and prosperity for all stakeholders.

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This Annual Report has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange assumes no responsibility for the contents of this Annual Report, including the correctness of any of the statements or opinions made or reports contained in this Annual Report.

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CHAIRMAN'S MESSAGE

Dear Shareholders,

On behalf of the Board of Directors (the “**Board**”) of Net Pacific Financial Holdings Limited (“**Net Pacific**”, and together with its subsidiaries, the “**Group**”), we are pleased to provide an update on the Group's business overview and financial performance for the eighteen-month financial period from 1 January 2024 to 30 June 2025 (“**FY2025**”). This period was transformative for the Group as we reshaped our business portfolio and laid the foundation for new pathways to growth.

The global economic environment remained uncertain throughout FY2025, weighed down by a sluggish pace of recovery and persistent geopolitical tensions. These conditions have created volatility in trade flows and pressure on consumer confidence worldwide. The Board and management continue to closely monitor developments that may affect the Group's operations and our credit exposures.

While our Financing Business continues to provide steady income, the Board holds the view that greater long-term value lies in acquiring controlling stakes in operating businesses. Such businesses generally offer higher profit margins compared to financing activities and, more importantly, enhance our ability to access bank financing. Turnover and assets from operating businesses are recorded in the Company's books, thereby improving our profile with financial institutions. This, in turn, enables us to secure additional funds, strengthen working capital, and enhance returns for both the business and our shareholders.

Strategic Expansion into Operating Businesses

In line with this strategic direction, the Group has pursued and secured new growth opportunities. Our most significant move during the year was the acquisition of Saint Pearl Travel Products (Guangdong) Co., Ltd., (“**Saint Pearl**”) completed on 10 May 2024. This transaction marked our entry into the Luggage Business, which has since become the mainstay of the Group. In parallel, we expanded into the Golf Business, where rationalisation efforts are ongoing. Together, these businesses embody the Group's strategic pivot toward building more scalable operations in the PRC.

Luggage Business

The Luggage Business has quickly established itself as the Group's primary growth driver, contributing 86% of Group's revenue in FY2025. Saint Pearl has proven its ability to serve as an OEM (Original Equipment Manufacturer) partner for international brands, leveraging its production scale and technical know-how to meet exacting global standards. OEM sales continue to provide a stable base of demand. In addition to OEM manufacturing, we also provide ODM (Original Design Manufacturer) solution which delivers high value-for-money products tailored for price-conscious customer base market.

At the same time, Saint Pearl has taken bold steps to create its own identity in the marketplace. In 2025, together with our associated company 沸騰冒泡(广州)文化有限公司, the Company launched “Open Water”, our proprietary brand of hard-case travel products. “Open Water” reflects the growing appetite among consumers for innovative, lifestyle-driven luggage designs that combine functionality with aesthetic appeal. Through strategic participation in leading trade exhibitions (e.g. Canton Fair), targeted marketing campaigns, and the building of e-commerce distribution channels in the PRC, “Open Water” is being positioned to become the brand of choice for discerning travellers. This dual strategy combines OEM and ODM supply with the development of our own brand and is designed to achieve three key objectives: (1) reducing reliance on OEM and ODM sales over time, (2) capturing higher margins, and (3) building long-term brand equity for the Group.

Beyond brand building, Saint Pearl is also diversifying its markets. Recognising the uncertainties associated with changing U.S. tariff policies, Saint Pearl has shifted its export focus from the United States to Europe, while simultaneously exploring new opportunities in other Asian markets. Alongside this, we have strengthened cooperation with Guangdong Dapu All Aluminium Luggage Co., Ltd. (Dapu) to expand into the aluminium luggage segment, thereby broadening our product range and tapping into a potential growth niche.

Golf Business

The Golf Business, while a smaller part of our portfolio, reflects our effort to diversify into lifestyle and leisure sectors. During the financial year, the Ben Sports Group completed a restructuring plan, which

included replacing an unprofitable golf simulator venue with a more strategically located site, and introducing retail and repair services for golf equipment to broaden customer offerings. In FY2025, we also transitioned our simulator segment's model from exclusive distributorship of a single supplier to a general dealership of multiple brands. This adjustment was made in response to market demand for greater variety and aims to increase sales volume while reducing concentration risk.

That said, the Golf Business continues to face challenges amid weak consumer sentiment in China and intense competition. Our focus moving forward is on streamlining operations, containing costs, and positioning the business to capitalize on any market recovery.

Group Financial Highlights

Group's revenue rose to HK\$79.3 million in FY2025, up from HK\$3.3 million in FY2023, mainly due to the contributions from the newly acquired Luggage Business. However, higher production costs, marketing expenses, administrative overheads, and goodwill impairment associated with the acquisition of the Luggage Business, alongside operating inefficiencies caused by below-than-expected sales volume, resulted in a net loss of HK\$30.0 million for FY2025, compared to a net loss of HK\$4.9 million (restated) in FY2023.

The Group ended the financial period with total assets of HK\$130.1 million and cash and cash equivalents of HK\$24.4 million. While cash balances declined from HK\$47.2 million in FY2023, the Group's liquidity remains sound. Net cash used in operating activities was HK\$16.2 million, while net cash used in investing activities was HK\$11.4 million, mainly for the acquisition of Saint Pearl, and plant and equipment. Net cash generated from financing activities amounted to HK\$4.4 million, supported by capital contributions and shareholder loans by non-controlling interests, and a new bank facility for the Luggage Business.

Outlook

Looking ahead, the Board's priority is clear: to transform the Group into a diversified business platform anchored by the Luggage and Golf Businesses. By balancing our core OEM and ODM partnerships with the strategic development of our “Open Water” brand for both international and local markets, Saint Pearl is building a dual-engine growth model that provides stability, scalability, and long-term profitability. We are implementing a comprehensive strategy aimed at achieving both commercial growth and operational excellence, with the goal of restoring profitability in our luggage segment.

In our golf segment, our strategy focuses on transforming our service offerings and diversifying revenue streams by creating a one-stop solution. This model fully integrates equipment sales and repairs into our indoor golf venues, combining golf entertainment, coaching, retail, and services in one destination. We will leverage this integrated model to position ourselves as a complete golf solution provider, capturing value across multiple customer touchpoints.

While external uncertainties remain, particularly in the global economy and trade environment, we are confident that our pivot into operating businesses has created stronger foundation for sustainable growth. The Board is confident this strategy will not only generate higher revenue but also enhance our financing capacity and resilience.

In light of this background, the Group seeks shareholders' approval to change its company name to **Net Pacific Holdings Limited**, better reflecting this strategic transition.

Appreciation

On behalf of the Board, I would like to extend my sincere appreciation to our management team and employees for their hard work and adaptability during this period of transformation. I would also like to thank our shareholders, customers, and business partners for their continued trust and support. Together, we are charting a course toward a stronger, more resilient, and more competitive Group.

Chung Wai Man
Independent Non-Executive Chairman

BOARD OF DIRECTORS

CHUNG WAI MAN

Independent Non-Executive Chairman

Mr Chung Wai Man (“**Mr Chung**”) was first appointed to the Board on 13 June 2018, and last re-elected as a Director on 28 June 2023. Mr Chung was re-designated as the Independent Non-Executive Chairman of the Company on 31 July 2020. Mr Chung is also the Chairman of the Nominating Committee of the Company.

Mr Chung is an independent non-executive director of E Lighting Group Holdings Limited (Stock code: 8222), Shanghai MicroPort MedBot (Group) Co., Ltd. (stock code: 02252) and Zhongmiao Holdings (Qingdao) Co., Ltd. (stock code: 01471), all being companies listed on the Stock Exchange of Hong Kong Limited (“**SEHK**”). Mr Chung is also an independent director of Smart Logistics Global Limited (stock code: SLGB) which is listed on the Nasdaq of the US. Previously, Mr Chung was an independent non-executive director (2019-2025) of Shandong Fengxiang Co., Ltd. (Stock code: 9977), which was listed on the SEHK.

Mr Chung has over 30 years of experience in accounting, taxation and finance, and previously held the position of chief financial officer in various private companies and companies listed on the SEHK, including, Huapei Global Capital Limited (2019-2023), China Taihe Group Limited (2017 to 2019), Legend Strategy International Holdings Group Company Limited (2016 to 2017), and Silver Base Group Holdings Limited (2004 to 2010).

Mr Chung obtained a Bachelor's Degree (Honours) in Social Sciences from the University of Hong Kong in 1989 and a Master's degree in International Business Management from the City University of Hong Kong in 1998. Mr Chung became an associate member of the Hong Kong Institute of Certified Public Accountants in 1995 and a fellow member of the Association of Chartered Certified Accountants in the United Kingdom in 1999.

Mr Chung will be rotated for re-election as a Director at the forthcoming AGM of the Company.

ZHOU WEN JIE

Non-Independent Non-Executive Director

Mr Zhou Wen Jie (“**Mr Zhou**”) was first appointed to the Board as the Non-Independent Non-Executive Chairman on 25 February 2013 and was re-designated as a Non-Independent Non-Executive Director in July 2020. Mr Zhou was last re-elected as a Director on 28 April 2022.

With over 19 years of experience in the industry of recycling ferrous and non-ferrous metals, Mr Zhou was the executive director of Zibao Metals Recycling Holdings Plc, a company trading on the Alternative Investment Market (“**AIM**”), a market operated by the London Stock Exchange Plc from 1988 to 2020. Mr Zhou also holds non-executive directorships in various companies involved in the metal recycling business. In addition, Mr Zhou invests in property developments in the

People's Republic of China (“**PRC**”) and Australia, private equity funds in the PRC, fund management and metal recycling related businesses.

Mr Zhou graduated from University of New South Wales, Australia with a Bachelor of Economics (Accounting).

Mr Zhou is the brother-in-law of Mr Ben Lee, a Non-Independent Non-Executive Director of the Company.

Mr Zhou will be rotated for re-election as a Director at the forthcoming AGM of the Company.

ONG CHOR WEI @ ALAN ONG

Chief Executive Officer and Executive Director

Mr Ong Chor Wei (“**Mr Ong**”) was first appointed to the Board on 8 February 2010. Mr Ong was last re-elected as a Director on 21 May 2024.

Mr Ong is currently a non-executive deputy chairman of Joyas International Holdings Limited, a company listed on the Catalist Board of the SGX-ST. Mr Ong is also an executive director of GBA Holdings Limited (Stock code: 261). Mr Ong is also an independent non-executive director of Denox Environmental & Technology Holdings Limited (Stock Code: 1452) listed on the SEHK. Previously, Mr Ong was an independent non-executive director of Nameson Holdings Limited (Stock Code: 1982) from 2016 to 2022, Smart Glode Holdings Limited (Stock Code: 1481 previously 8485) from 2017 to 2023, O-Net Technologies (Group) Limited (Stock Code: 877) from 2010 to 2020 and Man Wah Holdings Limited (Stock Code: 1999) from 2010 to 2022, all of which are listed on the SEHK. Mr Ong was also a non-executive director of Prosperous Printing Company (Stock code: 8385) (2016 to 2020), Hong Wei (Asia) Holdings Company Limited (Stock Code: 8191) (2013 to 2016), both companies are listed on the Growth Enterprise Market of the SEHK, and Vico International Holdings Limited (Stock Code: 1621) (2017 to 2019), a company listed on the SEHK. Mr Ong was also an executive director on a part-time basis of Zibao Metals Recycling Holdings Plc (a company trading on AIM, a market operated by the London Stock Exchange Plc) from 2014 to 2019.

Mr Ong has over 33 years of experience in finance and accounting. He holds a Bachelor of Laws degree from The London School of Economics and Political Science, University of London. He also holds a distance learning degree in Masters in Business Administration jointly awarded by The University of Wales and The University of Manchester. Mr Ong is an associate member of The Institute of Chartered Accountants in England and Wales and a member of the Hong Kong Institute of Certified Public Accountants.

BEN LEE

Non-Independent Non-Executive Director

Mr Ben Lee (“**Mr Lee**”) was first appointed to the Board as the Non-Executive Chairman on 8 February 2010 and was re-designated as a Non-Independent Non-Executive Director in

BOARD OF DIRECTORS

February 2013. He was last re-elected as a Director on 28 April 2022. Mr Lee is also a member of the Nominating Committee and Remuneration Committee of the Company.

Mr Lee is currently the chairman of Wang Kei Yip Development Limited. He has over 17 years of experience in the industry of recycling ferrous and non-ferrous metals and has extensive relationship with major metal recycling companies in the world. He founded various companies involved in the metal recycling business in the PRC and Hong Kong and holds directorship in some of these companies. Mr Lee is the Vice President of Nanhai Resources Recycling Association and was also previously a committee member of the Bureau of International Recycling in the PRC.

Mr Lee is the brother-in-law of Mr Zhou Wen Jie, a Non-Independent Non-Executive Director of the Company.

Mr Lee will be rotated for re-election as a Director at the forthcoming AGM of the Company.

CHIN FOOK LAI

Non-Independent Non-Executive Director

Mr Chin Fook Lai (“**Mr Chin**”) was first appointed to the Board on 9 January 2003. Mr Chin was last re-elected as a Director on 21 May 2024.

Mr Chin has more than 30 years of experience in the plastic injection moulding industry. Mr Chin is currently the Managing Director of Cheso Machinery Pte Ltd, which he joined in 1993. Prior to that, he was the sole proprietor of Cheso Engineering Works for over a decade and held various technical and supervisory positions in the plastic injection moulding industry.

TSO SZE WAI

Lead Independent Non-Executive Director

Mr Tso Sze Wai (“**Mr Tso**”) was first appointed to the Board on 31 July 2020, and last re-elected as a Director on 28 June 2023. Mr Tso is also the Chairman of the Audit Committee and Remuneration Committee and a member of the Nominating Committee and Risk Management Committee of the Company.

Mr Tso has over 15 years of experience in accounting and finance. Mr Tso is currently an independent non-executive director of China Jicheng Holdings Ltd (stock code: 1027), China Asia Valley Group Limited (stock code: 63), Hop Fung Group Holdings Limited (stock code: 2320), and Willas-Array Electronics (Holdings) Limited (stock code: 854), all of which are listed on the SEHK.

Mr Tso holds a Bachelor's degree in Commerce awarded by University of New South Wales, Australia and a postgraduate diploma in Computing in the University of Western Sydney, Australia. He is a member of the Hong Kong Institute of Certified Public Accountants.

CHAK CHI SHING

Independent Non-Executive Director

Mr Chak Chi Shing (“**Mr Chak**”) was first appointed to the Board on 8 November 2023 and last re-elected as a Director on 21 May 2024. Mr Chak is also the Chairman of the Risk Management Committee, a member of the Audit Committee and Remuneration Committee of the Company.

Mr Chak is currently an independent non-executive director of Lapco Holdings Limited, a company listed on GEM of the SEHK (stock code: 8472), Sunyes Manufacturing (Zhe Jiang) Holding Co. Ltd. (stock code: 002388), a company listed on the Shenzhen Stock Exchange, and Founder Holdings Limited (stock code: 0418), a company listed on the SEHK.

Mr Chak is currently the chief financial officer and company secretary of Shangshan Gold International Holdings Limited (formerly known as Tokyo Chuo Auction Holdings Limited) (stock code: 1939), a company listed on the SEHK since 2019. He has over 15 years of experience in auditing, accounting, corporate finance and financial management and over 5 years of experience in company secretarial matter and corporate governance in listed companies.

Mr Chak obtained a Bachelor's degree of commerce in Accounting and Finance from Curtin University of Technology. He is a certified public accountant of Hong Kong Institute of Certified Public Accountants and Certified Public Accountant Australia.

KWOK MEEI YING, MONICA

Independent Non-Executive Director

Ms Kwok Meei Ying, Monica (“**Ms Kwok**”) was first appointed to the Board on 8 November 2023 and last re-elected as a Director on 21 May 2024. Ms Kwok is also a Member of the Audit Committee, Risk Management Committee and Nominating Committee of the Company.

Ms Kwok is currently sitting on the boards of public companies listed on the SGX-ST – LuxKing Group Holdings Limited, as an Independent Non-Executive Director, Chairman of the Nominating Committee and members of the Audit Committee, and Remuneration Committee; and Full Apex (Holdings) Limited, as an Independent Non-executive Director, Chairman of Compensation Committee and Nominating Committee as well as a member of the Audit Committee. Previously, she sat on board of various companies and was a nominee director and company secretary for various private companies.

Ms Kwok is the founder and managing director of Asiel Advisory Pte. Ltd., providing professional corporate services and business consulting, especially in areas of corporate governance, compliance, corporate secretarial functions including sustainability practices. Prior to this, she was the managing director of Singapore-based Money World Group, a leading foreign exchange player for about 12 years.

Ms Kwok graduated from Southern Cross University, Australia with a Master of Business Administration.

MANAGEMENT TEAM

CHEUNG TING CHOR

Head of Credit

Mr Cheung Ting Chor (“**Mr Cheung**”) is the Head of Credit of the Company since 2010 on a part time basis. Mr Cheung is primarily responsible for establishing and developing its financing business, assessing credit proposals and seeking investment opportunities.

Mr Cheung is currently the chief financial officer of Wan Kee Group Holdings Limited (“**WK**”), and is responsible for the overall financial and accounting affairs of WK and its subsidiaries since 2017. Mr Cheung was the chief financial officer of Wang Kei Yip Development Limited (“**WKY**”), responsible for the overall financial and accounting affairs of WKY and its subsidiaries from 2011 to 2017.

Mr Cheung was the managing director of Net Pacific Finance Limited from January 2009 to July 2010, responsible for establishing and developing its financing business. Prior to that, from 1985 to 2008, Mr Cheung held senior executive positions in the corporate and commercial banking departments of various financial institutions, including Vice President & Team Manager, Corporate & Investment Banking at DBS Bank (Hong Kong) Limited; the First Vice President, Head of Corporate Asia & Europe at Natexis Banques Populaires, and the Senior Manager, Corporate Banking at Rabobank, Hong Kong. During his employment with the various financial institutions, his primary responsibilities include strategic planning, staff management and training, financial products marketing, credit risk management, budgeting, managing loan portfolios and providing financial advisory on financial corporate restructuring.

Mr Cheung graduated from the Securities Institute Education, Australia with a graduate diploma in Applied Finance and Investment and also holds a Master’s Degree in Business Administration from the Sul Ross State University in Texas, the United States of America. Mr Cheung is also a Fellow of the Financial Services Institute of Australasia.

CHAN CHUN KIT

Chief Operating Officer

Mr Chan Chun Kit (“**Mr Chan**”) is the Chief Operating Officer of the Company, effective 29 August 2025. He oversees the Company’s day-to-day operations in the business segments within the People’s Republic of China (“**PRC**”) and ensures the efficient execution of business direction and strategies.

Concurrently, Mr Chan serves as the Chief Financial Officer at Tsun Yip Holdings Limited, a company listed on HKEX since May 2024. He has also served as a corporate financial consultant for the Group from November 2023 to August 2025, and for various listed and private companies in Hong Kong and the PRC since 2018 to 2024.

Prior to this, Mr Chan held the position of Chief Financial Officer at Sino Grandness Food Industry Group Limited in 2020, and Chief Financial Officer cum Company Secretary at China Flexible Packaging Holdings Limited from 2011 to 2018, both companies listed on the SGX-ST. He began his career as an auditor with BDO Limited in Hong Kong from 2007 to 2011.

Mr. Chan is a member of the Hong Kong Institute of Certified Public Accountants. He is also a Chartered Governance Professional and Chartered Company Secretary, as well as a member of The Hong Kong Chartered Governance Institute. He graduated from the Hong Kong Polytechnic University with a Master’s Degree in Corporate Governance and a Bachelor Degree in Accountancy.

CHONG KIAN LEE

Financial Controller / Company Secretary

Ms Chong Kian Lee (“**Ms Chong**”) is our Financial Controller, and is responsible for the overall financial and accounting functions of the Group. Prior to joining the Group in 2003, Ms Chong held various positions covering auditing, accounting and financial positions in the commercial, manufacturing and public accounting sectors in Singapore and Taiwan.

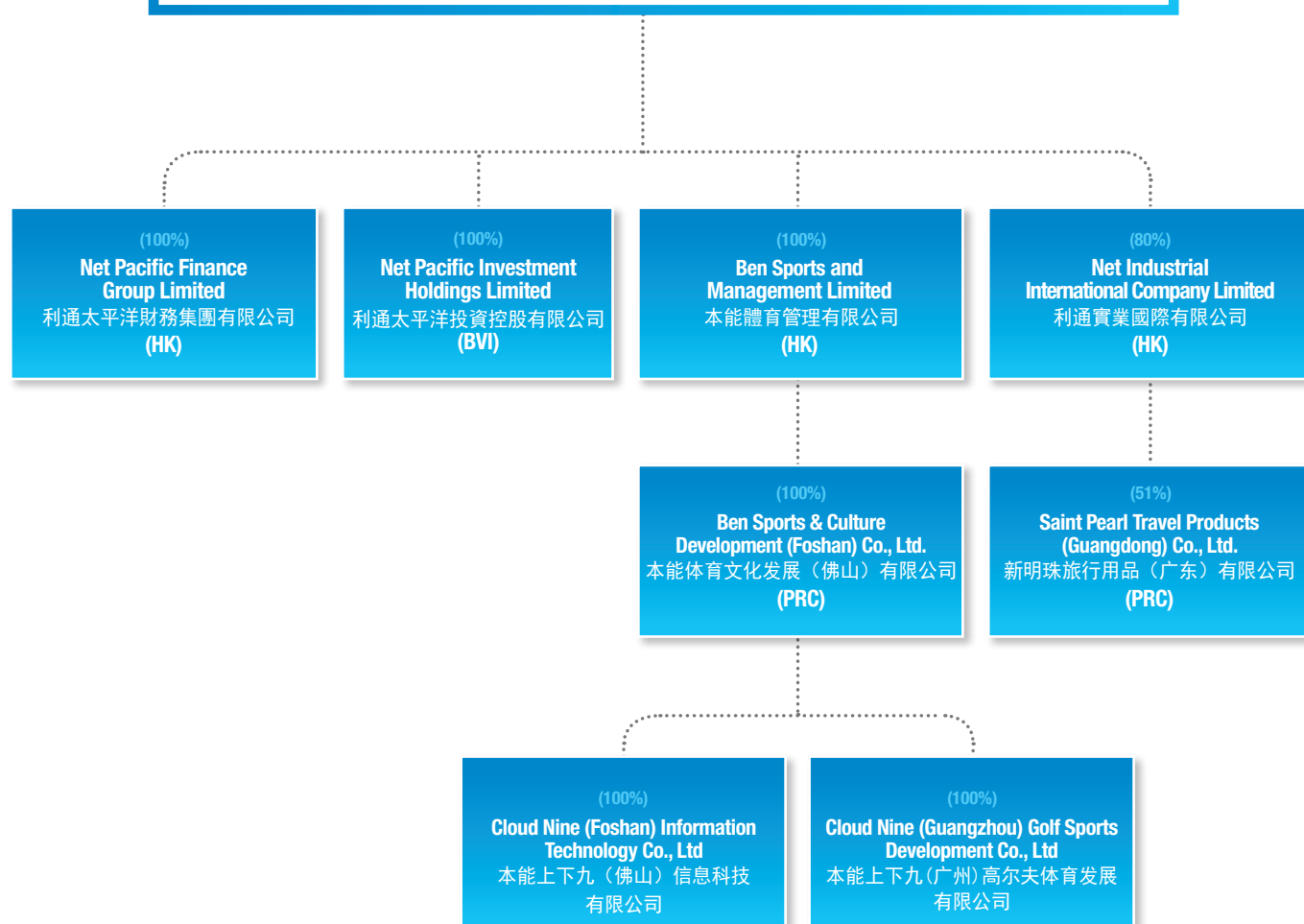
Ms Chong is a Chartered Accountant with the Institute of Singapore Chartered Accountants and holds a Bachelor of Accountancy degree from the National University of Singapore.

CORPORATE STRUCTURE



利通太平洋金融控股有限公司
Net Pacific Financial Holdings Limited

(Singapore)



CORPORATE GOVERNANCE REPORT

The board of directors (the “**Board**”) and the management (the “**Management**”) of Net Pacific Financial Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) are committed to maintaining a good standard of corporate governance within the Group by complying with the Code of Corporate Governance 2018 (the “**2018 Code**”) to enhance the interests of the Company’s shareholders (“**Shareholders**”) and to provide corporate transparency.

The Board has set out in this report the Company’s corporate governance framework and practices put in place in respect of the financial year ended 30 June 2025* with specific references made to each of the principles and provisions of the 2018 Code, the Practice Guidance issued by the Monetary Authority of Singapore (the “**MAS**”) in August 2018 and the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”). The Company has complied with the principles and guidelines as set out in the 2018 Code. Where there are deviations from the 2018 Code, appropriate explanations have been given.

(*) *Change of Financial Year End*

On 29 November 2024, the Company announced a change of financial year end from 31 December to 30 June. The first full financial period after the change will cover an 18-month period from 1 January 2024 to 30 June 2025. This report covers an 18-month period from 1 January 2024 to 30 June 2025 (“**FY2025**”). The comparative period applied herein is the preceding 12 months financial year from 1 January 2023 to 31 December 2023 (“**FY2023**”).

BOARD MATTERS	
Principle 1: The Board's Conduct of Affairs	
<i>The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.</i>	
Directors are fiduciaries who act objectively in the best interests of the Company and hold Management accountable for performance.	Provision 1.1
The Board is responsible for corporate governance and the overall strategy of the Group. Its roles include:	
(i) providing entrepreneurial leadership, setting strategic objectives, and ensuring that the necessary financial and human resources are in place for the Company to meet its objectives;	
(ii) establishing a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets;	
(iii) supervising the management of the business and affairs of the Group;	
(iv) identifying the key stakeholder groups and recognising that their perceptions affect the Company's reputation;	
(v) setting the Company's values and standards (including ethical standards), and ensuring that obligations to shareholders and other stakeholders are understood and met;	
(vi) considering sustainability issues, e.g. environmental and social factors, as part of its strategic formulation; and	
(vii) approving the corporate strategy, annual budgets, acquisitions and disposals.	
In addition, the Board has put in place a code of conduct and ethics which sets appropriate tone-from-the-top and desired organisational culture to ensure proper accountability within the Company. Directors facing conflicts of interest recuse themselves from discussions and decisions involving the issues of conflict.	

CORPORATE GOVERNANCE REPORT

<u>Induction, training and development of new and existing Directors</u> Directors understand the Company's business as well as their directorship duties (including their roles as executive, non-executive and independent directors). The Company will provide a formal letter to newly appointed Directors upon their appointment explaining their statutory duties and responsibilities as Directors. The Directors are aware of the importance of their continuing education in areas such as legal and regulatory responsibilities and accounting issues, and will regularly update and refresh themselves on matters that may affect their performance as a Board, or as a Board Committee member at the Company's expense. Accordingly, further training for Directors will extend to cover relevant new laws, regulations and changing commercial risks from time to time. Updates on corporate governance and/or new regulations and changing commercial risks which are relevant to the Group are circulated to all Board members by the Company Secretary on a regular basis. Directors are constantly kept abreast of development on the accounting standards and regulatory updates that are of relevance to the Group through articles, reports and updates from the auditors and the Company Secretary, and participation in seminars and workshops. During FY2025, briefings were provided by the external auditors to the Audit Committee members and the Board on the new developments and changes in accounting standards. The Chief Executive Officer and/or the Chief Operating Officer routinely updates the Board at Board meetings on business and strategic developments relating to the Company's business operations and the industries that the Company is operating in. Pursuant to Rule 406(3)(a) of the Catalist Rules, where a new Director has no prior experience as a director of an issuer listed on the SGX-ST, the Company has arrangements in place for the new Director to undergo training in the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST. If the Nominating Committee is of the view that training is not required because the Director has other relevant experience, the basis of the Nominating Committee's assessment will be disclosed. All Directors have attended the required sustainability training. New Directors, upon their appointment to the Board, are given an orientation to ensure that they are familiar with the Group's structure, businesses and corporate governance policies to facilitate the effective discharge of their duties. The orientation programme also allows the new Directors to get acquainted with the Group's management team, thereby facilitating Board interaction and independent access to the Management.	Provision 1.2 Catalist Rule 406(3)(a)
The Board has adopted internal guidelines setting forth matters that require the Board's approval which include, but is not limited to, the developing of significant business plans, acquisitions and disposals of investments, share issuance and the declaration of dividend, the release of the Group's quarterly, half yearly and full year results and interested person transactions of a material nature amounting to or exceeding S\$100,000. The Board clearly communicates the internal guidelines in relation to matters requiring Board approval in writing to the Management.	Provision 1.3

CORPORATE GOVERNANCE REPORT

The Board comprises one (1) Executive Director and seven (7) Non-Executive Directors.

The Board is supported by the various Board committees namely the Audit Committee (the “**AC**”), the Nominating Committee (the “**NC**”), the Remuneration Committee (the “**RC**”) and the Risk Management Committee (the “**RMC**”) to assist it in discharging its responsibilities (collectively referred to as the “**Board Committees**”). The Board Committees operate within clearly defined terms of reference and operating procedures setting out their compositions, authorities and duties, including reporting back to the Board. These are reviewed on a regular basis, along with the committee structures and membership, to ensure their continued relevance.

Board Composition

As at the date of this Corporate Governance Report, the Board comprises eight (8) Directors as shown in the table below:

Name	Designation	Position	Composition of Board Committees			
			AC ⁽¹⁾	NC ⁽²⁾	RC ⁽³⁾	RMC ⁽¹⁾
Chung Wai Man	Independent Chairman	Non-Executive	–	Chairman	–	–
Zhou Wen Jie	Non-Independent Director	Non-Executive	–	–	–	–
Ong Chor Wei @ Alan Ong	Chief Executive Officer and Executive Director	Executive	–	–	–	–
Ben Lee	Non-Independent Director	Non-Executive	–	Member	Member	–
Chin Fook Lai	Non-Independent Director	Non-Executive	–	–	–	–
Tso Sze Wai	Lead Independent Director	Non-Executive	Chairman	Member	Chairman	Member
Chak Chi Shing	Independent Director	Non-Executive	Member	–	Member	Chairman
Kwok Meei Ying, Monica	Independent Director	Non-Executive	Member	Member	–	Member

Notes:

- (1) The AC and RMC comprise three (3) members each, all of whom including the Chairman, are Independent Non-Executive Directors.
- (2) The NC comprises four (4) members, including the Chairman but excluding Mr Ben Lee, are Independent Non-Executive Directors. All members of the NC are Non-Executive Directors.
- (3) The RC comprises three (3) members, including the Chairman but excluding Mr Ben Lee, are Independent Non-Executive Directors. All members of the RC are Non-Executive Directors.

Details of the Board Committees are set out as below:

- (a) Nominating Committee (Principle 4);
- (b) Remuneration Committee (Principle 6);
- (c) Risk Management Committee (Principle 9); and
- (d) Audit Committee (Principle 10).

Provision 1.4

Catalist Rule 406(3)(c)

Catalist Rule 406(3)(e)

Catalist Rule 1204(10B)

CORPORATE GOVERNANCE REPORT

The Board meets at least four (4) times each year to review key activities, budget, business and financial performance and approve the release of quarterly, half-yearly and full year results. Additional meetings are held if there are matters requiring the Board's decision. In addition to physical attendance, Regulation 97 of the Company's constitution (the “Constitution”) also provides for meetings of the Directors to be conducted via telephone conferencing, video conferencing or other means of simultaneous communication. Directors attend and actively participate in Board and Board Committee meetings and are free to discuss and openly challenge the views presented by the Management and the other Directors. The attendances of the Directors at the Board and various Board Committee meetings held in FY2025 are as follows: <table><tr><th></th><th>Board</th><th>AC</th><th>RMC</th><th>RC</th><th>NC</th></tr><tr><td>Number of meetings held in FY2025</td><td>7</td><td>6</td><td>2</td><td>1</td><td>1</td></tr><tr><td>Name of Directors</td><td></td><td></td><td></td><td></td><td></td></tr><tr><td>Chung Wai Man</td><td>7</td><td>^6</td><td>N/A</td><td>^1</td><td>1</td></tr><tr><td>Zhou Wen Jie</td><td>7</td><td>^6</td><td>N/A</td><td>^1</td><td>^1</td></tr><tr><td>Ong Chor Wei @ Alan Ong</td><td>7</td><td>^6</td><td>^2</td><td>^1</td><td>^1</td></tr><tr><td>Ben Lee</td><td>5</td><td>^4</td><td>N/A</td><td>1</td><td>1</td></tr><tr><td>Chin Fook Lai</td><td>7</td><td>^6</td><td>N/A</td><td>^1</td><td>^1</td></tr><tr><td>Tso Sze Wai</td><td>7</td><td>6</td><td>2</td><td>1</td><td>1</td></tr><tr><td>Chak Chi Shing</td><td>7</td><td>6</td><td>2</td><td>1</td><td>^1</td></tr><tr><td>Kwok Meei Ying, Monica</td><td>7</td><td>6</td><td>2</td><td>^1</td><td>1</td></tr></table> ^ By Invitation Directors with multiple listed board representations confirm that sufficient time and attention were given to the affairs of the Company in FY2025. The NC has evaluated and concurs with the Directors on the above.		Board	AC	RMC	RC	NC	Number of meetings held in FY2025	7	6	2	1	1	Name of Directors						Chung Wai Man	7	^6	N/A	^1	1	Zhou Wen Jie	7	^6	N/A	^1	^1	Ong Chor Wei @ Alan Ong	7	^6	^2	^1	^1	Ben Lee	5	^4	N/A	1	1	Chin Fook Lai	7	^6	N/A	^1	^1	Tso Sze Wai	7	6	2	1	1	Chak Chi Shing	7	6	2	1	^1	Kwok Meei Ying, Monica	7	6	2	^1	1	Provision 1.5
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The Management circulated Board papers to the Directors prior to each Board meeting on financial, business and corporate issues. Board members are also provided with management reports on a quarterly basis and updates on on-going developments and strategic plans within the Group and matters requiring the Board's decision. The information provided to the Board includes background or explanatory information relating to matters to be brought before the Board, budgets, forecasts and internal management accounts to enable the Board to make informed decisions in the best interests of the Company and discharge their fiduciary duties and responsibilities.	Provision 1.6																																																																		
All Directors have separate and independent access to the Management and Company Secretary at all times to obtain additional information or explanations at the Company's expense. The Directors are given unrestricted access to independent professional advice to advise them on specific issues which may be of concern to the Board, should they consider necessary, at the Company's expense. The appointment and removal of the Company Secretary is a matter for the Board to decide as a whole. Under the direction of the Chairman, the Company Secretary's responsibilities include ensuring good information flows within the Board and the Board Committees and between the senior management and Non-Executive Directors and advising the Board on all governance matters. The Company Secretary also facilitates orientation and assists with professional development as and when required.	Provision 1.7																																																																		

CORPORATE GOVERNANCE **REPORT**

Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Independent Directors

As at the date of this Corporate Governance Report, the four (4) Independent Directors of the Company are namely Mr Chung Wai Man, Mr Tso Sze Wai, Mr Chak Chi Shing and Ms Kwok Meei Ying, Monica (the **"Independent Directors"**). Mr Tso Sze Wai is the Company's Lead Independent Non-Executive Director.

An "independent director" is one who is independent in conduct, character and judgement, and has no relationship with the issuer, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the issuer.

In determining the independence of each Independent Non-Executive Director, the Board and the NC also consider Rules 406(3)(d)(i), (ii) and (iv) of the Catalist Rules. Pursuant to Rules 406(3)(d)(i), (ii) and (iv) of the Catalist Rules, the Board and the NC consider that a director is not independent under any of the following circumstances:

- (i) If he is employed by the Company or any of its related corporations for the current or any of the past three (3) financial years;
- (ii) If he has an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past three (3) financial years, and whose remuneration is determined by the RC of the Company; and
- (iii) If he has been a director for an aggregate period of more than 9 years (whether before or after listing). Such director may continue to be considered independent until the conclusion of the next annual general meeting of the Company.

The Independent Non-Executive Directors have confirmed that they do not have any relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgement in the best interests of the Company.

As a whole, the Board, with the recommendation and concurrence of the NC, has reviewed and determined that the Independent Non-Executive Directors, namely Mr Chung Wai Man, Mr Tso Sze Wai, Mr Chak Chi Shing and Ms Kwok Meei Ying, Monica are independent in accordance with the 2018 Code and the Catalist Rules and are able to exercise independent judgement.

Provision 2.1

Catalist Rule 406(3)(d)

CORPORATE GOVERNANCE REPORT

The Chairman of the Board, Mr Chung Wai Man, is independent. Independent Directors make up at least one-third of the Board.	Provision 2.2																																				
The Board has appointed Mr Tso Sze Wai as the Lead Independent Non-Executive Director to co-ordinate and to lead the Independent Directors to provide a non-executive perspective and contribute to a balance of viewpoints on the Board. He is also the principal liaison on Board issues between the Independent Directors and the Chairman.																																					
The Board has seven (7) Non-Executive Directors, making up a majority of the Board. The Non-Executive Directors comprise Mr Chung Wai Man, Mr Zhou Wen Jie, Mr Ben Lee, Mr Chin Fook Lai, Mr Tso Sze Wai, Mr Chak Chi Shing and Ms Kwok Meei Ying, Monica.	Provision 2.3																																				
The Company recognises and embraces the importance of diversity at the Board level and sees diversity as an essential element to ensuring the achievement of its strategic objectives. The Company has adopted a Board Diversity Policy (“Diversity Policy”), with the NC responsible for reviewing and assessing the Board composition on behalf of the Board and recommending the appointment of new directors.	Provision 2.4																																				
The NC will consider directors of all different skills, experiences, ages, genders, nationalities, educational and professional industry background and other relevant personal attributes that are important and necessary to support robust and good decision-making at the Board level. The purpose of the Diversity Policy is to maintain diversity on the appointment and composition of the Board.																																					
In recognition of the importance and value of gender diversity in the composition of the Board, the Company had previously disclosed in its Annual Report for the financial year ended 31 December 2022 (“FY2022 Annual Report”) that it plans to have at least one (1) female director on the Board by the next Annual General Meeting (“AGM”). Based on the current Board composition, the Company has thus far managed to meet this gender diversity target. As disclosed in the FY2022 Annual Report, the Board had targeted to maintain a minimum of 20% female representation on the Board within the next 2 to 4 years. The Company currently has one female director, and after review and deliberation, the Board considers this target sufficient for the Company’s current requirement, taking into account the current business nature, geographical locations, stage of growth, and size. Going forward, the Company targets to maintain a minimum of one female director on the Board. The Board will continue to review this target in relation to female representation on an annual basis, or as and when there are changes to the Board composition.																																					
In addition, the current Board consists of Directors with ages ranging from 40s to 60s, who have served on the Board for different tenures. The current Board composition provides a diversity of skills, experience, and knowledge and is represented in the table below:																																					
<table><tr><th></th><th>Number of Directors</th><th>Proportion of Board</th></tr><tr><td colspan="3">Core Competencies</td></tr><tr><td>Accounting or finance</td><td>6</td><td>75%</td></tr><tr><td>Business management</td><td>8</td><td>100%</td></tr><tr><td>Legal or corporate governance</td><td>6</td><td>75%</td></tr><tr><td>Relevant industry knowledge or experience</td><td>8</td><td>100%</td></tr><tr><td>Strategic planning experience</td><td>8</td><td>100%</td></tr><tr><td>Customer based experience or knowledge</td><td>8</td><td>100%</td></tr><tr><td>Information Technology</td><td>5</td><td>63%</td></tr><tr><td colspan="3">Gender</td></tr><tr><td>Male</td><td>7</td><td>87.5%</td></tr><tr><td>Female</td><td>1</td><td>12.5%</td></tr></table>		Number of Directors	Proportion of Board	Core Competencies			Accounting or finance	6	75%	Business management	8	100%	Legal or corporate governance	6	75%	Relevant industry knowledge or experience	8	100%	Strategic planning experience	8	100%	Customer based experience or knowledge	8	100%	Information Technology	5	63%	Gender			Male	7	87.5%	Female	1	12.5%	
	Number of Directors	Proportion of Board																																			
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CORPORATE GOVERNANCE REPORT

The Board reviews the size and attributes of the Board regularly, taking into consideration the nature and scope of businesses as well as the current and future plans of the Group, and is of the view that the current Board size and composition of eight (8) Directors, of which four (4) are Independent Directors, is appropriate and effective. Furthermore, the Board is of the view that the current Board comprises Directors who, as a group provides the appropriate balance and mix of skills, knowledge, experiences and other aspects of diversity in order to avoid groupthink and foster constructive debate. The NC will continue to review the Diversity Policy to ensure its effectiveness, and will, as and when necessary, recommend appropriate revisions to the Board for consideration and approval. It will also continue its identification and evaluation of suitable candidates to ensure there is adequate diversity (including gender diversity) on the Board. Separately, the Board has taken the following steps to maintain or enhance its balance and diversity: (a) The NC conducts an annual review to assess whether the existing attributes and core competencies of the Board are complementary and whether the existing attributes and core competencies of the Board enhance the efficacy of the Board; and (b) An annual evaluation by the Directors of the skill sets the other Directors possess, with a view to understanding the range of expertise which is lacking by the Board. The NC will consider the results of these exercises in its recommendation for the appointment of new directors and/or the re-appointment of incumbent Directors.	
Non-Executive Directors and Independent Directors, led by the Lead Independent Non-Executive Director, met as and when necessary, without the presence of the Management in FY2025. They also reviewed the performance of the Group's management team in meeting goals and objects and monitored the reporting of performance. The Lead Independent Non-Executive Director provided feedback to the Board and/or Chairman as appropriate.	Provision 2.5
Principle 3: Chairman and Chief Executive Officer <i>There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.</i>	
The role of the Independent Non-Executive Chairman of the Board and the Chief Executive Officer (the “CEO”) are separate to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making. Mr Chung Wai Man, the Independent Non-Executive Chairman of the Board, is responsible for the workings of the Board and ensures the Board's compliance with the corporate governance process. In particular, the Chairman's duties include: (a) setting out the corporate directions of the Company; (b) leading the Board to ensure its effectiveness on all aspects of its role; (c) setting the agenda for Board meetings and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues; (d) promoting a culture of openness and debate at the Board; (e) ensuring accurate, timely and clear information flow to Directors; (f) ensuring effective communication with Shareholders; (g) encouraging constructive relations between the Board and the Management; (h) facilitating effective contribution of the Non-Executive Directors; (i) encouraging constructive interactions between the Executive Director and the Non-Executive Directors; and (j) promoting high standards of corporate governance.	Provision 3.1

CORPORATE GOVERNANCE REPORT

Mr Ong Chor Wei @ Alan Ong, the CEO and Executive Director of the Company, is primarily responsible for the Company's day-to-day operations, strategic planning, major decision-making as well as developing the business and vision of the Group. The Board has established and set out in writing the division of responsibilities between the Chairman and the CEO. Mr Chung Wai Man and Mr Ong Chor Wei @ Alan Ong are not immediate family members.	Provision 3.2 Catalist Rule 1204(10A)										
The Board has appointed a Lead Independent Non-Executive Director, Mr Tso Sze Wai, to provide leadership in situations where the Chairman is conflicted. Mr Tso Sze Wai was available to Shareholders where they had concerns and for which contact through the normal channels of communication with the Chairman or the Management were inappropriate or inadequate.	Provision 3.3										
Principle 4: Board Membership <i>The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.</i>											
The Board has established a NC to make recommendations to the Board on relevant matters. According to the terms of reference of the NC, the NC is responsible for, among others, the following: (a) reviewing the succession plans for Directors, in particular, the appointment and/or replacement of the Chairman, the CEO and key management personnel; (b) recommending the process and criteria for evaluation of the Board's performance and evaluating the effectiveness and performance of the Board and the Board Committees and the contribution by each Director to the effectiveness of the Board and the Board Committees; (c) reviewing the Board structure, size and composition regularly; (d) reviewing training and professional development programs for the Board and its Directors; (e) reviewing the succession plans for Directors and recommending to the Board on any new appointments and re-appointments of Directors, having regard to the Directors' contribution, performance and ability to commit sufficient time and attention to the affairs of the Company; and (f) determining the independence of Directors on an annual basis in accordance with the guidelines set out in the 2018 Code and the Catalist Rules.	Provision 4.1 Catalist Rule 406(3)(e)										
The NC comprises four (4) Directors, of whom three (3) are Independent Non-Executive Directors: <table border="1" data-bbox="137 1570 1289 1771"> <thead> <tr> <th>Name of Director</th><th>Position</th></tr> </thead> <tbody> <tr> <td>Chung Wai Man</td><td>Chairman, Independent Non-Executive Chairman</td></tr> <tr> <td>Tso Sze Wai</td><td>Member, Lead Independent Non-Executive Director</td></tr> <tr> <td>Kwok Meei Ying, Monica</td><td>Member, Independent Non-Executive Director</td></tr> <tr> <td>Ben Lee</td><td>Member, Non-Independent Non-Executive Director</td></tr> </tbody> </table> The Lead Independent Non-Executive Director, Mr Tso Size Wai, is a member of the NC. The NC for FY2025 comprised individuals who have demonstrated sufficient ability to ensure that the annual performance evaluation of the Company's Directors are conducted appropriately and issues raised (including but not limited to Board composition and size, and succession planning) are discussed robustly.	Name of Director	Position	Chung Wai Man	Chairman, Independent Non-Executive Chairman	Tso Sze Wai	Member, Lead Independent Non-Executive Director	Kwok Meei Ying, Monica	Member, Independent Non-Executive Director	Ben Lee	Member, Non-Independent Non-Executive Director	Provision 4.2
Name of Director	Position										
Chung Wai Man	Chairman, Independent Non-Executive Chairman										
Tso Sze Wai	Member, Lead Independent Non-Executive Director										
Kwok Meei Ying, Monica	Member, Independent Non-Executive Director										
Ben Lee	Member, Non-Independent Non-Executive Director										

CORPORATE GOVERNANCE **REPORT**

Selection and appointment of Directors The Company has a process for selection and appointment of Directors to the Board. In the event that a vacancy on the Board arises, the NC will evaluate the balance of skills, knowledge and experience on the Board in order to identify the essential and desirable competencies of the candidate. Suitable candidates are sourced through the recommendations of the Directors or the Management or through third-party referrals. The NC will ensure that the new Director possesses the necessary skills, knowledge and experience that could facilitate the Board in the making of sound and well considered decisions before recommending its choice to the Board. The Board would consider the above factors in identifying potential director nominees, including from a diversity perspective, so as to work towards achieving an appropriate balance and diversity of skills, experience, gender and knowledge of the Board. Upon the appointment of new Directors, arrangements will be made for the new Directors to attend various briefings with the Management team. Re-appointment of Directors In reviewing the nomination and re-appointment of the retiring Directors, the NC considers the existing attributes and core competencies of each of the retiring Directors, the performance and contributions of each of the retiring Directors, having regard not only to their attendance and participation at Board and Board Committee meetings but also the time and effort devoted to the Group's business and affairs, especially the contributions made by these Directors. Regulation 89 of the Company's Constitution provides that at each AGM of the Company, one-third of the Directors for the time being shall retire from office by rotation, provided that no Director holding office as Managing Director shall be required to retire by rotation or be taken into account in determining the number of Directors to retire. Each Director (other than a Director holding office as Managing Director) shall retire at least once every three years. The Directors who are retiring by rotation pursuant to Regulation 89 of the Company's Constitution are as follows: (i) Mr Chung Wai Man (ii) Mr Zhou Wen Jie; and (iii) Mr Ben Lee. In addition, Regulation 88 of the Company's Constitution provides that new Directors appointed by the Directors during the year, either to fill a casual vacancy or as an addition to the Board, shall hold office only until the next AGM of the Company and shall then be eligible for re-election at the next AGM of the Company. The new Directors are required to submit themselves for re-election at the next AGM of the Company. There were no new Directors appointed in FY2025. Each of Mr Chung Wai Man, Mr Zhou Wen Jie, and Mr Ben Lee, being eligible for re-election, have offered themselves for re-election to the Board at the forthcoming AGM. The NC has recommended to the Board the re-election of Mr Chung Wai Man, Mr Zhou Wen Jie, and Mr Ben Lee at the forthcoming AGM. The NC has recommended and the Board has agreed that at the forthcoming AGM, Mr Chung Wai Man, Mr Zhou Wen Jie, and Mr Ben Lee are nominated for re-election. Each of Mr Chung Wai Man, Mr Zhou Wen Jie, and Mr Ben Lee had recused himself in the deliberation of his own re-election. The Board, to the best of their knowledge, is not aware of any relationships (including immediate family relationships) between Directors who are recommended to the Board to stand for re-election at the forthcoming AGM and the rest of the Directors. Further details on the directors standing for re-election can be found on pages 29 to 35 of this Annual Report.	Provision 4.3
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CORPORATE GOVERNANCE REPORT

The Independent Non-Executive Directors have confirmed that: (a) They are independent in conduct, character and judgement, and they do not have a relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement in the best interests of the Company. (b) They are not being employed by the Company or any of its related corporations for the current or any of the past three (3) financial years. (c) They do not have an immediate family member (being a spouse, child, adopted child, step-child, sibling and parent) who is, or has been in any of the past three (3) financial years, employed by the Company or any of its related corporations and whose remuneration is determined by the RC. (d) They have not been a director of the Company for an aggregate period of more than nine years (whether before or after listing). The Board, as recommended by the NC, has reviewed and determined that the Independent Non-Executive Directors are independent in accordance with the Catalyst Rules and the 2018 Code.	Provision 4.4
The NC ensures that new Directors are aware of their duties and obligations. The NC has reviewed the individual Director assessment conducted for FY2025 and the Directors' overall conduct and participation at the Board meetings in FY2025 to assess the performance of each of the individual Directors. The NC, after taking into account the individual Director's assessment results and the Director's participation of meetings, has reviewed and is satisfied that all the Directors who sit on multiple listed boards have been able to and have devoted sufficient time and attention to the affairs of the Company and have adequately carried out their roles and discharged their duties as Directors of the Company, notwithstanding their multiple board representations and directorships in other listed companies. In arriving at this conclusion, the NC also took into consideration the fact that all Directors with multiple listed Board representations were available as and when the Company required the Directors to attend to the affairs of the Company. All Directors, including those with multiple listed Board representations, engaged in active and robust discussions on matters that require Board's deliberation during the financial year. The Directors have also made a commitment to be readily available to shareholders through attending the general meetings via video conference whenever they have unforeseen circumstances which may result in them being unable to physically attend the general meetings. For the foregoing reasons, the NC is satisfied that in FY2025, all Directors, including Directors with multiple listed board representations and other principal commitments, have diligently discharged their duties. The listed company directorships and principal commitments of each Director have been disclosed under the "Board of Directors" section of this Annual Report.	Provision 4.5
Principle 5: Board Performance <i>The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual Directors.</i>	
The NC has recommended for the Board's approval the performance criteria and process for the evaluation of the effectiveness of the Board as a whole, and of each Board Committee separately, as well as the contribution by the Chairman and each individual Director of the Board. The effectiveness of the Board is evaluated based on the Board's performance which takes into consideration the Board's conduct of meetings, maintenance of independence, board accountability, communication with the Management, etc. The NC also assesses the performance of individual Directors based on their attendance at the Board and Board Committee meetings, their quality of participation and contributions at the Board and Board Committee meetings.	Provision 5.1 Provision 5.2

CORPORATE GOVERNANCE **REPORT**

Performance evaluation is carried out by way of assessment surveys completed by the Directors and through discussions on the results of the assessment surveys. The Chairman of the Board, in consultation with the NC, acts on the results of the performance evaluation, and where appropriate, proposes new appointments or seeks the resignation of Directors. The NC has assessed the overall performance of the current Board and Board Committees as well as the effectiveness of individual Directors during the financial year under review, and is of the view that the performance of the Board as a whole, that of the Chairman, the Board Committees and individual Directors have been satisfactory. During FY2025, the Board has not engaged any external facilitator to advise on assessment processes or related matters.										
REMUNERATION MATTERS										
Principle 6: Procedures for Development Remuneration Policies										
<i>The Board has a formal and transparent procedure for developing policies on Director and executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel. No director is involved in deciding his or her own remuneration.</i>										
The Board has established a RC to make recommendations to the Board on relevant matters. According to the terms of reference of the RC, the RC is responsible for, among others, reviewing and making the following recommendations to the Board: (a) an appropriate framework of remuneration policies for the Board and key management personnel to ensure that the remuneration packages are competitive within the industry. This is to attract, retain and motivate Directors and key management personnel of the required experience and expertise; and (b) specific remuneration packages for each individual Director and key management personnel. The RC considers all aspects of remuneration, including termination terms, to ensure that they are fair.		Provision 6.1 Catalist Rule 406(3)(e) Provision 6.3								
The RC comprises three (3) Directors, of whom including RC Chairman, except Mr Ben Lee, are Independent Non-Executive Directors. All the RC members are non-executive directors. <table><tr><th>Name of Director</th><th>Position</th></tr><tr><td>Tso Sze Wai</td><td>Chairman, Lead Independent Non-Executive Director</td></tr><tr><td>Chak Chi Shing</td><td>Member, Independent Non-Executive Director</td></tr><tr><td>Ben Lee</td><td>Member, Non-Independent Non-Executive Director</td></tr></table>		Name of Director	Position	Tso Sze Wai	Chairman, Lead Independent Non-Executive Director	Chak Chi Shing	Member, Independent Non-Executive Director	Ben Lee	Member, Non-Independent Non-Executive Director	Provision 6.2
Name of Director	Position									
Tso Sze Wai	Chairman, Lead Independent Non-Executive Director									
Chak Chi Shing	Member, Independent Non-Executive Director									
Ben Lee	Member, Non-Independent Non-Executive Director									
In FY2025, the Company did not engage any external remuneration consultant to advise on remuneration matters.		Provision 6.4								

CORPORATE GOVERNANCE REPORT

Principle 7: Level and Mix of Remuneration	
<i>The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company</i>	
Except for Cheung Ting Chor who was paid fixed consultancy fees in view of his part-time role, the Executive Director and key management personnel of the Group were paid a fixed salary and an annual incentive bonus. The fixed salary and annual incentive bonus for the Executive Director and key management personnel are reviewed by the RC and approved by the Board and are determined based on assessment of the individual's commitment, contribution, relevant experience, year of services etc. among other factors. It is structured to link an appropriate proportion of rewards to corporate and individual performance. The remuneration framework for Directors and key management personnel is aligned with the interests of Shareholders and other stakeholders and is appropriate to attract, retain and motivate them to provide good stewardship for the long-term success of the Company. The Company currently does not have contractual provisions in employment contracts to allow the Company to claim for incentive components of remuneration from its Executive Director and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Group. The Executive Director and key management personnel owe a fiduciary duty to the Company and the Company should be able to avail itself to remedies against the Executive Director and key management personnel in the event of such breach of fiduciary duties. The Company shall review the feasibility of having the said contractual provisions in future renewals of service contracts of its Executive Director and key management personnel.	Provision 7.1
The RC is of the view that the remuneration of the Non-Executive Directors is appropriate to the level of contribution, taking into account factors such as effort, time spent and responsibilities by each Non-Executive Director.	Provision 7.2
The remuneration of the Directors and key management personnel for FY2025 is appropriate to attract, retain and motivate the Directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long-term.	Provision 7.3

CORPORATE GOVERNANCE REPORT

Principle 8: Disclosure on Remuneration

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Amount of remuneration

Provision 8.1

The amount of remuneration (rounded to nearest half-thousand dollars) for the Directors and the breakdown of remuneration (in percentage terms) for the Directors, the CEO and the two (2) key management personnel (who are not also Directors or the CEO) of the Group in office during FY2025 are as follows:

Remuneration of Directors

Name of Director / Remuneration Band	Total Amount (\$'000)	Base/ Fixed Salary (%)	Variable/ Performance Related Income or bonus (%)	Benefits in kind (%)	Stock Options Granted(%)	Share-Based Incentives and Awards (%)	Long Term Incentives (%)	Director's Fees (%)	Total (%)
Chung Wai Man	63	–	–	–	–	–	–	100	100
Zhou Wen Jie	26	–	–	–	–	–	–	100	100
Ong Chor Wei @ Alan Ong ⁽¹⁾	142	56	–	–	–	–	–	44	100
Ben Lee	63	–	–	–	–	–	–	100	100
Chin Fook Lai	26	–	–	–	–	–	–	100	100
Tso Sze Wai	63	–	–	–	–	–	–	100	100
Chak Chi Shing	26	–	–	–	–	–	–	100	100
Kwok Meei Ying, Monica	26	–	–	–	–	–	–	100	100

Note:

(1) Ong Chor Wei @ Alan Ong is CEO and Executive Director of the Company.

Remuneration of Key Management Personnel

Breakdown of remuneration ⁽¹⁾	Salary %	Bonus %	Fees %	Other %	Total %
Key management personnel⁽²⁾					
Above S\$250,000					
Chong Kian Lee	77	15	–	8	100
Below S\$250,000					
Cheung Ting Chor	–	–	100	–	100
Chan Chun Kit ⁽³⁾	–	–	100	–	100

Notes:

- The remuneration shown in the tables above includes all forms of remuneration from the Company and its subsidiaries including Central Provident Fund contributions.
- The Company only has two (2) key management personnel. The aggregate total remuneration paid to the two (2) key management personnel of the Group was S\$389,000 for the financial period of eighteen-month from 1 January 2024 to 30 June 2025 following the change in the financial year end from 31 December to 30 June as announced on 29 November 2024.
- Prior to Mr. Chan's appointment as the Chief Operating Officer of the Company on 29 August 2025, he served as a corporate financial consultant for the Group from November 2023 to August 2025. The fees reflected in the table above correspond to the consultancy fees paid to him during FY2025.

CORPORATE GOVERNANCE REPORT

<u>Policy and criteria for setting remuneration</u> In reviewing and determining the remuneration packages of the CEO and key management personnel, the RC considers the CEO's and key management personnel's responsibilities, skills, expertise and contribution to the Group's performance when designing their respective remuneration packages. The Company adopts a formal and transparent procedure for developing a policy for fixing remuneration packages of the Executive Director and key executive officers. No Director is involved in deciding his own remuneration. In fixing remuneration packages, the Company takes into account pay and employment conditions of comparable companies in the same or similar industries, as well as the Group's relative performance and the performance of the Executive Director or key executive officers. The Directors' fees of up to S\$238,000 for the financial period from 1 January to 31 December 2024 ("FP2024") had been approved by Shareholders at the Company's AGM for FY2023. The Board had accepted the RC's recommendations of Directors' fees of up to S\$119,000 for the six-month period from 1 January to 30 June 2025, and S\$238,000 for the financial year ending 30 June 2026, such fees to be paid half-yearly in arrears. Approval from shareholders will be sought in relation to Directors' fees from 1 January to 30 June 2025 at the pending annual general meeting.	
There are no employees who are substantial shareholders of the Company, or are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during FY2025.	Provision 8.2
There were no termination, retirement and post-employment benefits that was granted to Directors, the CEO and Executive Director, and the key management personnel in FY2025, other than the standard contractual notice period termination payment. <u>Employee Share Option Scheme</u> The Company's employee share option scheme (the "Net Pacific Share Option Scheme") adopted on 15 February 2011, has since expired on 14 February 2021. Since the commencement of the Net Pacific Share Option Scheme, 28,750,000 share options ("Options") have been granted by the Company and all the Options granted have expired on 8 May 2021. The Company decided that it is not necessary to renew the Net Pacific Share Option Scheme in view of the presence of other performance-linked bonus arrangements. The Company has no other share-based compensation scheme or any long-term scheme involving the offer of shares or options or other forms of deferred remuneration.	Provision 8.3

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Control

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders

The Board recognizes the importance of sound internal controls and risk management practices to good corporate governance. The Board affirms its overall responsibility for (i) the Group's systems of internal controls and risk management, and (ii) reviewing the adequacy and effectiveness of those systems, including financial, operational, compliance and information technology controls, on an annual basis. The internal control and risk management functions are performed by the Group's key management personnel.

Provision 9.1

Risk Management Committee ("RMC")

The Board has tasked the RMC with the overall responsibility of overseeing the risk management activities of the Group.

The RMC as at the date of this Corporate Governance report comprises Mr Chak Chi Shing (Chairman), Mr Tso Sze Wai and Ms Kwok Meei Ying, Monica, all of whom are Independent Non-Executive Directors and also members of the AC.

The key role of the RMC is to assist the Board in discharging its responsibility in relation to overseeing the risk management activities of the Group, approving appropriate risk management procedures and measurement methodologies as well as identifying and managing the business risks of the Group. All material and significant matters are reported to the Board by the RMC.

The RMC operates within clearly defined written terms of reference setting out its compositions, authorities and duties. At each Board meeting, the Chairman of the RMC will report all material and significant matters in relation to risk management to the Board.

The RMC is assisted by the Credit Committee ("CC") in reviewing and updating the Board on the Group's loan portfolio such as the background of the borrowers and the risk exposure of the Group. In relation to the businesses in China, Mr Chan Chun Kit, the Chief Operating Officer (the "COO") reports to and assists the RMC on business-related risk management.

The CC is headed by Mr Cheung Ting Chor and comprises three (3) other members, namely Mr Zhou Wen Jie, Mr Ong Chor Wei @ Alan Ong and Mr Ben Lee. The CC updates the RMC on a quarterly basis on the Group's loan portfolio and risk exposure.

In FY2025, the RMC reviewed and updated the Board on the Group's loan portfolio, the background of the borrowers and the risk exposure of the Group on a half-yearly basis and whenever there were new loans submitted for review and approval. The RMC also reviewed the risk exposure of the businesses in China.

The Board regularly reviewed and improved its business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. In addition, whenever there were new projects/initiatives in any of the business segments of the Group, all necessary steps to manage risks of the projects was taken with the assistance of the finance team of the Group.

In the course of the annual statutory audit of the Company's financial statements, the external auditors also obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. The Company works with the external auditors on their recommendations to improve the Group's internal control system.

Based on the internal controls established and maintained by the Group, works performed by the external auditors and the internal auditors, and reviews performed by the Management, various Board Committees and the Board, the Board is of the opinion, with the concurrence of the AC and RMC, that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective in FY2025.

Catalist
Rule
1204(10)

CORPORATE GOVERNANCE REPORT

The Board has received the following assurances from: (a) the CEO and Financial Controller that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and (b) the CEO, Financial Controller, Head of Credit, and COO that the Group's risk management and internal control systems in FY2025 were effective and adequate.	Provision 9.2								
Principle 10: Audit Committee <i>The Board has an Audit Committee which discharges its duties objectively.</i>									
The AC has a written terms of reference and its duties and responsibilities include, among others, the following: (a) reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance; (b) reviewing at least annually the adequacy and effectiveness of the Company's internal controls and risk management systems; (c) reviewing the assurance from the CEO and the Financial Controller on the financial records and financial statements; (d) making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors; (e) reviewing the adequacy, effectiveness, independence, scope and results of the external audit and the Company's internal audit function; and (f) reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The Company publicly discloses, and clearly communicates to employees, the existence of a whistleblowing policy and procedures for raising such concerns. Please refer to pages 36 to 56 of the Sustainability Report for more information on our whistleblowing policy.	Provision 10.1 Catalist Rule 406(3)(e)								
The AC comprises the following members, all of whom, including the Chairman of the AC, are Independent Non-Executive Directors: <table border="1" data-bbox="137 1496 1297 1657"> <thead> <tr> <th>Name of Director</th><th>Position</th></tr> </thead> <tbody> <tr> <td>Tso Sze Wai</td><td>Chairman, Lead Independent Non-Executive Director</td></tr> <tr> <td>Chak Chi Shing</td><td>Member, Independent Non-Executive Director</td></tr> <tr> <td>Kwok Meei Ying, Monica</td><td>Member, Independent Non-Executive Director</td></tr> </tbody> </table> All members of the AC, including the Chairman of the AC, have recent and relevant accounting and financial management expertise and experience. They attend courses and seminars to keep abreast of changes to accounting standards and other issues which may have a direct impact on the financial statements, as and when necessary. During FY2025, briefings were also provided by the external auditors to the AC members and the Board on the new developments and changes in accounting standards.	Name of Director	Position	Tso Sze Wai	Chairman, Lead Independent Non-Executive Director	Chak Chi Shing	Member, Independent Non-Executive Director	Kwok Meei Ying, Monica	Member, Independent Non-Executive Director	Provision 10.2
Name of Director	Position								
Tso Sze Wai	Chairman, Lead Independent Non-Executive Director								
Chak Chi Shing	Member, Independent Non-Executive Director								
Kwok Meei Ying, Monica	Member, Independent Non-Executive Director								
None of the AC members were former partners or directors of the Company's existing auditing firm or auditing corporation within a period of two (2) years commencing on the date of their ceasing to be a partner of the existing auditing firm or director of the auditing corporation. None of the AC members holds any financial interest in the Company's existing external audit firm or auditing corporation.	Provision 10.3								

CORPORATE GOVERNANCE REPORT

<u>Internal audit function</u> The Company has outsourced its internal audit function to an independent external professional accounting firm, David Ho & Company, which has met the Hong Kong Financial Reporting Standards set by the Hong Kong Institute of Certified Public Accountants for the review of internal controls of the Group in FY2025. The internal auditors report to the AC, which decides on the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has unfettered access to all the Group's documents, records, properties and personnel, including access to the AC, and has appropriate standing within the Company. The AC is satisfied that the internal audit function in FY2025 is independent, effective and adequately resourced.	Provision 10.4 Catalist Rule 719(3) Catalist Rule 1204(10C)
The AC has met with the Company's external auditors without the presence of the Management at least once in FY2025 to review the scope and results of the audit, as well as the independence and objectivity of the external auditors. The AC has met with the Company's internal auditors without the presence of the Management at least once in FY2025 to discuss on the findings of the internal audit, and to review the effectiveness of actions taken by the Management on the recommendations made by the internal auditors.	Provision 10.5
The Company's external auditors are Foo Kon Tan LLP. The Company confirms that it is in compliance with Rules 712 and 715 of the Catalist Rules in relation to the appointment of auditors. All of the Company's subsidiaries are audited by Foo Kon Tan LLP for consolidation purpose and Foo Kon Tan LLP is registered with the Accounting and Corporate Regulatory Authority of Singapore. Foo Kon Tan LLP has been the Company's external auditors since they were first appointed at the Company's annual general meeting held on 29 October 2012. The audit partner-in-charge of auditing the Company and its group of companies, Chan Ser, who was appointed in the financial year ended 31 December 2019, has been in charge for five (5) consecutive years. To further maintain the independence of Foo Kon Tan LLP and in accordance with Rule 713 of the Catalist Rules, the AC ensures that the audit partner in-charge of the Group is rotated every five (5) years. In this regard, the audit partner-in-charge will be changed to Kong Chih Hsiang Raymond with effect from FY2025.	Catalist Rule 712 Catalist Rule 715 Catalist Rule 713
The amount payable to the external auditors relating to the provision of audit services for FY2025 amounted to approximately S\$217,000. There were no non-audit services performed by the Company's external auditors in FY2025. Having reviewed the fees paid for FY2025, the AC is satisfied and is of the opinion that the fees of Foo Kon Tan LLP would not affect the independence of the external auditors and has recommended the re-appointment of Foo Kon Tan LLP as the Company's external auditors at the forthcoming AGM to the Board.	Catalist Rule 1204(6)
SHAREHOLDER RIGHTS AND ENGAGEMENT Principle 11: Shareholder Rights and Conduct of General Meetings <i>The Company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.</i>	

CORPORATE GOVERNANCE REPORT

There were three (3) general meetings held in FY2025, one of which was the annual general meeting for FY2023, while the other two (2) extraordinary general meeting sought shareholders' approval in relation to: (i) the acquisition of the new golf and luggage businesses and related matters, and (ii) an interested person transaction mandate, respectively. Shareholders are encouraged to attend, to participate effectively, to vote in the general meetings of the Company, and to stay informed of the Company's strategy and goals in order to ensure a high level of accountability. A scrutineer will be appointed by the Company to explain the rules, including the voting procedures to the Shareholders to enable the Shareholders to participate effectively in and vote at the annual general meeting. The AGM for FY2023 was convened and held at 1 Robinson Road #18-00 AIA Tower, Singapore 048542 on Tuesday, 21 May 2024, at 3.30 p.m. Shareholders have been given the opportunity to submit comments, queries and/or questions related to the ordinary resolutions put to vote at the AGM held for FY2023. The Chairman of the meeting also stated that Shareholders will have the opportunity to ask questions during the course of the AGM. The Chairman of the meeting did not receive any comments, queries and/or questions related to the ordinary resolutions put to vote at the AGM before the stated deadline provided in the relevant notice of the AGM. The Chairman received a question during the course of the AGM and responded accordingly.	Provision 11.1
The Company tables separate resolutions on each substantially separate issue unless the issues are interdependent and linked so as to form one (1) significant proposal. Where the resolutions are "bundled", the Company explains the reasons and material implications in the notice of meeting. All resolutions at general meetings were put to vote by poll so as to better reflect Shareholders' shareholding interests and ensure transparency. Detailed voting results, including the total number of votes cast for or against each resolution tabled, will be announced immediately after the general meeting via SGXNET.	Provision 11.2
The Directors understand the importance of attending the general meetings to be available to attend to shareholders' queries and to communicate with shareholders. Insofar as possible, all Directors attend (physically or virtually) general meetings of the Company to address such questions. The Company's legal advisors (if necessary), the AC Chairman, the RMC Chairman, the NC Chairman and the RC Chairman are also present to assist the Directors in addressing such questions. The Company's external auditors are also present to address shareholders' queries about the conduct of the audit and the preparation and content of the auditors' report. Similar to the AGM for FY2023, as most of the Directors of the Company ordinarily reside outside of Singapore, the Company will make the necessary arrangements for the Directors to participate in the pending AGM for FY2025. All Directors of the Company attended the annual general meeting for FY2023 held on 21 May 2024. Two (2) extraordinary general meetings were held in FY2025 on 23 February 2024 and 2 October 2024.	Provision 11.3
Regulation 73 of the Company's Constitution permits Shareholders who are unable to vote in person at any general meeting, subject to the approval of the Directors, to have the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile. At present, the Company has not adopted any procedures for shareholders to vote in absentia as issues remain over shareholder authentication and other related security concerns and will review this option, when guidelines for such procedures are developed in the future.	Provision 11.4
The Company records substantial and relevant comments or queries from shareholders at general meetings, as well as responses from the Board and the Management. Copies of the minutes of the general meetings will be uploaded on the Company's corporate website at www.netpac.com.sg and on SGXNET at the URL https://www.sgx.com/securities/company-announcements within one (1) month from the date of the AGM.	Provision 11.5
The Company does not have a fixed dividend policy. The form, frequency and the amount of dividend will depend on the Group's earnings, financial position, financial needs, expansion plan and other factors which the Board may deem appropriate. No dividend was declared or recommended for FY2025 because the Group was not profitable in FY2025.	Provision 11.6 Catalist Rule 704(23)

CORPORATE GOVERNANCE REPORT

Principle 12: Engagement with Shareholders

The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the Company.

The Company's corporate website is a key source of information for the investment community. It contains a wealth of investor-related information on the Company, including its business, contact details, financial results, annual reports, press releases, and announcements which the Company releases via SGXNET from time to time.

Provision
12.1

The Company seeks to ensure that Shareholders are sufficiently informed of changes in the Company or its business which would be likely to materially affect the price or value of the Company's shares. Further, the Company is fully committed to corporate governance and transparency by disclosing to its stakeholders, including its Shareholders, as much relevant information as is possible, in a timely, fair and transparent manner as well as to hearing its Shareholders' views and addressing their concerns.

All material information on the performance and development of the Group and of the Company are also disclosed in a timely, accurate and comprehensive manner through SGXNET, press releases and the Company's website. The Company does not practice selective disclosure of material information. All materials on the Company's financial results are also available on the Company's website – www.netpac.com.sg.

In addition, to further encourage and promote communications with Shareholders and the investment community, Shareholders and the investment community are invited to send emails queries to the senior management at admin@netpac.com.sg.

The Company has an investor relations policy which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with Shareholders.

Provision
12.2

The Company's senior management facilitates the Company's communications with Shareholders on a regular basis, to attend to their queries or concerns as well as to keep Shareholders apprised of the Group's corporate development and financial performance.

Provision
12.3

Shareholders with queries may reach the Company by writing to admin@netpac.com.sg.

The senior management will inform the Board upon receipt of Shareholders' queries to keep the Board apprised of the issues raised by the Shareholders and will endeavour to respond to Shareholders' queries as soon as practicable after due discussion with the Board.

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

The Company has implemented appropriate channels to identify and engage with its material stakeholders. It recognises the importance of having intimate knowledge of its business and regular interactions with its stakeholders to determine material issues for its business. Such arrangements include maintaining the Company's website, which is kept updated with current information to facilitate communication and engagement with stakeholders.

Provision
13.1

The Company has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations. Such stakeholders include employees, contractors and suppliers, government and regulators, community, shareholders and investors. The Company engages its stakeholders through various channels to ensure that the business interests of the Group are balanced against the needs and interests of its stakeholders such as through the Company's website. The Company welcomes the stakeholders to write to admin@netpac.com.sg wherein the senior management will address the stakeholders' queries as appropriate.

In FY2025, the Company has maintained the Company's website to keep the stakeholders updated of developments as disclosed under Provision 12.1 above and was available to answer queries from stakeholders through the admin@netpac.com.sg.

Provision
13.2

The Company maintains a current corporate website, www.netpac.com.sg, to communicate and engage with stakeholders. The corporate website has a dedicated "Contact Us" tab for stakeholders to provide feedback, queries and/or concerns by writing to and/or calling the Company.

Provision
13.3

CORPORATE GOVERNANCE REPORT

<u>Company's Compliance of Explanation</u>	<u>Catalist Rule</u>
Dealing in Company's Securities In FY2025, the Management circulated reminders to Directors and officers of the Company via emails on the following: (a) dealings in securities at the relevant period by the Directors, the Management and officers of the Company who have access to price sensitive information in FY2025; (b) that an officer should not deal in the Company's securities on short-term considerations; and (c) that the Directors and its officers should not deal in the Company's securities during the period commencing two (2) weeks before the announcement of the Company's financial statements for each of the first three (3) quarters of its financial year and one (1) month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements), or one (1) month before the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements). The Company, its Directors and executives were also advised to observe insider trading laws at all times even when dealing in the Company's securities within the permitted trading period and not to deal in the Company's securities on short-term considerations.	1204(19)
Sustainability Reporting The Group recognises the importance of sustainability that creates long-term value to our stakeholders by embracing opportunities and managing risks derived from the environment, social developments and governance. The Group is committed towards implementing sustainable practices in order to achieve the right balance between the needs of the wider community and the requirements of stakeholders and business growth. Our 2025 Sustainability Report can be found at pages 36 to 56 of this Annual Report.	711A and 711B

CORPORATE GOVERNANCE REPORT

Material Contracts and Interested Person Transactions (“IPTs”)

1204(8)

Save for the shareholder’s loan agreement dated 31 January 2024 to provide up to RMB 9,000,000 to Ben Sports and Management Limited (the **“Golf SLA”**) as disclosed in the Company’s announcement dated 31 January 2024, and the entry into a joint venture agreement (**“JVA”**) with Mr. Ben Lee and the acquisition of 51% of the total issued and paid-up share capital of Saint Pearl Travel Products (Guangdong) Co., Ltd. (**“Saint Pearl”**) (including Mr. Ben Lee’s holding via the joint venture company) from Mr Ben Lee as disclosed in the Company’s announcements dated 2 February 2024, 5 February 2024 and 10 May 2024, there were no material contracts entered into by the Company or any of its subsidiaries in FY2025 involving the interests of any Directors or controlling Shareholders of the Company either still subsisting as at the end of the financial year under review or if not subsisting, were entered into since the end of the previous financial year.

1204(17)

The Company obtained a general mandate from Shareholders at an extraordinary meeting held on 2 October 2024 in relation to commercial transactions between Saint Pearl and Guangdong Dapu All Aluminium Luggage Co., Ltd.. Please refer to the circular dated 16 September 2024 for more information.

Name of Interested Person	Nature of relationship	Aggregate value of all Interested Person Transactions during the financial period under review (excluding transactions less than S\$100,000, and transactions conducted under Shareholders’ mandate pursuant to Rule 920)	Aggregate value of all Interested Person Transactions conducted under Shareholders’ mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Guangdong Dapu All Aluminium Luggage Co., Ltd. (“Dapu”)	The largest shareholder of Dapu is Ms Li Minhui (李敏辉)(who holds 80% interest in Dapu) who is Mr Ben Lee’s sister. Mr Ben Lee is a Non-Independent Non-Executive Director and controlling shareholder of the Company. Accordingly, as Dapu is a company in which Mr Ben Lee and his immediate family (which includes Mr Ben Lee’s siblings) together (directly or indirectly) have an interest of 30% or more, Dapu is an associate of Mr Ben Lee, and therefore an “interested person”.	–	HK\$10,100,000
Mr Ben Lee, a Non-Independent Non-Executive Director of the Company	The Group received interest payment from Mr Ben Lee being interest on the shareholder’s loan extended to the Company’s wholly-owned subsidiary, Ben Sports, as explained under Note 27 of the audited financial statements	HK\$559,000	–

CORPORATE GOVERNANCE REPORT

Conflicts of Interests

All Directors have a duty to disclose their interests in respect of any transaction in which they have any personal material interest or any actual or potential conflicts of interests (including a conflict that arises from their directorship or employment or personal investment in any corporation). Upon such disclosure, such Directors will not participate in any proceedings of the Board or the Board Committees (as the case may be) and shall abstain from voting in respect of any such transaction where the conflict arises.

Since FY2013, the Group has expanded its loan portfolio to include companies in Australia. Prior to FY2016, all of the Group's loans in Australia were disbursed through an intermediary, Jetwin Investment Pty Ltd ("**Jetwin**"). Mr Zhou Wen Jie ("**Mr Zhou**"), the Company's Non-Executive Chairman for the relevant period and a Controlling Shareholder, has also been extending loans to companies in Australia through Jetwin. Certain loans that Mr Zhou has made in the past were to the same borrowers of the loans extended by the Group. In respect to certain of such loans, Mr Zhou was also appointed to the board of the borrower as a nominee of the Group to safeguard the Group's interests. There were no new loans with similar arrangements disbursed by the Company and Mr Zhou since FY2016.

Mr Zhou has confirmed to the Company that save for his loans to the borrowers (which were made on the same terms as the Group's loans) and his directorship on the board of certain borrowers (in the capacity as a nominee of the Group), he has no other interests in the borrowers and does not have any executive or operational role in these companies. Mr Zhou is a businessman who operates metal recycling businesses and is also an investor. He had granted the loans to the borrowers in the past in his own private capacity as he had excess cash resources. There was no agreement, understanding or arrangement in respect of the loan transactions, whether formal or informal, between the Company or any of its subsidiaries and Mr Zhou and each party evaluated the investment merits and credit worthiness of the borrowers independently on their own.

In view of the materiality of the Australian market to the Group and to mitigate any potential conflicts of interest (perceived or otherwise) arising from Mr Zhou's loans to the same borrowers as the loans of the Group in Australia, the following measures have been put in place:

- (i) Pursuant to a deed of undertaking dated 16 March 2016 ("**Undertaking**"), Mr Zhou has undertaken to the Company that for so long as the Company remains listed on the Catalist and he and/or his Associates (as defined in the Catalist Rules) remains as a Director or a Controlling Shareholder of the Company:
 - (a) save for the loans already granted by Mr Zhou and/or his Associates and existing as at the date of the Undertaking (the "**Existing Loans**"), he shall not and will procure that his Associates shall not (without the prior written consent of the Company) directly or indirectly, carry on or be engaged or concerned or interested economically or otherwise in any manner whatsoever in such financing business that may compete with the Group in China, Hong Kong and Australia (the "**Territories**");
 - (b) in respect of the Existing Loans to the same borrowers as the loans of the Group, Mr Zhou shall and will procure that his Associates shall place the interest of the Group above their own personal interest and shall not without the prior consent of the Company, directly or indirectly, take any action which will adversely affect or prejudice the interest of the Group; and
 - (c) in respect of any proposed financing transaction in the Territories in the future which falls within the business scope of the Group, Mr Zhou shall and will procure that his Associates shall grant the Company a right of first refusal.

CORPORATE GOVERNANCE **REPORT**

(ii) Each of the Group's loans must be approved by a majority of the Group's Credit Committee members. In the event where a loan, that any Director, Controlling Shareholder or their respective Associates may be interested in, is proposed to the Credit Committee for approval, such interested Director or Controlling Shareholder or their Associates will disclose his interest to the Credit Committee and must abstain from participating in any discussions involving, and voting in, matters in which he may be interested. In addition, such loan transaction to be entered into by the Group shall require unanimous approval of all the other members of the Group's Credit Committee. (iii) The Financial Controller will maintain a register to record all transactions of the Group where a Director or Controlling Shareholder has also extended loans to the same borrower in his own private capacity, and will submit such register for review by the AC on a half-yearly basis to ensure that the terms of such transactions conducted by a Director or Controlling Shareholder and the terms of the Group's transactions are materially the same. The AC has reviewed the above measures put in place and is of the opinion that these measures are sufficient to safeguard the interests of the Company and its minority Shareholders. The AC shall review the procedures at least annually to determine if they continue to be adequate and commercially practicable in ensuring that conflict situations are satisfactorily addressed. As at 30 June 2025, there were no outstanding Australian loans as all such loans have been fully settled. Please refer to the Company's announcement dated 16 April 2025 for further information.	
Continuing Sponsor Except for an aggregate amount of S\$23,000 being the sponsor opinion fees in relation to extension of time for the audited financial statements for FY2023, and the review fees for corporate activities, comprising the Company's IPT Mandate Circular dated 16 September 2024 and the Proposed Diversification dated 6 February 2024, there are no non-sponsorship fees paid to the Company's continuing sponsor, PrimePartners Corporate Finance Pte. Ltd., during FY2025.	1204(21)

CORPORATE GOVERNANCE REPORT

Additional information on Directors seeking re-election

Details	Name of Director		
	Chung Wai Man	Zhou Wen Jie	Ben Lee
Date of appointment	13 June 2018	25 February 2013	8 February 2010
Date of last re-appointment	28 June 2023	28 April 2022	28 April 2022
Age	61	57	61
Country of principal residence	Hong Kong	Hong Kong	Hong Kong
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board of Directors, having considered the recommendation of the Nominating Committee and assessed the qualifications and working experience of Mr Chung Wai Man, is of the view that he has the requisite experience and capabilities to assume the responsibilities as an Independent Non-Executive Chairman of the Company. Accordingly, the Board of Directors has approved the appointment of Mr Chung Wai Man as an Independent Non-Executive Chairman of the Company	The Board of Directors, having considered the recommendation of the Nominating Committee and assessed the qualifications and working experience of Mr Zhou Wen Jie, is of the view that he has the requisite experience and capabilities to assume the responsibilities as a Non-Independent Non-Executive Director of the Company. Accordingly, the Board of Directors has approved the re-appointment of Mr Zhou Wen Jie as a Non-Independent Non-Executive Director of the Company.	The Board of Directors, having considered the recommendation of the Nominating Committee, and having reviewed the qualifications and experience of Mr Ben Lee, is of the view that he has the requisite experience and capabilities to assume the responsibilities as a Non-Independent Non-Executive Director of the Company. Accordingly, the Board of Directors has approved the re-appointment of Mr Ben Lee, as a Non-Independent Non-Executive Director of the Company.
Whether the appointment is executive and if so, please state the area of responsibility	Non-Executive	Non-Executive	Non-executive
Job title (e.g. Lead ID, AC Chairman, AC member, etc)	Independent Non-Executive Chairman and Chairman of the Nominating Committee	Non-Independent Non-Executive Director	Non-Independent Non-Executive Director Member of the Nominating Committee and the Remuneration Committee
Professional memberships / qualifications	Member of The Hong Kong Institute of Certified Public Accountants Fellow member of Association of Chartered Certified Accountants in the UK Bachelor's degree (Honours) in social sciences from the University of Hong Kong Master's degree in international business management from the City University of Hong Kong	Bachelor of Economics (Accounting) University of New South Wales, Australia	Bachelor of Biology, South China Agricultural University Masters in Biology, South China Agricultural University

CORPORATE GOVERNANCE **REPORT**

Details	Name of Director		
	Chung Wai Man	Zhou Wen Jie	Ben Lee
Working experience and occupation(s) during the past 10 years	2024 - 2024 Yipei Global Capital Limited – Consultant 2021- 2024 Yipei Global Capital Limited – General Manager 2019 - 2023 Huapei Global Capital Limited – Vice General Manager and Chief Financial Officer 2017 - 2019 China Taihe Group Limited - Chief Financial Officer 2016 – 2017 Legend Strategy International Holdings Group Company Limited - Chief Financial Officer 2013 – 2015 Sunny Arts International Holdings Limited - Chief Financial officer	1998 to 2020 Zibao Metals Recycling Holdings Plc, Executive Director	Mr Lee is currently the chairman of Wang Kei Yip Development Limited. He has over 17 years of experience in the industry of recycling ferrous and non-ferrous metal, and founded various companies involved in the metal recycling business in the PRC and Hong Kong and holds directorship in some of these companies.
Shareholding interest in the Company and its subsidiaries	No	119,750,600	120,000,000 shares held by Zhou Dan, wife of Mr Lee Mr Lee is deemed interested in the shares held by Zhou Dan.
Any relationship (including immediate family member relationships) with any existing director, existing executive officer, the Company and/ or substantial shareholder of the Company or any of its principal subsidiaries	No	Mr Zhou is the brother-in-law of Mr Ben Lee, a Non-Executive Director of the Company.	Mr Lee is the brother-in-law of Mr Zhou Wen Jie, a Non-Executive Director of the Company.
Conflict of Interest (including any competing business)	No	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) submitted to the Company?	Yes	Yes	Yes

CORPORATE GOVERNANCE REPORT

Details	Name of Director		
	Chung Wai Man	Zhou Wen Jie	Ben Lee
Other Principal Commitments Including Directorships	<u>Past (for the past 5 years)</u>	<u>Past (for the past 5 years)</u>	<u>Past (for the past 5 years)</u>
	Shandong Fengxiang Co., Ltd. (2019 - 2025) <u>Present</u> E Lighting Group Holdings Limited Shanghai MicroPort MedBot (Group) Co., Ltd. Zhongmiao Holdings (Qingdao) Co., Ltd. Smart Logistics Global Limited	Oakley Construction Pty Ltd Zibao Metals Recycling Holdings Plc Niche Success Development Pty Ltd Geraldton Project Wells Pty Ltd Rhino Industries Pty Ltd Nicheliving Harvest Lakes Project Pty Ltd Kent Corporation Group Limited Niche Canningvale Development Pty Ltd Global Metals America Ltd., Inc Global Metals Limited Ningbao Global Recycling Go Taxi Technology Ltd (formerly known as Global Resource Recycling Holdings Limited 宁波高宝再生资源有限公司) Zibao Metals Co Limited Guixi Huibo Metals Ltd (贵溪汇宝金属有限公司) Full Join Holdings Limited Masterpiece Enterprises Limited Vukic Investments Limited Resources Co., Ltd <u>Present</u> Subsidiary of the Company: - Net Pacific Finance Group Limited - Ben Sports and Management Limited Australian Stone Resources Pty Ltd 佛山市资宝金属有限公司 梧州市骏宝金属有限公司 Global Metal Enterprises Limited (formerly known as Top Able Metal Enterprises Limited) Fine Luck Trading Limited Fine Luck Resource Company Limited	Madeley Development Alliance Pty Ltd <u>Present</u> Subsidiary of the Company: - Net Pacific Finance Group Limited - Net Pacific Investment Holdings Limited - Net Industrial International Company Limited - Ben Sports and Management Limited - Cloud Nine (Foshan) Information Technology Co., Ltd - Cloud Nine (Guangzhou) Golf Sports Development Co., Ltd - Saint Pearl Travel Products (Guangdong) Co., Ltd Wang Kei Yip Development Ltd Bright Luck Trading Ltd Le On Trading Ltd Grand Billion Development Ltd Alcom Holdings Limited Alco WKY Holdings Limited

CORPORATE GOVERNANCE **REPORT**

Details	Name of Director		
	Chung Wai Man	Zhou Wen Jie	Ben Lee
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c) Whether there is any unsatisfied judgment against him?	No	No	No
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No

CORPORATE GOVERNANCE **REPORT**

Details	Name of Director		
	Chung Wai Man	Zhou Wen Jie	Ben Lee
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No

CORPORATE GOVERNANCE **REPORT**

Details	Name of Director		
	Chung Wai Man	Zhou Wen Jie	Ben Lee
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:-			
(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No
(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No

CORPORATE GOVERNANCE **REPORT**

Details	Name of Director		
	Chung Wai Man	Zhou Wen Jie	Ben Lee
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of a Director.	Not applicable. This is a re-election of a Director.
If YES, please provide details or prior experience.	Not applicable	Not applicable	Not applicable
If NO, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.	Not applicable	Not applicable	Not applicable
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable	Not applicable	Not applicable

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

This Sustainability Report by Net Pacific Financial Holdings Limited (“**Net Pacific**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) for the financial period covering 1 January 2024 to 30 June 2025 (“**FY2025**”) focuses on the material environmental, social and governance (“**ESG**”) factors.

ABOUT THE REPORT

Scope of Reporting

This Sustainability Report summarises the initiatives, policies, and ESG related key performance indicator (“**KPI**”) data of the Group’s operating activities in providing financing services business during FY2025.

Unless stated otherwise, information disclosed in this report covers that of the Group’s head office and operating subsidiaries, Net Pacific Finance Group Limited (“**NPFG**”), Ben Sports and Management Limited (“**BSG**”) and Saint Pearl Travel Products (Guangdong) Co., Ltd (“**SPTPG**”).

Reporting Framework

This report has been prepared in accordance with the Global Reporting Initiative (“**GRI**”) 2021 Standards and in conformity with the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) Listing Manual Section B: Rules of the Catalist’s sustainability reporting regime. The GRI Standards were adopted by the Group as the disclosure principles and performance metrics provided by GRI are relevant for the Group to communicate the progress and impact of our ESG efforts to our stakeholders. Net Pacific has reported in accordance with the GRI Standards for the period from 1 January 2024 to 30 June 2025.

The climate related disclosures in the Sustainability Report are consistent with the recommendations of the Task Force on Climate-related Financial Disclosures (“**TCFD**”). We are proud to announce that we belong to one of the industries where mandatory compliance with the climate reporting requirements is required for FY2025 and after.

In view of the change of year-end for the financial period under review from 30 December 2024 to 30 June 2025, the Group considers the targets in the 2023 sustainability report to be no longer relevant. The Group will assess the achievement of our targets in the next sustainability report.

The ESG performance data presented in this report have been primarily sourced from the Group’s internal information systems and original records to ensure their accuracy. The Group did not seek external assurance for this Sustainability Report but instead relied on internal audit’s verification to ensure the accuracy of the data.

BOARD STATEMENT

We are pleased to present our 2025 Sustainability Report. This document reflects our unwavering commitment to not only driving financial performance but also to acting as a responsible and proactive force for positive change in the world. Our ESG strategy is not a separate initiative; it is fundamentally integrated into our corporate strategy, our risk management framework, and our vision for long-term, sustainable growth.

Key Highlights of 2025

The global landscape in 2024 up till mid of 2025 continues to present complex challenges—from the accelerating impacts of climate change and evolving regulatory frameworks to rapid technological transformation and heightened expectations for corporate transparency. In this context, robust governance has never been more critical. Our Board provides active oversight of the Company’s ESG performance, ensuring that our ambitions are matched by accountability and tangible progress. The Board has tasked management with embedding sustainability across all business units and linking executive compensation to the achievement of key ESG milestones, reinforcing our seriousness in meeting these goals.

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

Future Outlook on ESG Performance

In the coming year, our strategic priorities will include:

1. Accelerating our transition to renewable energy and exploring next-generation clean technologies.
2. Deepening our engagement with suppliers to build a more resilient and sustainable value chain.
3. Advancing Diversity, Equity, Inclusion, and Belonging (DEIB) goals with a focus on inclusion and belonging.
4. Enhancing our climate risk assessment and adaptation strategies to ensure business resilience.

We extend our sincere gratitude to our employees, customers, investors, and community partners for their continued collaboration. Your feedback challenges and inspires us to aim higher. The Board is confident that by staying true to our values and executing our integrated strategy, Net Pacific will continue to create enduring value for all our stakeholders—safely, responsibly, and sustainably.

ABOUT THE COMPANY

About the Company

Net Pacific Financial Holdings Limited (“**Net Pacific**”), and together with its subsidiaries (the “**Group**”) is an investment holding company specialising in providing financing services and access to capital primarily to small and medium-sized enterprises (SMEs) in the People’s Republic of China (“**PRC**”), Hong Kong Special Administrative Region (“**HKSAR**”), and Australia. Provision of loans in Australia ceased in 2021. With a strong emphasis on sustainable growth, the Group expanded into the operations of the Golf Business, and travel product solutions business, namely the Luggage Business.

Financing Services

Our range of financing services includes working capital financing via asset-backed loans and mezzanine loans secured by floating or fixed charges over specific assets or shares of the borrower or guaranteed by major shareholders. This comprehensive approach ensures flexibility and stability in meeting the financing requirements of our clients while minimising downside risks to our Group. We focus on optimising investments in companies with strong fundamentals and growth potential. Our investments are strategically structured in the form of convertible loans or preferential shares with capital protection mechanisms to safeguard our interests. By maintaining a prudent operational approach, we aim to capitalise on emerging opportunities while mitigating risks effectively.

Golf Business

The acquisition of the Golf Business marks a strategic expansion into the sale of golf simulators and operator of indoor golf simulator venues in the PRC. Led by a seasoned team with extensive experience in golf-related operations, including coaching, training centres, and brand marketing, this venture aligns with our goal of sustainable growth and revenue diversification. Leveraging a scalable business model and expertise, we anticipate a steady income stream from this venture, further contributing to our overall revenue growth.

Luggage Business

Recognizing the potential in the rebounding travel industry post-COVID-19, Net Pacific ventured into the travel product solutions business through joint ventures and acquisitions. Our Luggage Business specializes in hard case luggage manufacturing and sales in the Business-to-Business sector. Backed by an experienced management team with expertise in manufacturing and sales networks, this initiative positions us for scalable growth and diversification of revenue streams, tapping into the resurgence of travel demand domestically and globally.

At Net Pacific, we are dedicated to fostering sustainable growth and creating value for our clients, shareholders and stakeholders. With a focus on innovation, diversification, and prudent risk management, we are poised to drive mutual success and prosperity for all stakeholders.

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

OUR APPROACH TO SUSTAINABILITY

Our approach to sustainability is to ensure that ESG issues are well integrated with our business and operational models, and are subject to strong governance by our management and Board. We embed sustainability considerations in our business strategies and decisions, and appraise both ESG-related risks and opportunities in a holistic and balanced manner.

SUSTAINABILITY GOVERNANCE

Governance Structure

In formulating operational strategies and ESG measures, the Group takes into account its stakeholders' expectations and concerns, and strives to improve its performance through mutual cooperation with its stakeholders. The Group has maintained close communication with its key stakeholders by utilising diversified key communication channels, details of which are shown as follows:

Sustainability Strategy Targets & KPI Capital & Resource Allocation	Board of Directors			Regular Reporting, Issues Escalation Ideas & Innovation
	Risk Management Committee			
	Sustainability Steering Committee			
	Executive Directors	Audit Committee	Heads of Department	

Board of Directors

The Board has an overall responsibility for sustainability, provides oversight of ESG matters and has in place a strong governance framework to manage our business effectively and responsibly. The Board determines the material ESG factors, approves the sustainability related policies and the Enterprise-Wide Risk Management Framework ("**EWRM**"), which now covers the Group's environmental and climate risk management. In addition, the Board is responsible for ensuring that the Group has adequate resources to achieve its ESG aspirations and for allocating resources appropriately through annual budgeting and long-term strategic planning.

Risk Management Committee

To support the Board on ESG matters, the Risk Management Committee ("**RMC**") oversees the EWRM, reviews and approves risk policies and procedures. This includes defining Net Pacific's risk appetite and managing the Company's risk exposures, which include ESG risks. The RMC meets quarterly, and reports and escalates ESG related matters to the Audit Committee, which assists the Board on overall oversight responsibility for ESG issues, and to the Board.

Sustainability Steering Committee

The Sustainability Steering Committee ("**SSC**") supports the RMC in reviewing, monitoring and managing Net Pacific's sustainability efforts and material ESG factors. The SSC reports regularly to the RMC, which in turn reports to the Audit Committee and the Board on matters and issues relating to sustainability.

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

Audit Committee

The Audit Committee (“AC”) assists the Board on ESG matters. Through the Internal Audit function, the AC provides independent oversight on the design of policies related to sustainability, compliance with these policies, quality of data being collected and sustainability related reporting and disclosure processes and practices.

The Internal Audit function has reviewed this Sustainability Report for which external assurance has not been sought.

Sustainability performance

All Net Pacific personnel responsible for sustainability are expected to ensure full compliance with our ESG related policies and strategies to achieve the ESG targets set by the Board, and incorporate sustainability considerations into every initiative they oversee. Our remuneration policy takes into account the contributions of our personnel in enhancing Net Pacific’s sustainability performance, which is now one of our strategic imperatives.

STAKEHOLDER ENGAGEMENT

In formulating operational strategies and ESG measures, the Group takes into account its stakeholders’ expectations and concerns, and strives to improve its performance through mutual cooperation with its stakeholders. The Group has maintained close communication with its key stakeholders by utilising diversified key communication channels, details of which are shown as follows:

Stakeholders	Communication Channels	Expectations
Shareholders	- Annual general meeting and other shareholder meeting - Financial reports - Announcements and circulars - Company website – Investor relation	- Financial performance - Corporate transparency - Sound risk management and internal control - Corporate sustainable development
Government and regulatory agencies	- Regular reports - Written or electronic communication	- Compliant operation - On-going communication - Mutually beneficial relationship
Employees	- Training and seminars - Regular performance appraisals - Suggestion box - Internal announcements and notice - Intranet	- Career development - Competitive remuneration and welfare - Equal opportunity on promotion - Healthy and safe working environment
Customers	- Customer satisfaction survey - Customer service hotline and email - Company website	- Customer rights and interests protection - Customer privacy protection - High quality products and services
Supplier and Service Providers	- Supplier and service provider assessments - Regular meetings - Tele-conference	- Integrity in cooperation - Responsible supply chain management - Business ethics and reputation - Fair and open competition
The society and public	- Charity events - Community investment - Sustainability reports	- Perform environmental protection - Provide job opportunity - Support charity - Transparent information to public

The Group aims to collaborate with its stakeholders to improve its ESG performance and create greater value for the wider community on a continuous basis. The Group did not obtain external financing for the Financing Business.

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

MATERIALITY ASSESSMENT

The management and employees who are responsible for the key functions of the Group have participated in preparing the performance data, assisted the Group in reviewing its operations, identifying key ESG issues and assessing the importance of such issues to the Group's business and stakeholders through discussions and workshops. The Group adopted the materiality matrix during FY2025 as follows:

The Group's Materiality Matrix during FY2025					
High				Emission Control	Environmental Compliance
LEVEL OF INFLUENCE ON STAKEHOLDERS' ASSESSMENTS & DECISIONS			Anti-corruption	Political factors	Procurement Practice
		Protection of Customer Privacy	Service Quality Management	Economic factors	Board Governance
				Occupational Health and Safety	
		Talent Attraction			Energy Consumption
			Training and Development		
		Employees' Welfare			
	Supply Chain Management				
			Community Investment		
Low	LEVEL OF SIGNIFICANCE OF ECONOMIC, ENVIRONMENTAL & SOCIAL IMPACTS				High

The material ESG topics were also reviewed by the Board and determined to be relevant. Moving forward, the Sustainability Steering Committee, supporting the Board in its oversight, will continue to review material ESG topics against the changing business environment, stakeholder opinions, and emerging global and local trends annually and submit for Board's revision, if applicable.

During FY2025, the Group confirmed that appropriate and effective management policies and internal control systems for ESG issues were in place and the information disclosed in the Sustainability Report was in compliance with the requirements of the Practice Note 7F Sustainability Reporting Guide of the Catalist Rules of the Singapore Exchange's Rulebooks.

CONTACT US

The Group welcomes comments and suggestions from its stakeholders. You may provide comments and feedback on the Sustainability Report or the Group's performance in respect of sustainable development via the following channels:

Address : 35 Selegie Road, #10-25 Singapore 188307
 Email : admin@netpac.com.sg
 Telephone : (65) 6542 3488

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

A. ENVIRONMENTAL ASPECTS

A.1. Emissions

The Group strives to protect the environment through the implementation of relevant policies and measures in its business activities and workplace. We recognise that we have an obligation to reduce the impact of our operations on the environment and are committed to continuously improving our business operations by using resources effectively.

Emissions Control

GHG Emissions

We strive to minimize the environmental impact of our business operations and mitigate climate change risks. Given that our manufacturing facilities consume a significant amount of energy, managing greenhouse gas emissions is crucial in addressing these climate-related challenges. During FY2025, the Group's GHG emissions were as follows:

Indicator ¹	Unit	NPFG	BSG	SPTPG
Direct GHG emissions (Scope 1) – Fuel combustion of vehicles	tCO ₂ e	–	–	–
Energy indirect GHG emissions (Scope 2) – Purchased electricity	tCO ₂ e	< 1	1	996
Total GHG emissions	tCO ₂ e	< 1	1	996
Intensity of Total GHG emissions	tCO ₂ e/HK\$ million revenue	< 1	< 1	15

This is the first year for the incorporation of the financial results of the two subsidiaries BSG and SPTPG. BSG is engaged in the operation of golf venues and installation of golf simulators at customers' venues, while SPTPG is engaged in the manufacturing of hard case luggage. The manufacturing activities carried out by SPTPG for the production of luggage include plastic injection molding, sewing of fabrics, forming of metal casings, assembly of parts and components for the luggage.

SPTPG has scheduled qualified external testing company in the PRC for the collection and testing of waste gas emissions in the factory area so as to confirm compliance with the Environmental Protection Law of The People's Republic of China (2014 Revision). The Group had not owned any motor vehicles during FY2025, thus recorded zero emission of GHG from such source

The manufacturing activities by SPTPG within the Group had been the principal consumption of purchased electricity for the Scope 2 indirect GHG emission. Management of SPTPG and BSG have been closely monitoring the usage of purchased electricity for the daily business operations. All idle machineries, equipment and lighting, when not in use, are to be switched off, especially during lunch break and when the factory and venues are closed for business.

The Group has been working closely with the suppliers for purchasing machinery, equipment, materials and parts by both SPTPG and BSG that are environmentally friendly and suitable recycled materials are used, so as to reduce the Scope 3 GHG emission.

Notes:

1. GHG emissions data is presented in terms of carbon dioxide equivalent and is disclosed in accordance with relevant standards and guidelines, including but not limited to, "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard" issued by the World Resources Institute and the World Business Council for Sustainable Development, "the "Global Warming Potential Values" from the Fifth Assessment Report of the Intergovernmental Panel on Climate Change, 2014, Electricity CO₂ emission factors by Ministry of Ecology and Environment of China in 2022 and Carbon Calculator by HK Electric in 2024.
2. The total revenues of NPFG, BSG and SPTPG for FY2025 were approximately HK\$4,959,000, HK\$6,371,000 and HK\$67,936,000 respectively. Such figures would also be used for calculating other intensity data in the Sustainability Report.

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

Waste Management

The Group is committed to reducing and recycling waste wherever possible to minimize landfill contributions and the environmental impact of our operations. All non-hazardous waste is properly labeled, stored, and disposed of in compliance with local council regulations.

We actively encourage employees to adopt responsible waste management practices, supported by regular awareness programs conducted by our in-house environmental committee. The Group continuously strives to implement best practices in waste management as part of our broader effort to reduce our environmental footprint.

Hazardous Waste

In terms of managing, storing, and disposing of hazardous waste (for example, waste engine oil, waste engine oil barrels, waste activated carbon), we ensure that the Group has complied with the Environmental Protection Law of the People's Republic of China [2014 Revision] (中华人民共和国环境保护法[2014修订]) and Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste [2020 Revision] (中华人民共和国固体废物污染环境防治法[2020修订]).

For the disposal of scheduled waste, companies in PRC may only engage waste collectors being approved by the Ministry of Ecology and Environment of the People's Republic of China (MEE) (中华人民共和国生态环境部) to ensure that all scheduled waste is being disposed of in an appropriate manner.

In this regard, SPTPG has complied with the PRC local requirement under the Environmental Protection Law of the People's Republic of China [2014 Revision] (中华人民共和国环境保护法[2014修订]) and Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste [2020 Revision] (中华人民共和国固体废物污染环境防治法[2020修订]) by engaging a third-party firm on an annual basis for replacing used filters and hazardous waste disposal.

Hazardous waste comprised mainly activated carbon being used in the exhaust gas treatment process during the manufacturing of luggage and waste oil used in production machineries of SPTPG. Employees who are responsible for handling the hazardous wastes must undergo proper training and equip themselves with the protective gloves, masks and clothing when putting the hazardous wastes to designated safety containers for collection.

During FY2025, the details of the hazardous waste produced by the Group were as follows:

Type of Waste	Unit	NPFG	BSG	SPTPG
Hazardous waste	Kg	–	2	288
Intensity of total hazardous waste	kg/HK\$ million revenue	–	< 1	4

Non-Hazardous Waste

As part of the manufacturing process, the Group generally produces fabric waste, paper waste and plastic waste. All non-recycled waste generated will be disposed off through the local municipal qualified waste collectors on a monthly basis.

For the manufacturing of luggage by SPTPG, the scrap plastic materials, metal scraps and fabrics are collected by qualified waste collectors for re-cycling. Additionally, the Group has scheduled qualified testing company in the PRC for assessing the generation of possible hazardous wastes from the manufacturing processes.

The Group is committed to increasing the recycling percentage of its non-hazardous waste and is exploring alternatives such as “repurpose” instead of “recycle”. Moving forward, the Group may seek the collaboration of potential agencies that are able to “repurpose” non-hazardous wastes.

SPTPG has also fulfilled its corporate responsibilities and obligations of ecological and environmental protection, takes measures to prevent and control environmental pollution, and ensures that pollutants are discharged in a stable and standard manner.

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

BSG has diligently reduced source of hazardous waste production & rethink Procurement:

- Switch to digital membership cards and swing analysis reports to reduce paper usage.
- Install water refill stations to discourage single-use plastic bottles.
- Choose suppliers who use minimal or recyclable packaging for equipment and snacks.

No non-compliance with the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste [2020 Revision] had been reported by both SPTPG and BSG for FY2025.

During FY2025, the details of the non-hazardous waste produced by the Group (i.e. paper) were as follows:

Type of Waste	Unit	NPFG	BSG	SPTPG
Non-hazardous Waste	Kg	–	213	443
Intensity of total non-hazardous Waste	kg/HK\$ million revenue	–	33	7

Both BSG and SPTPG have maintained registers for recording both the hazardous and non-hazardous wastes generated by each company and the receipts for collection of those wastes by qualified waste collectors.

A.2. Use of Resources

The Group continues to implement initiatives to incorporate resource efficiency and eco-friendly measures into the Group's operations, and is committed to optimising the use of resources in all of its business operations. During the Group's daily operations, electricity is the major type of energy consumed. The Group has established relevant policies and procedures in governing the efficient use of resources, in reference to the objective of achieving higher energy efficiency and reducing the use of unnecessary materials so as to avoid wastage.

Energy Consumption

The Group's major sources of energy consumption are electricity consumption for the office and production facilities. During FY2025, the Group's energy consumption was as follows:

Types of energy	Unit	NPFG	BSG	SPTPG
Total direct energy consumption	kWh	–	–	–
Petrol	kWh	–	–	–
Diesel	kWh	–	–	–
Electricity	kWh	890	2,644	2,261,685
Total energy consumption	kWh	890	2,644	2,261,685
Intensity of energy consumption	kWh/HK\$ million revenue	179	415	33,291

Electricity supplies of both BSG and SPTPG have been provided by local electricity companies operated by the provincial government authorities. Electricity supply under the financing business is obtained from authorized electricity companies in HKSAR.

We continue to implement energy-efficiency projects at our facilities, such as LED-lighting retrofits, heating, ventilation and cooling (HVAC) upgrades, and industrial process improvements.

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

To maintain our support for environmental protection, the normal room temperature has been set at 25°C for all the indoor premises of the Group companies. The last employee who leaves the room is responsible to switch off all the lightings and air-conditioning system for energy saving. Plants have been grown on the outdoor surrounding premises of BSG and SPTPG for the absorption of sunlight and heat.

During FY2025, the Group did not operate any electricity generator, machinery and motor vehicle for the direct consumption of diesel or gasoline. Management of the Group has encouraged employees to take public transportation whenever suitable for saving energy and reducing GHG emissions.

Water Consumption

We are assessing water scarcity as part of our nature assessment, and we continue to look for ways to reduce water use in our facilities. The Group is equipped with low-flow, water- saving fixtures in kitchens and restrooms, as are many of our offices and Company-operated retail stores globally.

Notices have been put on the walls of rest rooms and relevant premises of both SPTPG and BSG, reminding employees to turn off water taps when not in use, and to alert the administration department to fix leaking water pipes and taps, if any so as to save water. Rainwater has been collected for watering plants in SPTPG for water saving.

During FY2025, the Group's water consumption was as follows:

Water consumption	Unit	NPFG	BSG	SPTPG
Water consumption	m ³	–	134	4,213
Intensity of water consumption	m ³ / HK\$ million revenue	–	21	62

Environmentally Friendly Policy

Our short-term strategy for resources consumption is to maintain the current level of electricity and paper consumption of daily materials record in the coming years and to monitor the effectiveness of the various environmentally friendly measures implemented by the Group. In the long-term, we would maintain our lean business model so that resource consumption can be minimised at the source, and to explore management models, innovations and technological advancements so that we could further minimise the resource consumption, whenever practicable.

In FY2025, most of our business meetings were held in Singapore and HKSAR with daily transportation costs. We have developed an eco-friendly policy and reduced footprint by implementing a solution that fits our business trips. The following have been put in place:

A clear travel policy, to make positive changes and switch to low-carbon alternatives by embedding policies in the Travel and Entertainment application. Promoting low-emission airlines and promoting sustainable accommodations;

- Mapping out current travel practices not only allows businesses to identify areas for sustainability savings but can also help to shape and guide future travel policies;
- Create a green business travel program campaign;
- Digital document management, reducing the need for printing, copying, and physical storage. Help to deliver cost savings and encourage employees to be more mindful and recycle the paper receipts where possible.
- We continue to find new sources of recycled contents and other more sustainable materials, increasing SPTPG's use of renewable energy, reducing SPTPG's carbon footprint, and improving SPTPG's performance in our Social Compliance Program (the Company's systematic effort to ensure its operations and supply chain protect the health, safety, and rights of workers, adhering to legal and ethical standards).

A.3. Responses to Climate Change

The impacts of climate change and extreme weather events have become more severe and implementation of initiatives to respond to climate change is critical and urgent. According to the “Climate Change 2022: Impacts, Adaptation and Vulnerability” released by Intergovernmental Panel on Climate Change, human-induced climate change, including more frequent and severe extreme weather events, has brought about widespread adverse impacts on nature and human beings, and the impacts are beyond those caused by natural factors.

For our indoor golf venues, manufacturing and distribution facilities and offices, we encourage our teams to continue to identify and implement energy-efficiency and renewable electricity opportunities. Common energy-efficiency projects include LED lighting installations, which provide better-quality light while reducing electricity demand, installation of occupancy sensors to automatically turn off lights in unoccupied spaces, and updates to heating and cooling systems that improve comfort and reduce energy use. We also regularly assess and invest in on-site renewable solar options, as well as purchase renewable power through local utilities and green power programs.

We work with a global value chain of suppliers and partners to source raw materials, manufacture and distribute our products. To reduce our product GHG footprint, we will greatly increase the use of recycled contents, including recycled plastics and aluminum. Replacing virgin materials with recycled ones significantly reduces the embodied carbon of our products.

In addition to requesting the use of lower-carbon materials, we have encouraged more suppliers to install solar arrays.

Low Carbon Transition

Recognising that the Group has a critical role to play in supporting the transition to a low carbon economy, Net Pacific is committed to supporting our customers in their transition journey to minimise the adverse impact caused by their business activities to people, the environment and community.

Net Pacific assesses the environmental risks and opportunities through the short, medium and long-term time scales as defined below. In making the classification, we take into consideration our financial and resource planning cycles as well as the maturity tenures of our assets and portfolios.

Short-term	S	0-1 Year
Medium-term	M	1-5 Years
Long-term	L	5-30 Years

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

The examples of the environmental risks and opportunities faced by Net Pacific are as follows:

Physical Risks	Tenure	Examples	Financial Impact
<u>Acute Risk</u> Event driven climate events	M L	Increased extreme weather events such as flood & heats	Reduced revenue due to physical disruptions
<u>Chronic Risk</u> Long term shift in climate events	M L	- Extreme variability in weather patterns - Rising sea levels & mean temperatures	- Asset impairment - Increased insurance premium
Transition Risks		Examples	Financial Impact
<u>Policy & Legal Risk</u> Changes in policies & regulations	S M L	- Higher GHG emission taxes - Penalties for involving in illegal activities	Impairment of loans & investments as changes negatively impact customers' bottom lines
<u>Technology Risk</u> Changes in technologies	S M L	- Higher research & development costs - Costs incurred in implementing new technologies	Higher costs would adversely impact customers' cash flows and in turn their repayment ability
<u>Market Risk</u>	S M L	- Changes in customer sentiment & demand - Value-chain disruption	Reduced revenue from lower demands for credit facilities
Changes in market dynamics	S M L		
<u>Reputational Risk</u> Negative perception from customers & stakeholders	S M L	Negative perception of Net Pacific resulting in customer loss & lower profitability	- Challenges in retaining & attracting talents - Reduced access to capital
Opportunities	Tenure	Examples	Financial Impact
<u>Products</u> New products & services	S M L	- Green loans - Sustainable financing, especially for SMEs	Increased revenue with new business opportunities
<u>Products</u> Higher business volume	M L	- Retrofitting activities under Singapore Green Building Masterplan - Other transition financing	Higher revenue with more transitioning activities

Scenario Analysis

In FY2025, we conducted our scenario analysis on climate risk, a key environmental risk, based on the recommendations of TCFD. We took reference from the Network for Greening the Financial System Phase 2 ("**NGFS**") climate scenarios, which are consistent with the climate scenarios used in the Monetary Authority of Singapore's Industry Wide Stress Test 2022 ("**IWST 2022**").

In line with the IWST 2022, we used 3 sets of climate scenarios, namely Orderly Transition, Disorderly Transition and No Additional Policies, which are adopted from the NGFS sub-category of Net Zero 2050, Delayed Transition and Current Policies, respectively.

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

Net Pacific Climate Scenario	NGFS Sub-category	Description	Year	Mean Global Warming	Transition Risk	Physical Risk
Orderly Transition	Net Zero 2050	Timely and orderly global actions to move towards a low carbon future	2050	1.5°C	Moderate	Limited
Disorderly Transition	Delayed Transition	A delayed and disorderly shift to a low carbon future	2050	2°C	Medium to High	Limited
No Additional Policies	Current Policies	No additional climate policies are introduced	2080	3.0°C	Limited	High

B. SOCIAL ASPECTS

B.1. Employment

The Group regards all employees as its most valuable assets as well as the Group's closest and most reliable partner in order to promote sustainable development. By establishing a comprehensive employment management system, the Group provides its employees a competitive, attractive, fair and inclusive working environment. The Group makes every effort to let all employees fully realise their potential, and provides a comfortable and safe working environment.

During FY2025, the Group strictly conformed to and complied with the relevant laws and regulations in relation to employment in HKSAR, the PRC and Singapore that would have a significant impact on the Group.

Total Workforce by Age Group, Gender and Region

Number of Employees	NPFG		BSG		SPTPG	
	No.	%	No.	%	No.	%
Total Number of Employees	3	1%	13	7%	178	92%
By Gender						
Male	2	67%	7	54%	83	47%
Female	1	33%	6	46%	95	53%
By Employment Type						
Full-time	3	100%	13	100%	167	94%
Part-time	0	0%	0	0%	11	6%
By Age Group						
<30	0	0%	4	31%	26	15%
30-50	0	0%	8	61%	116	65%
>50	3	100%	1	8%	36	20%
By Geographical Location						
Singapore	1	33%	0	33%	0	0%
Hong Kong	2	67%	0	67%	0	0%
PRC	0	0%	13	13%	178	100%

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

Turnover Rate of Employees

Turnover of Employees	NPFG		BSG		SPTPG	
	No.	%	No.	%	No.	%
Total Number of Employees	0	0%	22	14%	130	86%
By Gender						
Male	0	0%	13	59%	69	53%
Female	0	0%	9	41%	61	47%
By Employment Type						
Full-time	0	0%	22	100%	114	88%
Part-time	0	0%	0	0%	16	12%
By Age Group						
<30	0	0%	9	41%	26	20%
30-50	0	0%	13	59%	74	57%
>50	0	0%	0	0%	30	23%
By Geographical Location						
Singapore	0	0%	0	0%	0	0%
Hong Kong	0	0%	0	0%	0	0%
PRC	0	0%	22	100%	130	100%

Talent Attraction

The Group cherishes and cares about its employees, and believes that employees are its most valuable assets. Therefore, the Group has established a robust recruitment and promotion system to attract outstanding talents to the Group's workforce in order to continue expanding the Group's workforce, as and when required by its operations. As an employer that provides equal opportunities, the Group values a fair, open, objective and non-discriminatory selection process. Promotion of employees is determined by regular work evaluation, which is used as an indicator for salary increment and to spur improvement in employees' performance.

Termination of employee contracts is regulated by internal policies to ensure that all terminations comply with relevant local laws and regulations. The Group strictly prohibits any forms of unfair or illegal dismissal. The Group also collect opinions from departing employees through exit interviews in order to improve our processes. The procedures regarding employment, dismissal, evaluation and promotion are listed in the Employee Handbook.

Employees' Welfare

In Net Pacific, we see our employees as our greatest asset. They help us meet our customers' needs, drive innovation and elevate our business to greater heights. In return, we hope to provide a caring, safe and supportive workplace for our employees. We provide employment welfare beyond statutory requirements for our employees to take care of their needs and improve business relationships. We regularly review the welfare and compensation packages offered to our employees, comparing against those offered by industry players engaged in the same or similar business operations, to ensure that our welfare and compensation packages stay competitive so that we could retain and attract the best talents.

We support valuable employees with employee welfare, including hospital and surgical benefit, clinical benefit, and etc.

The Group formulates policies to determine employees' working hours and leave arrangements in accordance with local employment laws. Relevant policies on working hours and rest periods are listed in the Employee Handbook.

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

During FY2025 there were no known instances of non-compliance with relevant employment and labor practice regulations regarding compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination or other benefits and welfare in any countries where we employ people that had a material adverse effect on our business or financial results.

Diversity and Equal Opportunities

During FY2025, no discrimination incidents occurred in the Group. The Group is committed to creating and maintaining an inclusive and collaborative workplace culture in which all can thrive. The Group strives to provide equal opportunities to all its employees and maintain a workplace that is free from discrimination, physical or verbal harassment against any individual on the basis of race, religion, colour, gender, physical or mental disability, age, place of origin, marital status and sexual orientation. The Group has zero tolerance towards any form of sexual harassment or abuse in the workplace. Any employee who is intimidated, humiliated, bullied or harassed (including sexual harassment) can directly report to the Chief Executive Officer and Executive Director or via the whistleblowing channel. The Group will take strict measures after receiving the complaint to resolve such matters.

The Group does not restrict any of the employees to freedom of association and collective bargaining.

B.2. Health and Safety

The Group takes occupational health and safety at work very seriously when providing services, as it is concerned not to put its employees, business partners and service providers at risk. The Group has adopted an occupational health and safety manual as required by relevant occupational health and safety laws, rules and regulations.

According to the report of the regular inspection and evaluation on occupational disease hazards in the workplace (工作场所职业病危害因素定期检测与评价报告), SPTPG has complied with the PRC local requirement under Law of the People's Republic of China on the Prevention and Control of Occupational Diseases (中华人民共和国职业病防治法) and Provisions on the Management of Occupational Health in Workplaces (工作场所职业卫生管理规定). SPTPH engaged a third-party firm to perform the regular inspection and evaluation on occupational disease hazards in the workplace (工作场所职业病危害因素定期检测与评价) and SPTPH management is monitoring and taking measures to improve the areas as highlighted in the aforesaid report.

During FY2025, the Group strictly conformed to and complied with the relevant laws and regulations in Singapore, HKSAR and the PRC in relation to the provision of a safe working environment and the protection of employees from occupational hazards that would have a significant impact on the Group. During the previous three years including the FY2025, the Group recorded zero material accident and incident and zero death due to work injury. Lost days due to work injury for FY2025 were zero.

B.3. Development and Training

Good training and development programs allow our employees to develop skills and knowledge that will improve job performance and enhance career development.

Different business segments have different continuing professional development (“CPD”) requirement. For financing business, our employees are encouraged to participate in CPD programs conducted by external parties through participating in various training courses on administration, finance and accounting updates relevant to our business operations.

For production, the higher training under luggage comprised ad-hoc in-house training whenever there are new products / new customers etc. For the operation of machineries, such as plastic injection molding machine, cutting machine in SPTPG, the operators must undergo proper operation and safety training by experienced in-house and external qualified engineers before being assigned to the job position.

For Golf Business in BSG, the demonstrator of the golf simulator machine has to undergo proper professional training by the supplier on the operation of the machine and striking of golf at high speed within a short distance for personal safety. CPD training for all employees can comprehensively enhance customer experience, ensure safety and compliance, and improve operational efficiency.

As CPD programs are important for our business and our employees, we strive to provide similar or more CPD programs for our employees in FY2026.

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

The table below outlines the Group's performance on the training and development impacts on its employees in FY2025:

Training Hours

	NPFG	BSG	SPTPG
Total Training Hours	22	109	2,290
Average Training Hours	7	8	13

The personnel and administration department of BSG and SPTPG are responsible for arrangement of relevant both in-house and external training for the employees of each department according to requirements. Proper training records are maintained. Employees with the proper equipped skills can both improve production efficiency and enhance proper safety working environment.

B.4. Labour Standards

Prevention of Child Labour and Forced Labour

The Group strictly prohibits child and forced labour. During FY2025, the Group strictly conformed to and complied with the relevant laws and regulations in HKSAR in relation to the prevention of child and forced labour, such laws and regulations include but not limited to the Employment of Children Regulations (Chapter 57B of the Laws of Hong Kong) and the Employment Ordinance (Chapter 57 of the Laws of Hong Kong).

Our employment and recruitment process strictly adheres to the Labor Contract Law of China, Employment Ordinance of Hong Kong and Employment Act of Singapore. We carry out detailed pre-employment background checks, procedures and verifications on identity documents of every candidate to ensure that there is no forced or child labour or other persons ineligible for employment are employed. We also avoid working with individuals or companies that violate such laws.

We adopt an 8-hour working system and voluntary overtime. Overtime is limited to within statutory limit to protect employees' health and well-being. In addition, we would assign an employee to work on a technical task after the relevant employee has received adequate training to handle the assignment.

There were no incidences of non-compliance with applicable labour standards in FY2025. We target to maintain the record of zero incidence of non-compliance in FY2026.

B.5. Supply Chain Management

The Group relies on its trusted network of business partners, suppliers, and service providers to operate the businesses efficiently. We regularly collaborate and engage closely with its partners to ensure a robust supply chain framework. We regularly review its procurement practices, in particular, to embed sustainability practices with defined policies to ensure a consistent approach to procurement. The Group is committed to responsible practices by working with those partners who share its like-mindedness towards sustainability.

The criteria for supplier selection for the Group depend heavily on the type and needs of the businesses. Transparent partner selection was based on their industry experience, reputation, lead times, and cost-effectiveness. The Group conducts essential due diligence on the respective suppliers to verify their credit standing, where applicable, through company searches, market reputation, and prior track record checks with other customers.

The Group has formulated assessment policy in relation to the reliability and product quality of each supplier evaluated by the different department heads on a regular basis. For SPTPG, the reliance on single supplier for components and parts is to be avoided unless under special reason such as good quality or with proprietary rights. SPTPG has been working closely with the suppliers and attending trade fairs for identifying new environmentally friendly materials to be used in the products, if applicable.

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

B.6. Product Quality and Responsibility

We are committed to providing high health and safety standards and high-quality services for its products and services to our customers.

As of 30 June 2025, the Group maintained the following certifications and systems:

NPFG	Money Lenders License (issued by the Hong Kong Companies Registry)
BSG	According to the standards of the China Golf Association, the venues meets the C-level standards of the Volkswagen Golf Training Center.
SPTPG	ISO14001/ ISO9001 (issued by Zhongjian Certification Co., Ltd), BSCI Report (Business Social Compliance Initiative Report issued by Amfori)

Protection of Customer Privacy and Protection of Intellectual Property

Data protection and privacy are crucial to our business and we have taken measures such as password protection, anti-virus software and fire wall and information back-up, to ensure security of data. We strictly comply with “the Personal Data Protection Act 2012” of Singapore, “Personal Data (Privacy) Ordinance” of Hong Kong, and “Personal Information Protection Law” of China in relation to data protection. The Group has formulated internal policies to regulate the handling of confidential information while protecting customers’ privacy and intellectual property. All confidential data related to the Group’s business and customer information are securely protected and only used for internal purposes. Any leakage of confidential information to the third parties is strictly prohibited.

There were no incidences of non-compliance with applicable standards in FY2025. We target to maintain the record of zero incidence of non-compliance in FY2026.

B.7. Community Investment

Based on our latest materiality assessment, community engagement was not identified as a material topic for our business and key stakeholders in FY2025. However, we will actively consider organizing or participating in community activities in the future, with active participation by our management and employees as well as monetary contributions. In FY2026, we target to grant leave to our management and employees to participate in volunteering activities, if required.

C. GOVERNANCE

The Group firmly believes that operating its businesses ethically and responsibly builds trust with stakeholders and lays the foundation for long-term success. The Group aims to strengthen its corporate governance framework to support its sustainability journey and eventually define every part of how it operates its business and works with its suppliers, customers, and other stakeholders.

We have implemented internal controls on our business operation to ensure sustainability. All of our loan cases must be reviewed by the Credit Committee to ensure that adequate consideration have been given to all relevant factors before final approval and to ensure that all the loans extended are with manageable credit risks and recoverability. In relation to the businesses in China, Mr Chan Chun Kit, the Chief Operating Officer reports to and assists the RMC on business-related risk management. The RMC also reviewed the risk exposure of the businesses in China.

The Board regularly reviewed and improved its business and operational activities to identify areas of significant business risks as well as appropriate measures to control and mitigate these risks. In addition, whenever there were new projects/ initiatives in any of the business segments of the Group, all necessary steps to manage risks of the projects was taken with the assistance of the finance team of the Group.

During FY2025, we have conducted an internal audit review on our internal control system and sustainability reporting process focusing on the Luggage and Golf Business to ensure that we have the proper internal control system in place for the two business segments of the Group. We would continue the internal audit review for improvements to our internal control system ensuring business sustainability.

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

We have high standards and expect our suppliers to have them too. We have a suite of company policies which govern standards and behaviors across our value chain. For example, the SPTPG Ethical Charter is our supplier code of conduct which sets out our view of acceptable business practices. All finished goods and raw material and component suppliers that we contract with must comply with its minimum standards, and we conduct regular audits to ensure they do.

We recognize our responsibility to transparency and are committed to maintaining high standards of corporate and sustainability governance and business conduct and acknowledge that these are fundamental to the effective and transparent operation of our Company and realization of our sustainability goals.

The Group's corporate governance practices and processes are provided in the Corporate Governance Report section. The sustainability governance framework is discussed in the Sustainability Governance section.

C.1. Anti-corruption and Integrity

We do not tolerate corruption. Our employees are provided with anti-corruption and practice notes on handling invitations of bribery. Our employees are encouraged to report any suspected corruption practice to the senior management or the Board, whoever appropriate. The senior management or Board will conduct investigations and if corruption is established, the case will be reported to the relevant authorities in the jurisdiction concerned, such as the Independent Commission Against Corruption for cases in Hong Kong Special Administrative Region. Annually, we require from all employees a no conflict of interests declaration in relation to our clients so as to mitigate possible moral hazards.

We have also adopted a whistleblowing policy in line with the requirements of the Singapore Code of Governance 2018 in 2020. The policy has been communicated to all employees of the Group and all new employees will be provided with a copy of the ed policy.

Letterboxes have been placed on the premises of SPTPG and BSG for employees to write directly to the Chairman of the Group. The General Manager of each subsidiary is responsible for opening the letterbox, collecting any letters and reporting them to the Chairman. For employees who prefer to write electronically, the direct email address for the Chairman has also been stated on the letterbox cover.

The whistleblowing policy provides a reporting channel for employees and other stakeholders to raise concerns over any perceived anomalies concerning internal control, financial reporting, our products and services or other business conducts, and such contact information can be found in our Annual Reports. To ensure fair investigations, all reports are to be submitted to the Chairman of the AC via email or by post. The Chairman will investigate the matter with strict confidence and interview such internal or external party as required. The whistleblowing policy will encourage the reporting of issues, including organisational issues in good faith, allowing such issues to be highlighted and rectified where necessary. The Group takes reasonable steps to protect the confidentiality and identity of the Whistleblower, subject always to the prevailing laws and regulations.

The AC is responsible for oversight and monitoring of whistleblowing.

There was no whistle-blowing report received in FY2025 and the Company targets the same record for FY2026.

C.2. Compliance with Laws and Regulations

To maintain trust with its stakeholders, the Group strives to ensure compliance with the laws and regulations in Singapore, HKSAR, and the PRC. We recognise that any failure to comply or breach any laws or regulations that apply to the Group may lead to fines or sanctions, resulting in reputational damage or revocation of the companies' certifications or licenses.

In FY2025, there were no other significant instances of non-compliance with any laws or regulations across the Group.

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

GRI CONTENT INDEX

GRI Standard	Disclosure	Reference and Response
2-1	Organisational details	About The Company Board Statement
2-2	Entities included in the organisation's sustainability reporting	About The Report About The Company
2-3	Reporting period, frequency, and contact point	About The Report About The Company
2-4	Restatements of information	Water Consumption Diversity and Equal Opportunities Service Responsibility
2-5	External assurance	About The Report
2-6	Activities, value chain, and other business relationships	About The Company Supply Chain Management
2-7	Employees	Employment and Labour Standards
2-9	Governance structure and composition	Our Approach to Sustainability
2-10	Nomination and selection of the highest governance body	Annual Report
2-11	Chair of the highest governance body	Annual Report
2-12	Role of the highest governance body in overseeing the management of impacts	Our Approach to Sustainability
2-13	Delegation of responsibility for managing impacts	Our Approach to Sustainability
2-14	Role of the highest governance body in sustainability reporting	Our Approach to Sustainability
2-15	Conflicts of interest	Annual Report
2-16	Communication of critical concerns	Governance
2-17	Collective knowledge of the highest governance body	Our Approach to Sustainability
2-18	Evaluation of the performance of the highest governance body	Annual Report
2-19	Remuneration policies	Annual Report
2-20	Process to determine remuneration	Annual Report
2-21	Annual total compensation ratio	Annual Report
2-22	Statement on sustainable development strategy	About the Company
2-23	Policy commitments	Stakeholder Engagement Governance
2-24	Embedding policy commitments	Our Approach to Sustainability Governance
2-25	Processes to remediate negative impacts	Diversity and Equal Opportunities

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

GRI Standard	Disclosure	Reference and Response
2-26	Mechanisms for seeking advice and raising concerns	Governance
2-27	Compliance with laws and regulations	Governance
2-28	Membership associations	Service Responsibility
2-29	Approach to stakeholder engagement	Stakeholder Engagement
2-30	Collective bargaining agreements	Diversity and Equal Opportunities
3-1	Process to determine material topics	Our Approach to Sustainability
3-2	List of material topics	Our Approach to Sustainability
3-3	Management of material topics	Our Approach to Sustainability
201-1	Direct economic value generated and distributed	Annual Report
203-2	Significant indirect economic impacts	Community Investment
205-1	Operations assessed for risks related to corruption	Governance
205-2	Communication and training about anti-corruption policies and procedures	Governance
205-3	Confirmed incidents of corruption and actions taken	Governance
302-1	Energy consumption within the organisation	Energy Management
302-3	Energy Intensity	Energy Management
303-1	Interactions with water as a shared resource	Water Consumption
303-5	Water Consumption	Water Consumption
305-1	Direct (Scope 1) GHG emissions	Emissions Control
305-2	Energy indirect (Scope 2) GHG emissions	Emissions Control
305-4	GHG emissions intensity	Emissions Control
306-1	Waste generation and significant waste-related impacts	Waste Management
306-2	Management of significant waste-related impacts	Waste Management
306-3	Waste generated	Waste Management

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

GRI Standard	Disclosure	Reference and Response
401-1	New employee hires and employee turnover	Employment
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	No temporary or part-time employees
403-1	Occupational health and safety management system	Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety
403-5	Worker training on occupational health and safety	Health and Safety
403-9	Work-related injuries	Health and Safety
403-10	Work-related ill health	Health and Safety
404-1	Average hours of training per year per employee	Development and Training
404-2	Programs for upgrading employee skills and transition assistance programs	Development and Training
405-1	Diversity of governance bodies and employees	Diversity and Equal Opportunities
406-1	Incidents of discrimination and corrective actions taken	Diversity and Equal Opportunities
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Diversity and Equal Opportunities
408-1	Operations and suppliers at significant risk for incidents of child labor	Labour Standards
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Labour Standards
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Service Responsibility

SUSTAINABILITY REPORT

For the financial year ended 30 June 2025

TCFD CONTENT INDEX

Recommended disclosures, including supplemental guidance for financial sector

Pillars	Recommended Disclosures	Reference and Response
Governance	a. Describe the board's oversight of climate-related risks and opportunities	Our Approach to Sustainability / Page 38
	b. Describe management's role in assessing and managing climate-related risks and opportunities	Our Approach to Sustainability / Page 38 to 39
Strategy	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	Responses to Climate Change / Page 45 to 46
	b. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	Board Statement & Responses to Climate Change / Page 36 to 37, 45
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Responses to Climate Change / Page 46 to 47
Risk Management	a. Describe the organisation's processes for identifying and assessing climate-related risks	Our Approach to Sustainability / Page 40
	b. Describe the organisation's processes for managing climate-related risks	Our Approach to Sustainability / Page 38 to 39
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	Our Approach to Sustainability / Page 38 to 40
Metrics & Targets	a. Describe the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management processes	Our Approach to Sustainability / Page 40
	b. Describe Scope 1, Scope 2 and if appropriate Scope 3 greenhouse gas ("GHG") emissions, and the related risks	Emissions / Page 41
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and perform against targets	Environmental Aspects / Page 44 to 45

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DIRECTORS' STATEMENT

For the financial period from 1 January 2024 to 30 June 2025

The directors are pleased to present their statement to the members together with the audited financial statements of Net Pacific Financial Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") for the financial period from 1 January 2024 to 30 June 2025.

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and statement of financial position of the Company are drawn up so as to give a true and fair view of the financial positions of the Group and of the Company as at 30 June 2025 and of the financial performance, changes in equity and cash flows of the Group for the financial period from 1 January 2024 to 30 June 2025, in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, as disclosed in Note 2(a) to the consolidated financial statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors of the Company in office at the date of this statement are:

Chung Wai Man	(Independent Non-executive Chairman)
Zhou Wen Jie	(Non-independent Non-executive director)
Ong Chor Wei @ Alan Ong	(Executive director)
Ben Lee	(Non-independent Non-executive director)
Chin Fook Lai	(Non-independent Non-executive director)
Tso Sze Wai	(Lead Independent Non-executive director)
Chak Chi Shing	(Independent Non-executive director)
Kwok Meei Ying, Monica	(Independent Non-executive director)

Directors' interests in shares or debentures

According to the register of directors' shareholdings kept by the Company under Section 164 of the Act, none of the directors who held office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as set out below:

	Holdings registered in the name of directors or nominee		Holdings in which directors are deemed to have an interest	
	As at 1.1.2024	As at 30.6.2025	As at 1.1.2024	As at 30.6.2025
The Company	Number of ordinary shares			
Zhou Wen Jie	119,750,600	119,750,600	–	–
Ben Lee ⁽¹⁾	–	–	120,000,000	120,000,000
Ong Chor Wei @ Alan Ong ⁽²⁾	3,150,000	3,150,000	53,700,000	53,700,000
Chin Fook Lai	69,022,400	69,022,400	–	–

Notes:

- ⁽¹⁾ Mr Ben Lee's deemed interest arose from shares held in the name of Ms Zhou Dan, wife of Mr Ben Lee.
- ⁽²⁾ Mr Ong Chor Wei @ Alan Ong is deemed interested in the shares held by Quad Sky Limited, by virtue of him owning 100.0% of the equity interest in Head Quator Limited which in turn owns 50.0% of the equity interest in Quad Sky Limited. Quad Sky Limited owns 53,700,000 shares representing approximately 10.2% of the issued share capital of the Company.

There were no changes in any of the above-mentioned interests in the Company between the end of the financial period and 21 July 2025.

By virtue of Section 7 of the Act, Zhou Wen Jie and Ben Lee are deemed to have interests in the shares of all the wholly owned subsidiaries of the Company.

Except as disclosed in this statement, no directors who held office at the end of the financial period had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning or at the end of the financial period.

DIRECTORS' STATEMENT

For the financial period from 1 January 2024 to 30 June 2025

Share options

No options were granted during the financial period to take up unissued shares of the Company or of its subsidiaries.

No shares were issued during the financial period to which this report relates by virtue of the exercise of options to take up unissued shares of the Company or of its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option at the end of the financial period.

Change of Year End

On 29 November 2024, the Company changed its financial year-end from 31 December to 30 June.

Audit Committee

The Audit Committee as at the date of this statement comprises the following members, all of whom are independent directors:

Tso Sze Wai (Chairman)
Chak Chi Shing
Kwok Meei Ying, Monica

The Audit Committee performs the functions specified in Section 201B (5) of the Act, the SGX Listing Manual and the Code of Corporate Governance. In performing those functions, the Audit Committee has met six times since the last directors' statement and has reviewed the following:

- (i) overall scope of both the internal and external audits and the assistance given by the Company's officers to the auditor. It met with the Company's internal and external auditors to discuss the results of their respective examinations and their evaluation of the Company's system of internal accounting controls;
- (ii) the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- (iii) the quarterly financial information and the statement of financial position of the Company as at 30 June 2025 and the consolidated financial statements of the Group for the financial period from 1 January 2024 to 30 June 2025 as well as the auditor's report thereon;
- (iv) effectiveness of the Company's material internal controls, including financial, operational and compliance controls and information technology controls and risk management systems via reviews carried out by the internal auditor; and
- (v) met with the external auditor, internal auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the Audit Committee.

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditor and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditor and has recommended to the Board of Directors that the auditor, Foo Kon Tan LLP, be nominated for re-appointment as auditor at the forthcoming Annual General Meeting of the Company.

Full details regarding the Audit Committee are provided in the Corporate Governance Report.

In appointing our auditors for the Company, we have complied with Rules 712 and 715 of the Catalyst Rules.

DIRECTORS' STATEMENT

For the financial period from 1 January 2024 to 30 June 2025

Independent auditor

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors

ZHOU WEN JIE

ONG CHOR WEI @ ALAN ONG

Dated: 5 November 2025

INDEPENDENT AUDITOR'S REPORT

To the members of Net Pacific Financial Holdings Limited

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of Net Pacific Financial Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 30 June 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the period from 1 January 2024 to 30 June 2025, and notes to the financial statements, including material accounting policy information.

We do not express an opinion on the accompanying financial statements of the Group. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

Basis for Disclaimer of Opinion

We expressed a disclaimer of opinion in our independent auditor's report dated 4 May 2024 in relation to the financial statements for the financial year ended 31 December 2023 ("FY 2023") due to the following matters:

- (1) Completeness of related party disclosures
- (2) Control of specified assets and liabilities in Jetwin Investment Pty Ltd ("Jetwin")
- (3) Classification and measurement of amounts owing from Jetwin
- (4) Accuracy of the expected credit loss of the amounts due from a subsidiary – Company level

A recap of the above matters is as follows:

(a) Completeness of related party disclosures

Management became aware that the controlling shareholder cum director of the Company held shares in an entity which had investments in the Australian borrowers. There was also a lack of disclosure in the financial statements that he was also a creditor of Jetwin since inception of the loan disbursement in the financial year ended 31 December 2013 and that Jetwin also held equity interests in the Australian borrowers. Management had previously reviewed this relationship and any other potential relationships and assessed that there was no additional related party disclosure to be made in accordance with SFRS(I) 1-24 *Related Party Disclosures* for the relevant financial years.

Despite the above, management had determined there was no requirement to engage any independent legal expert to establish whether there had been more related party information to be disclosed in the relevant financial years concerning the Group, the controlling shareholder cum director of the Company, Jetwin and the Australian borrowers. As such, we were unable to obtain sufficient appropriate audit evidence to ascertain the completeness of related party disclosures among the Group, the controlling shareholder cum director of the Company, Jetwin and the Australian borrowers.

Furthermore, management did not involve an independent accounting specialist to perform a retrospective review based on the above information to evaluate whether the Group had control over the specified assets and liabilities of the deemed separate entity in Jetwin in the relevant years as described under "Control of specified assets and liabilities in Jetwin Investment Pty Ltd ("Jetwin")" of the *Basis for Disclaimer of Opinion* section of our report.

Consequently, we were unable to determine whether any adjustments or additional disclosures might be necessary in respect of the related party balances and transactions as disclosed in Note 27 to the financial statements.

INDEPENDENT AUDITOR'S REPORT

To the members of Net Pacific Financial Holdings Limited

Basis for Disclaimer of Opinion (Cont'd)

A recap of the above matters is as follows: (Cont'd)

(b) Control of specified assets and liabilities in Jetwin Investment Pty Ltd ("Jetwin")

In accordance with SFRS(I) 10 *Consolidated Financial Statements*, management had previously identified specified assets in Jetwin (and related credit enhancements, if any) are the only source of payment for specified liabilities of, or specified other interests in Jetwin. Management is of the view that the Group has no control over the specified assets and liabilities of the deemed separate entity in Jetwin.

The Group may be exposed to or has rights to variability in returns from its involvement with the deemed separate entity in Jetwin and affect the amount of the returns due to the following factors:

- (i) As stipulated under the Confirmation Letters, unless and until the amount due by Jetwin are fully repaid to Net Pacific Investment Holdings Limited ("NPIHL"), the sale, transfer or disposal of any or all of the Properties held by Jetwin shall only be made with the prior written consent of NPIHL amongst other terms and conditions as specified in the Confirmation Letters, with such consent being at NPIHL's absolute discretion. NPIHL may also request the disposal of any or all of the Properties held by Jetwin at market rates, and Jetwin shall expeditiously comply with the request; and the terms and conditions of every disposal by Jetwin shall be as reasonably agreed by NPIHL. As such, NPIHL will be entitled to any upside of the proceeds from the sale of the Properties in excess of the original settlement consideration until all monies under the loan agreements and as agreed under the Confirmation Letters between NPIHL and Jetwin have been fully repaid.
- (ii) NPIHL also agreed to contribute towards the ongoing maintenance cost and expenses relating to the Properties held by Jetwin in accordance with the relevant percentage of the loans disbursed as specified under the Confirmation Letters. Moreover, the Group also received net rental income from Jetwin on some of the Properties which were leased out to external parties and recognised gain from the disposal of some of the Properties during the year.
- (iii) In respect of the trust accounts maintained in trust by an Australian law firm on behalf of Jetwin where the settlement proceeds were deposited into, the Australian law firm has also confirmed that it has the authority to disburse the funds from the trust accounts on the written request of the Executive Director of the Company and the other loan provider who is also a controlling shareholder cum director of the Company.

Despite the presence of above factors which may indicate control over the specified assets and liabilities of the deemed separate entity in Jetwin as well as the additional information as described under "Completeness of related party disclosures" of the *Basis for Disclaimer of Opinion* section of our report, management did not involve an independent accounting specialist to perform a retrospective review to evaluate whether the Group had control over the specified assets and liabilities of the deemed separate entity in Jetwin in the relevant years. As such, we were unable to obtain sufficient appropriate audit evidence to establish whether there was control or no control, including legal representation and confirmation to validate whether or not the Group has the substantive right and power to direct the relevant activities of the deemed separate entity in Jetwin.

Consequently, we were unable to determine whether any further adjustments to these amounts were necessary or would have a consequential significant effect on the Group's financial statements and the elements making up the consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the previous financial year ended 31 December 2023 and corresponding years ended 31 December 2019 to 31 December 2022 and the related disclosures.

(c) Classification and measurement of amounts owing from Jetwin

In accordance with SFRS(I) 9 - *Financial Instruments*, the Group determines if a financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

As at 31 December 2023, management was of the view that the business model of the Group had not changed and there were proper loan documentations in place with Jetwin which supported that the contractual terms of the amounts due from Jetwin would give rise on specified dates to cash flows that would result from collecting contractual cashflows from the principal amounts outstanding from Jetwin. The net rental income received from Jetwin was a form of compensation in place of interest income since the debt was interest-free.

As highlighted under Item (b) - "Control of specified assets and liabilities in Jetwin in our *Basis for Disclaimer of Opinion* section of our report, the Group received net rental income from Jetwin on some of the Properties which were leased out to external parties and recognised gains on disposal on some of the Properties in the previous financial year. Furthermore, NPIHL would be entitled to any upside of the proceeds from the sale of the Properties in excess of the original settlement consideration until all monies under the loan agreements and as agreed under the Confirmation Letters between NPIHL and Jetwin have been fully repaid. As a result, these may give rise on specified dates to cash flows that may not be solely payments of principal and interest on the principal amount owing from Jetwin. In addition, management did not involve an independent accounting specialist to perform a retrospective review to evaluate whether the Group had control over the specified assets and liabilities of the deemed separate entity in Jetwin.

In the absence of other satisfactory evidence, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the proper classification and measurement of the principal amounts outstanding from Jetwin recorded in the consolidated statement of financial position of the Group as of 31 December 2023 and the relevant corresponding years. Consequently, we were unable to determine whether any further adjustments to these amounts were necessary or would have a consequential significant effect on the Group's financial statements and the elements making up the consolidated statement of financial position, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 31 December 2023 and the relevant corresponding years and the related disclosures.

INDEPENDENT AUDITOR'S REPORT

To the members of Net Pacific Financial Holdings Limited

Basis for Disclaimer of Opinion (Cont'd)

A recap of the above matters is as follows: (Cont'd)

(d) Accuracy of the expected credit loss of the amounts due from a subsidiary - Company level

As at 31 December 2023, the net carrying value of non-trade amounts due from a subsidiary recorded at the Company level included in "trade and other receivables" (Note 15) amounted to HK\$68,577,000 (restated).

In performing the expected credit loss assessment on the non-trade amounts due from the subsidiary as at 31 December 2023, management did not involve an independent accounting specialist to evaluate whether the Group had the control or not over the specified assets and liabilities of the deemed separate entity in Jetwin as highlighted under Item (b) in the preceding paragraphs. The receivable due from Jetwin, if control was established, may be recorded as an additional non-trade amount due from another subsidiary to be recorded in the Company's statement of financial position as at 31 December 2023. Accordingly, management did not consider and evaluate the expected realisable amounts of these assets and expected settlement values of these liabilities related to Jetwin in its credit loss assessment of the amounts due from the subsidiary in accordance with SFRS(I) 9 - *Financial Instruments*.

Consequently, we were unable to obtain sufficient appropriate audit evidence to satisfy ourselves as to the accuracy of the expected credit loss recorded in the previous financial year ended 31 December 2023 and the carrying value of the amounts due from the subsidiary as at 31 December 2023.

An update on the above items in the current financial year as disclosed in Notes 3 and 34 to the financial statements are as follows:

In respect of Item (b), the Group entered into a Deed of Assignment (the "Deed") with Jetwin and an independent third party individual ("Party A") in November 2024 where the Group agreed to transfer and Party A agreed to purchase the rights and obligations of the amounts receivable due from Jetwin (the "Loan Rights") for an amount equivalent to AUD1,180,000 ("Purchase Price") and Jetwin, by the execution of the Deed, is bound by its terms and acknowledged that the Loan Rights are assigned to Party A under the terms of the Deed and will be transferred to Party A upon the final settlement of the Purchase Price. Following the receipt of the final Purchase Price in April 2025, the Group transferred the Loan Rights to Party A, derecognised the amounts receivable from Jetwin, and recorded a gain on derecognition reported to be HK\$3,052,000 in the consolidated statement of comprehensive income in the current financial period.

In respect of Item (c), the Board of Directors of the Company received queries from the Accounting and Corporate Regulatory Authority ("ACRA") during the financial period on their compliance with accounting standards in respect of the consolidated financial statements for the financial year ended 31 December 2022. In August 2025, the Company received a letter of final findings from ACRA where the latter is of the view that management has not complied with SFRS(I) 9 in respect of the classification and measurement of the receivables due from Jetwin which was previously measured at amortised cost.

Management performed a reassessment and concluded that the amounts due from Jetwin should have been measured at fair value since the amounts receivable from Jetwin failed to meet the solely payments of principal and interest test under SFRS(I) 9. Accordingly, management recomputed the fair value of the amounts due from Jetwin as at 31 December 2023 and 31 December 2022, respectively and recorded the fair value adjustments in respect of the amounts receivable from Jetwin as prior years' adjustments for financial year ended 31 December 2023 and as at 1 January 2023 (being the beginning of the preceding period), respectively, as disclosed in Note 34 "*Prior years' adjustments*" to the financial statements.

In respect of Item (d), management has reassessed the adequacy of the expected credit loss on the receivable amount due from the subsidiary which included the amounts owing from Jetwin which is now measured at fair value following the resolution of the qualification point raised under Item (c) in each of the financial year ended 31 December 2023 and as at 1 January 2023 (being the beginning of the preceding period), respectively as disclosed in Note 34 to the financial statements.

In addition, the accounting issue relating to the recoverability of the specified assets and liabilities of the deemed separate entity in Jetwin which determines management's credit loss assessment on the amounts due from the subsidiary in accordance with SFRS(I) 9 would have been satisfactorily addressed by management as at 30 June 2025 following the execution of the Deed and completion of the assignment of the Loan Rights to Party A upon the receipt of final settlement of the Purchase Price in April 2025. Matters relating to Jetwin are further disclosed in Note 3 to the financial statements.

In summary, the accounting issues relating to Items (a) to (d) as set out in the preceding paragraphs have been satisfactorily addressed by management as at 30 June 2025 following (i) the completion of assignment of the Loan Rights and obligations of the amounts due from Jetwin to an independent third party in FY2025 and the final settlement of the consideration in April 2025; and (ii) the restatement of the amounts due from Jetwin at fair value through profit or loss as at 31 December 2022, 31 December 2023 and for FY2025, following the completion of ACRA's Financial Reporting Surveillance Programme on the Company's financial statements for the financial year ended 31 December 2022.

INDEPENDENT AUDITOR'S REPORT

To the members of Net Pacific Financial Holdings Limited

Basis for Disclaimer of Opinion (Cont'd)

An update on the above items in the current financial year as disclosed in Notes 3 and 34 to the financial statements is as follows (Cont'd):

Despite the above in respect of Items (a) to (d) in the current financial period and as at the balance sheet date, we are unable to:

- (i) ascertain whether the related party transactions entered between the Group, Jetwin and the controlling shareholder cum director who is also a creditor of Jetwin have been completely and accurately disclosed in the consolidated financial statements from the preceding periods up to the date of the completion of the Deed;
- (ii) obtain sufficient appropriate audit evidence to establish whether there was control or no control, including legal representation and confirmation to validate whether or not the Group has the substantive right and power to direct the relevant activities of the deemed separate entity in Jetwin, from the preceding periods up to the date of the completion of the Deed;
- (iii) obtain sufficient appropriate audit evidence to satisfy ourselves as to the accuracy of the expected credit loss of HK\$4,892,000 (FY 2023 – HK\$6,361,000 (restated)) recorded on the amounts due from the subsidiary in the Company's statement of comprehensive income during the current financial period ended 30 June 2025 and the carrying value of the amounts due from the subsidiary of HK\$68,577,000 (restated) as at 31 December 2023 and HK\$74,509,000 (restated) as at 1 January 2023, respectively, following the restatements made and disclosed in Note 34 to the financial statements as the amount of expected credit loss may be different if control is deemed to have been established over the Group's control of the specified assets and liabilities in Jetwin, in the Company's statement of financial position as at 31 December 2023 and 1 January 2023; and
- (iv) ascertain the accounting effects on the derecognition of the amounts due from Jetwin following the transfer of the Loan Rights to Party A have been appropriately and correctly accounted for and presented in the consolidated financial statements in the current financial period and in the previous financial years since we are unable to ascertain whether the Group has control over the specified assets and liabilities of the deemed separate entity in Jetwin from the preceding periods up to the date of the completion of the Deed.

Accordingly, these adjustments may have a possible effect on the comparability of the current and corresponding figures reported in the consolidated and separate financial statements of the Company.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the financial statements in accordance with Singapore Standards on Auditing and to issue an auditor's report. However, because of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Report on Other Legal and Regulatory Requirements

In our opinion, in view of the significance of the matters referred to in the *Basis for Disclaimer of Opinion* section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Kong Chih Hsiang Raymond.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore, 5 November 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial period from 1 January 2024 to 30 June 2025

	Note	Period from 1 January 2024 to 30 June 2025			Year ended 31 December 2023		
		Continuing operations HK\$'000	Discontinued operations HK\$'000	Total HK\$'000	Continuing operations HK\$'000	Discontinued operations HK\$'000 (Restated)	Total HK\$'000 (Restated)
Revenue	4	79,266	–	79,266	3,327	–	3,327
Cost of sales		(63,823)	–	(63,823)	–	–	–
Gross profit		15,443	–	15,443	3,327	–	3,327
Other income	5	2,019	137	2,156	67	590	657
Marketing and distribution costs		(8,578)	–	(8,578)	–	–	–
Administrative expenses		(33,837)	(337)	(34,174)	(6,995)	(456)	(7,451)
Impairment of goodwill	13	(3,036)	–	(3,036)	–	–	–
Impairment loss on plant and equipment	10	(815)	–	(815)	–	–	–
Impairment loss on other receivables	15(C)	(1,589)	–	(1,589)	(1,964)	–	(1,964)
Gain on derecognition of financial assets at FVTPL	3	–	3,052	3,052	–	–	–
Fair value gain on financial asset on FVTPL	3	–	–	–	–	637	637
Share of results of an associated company	14	(504)	–	(504)	–	–	–
(Loss)/ profit from operations		(30,897)	2,852	(28,045)	(5,565)	771	(4,794)
Finance cost	6	(1,819)	–	(1,819)	(10)	–	(10)
(Loss)/ profit before taxation	7	(32,716)	2,852	(29,864)	(5,575)	771	(4,804)
Income tax expense	8	(122)	–	(122)	(76)	–	(76)
(Loss)/ profit for the period/year		(32,838)	2,852	(29,986)	(5,651)	771	(4,880)
Other comprehensive income:							
Items that may be reclassified subsequently to profit or loss:							
Foreign currency translation differences for foreign operations		2	–	2	–	–	–
Items that will not be reclassified to profit or loss:							
Foreign currency translation differences for foreign operations		166	–	166	–	–	–
Other comprehensive income, net of nil tax		168	–	168	–	–	–
Total comprehensive (loss)/ profit for the period/year		(32,670)	2,852	(29,818)	(5,651)	771	(4,880)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial period from 1 January 2024 to 30 June 2025

	Period from 1 January 2024 to 30 June 2025 HK\$'000	Year ended 31 December 2023 HK\$'000 (Restated)
Note		
(Loss)/ profit attributable to:		
Owners of the Company - Continuing operations	(22,095)	(5,651)
Owners of the Company - Discontinued operations	2,852	771
	(19,243)	(4,880)
Non-controlling interests	(10,743)	–
	(29,986)	(4,880)
Total comprehensive (loss)/ income attributable to:		
Owners of the Company - Continuing operations	(22,093)	(5,651)
Owners of the Company - Discontinued operations	2,852	771
	(19,241)	(4,880)
Non-controlling interests	(10,577)	–
	(29,818)	(4,880)
(Loss)/ profit per share attributable to equity holders of the Company - basic and diluted (Hong Kong cents):		
Continuing operations	9 (4.20)	(1.08)
Discontinued operations	9 0.54	0.15
Continuing and discontinued operations	9 (3.66)	(0.93)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2025

		The Group			The Company		
	Note	30 June 2025 HK\$'000	31 December 2023 HK\$'000 (Restated)	1 January 2023 HK\$'000 (Restated)	30 June 2025 HK\$'000	31 December 2023 HK\$'000 (Restated)	1 January 2023 HK\$'000 (Restated)
ASSETS							
Non-Current Assets							
Plant and equipment	10	13,360	608	9	12	3	9
Right-of-use assets	11	15,623	2,028	–	–	–	–
Investment in subsidiaries	12	–	–	–	1,170	1,169	1,069
Goodwill	13	–	–	–	–	–	–
Investment in associate	14	–	–	–	–	–	–
Trade and other receivables	15	–	1,996	3,671	–	–	–
		28,983	4,632	3,680	1,182	1,172	1,078
Current Assets							
Trade and other receivables	15	32,248	17,522	27,981	64,512	68,641	74,576
Loans and advances	16	27,600	27,600	27,600	–	–	–
Inventories	17	16,859	–	–	–	–	–
Cash and bank balances	18	24,440	47,246	38,827	1,008	1,108	805
		101,147	92,368	94,408	65,520	69,749	75,381
Total assets		130,130	97,000	98,088	66,702	70,921	76,459
EQUITY AND LIABILITIES							
Capital and Reserves							
Share capital	19	145,105	145,105	145,105	145,105	145,105	145,105
Accumulated losses		(76,704)	(57,461)	(52,581)	(80,627)	(76,306)	(70,157)
Translation reserve	20	2	–	–	–	–	–
Equity attributable to owners of the Company		68,403	87,644	92,524	64,478	68,799	74,948
Non-controlling interests	12	(2,035)	–	–	–	–	–
Total equity		66,368	87,644	92,524	64,478	68,799	74,948
Non-Current Liabilities							
Deferred tax liabilities	21	419	–	–	–	–	–
Lease liabilities	22	14,163	1,499	–	–	–	–
		14,582	1,499	–	–	–	–
Current Liabilities							
Lease liabilities	22	2,494	536	–	–	–	–
Borrowings	24	7,864	–	–	–	–	–
Trade and other payables	25	38,685	7,222	5,376	2,223	2,122	1,511
Current tax payable		137	99	188	1	–	–
		49,180	7,857	5,564	2,224	2,122	1,511
Total liabilities		63,762	9,356	5,564	2,224	2,122	1,511
Total equity and liabilities		130,130	97,000	98,088	66,702	70,921	76,459

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial period from 1 January 2024 to 30 June 2025

	Equity attributable to owners of the Company				Non-controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Accumulated losses HK\$'000	Translation reserve HK\$'000	Total HK\$'000		
At 1 January 2023, as previously reported	145,105	(47,511)	–	97,594	–	97,594
Prior year adjustment (Note 34)	–	(5,070)	–	(5,070)	–	(5,070)
At 1 January 2023, as restated	145,105	(52,581)	–	92,524	–	92,524
Loss for the year, as previously reported	–	(5,517)	–	(5,517)	–	(5,517)
Prior year adjustment (Note 34)	–	637	–	637	–	637
Total comprehensive loss for the year, as restated	–	(4,880)	–	(4,880)	–	(4,880)
At 31 December 2023, as restated	145,105	(57,461)	–	87,644	–	87,644
Loss for the period	–	(19,243)	–	(19,243)	(10,743)	(29,986)
Other comprehensive income for the period	–	–	2	2	166	168
Total comprehensive loss for the year	–	(19,243)	2	(19,241)	(10,577)	(29,818)
Transactions with owners of the Company, recognised directly in equity						
Acquisition of a subsidiary (Note 12)	–	–	–	–	(999)	(999)
Capital contribution from non-controlling interests	–	–	–	–	9,541	9,541
Transaction with owners, recognised directly in equity	–	–	–	–	8,542	8,542
At 30 June 2025	145,105	(76,704)	2	68,403	(2,035)	66,368

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period from 1 January 2024 to 30 June 2025

		Period from 1 January 2024 to 30 June 2025 HK\$'000	Year ended 31 December 2023 HK\$'000 (Restated)
Note			
Cash Flows from Operating Activities			
Loss before taxation from			
continuing and discontinued operations		(29,864)	(4,804)
Adjustments for:			
Share of results of an associated company	14	504	–
Depreciation of plant and equipment	7, 10	3,234	17
Depreciation of right-of-use assets	7, 11	3,827	49
Interest income	4, 5	(6,886)	(3,312)
Interest expense	6	1,819	10
Impairment of goodwill	13	3,036	–
Impairment loss on plant and equipment	10	815	–
Impairment loss on other receivables	15	1,589	1,964
Gain on derecognition of financial assets at FVTPL	3	(3,052)	–
Fair value gain on financial asset at FVTPL	3	–	(637)
Loss on disposal of plant and equipment		22	–
Gain on early termination of right-of-use assets		(25)	–
Unrealised exchange differences		118	(289)
Operating loss before working capital changes		(24,863)	(7,002)
Changes in inventories		(9,566)	–
Changes in trade and other receivables		7,739	10,647
Changes in trade and other payables		3,639	1,230
Cash (used in)/ generated from operations		(23,051)	4,875
Dividend received		80	160
Interest received		6,904	3,312
Income tax paid		(84)	(165)
Net cash (used in)/generated from operating activities		(16,151)	8,182
Cash Flows from Investing Activities			
Purchase of plant and equipment	10	(6,882)	–
Proceeds from disposal of plant and equipment	10	107	–
Acquisition of a subsidiary, net of cash received	12	(1,882)	–
Advances to an associated company	15	(2,738)	–
Net cash used in investing activities		(11,395)	–
Cash Flows from Financing Activities			
Capital contribution by non-controlling interests		9,541	–
Proceeds from bank borrowings (Note A)		7,995	–
Repayment of bank borrowings (Note A)		(131)	–
Proceeds of short-term loan from related parties (Note A)		11,660	–
Repayment of short-term loan to related parties (Note A)		(20,099)	–
Payment of principal portion of lease liabilities (Note A)		(2,775)	(42)
Payment of interest (Note A)		(1,819)	(10)
Net cash generated from/(used in) financing activities		4,372	(52)
Net (decrease)/ increase in cash and cash equivalents		(23,174)	8,130
Cash and cash equivalents at beginning of period	18	47,246	38,827
Effect of exchange rate fluctuations on cash held		368	289
Cash and cash equivalents at end of the period	18	24,440	47,246

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial period from 1 January 2024 to 30 June 2025

Note A:

The tables below detail changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Lease liabilities HK\$'000 (Note 22)	Borrowings HK\$'000 (Note 24)	Loans from related parties HK\$'000 (Note 25)	Total HK\$'000
As at 1 January 2023	–	–	–	–
<u>Cash flows:</u>				
Payment of lease liabilities	(42)	–	–	(42)
Interest paid	(10)	–	–	(10)
	(52)	–	–	(52)
<u>Non-cash flows:</u>				
Acquisition of subsidiary	2,077	–	–	2,077
Interest expense	10	–	–	10
	2,087	–	–	2,087
As at 31 December 2023	2,035	–	–	2,035
<u>Cash flows:</u>				
Payment of lease liabilities	(2,775)	–	–	(2,775)
Interest paid	(1,487)	(332)	–	(1,819)
Loans drawn down	–	7,995	11,660	19,655
Repayment of loans	–	(131)	(20,099)	(20,230)
	(4,262)	7,532	(8,439)	(5,169)
<u>Non-cash flows:</u>				
Acquisition of subsidiary	17,373	–	19,769	37,142
Interest expense	1,487	332	–	1,819
New leases	330	–	–	330
Termination of lease	(629)	–	–	(629)
Others	–	–	117	117
Translation differences	323	–	384	707
	18,884	332	20,270	39,486
As at 30 June 2025	16,657	7,864	11,831	36,352

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

1 General information

The consolidated financial statements of the Group and statement of financial position of the Company for the period from 1 January 2024 to 30 June 2025 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

The Company is listed on the Catalist which is a market on the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company is incorporated as a limited liability company and domiciled in the Republic of Singapore.

The registered office of the Company is located at 35 Selegie Road, #10-25, Singapore 188307.

The principal activities of the Company are investment holding and has business operations through its foreign subsidiaries in the area of the provision of financial services, manufacturing and trading of hard case luggage, and golf simulators and related business. The principal activities of the subsidiaries and an associate company are as stated in Notes 12 and 14 to the financial statements.

2(a) Basis of preparation

Going concern

The Group reported net losses of HK\$29,986,000 (31 December 2023 - HK\$4,880,000 (restated)) and net operating cash outflows of HK\$16,151,000 (31 December 2023 - net operating cash inflows of HK\$8,182,000) for the financial period from 1 January 2024 to 30 June 2025. Furthermore, the Group's accumulated losses amounted to HK\$76,704,000 (31 December 2023 - HK\$57,461,000 (restated)).

Notwithstanding the above, the directors are of the view that the use of the going concern assumption in the preparation of the financial statements is appropriate as the Group reported surplus in working capital as at 30 June 2025 of HK\$51,967,000 (31 December 2023 - HK\$84,511,000 (restated)) of which cash and bank balances amounted to HK\$24,440,000 (31 December 2023 - HK\$47,246,000).

The ability of the Group to continue as a going concern is dependent on the generation of sufficient income and management has forecasted that the Group will generate positive net cash balances for the next 12 months from the date of the financial statements.

The directors believe that the Group will have sufficient cash resources to satisfy its working capital requirements and obligations within the next 12 months from the date of the financial statements to enable it to continue operations and meet its liabilities as and when they fall due.

The financial statements are drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) ("SFRS(I)"), and have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

These financial statements are presented in Hong Kong dollars (HK\$) which is the Company's functional currency. All financial information has been presented in Hong Kong dollars and rounded to the nearest thousand (HK\$'000), unless otherwise stated.

2(b) Adoption of new and revised SFRS(I) effective for the current financial year

On 1 January 2024, the Group and the Company have adopted all the new and revised SFRS(I), SFRS(I) interpretations ("SFRS(I) INT") and amendments to SFRS(I), effective for the current financial year that are relevant to them.

Amendment to SFRS(I) 1-1	: <i>Classification of Liabilities as Current or Non-current</i>
Amendment to SFRS(I) 1-1	: <i>Non-current Liabilities with Covenants</i>
Amendment to SFRS(I) 16	: <i>Lease Liability in a Sale and Leaseback</i>
Amendment to SFRS(I) 1-7 and SFRS(I) 7	: <i>Supplier Finance Arrangements</i>

The adoption of these new and revised SFRS(I) pronouncements does not result in significant changes to the Group's and the Company's accounting policies and has no material effect on the amounts or the disclosures reported for the current or prior reporting periods.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(c) Standards issued but not yet effective

The following are the new or amended SFRS(I)s issued that are not yet effective but may be early adopted for the current financial period. However, the Group has not early adopted the new or amended SFRS(I)s in preparing these financial statements:

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 10 and SFRS(I) 1-28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Yet to be determined
Amendments to SFRS(I) 1-21	<i>Lack of Exchangeability</i>	1 January 2025
Amendments to SFRS(I) 9 and SFRS(I) 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to SFRS(I) 9 and SFRS(I) 7	<i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
SFRS(I) 18	<i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
SFRS(I) 19	<i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Annual Improvements to SFRS(I)s - Volume 11		
- Amendments to SFRS(I) 1	<i>Hedge Accounting by a First-Time Adopter</i>	1 January 2026
- Amendments to SFRS(I) 7	<i>Gain or Loss on Derecognition</i>	1 January 2026
- Amendments to SFRS(I) 7	<i>Disclosure of Deferred Difference between Fair Value and Transaction Price</i>	1 January 2026
- Amendments to SFRS(I) 7	<i>Introduction and Credit Risk Disclosures</i>	1 January 2026
- Amendments to SFRS(I) 9	<i>Derecognition of Lease Liabilities</i>	1 January 2026
- Amendments to SFRS(I) 9	<i>Transaction Price</i>	1 January 2026
- Amendments to SFRS(I) 10	<i>Determination of a 'De Facto Agent'</i>	1 January 2026
- Amendments to SFRS(I) 1-7	<i>Cost Method</i>	1 January 2026

Management does not anticipate that the adoption of the above new or amended SFRS(I)s in future periods will have a material impact on the financial statements of the Group and the Company in the period of their initial adoption.

SFRS(I) 18 Presentation and Disclosure in Financial Statements

SFRS(I) 18 which replaces SFRS(I) 1-1 *Presentation of Financial Statements*:

- introduces new categories and subtotals in the statement of profit or loss;
- requires disclosure of management-defined performance measures; and
- includes new requirements for the location, aggregation and disaggregation of financial information.

An entity will be required to:

- classify all income and expenses within its statement of profit or loss into five categories: operating, investing, financing, income taxes, and discontinued operations; and
- present subtotals for "operating profit or loss" and "profit or loss before financing and income taxes".

An entity will need to assess whether it has a 'main business activity' of investing in assets or providing financing to customers, as specific classification requirements will apply to such entities. Determining whether an entity has such a specified main business activity depends on the facts and circumstances and may require significant judgement. An entity may have more than one main business activity.

SFRS(I) 18 introduces the concept of a management-defined performance measure (MPM) which it defines as a subtotal of income and expenses that an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance of the entity. Furthermore, SFRS(I) 18 requires disclosure of information about all of an entity's MPMs within a single note to the financial statements and requires several disclosures to be made about each MPM, including how the measure is calculated and a reconciliation to the most comparable subtotal specified by SFRS(I) 18 or another standard.

SFRS(I) 18 differentiates between 'presenting' information in the primary financial statements and 'disclosing' it in the notes, and introduces a principle for determining the location of information based on identified 'roles' of the primary financial statements and the notes. SFRS(I) 18 requires aggregation and disaggregation of information to be performed with reference to similar and dissimilar characteristics. Guidance is also provided for determining meaningful descriptions, or labels, for items that are aggregated in the financial statements.

SFRS(I) 18 and consequential amendments to other standards are effective for reporting periods beginning on or after 1 January 2027 and will apply retrospectively. Early adoption is permitted and must be disclosed.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(d) Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with SFRS(I) requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of incomes and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The critical accounting estimates and assumptions used and areas involving significant judgement are described below.

Significant judgements in applying accounting policies

(a) Acquisitions of subsidiaries (Note 12)

Acquisitions of subsidiaries are complex in nature and can be material to the financial statements. Assessment is required to determine the most appropriate accounting treatment for the acquisition and potential contractual arrangements relating to the acquisitions.

In assessing whether the current financial period's acquisition of Saint Pearl Travel Products (Guangdong) Co., Ltd ("Saint Pearl") (FY2023 - Ben Sports and Management Limited ("Ben Sports HK")) as disclosed in Note 12 to the financial statements is an acquisition of business, the Group applied judgement in evaluating whether the acquired processes are substantive and together with the acquired inputs, significantly contribute to the ability to generate revenue, and the acquisition is accounted for as a business combination in accordance with SFRS(I) 3 *Business Combinations*.

Control exists as the Group is exposed to and has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity through its control of the composition of the board of directors by virtue of the power to appoint or remove any directors.

Consequently, management consolidates the investment in Saint Pearl (FY2023 – Ben Sports HK) as a subsidiary of the Group.

Critical accounting estimates and assumptions used in applying accounting policies

(a) Purchase price allocation arising from acquisition of subsidiary (Note 12)

Identification of intangible assets and the determination of fair values of the identifiable assets acquired and liabilities assumed require significant use of estimations over the underlying assumptions to be applied. Please refer to Note 12 for the disclosure on the valuation techniques applied in determining the fair values of the net assets acquired.

(b) Impairment of goodwill (Note 13)

Determining whether goodwill is impaired requires an estimation of the recoverable amount determined based on the higher of fair value less costs of disposal and the value in use of the cash-generating unit to which goodwill has been allocated. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. An impairment loss of HK\$3,036,000 (2023 - Nil) was recognised in the consolidated statement of comprehensive income during the financial period. The carrying amount of goodwill at the end of the reporting period is set out in Note 13 to the financial statements.

(c) Impairment of non-financial assets (Notes 10 and 11)

An assessment is made for the reporting year whether there is any indication that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amount of the asset is measured based on the higher of fair value less costs of disposal and value in use calculations which incorporate a number of key estimates and assumptions. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected.

A 5% increase/decrease in the market comparable used in determining the recoverable amount of the Group's plant and equipment and right-of-use assets as at 30 June 2025 will decrease/increase the loss before tax by HK\$1,345,000/ HK\$304,000.

The carrying amount of the Group's plant and equipment, and right-of-use assets at the end of the reporting period are disclosed in Notes 10 and 11 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(d) Critical accounting judgements and key sources of estimation uncertainty (Cont'd)

Critical accounting estimates and assumptions used in applying accounting policies (Cont'd)

(d) Allowance for expected credit loss ("ECL") of loans and advances and trade and other receivables

Allowance for ECL of loans and advances and trade and other receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the ECL calculation, based on the Group's past collection history, existing market conditions, current credit standing of debtor as well as forward looking estimates at each reporting date. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The Group and the Company apply the 3-stage general approach to determine ECL for loans and advances and other receivables. ECL is measured as an allowance equal to 12-month ECL for stage-1 assets, or lifetime ECL for stage-2 or stage-3 assets.

An asset moves from stage-1 to stage-2 when its credit risk increases significantly and subsequently to stage-3 as it becomes credit-impaired. In assessing whether credit risk has significantly increased, the Group and the Company consider reasonable and supportable qualitative and quantitative forward-looking information.

Lifetime ECL represents ECL that will result from all possible default events over the expected life of a financial instrument whereas 12-month ECL represents the portion of lifetime ECL expected to result from default events possible within twelve months after the reporting date.

The Group assesses whether or not there is an expected credit loss on the loans and advances by conducting credit assessment on a loan-by-loan basis at the Credit Committee Meetings, which are held twice a year. In making their judgements, the manner in which the management considers the financial capabilities of the borrowers includes:

- the credit portfolio of the individual borrower granted;
- the assessment of the loan to security ratio;
- the status and performance of the projects being financed; and
- country risk where the projects are located

The information about the ECL on the Group's and the Company's trade and other receivables are disclosed in Note 28.4 *Credit Risk* under "Financial risk management".

(e) Impairment of amounts due from subsidiaries

The Company holds non-trade receivables due from its subsidiaries with carrying amounts of HK\$64,403,000 (2023 - HK\$68,577,000 (restated)) as at the end of the reporting period. The impairment of the amounts due from its subsidiaries is based on the expected credit loss model using general approach which considers the availability of highly accessible liquid assets of the subsidiaries to repay these amounts if demanded repayment at the end of the reporting period.

Following management's assessment, an impairment allowance of HK\$4,892,000 (2023 - HK\$6,361,000 (restated)) was recorded during the financial year. The carrying amount of the Company's amounts due from subsidiaries is disclosed in Note 15 to the financial statements. As at 30 June 2025, the Group believes that any reasonably change in the key assumption will not result in a significant impact to the Company.

2(e) Material accounting policy information

Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intragroup transactions and dividends are eliminated in full.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used to be line with the Group's accounting policies.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. Specifically, income and expenses of a subsidiary or an investee acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Company or its subsidiary gains control until the date when the Company or its subsidiary ceases to control the subsidiary or investee.

Losses and other comprehensive income are attributable to the non-controlling interests even if that results in a deficit balance.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(e) Material accounting policy information (Cont'd)

Consolidation (Cont'd)

Subsidiary

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, the Group controls an investee if and only if the Group has all of the following:

- power over the investee;
- exposure, or rights to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Non-controlling interest

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis.

Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Changes in ownership interests in subsidiaries without change of control

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts as at that date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(e) Material accounting policy information (Cont'd)

Consolidation (Cont'd)

Changes in ownership interests in subsidiaries resulting in loss of control

A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)s). The fair value of any investment retained in the former subsidiary at the date when the control is lost is regarded as the fair value on the initial recognition for subsequent accounting under SFRS(I) 9 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Business combination

The Group applies the acquisition method to account for business combinations. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process, and whether it has the ability to produce outputs. The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Any goodwill that arises is tested for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately unless the gain relates to a transaction with shareholders acting in their capacity as shareholders and such amount should be recognised in equity as a capital contribution from the shareholder.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss. Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Asset acquisitions

Acquisition of an asset or a group of assets that does not constitute a business is accounted for by identifying and recognising the individual identifiable assets acquired (including those assets that meet the definition of, and recognition criteria for, intangible assets) and liabilities assumed. The cost of the group of acquired assets and assumed liabilities is allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition, and the initial measurement requirements for each identifiable asset and liability are applied in accordance with their accounting policies. Such a transaction or event does not give rise to goodwill.

Goodwill

Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill arising from acquisition of associates and joint ventures represents the excess of the cost of the acquisition over the Group's share of the fair value of the identifiable net assets acquired. Goodwill on associates and joint ventures is included in the carrying amount of the investments.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(e) Material accounting policy information (Cont'd)

Associates

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control of those policies.

The Group accounts for its investment in associates using the equity method from the date on which it becomes an associate.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates are carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. The profit or loss reflects the share of results of the operation of the associates. Dividends received from the associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and associates are eliminated to the extent of the interest in the associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired.

If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associates are prepared as the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures the retained interest at fair value. Any difference between the fair value of the aggregate of the retained interest and proceeds from disposal and the carrying amount of the investment at the date the equity method was discontinued is recognised in profit or loss.

If the Group's ownership interest in an associate is reduced, but the Group continues to apply the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

The Group accounts for its share of the change of interest in the net assets of the associate as a result of the associate's equity transaction by reflecting it under "Other reserve" in the consolidated statement of changes in equity.

Plant and equipment and depreciation

Plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Depreciation on other items of plant and equipment is calculated using the straight-line method to allocate their depreciable amount over their estimated useful lives as follows:

Motor vehicle	:	5 years
Office equipment	:	3 - 5 years
Golf simulator and related equipment	:	3 years
Renovation	:	1 - 8 years
Plant and machinery	:	3 - 10 years

The cost of plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset.

Subsequent expenditure relating to plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

The gain or loss arising on disposal or retirement of an item of plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(e) Material accounting policy information (Cont'd)

Plant and equipment and depreciation (Cont'd)

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition and to the month before disposal, respectively. Fully depreciated plant and equipment are retained in the books of accounts until they are no longer in use.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date as a change in estimates.

Investment in subsidiaries

In the Company's separate financial statements, investment in subsidiaries are stated at cost less allowance for any impairment losses on an individual subsidiary basis.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments are recognised when and only when the entity becomes party to the contractual provisions of the instruments.

(a) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

(b) Financial assets

Measurement

Initial recognition and measurement

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through other comprehensive income ("OCI"), it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss ("FVTPL"), irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling the financial assets.

Purchase or sales of financial assets that required delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date i.e. the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(e) Material accounting policy information (Cont'd)

Financial instruments (Cont'd)

(b) Financial assets (Cont'd)

Measurement (Cont'd)

Subsequent measurement (Cont'd)

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to expected credit loss assessment. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired, and through the amortisation process.

At the reporting date, the Group's financial assets at amortised cost include loans and advances, trade and other receivables (excluding prepayments) and cash and bank balances.

Fair value through other comprehensive income (debt instruments)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through OCI ("FVOCI"). Financial assets measured at FVOCI are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except for impairment losses, foreign exchange gains and losses and interest calculated using the effective interest method are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost.

The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognised. At the reporting date, the Group does not have any financial asset at fair value through other comprehensive income (debt instruments).

Financial assets designated at fair value through OCI (equity instruments)

On initial recognition of an equity instrument that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss and other comprehensive income when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment. At the reporting date, the Group does not hold any equity instrument at FVOCI.

Financial assets at fair value through profit and loss

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Financial assets at FVTPL include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at FVOCI, as described above, debt instruments may be designated at FVTPL on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. A gain or loss on a debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss in the period in which it arises. Interest income from these financial assets is included in other income. Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

The Group's receivables from Jetwin as at 1 January and 31 December 2023 were classified as financial asset at FVTPL as disclosed in Note 15.

Derecognition

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(e) Material accounting policy information (Cont'd)

Financial instruments (Cont'd)

(b) Financial assets (Cont'd)

Derecognition (Cont'd)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses ("ECL") associated with its financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECLs). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECLs).

In respect of the measurement of loss allowance at an amount equal to the lifetime expected credit losses as at the reporting date, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. A provision matrix is established based on historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The internal credit ratings have been mapped to external credit ratings determined by credit rating agencies so as to determine the appropriate expected credit loss rates.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument (e.g. significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost);
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(e) Material accounting policy information (Cont'd)

Financial instruments (Cont'd)

(b) Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

Significant increase in credit risk (Cont'd)

A financial instrument is determined to have low credit risk if:

- the financial instrument has a low risk of default,
- the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and
- adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

Definition of default

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group or the financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery (e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings). Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(c) Financial liabilities

Initial recognition and measurement

All financial liabilities are initially recognised at fair value less directly attributable transaction costs.

At the reporting date, the Group's financial liabilities include trade and other payables and lease liabilities.

Subsequent measurement for financial liabilities at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

Derecognition

The Group de-recognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(e) Material accounting policy information (Cont'd)

Financial instruments (Cont'd)

(c) Financial liabilities (Cont'd)

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises cost of purchase and those costs that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits with financial institutions which are subject to an insignificant risk of changes in value.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Dividends

Final dividends proposed by the Directors are not accounted for in shareholders' equity as an appropriation of retained profit, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the constitution of the Company grant the Directors the authority to declare interim dividends. Consequently, interim dividends are recognised directly as a liability when they are proposed and declared.

Leases

(i) The Group as lessee

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets.

For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

(a) Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantee;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group has elected to not separate lease and non-lease components and account these as one single lease component.

The lease liabilities are presented as a separate line item in the consolidated statement of financial position. The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(e) Material accounting policy information (Cont'd)

Leases (Cont'd)

(i) The Group as lessee (Cont'd)

(a) Lease liability (Cont'd)

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to profit or loss if the carrying amount of the right-of-use asset has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

(b) Right-of-use asset

The right-of-use asset comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Depreciation on right-of-use assets is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

Golf simulation premises	: Over lease term of 2 - 4 years
Factory premises	: Over lease term of 1 - 8 years

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line item in the consolidated statement of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

(c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office premise (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Income taxes

Income tax expense represents the sum of the income tax currently payable and deferred income tax.

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities using the tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(e) Material accounting policy information (Cont'd)

Income taxes (Cont'd)

Deferred tax assets and liabilities are recognised on transactions that, on initial recognition, give rise to equal amounts of deductible and taxable temporary differences, arising from leases and decommissioning liabilities.

Deferred income tax is provided in full, using the liability method, on temporary differences at the statement of financial position between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets and liabilities are recognised for all temporary differences, except:

- (i) Where the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting nor taxable profit or loss;
- (ii) In respect of temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future; and
- (iii) In respect of deductible temporary differences and carry-forward of unutilised tax losses, if it is not probable that future taxable profits will be available against which those deductible temporary differences and carry-forward of unutilised tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current and deferred income taxes are recognised as income or expense in the profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either in other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authorities on the same taxable entity, or on different tax entities, provided they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Revenue

The Group recognises income from the following sources:

Financial services:

Interest income is recognised in profit or loss using the effective interest method. The effective interest rate is the rate that discounts the estimated future cash receipts through the expected life of the financial asset (or, where appropriate, a shorter period) to the carrying amount of the financial asset. The effective interest rate is established on initial recognition of the financial asset and is not revised subsequently unless contractually adjusted. Interest is charged on an annual basis and credited to profit or loss in the period to which it relates. Dividend income is recognised when the right to receive payment is established.

Sales and operations of golf simulator:

Income is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer. Income is recognised when the Group satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of income recognised is the amount allocated to the satisfied performance obligation.

The Group generates income from venue and other fees which are recognised as income at a point in time when the services are rendered.

Income from the sale of goods is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied and the customer obtains control of the goods.

Sale of hardcase luggage

Revenue from sale of goods is recognised when the Group satisfies a performance obligation "PO" by transferring control of a promised goods to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand-alone selling prices of the promised goods. The individual standalone selling price of a good that has not been previously sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods with observable stand-alone selling prices.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(e) Material accounting policy information (Cont'd)

Revenue (Cont'd)

Sale of hardcase luggage (Cont'd)

A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods. The transaction price may be fixed or variable and is adjusted for time value of money if the contract includes a significant financing component. Consideration payable to a customer is deducted from the transaction price if the Group does not receive a separate identifiable benefit from the customer.

When consideration is variable, the estimated amount is included in the transaction price to the extent that it is highly probable that a significant reversal of the cumulative revenue will not occur when the uncertainty associated with the variable consideration is resolved. Revenue is recognised at a point in time when the goods are delivered to the customer and all criteria for acceptance has been satisfied.

Employee benefits

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

Pension obligations

The Group and the Company participate in the defined contribution national pension schemes as provided by the laws of the countries in which it has operations. In particular, the PRC-incorporated companies in the Group contribute to certain staff pension benefits, a defined contribution plan regulated and managed by PRC regulations, which applies to the majority of the employees. The Company in Singapore makes contributions to the Central Provident Fund ("CPF"), a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The contributions to CPF or other national pension schemes are charged to profit or loss in the period to which the contributions relate.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for unutilised annual leave as a result of services rendered by employees up to the reporting date.

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors are considered key management personnel.

Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and Company if that person:
 - (i) has control or joint control over the Company;
 - (ii) has significant influence over the Company; or
 - (iii) is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (b) An entity is related to the Group and the Company if any of the following conditions applies:
 - (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) both entities are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(e) Material accounting policy information (Cont'd)

Impairment of non-financial assets

The carrying amounts of the Group's and the Company's non-financial assets subject to impairment are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Individual assets or cash-generating units that include goodwill and other intangible assets with an indefinite useful life or those not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value-in-use, based on an internal discounted cash flow evaluation. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Any impairment loss is charged to profit or loss unless it reverses a previous revaluation in which case it is charged to equity. An impairment loss, except for goodwill, is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decrease.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised. A reversal of an impairment loss on a revalued asset is credited directly to equity under the heading revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in profit or loss, a reversal of that impairment loss is recognised as income in profit or loss.

Value-added tax

Revenue, expenses and assets are recognised net of the amount of value-added tax ("VAT"), except where the VAT incurred on a purchase of assets or services is not recoverable from the taxation authorities, in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable, and except that trade receivables and trade payables are recorded with the amount of VAT included. The net amount of VAT recoverable from or payable to the taxation authorities are included as part of other receivables or other payables in the statement of financial position.

Non-current assets held-for-sale and discontinued operations

Non-current assets (or disposal groups) are classified as assets held-for-sale and carried at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held-for-sale and:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations;
- or is a subsidiary acquired exclusively with a view to resale.

Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the year, adjusted for own shares held.

Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders of the Company and the weighted-average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares, including share options granted to employees.

Functional currency

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements of the Group and the Company are presented in HK\$, which is also the functional currency of the Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

2(e) Material accounting policy information (Cont'd)

Conversion of foreign currencies

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss.

Foreign currency gains and losses are reported on a net basis as either other income or other expenses depending on whether foreign currency movements are in a net gain or loss position.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined. Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates at the date of the transaction.

Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, including revenue and expenses that relate to transactions with any of the Group's other components. The Group determines and presents operating segments based on information that is provided internally to the Executive Director, who is the Group's chief operating decision maker. All operating segments' operating results are reviewed regularly by the Executive Director to make decision about resources to be allocated to the segments and assess its performance, and for which discrete financial information is available.

3 Matters relating to Jetwin

In prior years, Jetwin facilitated the Group in granting loans to 5 borrowers located in Australia. As at 31 December 2023, HK\$19,867,000 (2022 - HK\$30,337,000) due from Jetwin was secured, interest-free and repayable on demand.

Included in this balance were mainly receivables arising from the settlement of loans by the borrowers in Australia to Jetwin in the form of Properties and cash under two separate deeds of settlement:

- (i) On 25 June 2019, Jetwin had entered into a Deed of Settlement and Release ("2019 Deed") with two borrowers pursuant to which it was agreed that the parties to the 2019 Deed would release each other from the performance of any and all of their obligations under the loan agreements entered into between Jetwin and the borrowers, and any and all claims which existed in respect of the conditional agreements entered on 12 November 2017. Under the 2019 Deed, cash of AUD487,000 and the ownership in five properties in Australia were transferred to Jetwin as settlement of the loans previously granted by the Group to the two borrowers via Jetwin.

On 7 November 2019, Jetwin confirmed and agreed that all the proceeds received under the provision of the 2019 Deed, and the subsequent sale of the five properties shall be paid to Company's wholly owned subsidiary – Net Pacific Investment Holdings Limited ("NPIHL"), in accordance with the terms and conditions as set out in the original loan agreements between the relevant parties.

- (ii) On 6 August 2021, Jetwin entered into a similar Deed of Settlement and Release with three remaining borrowers ("2021 Deed") pursuant to which it was agreed, among other things, that the parties to the 2021 Deed shall resolve all their disputes on the terms and conditions set out in the 2021 Deed and absolutely, unconditionally and irrevocably release and forever discharge and hold each other free from and against any and all claims including their obligations under the loan agreements entered into between Jetwin and the borrowers without any admission of any liability of any kind whatever. Under the 2021 Deed, cash of AUD4,196,000 and the ownership in three properties in Australia were transferred to Jetwin as settlement of the loans previously granted by the Group to the remaining three borrowers via Jetwin. Under the Confirmation Letter dated 6 August 2021, Jetwin confirmed and agreed that all the proceeds received under the provision of the 2021 Deed and the subsequent sale of the three properties shall be paid to NPIHL in accordance with the terms and conditions as set out in the original loan agreements between the relevant parties.

Pursuant to the 2019 Deed and 2021 Deed, Jetwin received settlement proceeds from the underlying borrowers in Australia in the form of 8 properties ("the Properties") and cash proceeds in aggregate. The Properties and cash proceeds received under the provision of the 2019 Deed, and 2021 Deed shall be paid to the Group and the other loan provider who is also a controlling shareholder cum director of the Company.

As at 31 December 2023, the financials of Jetwin comprised mainly of the Properties and trust accounts of Jetwin held in trust by an Australian law firm where the debt settlement proceeds were deposited into, and liabilities which comprised mainly of payables owing to the Group and the other loan provider who is also a controlling shareholder cum director of the Company.

In respect of the Properties held by Jetwin, under the Confirmation Letters dated 7 November 2019 and 6 August 2021 (the "Confirmation Letters") between NPIHL and Jetwin, the latter confirmed that notwithstanding that the Properties were transferred to Jetwin, Jetwin agreed to grant security over the Properties to NPIHL, whether by way of caveat or registered mortgage, and not otherwise encumber the Properties as security for repayment of the loans.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

3 Matters relating to Jetwin (Cont'd)

In addition, as stipulated under the Confirmation Letters, unless and until the amount due by Jetwin had been fully repaid to NPIHL, the sale, transfer or disposal of any or all of the Properties held by Jetwin shall only be made with the prior written consent of NPIHL amongst other terms and conditions as specified in the Confirmation Letters, with such consent being at NPIHL's absolute discretion. NPIHL may request the disposal of any or all of the Properties held by Jetwin at market rates, and Jetwin shall expeditiously comply with the request; and the terms and conditions of every disposal by Jetwin shall be as reasonably agreed by NPIHL.

As such, NPIHL will be entitled to any upside of the proceeds from the sale of the Properties in excess of the original settlement consideration until all monies under the loan agreements and as agreed under the Confirmation Letters between NPIHL and Jetwin have been fully repaid.

NPIHL also agreed to contribute towards the ongoing maintenance cost and expenses relating to the Properties held by Jetwin in accordance with the relevant percentage of the loans disbursed as specified under the Confirmation Letters.

Moreover, the Group also received net rental income from Jetwin on some of the Properties which were leased out to external parties and recognised gain from the disposal of some of the Properties during the year.

In respect of the trust accounts maintained in trust by an Australian law firm on behalf of Jetwin where the settlement proceeds were deposited into, the Australian law firm also confirmed that it has the authority to disburse the funds from the trust accounts on the written request of the Executive Director of the Company and the other loan provider who is also a controlling shareholder cum director of the Company.

A recap of prior years' significant judgements applied:

a. Completeness of related party disclosures

In FY2022, management became aware that a controlling shareholder cum director of the Company held shares in an entity which has investments in the Australian borrowers. Furthermore, management also noted that it had not been disclosed in the financial statements that he was a creditor of Jetwin since inception of the loan disbursement in the financial year ended 31 December 2013 to 31 December 2023 and that Jetwin also held equity interest in the Australian borrowers.

However, management maintained the view that the controlling shareholder cum director of the Company did not have any beneficial interest in Jetwin nor the borrowers in Australia, and that there was no need for any shareholders' mandate to approve any interested person transactions under Chapter 9 of the Listing Manual of the SGX-ST. Management also reviewed this relationship and any other potential relationships and assessed that there was no additional related party disclosure to be made in accordance with SFRS(I) 1-24 *Related Party Disclosures*.

Furthermore, management determined that there was no requirement to engage any independent legal expert to establish whether there had been more related party information to be disclosed in the relevant financial years concerning the Group, the controlling shareholder cum director of the Company, Jetwin and the Australian borrowers.

b. Control of specified assets and liabilities in Jetwin

In accordance with SFRS(I) 10 *Consolidated Financial Statements*, management identified specified assets in Jetwin (and related credit enhancements, if any) are the only source of payment for specified liabilities of, or specified other interests in Jetwin. These specified assets and liabilities of the deemed separate entity in Jetwin are the Properties and cash proceeds received under the settlement; and the balances owing to the Group and the other loan provider who is also the controlling shareholder cum director of the Company, respectively.

Under the Confirmation Letters dated 7 November 2019 and 6 August 2021, Jetwin confirmed and agreed that all the proceeds received under the provision of the 2019 Deed and 2021 Deed and the subsequent sale of the Properties shall be paid to the Group in accordance with the terms and conditions as set out in the original loan agreements between the Group and Jetwin.

Management is of the view that the Group has no control over the specified assets and liabilities of the deemed separate entity in Jetwin because:

- (i) The Group has no equity interest in Jetwin;
- (ii) None of the directors or controlling shareholders of the Group is a director or shareholder of Jetwin;
- (iii) The sale, transfer or disposal of any or all of the Properties held by Jetwin at NPIHL's absolute discretion is to safeguard the recoverability of the debt due from Jetwin;
- (iv) The receipt of net rental income from Jetwin is a form of compensation in place of interest income; and
- (v) The authority to disburse the funds from the trust accounts held in trust by an Australian law firm is merely a protective right.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

3 Matters relating to Jetwin (Cont'd)

c. Classification and measurement of amounts due from Jetwin at amortised cost

In accordance with SFRS(I) 9 *Financial Instruments*, the Group determines if a financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The business model of the Group has not changed and there are proper loan documentations in place with Jetwin which support that the contractual terms of the amounts due from Jetwin will give rise on specified dates to cash flows that will result from collecting contractual cashflows from the principal amounts outstanding from Jetwin. The net rental income received from Jetwin is a form of compensation in place of interest income since the debt is interest-free.

Developments during the financial period

a. Deed of Assignment

The Group had on 1 November 2024 entered into a Deed of Assignment (the "Deed") with Jetwin and an independent third party individual ("Party A") in November 2024 where the Group agreed to transfer and Party A agreed to purchase the rights and obligations of the amounts receivable due from Jetwin (the "Loan Rights") for an amount equivalent to AUD1,180,000 ("Purchase Price") and Jetwin, by the execution of the Deed, is bound by its terms and acknowledged that the Loan Rights are assigned to Party A under the terms of the Deed and will be transferred to Party A upon the final settlement of the Purchase Price.

Following the receipt of the final Purchase Price in April 2025, the Group's receivables from Jetwin have been derecognised and a gain on derecognition of HK\$3,052,000 on the amounts receivable due from Jetwin in the consolidated statement of comprehensive income in the current financial period.

b. Queries from the Accounting and Corporate Regulatory Authority ("ACRA")

The Board of Directors of the Company received queries from the Accounting and Corporate Regulatory Authority ("ACRA") during the financial period on their compliance with accounting standards in respect of the consolidated financial statements for the financial year ended 31 December 2022.

In August 2025, the Company received a letter of final findings from ACRA where the latter is of the view that management has not complied with SFRS(I) 9 in respect of the classification and measurement of the receivables due from Jetwin, which was previously measured at amortised cost, does not meet the solely payments of principal and interest ("SPPI") test under SFRS(I) 9.

SFRS(I) 9 states that contractual terms that introduce exposure to risks or volatility in the contractual cash flows that is unrelated to the basic lending arrangement do not give rise to contractual cashflows that are solely payments of principal and interest on the principal amount outstanding. In the case of the amounts due from Jetwin, the interest income is explicitly linked to the rental income generated from the properties owned by Jetwin which directly ties the receivable's cash flows to the performance of the property market in Australia and the success of renting out the properties, are unrelated to the compensation for the time value of money and credit risk. Furthermore, the non-recourse nature of the loans, which limits recourse primarily to the underlying properties, combined with the cash flows being directly influenced by the economic performance of the specified properties, suggested that the contractual cashflows are not solely payments of principal and interest.

Management performed a reassessment and concluded that the amounts due from Jetwin should have been measured at fair value.

Accordingly, management recomputed the fair value of the amounts due from Jetwin as at 1 January and 31 December 2023, respectively, and recorded the fair value adjustments in respect of the amounts receivable from Jetwin as prior years' adjustments for financial year ended 31 December 2023 and 1 January 2023 (being the beginning of the preceding period), respectively as disclosed in Note 34 "*Prior years' adjustments*" to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

3 Matters relating to Jetwin (Cont'd)

Developments during the financial period (Cont'd)

The movement of the receivables from Jetwin measured at FVTPL are as follows:

The Group	HK\$'000
At 1 January 2023, as previously reported	30,337
Prior years' adjustment (Note 34)	(5,070)
At 1 January 2023, as restated	25,267
Amounts received during the year	(10,163)
Fair value gain, as restated	637
Translation differences	(504)
Others	197
At 31 December 2023, as restated	15,434
Amounts received during the period	(13,645)
Gain on derecognition	3,052
Provision no longer required (Note 25(b))	(3,251)
Translation differences	(1,314)
Others	(276)
At 30 June 2025	–

Discontinued operations

Following the derecognition of receivables from Jetwin, the Group assessed that the Financing Business in Australia meets the definition of a "discontinued operation" in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* as it represents a separate major line of business and geographical area of operations of the Group.

The results of the discontinued operations, and impact on the cash flows are as follows:

The Group	30 June 2025 HK\$'000	31 December 2023 HK\$'000 (Restated)
Other income (Note 5)	137	590
Gain on derecognition of financial assets at FVTPL	3,052	–
Fair value gain on financial asset on FVTPL	–	637
Administrative expenses:		
- Rental-related expenses	(28)	(205)
- Legal and professional fees	(309)	(251)
	(337)	(456)
	2,852	771
Operating cash inflows	13,645	10,163

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

4 Revenue

The principal activities of the Group consist of (a) the provision of financing and investment holding services, (b) the sales of golf simulators and operations of indoor golf simulator venue, and (c) the manufacture and sale of hard case luggage. The Group's revenue by segment and geographical location as follows:

The Group	Financing Business HK\$'000	Golf Business HK\$'000	Luggage Business HK\$'000	Total HK\$'000
Financial period ended 30 June 2025:				
Sale of goods, recognised at a point in time	–	5,166	67,936	73,102
Venue and other fees, recognised at a point in time	–	1,205	–	1,205
Revenue from contracts with customers	–	6,371	67,936	74,307
Interest on loans and advances	4,959	–	–	4,959
	4,959	6,371	67,936	79,266
North America	–	–	9,846	9,846
Asia Pacific	4,059	6,371	46,479	56,909
Middle East	–	–	4,571	4,571
Europe	–	–	6,250	6,250
Others	900	–	790	1,690
	4,959	6,371	67,936	79,266

Financial year ended 31 December 2023:

Venue and other fees, recognised at a point in time	–	15	–	15
Revenue from contracts with customers	–	15	–	15
Interest on loans and advances	3,312	–	–	3,312
	3,312	15	–	3,327
Asia Pacific	2,712	15	–	2,727
Others	600	–	–	600
	3,312	15	–	3,327

5 Other income

The Group	30 June 2025 HK\$'000	31 December 2023 HK\$'000
Interest income from fixed deposits	1,368	64
Interest income from guarantor ^(a)	559	–
Others ^(b)	229	593
	2,156	657
Represented by:		
Continuing operations	2,019	67
Discontinued operations ^(b) (Note 3)	137	590
	2,156	657

(a) Interest income from the guarantor refers to the interest received from Mr. Ben Lee, a Non-Independent Non-Executive Director of the Company, pursuant to a supplemental agreement entered with the Company regarding the shareholder's loans extended by the Company to its wholly owned subsidiary, Ben Sports and Management Limited ("Ben Sports HK"), where he has undertaken to be responsible for any unpaid loan interests and will make the necessary payments to the Company (See Note 15(E)(ii) and (iii)).

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

5 Other income (Cont'd)

- (b) Included in other income for the financial period from 1 January 2024 to 30 June 2025 is (i) an amount of HK\$8,000 (2023 - HK\$292,000) of rental income derived from the leasing of certain properties held by Jetwin; and (ii) an amount of HK\$129,000 (2023 - HK\$298,000) arising from gain on disposal of certain properties held by Jetwin in the current and prior financial period/year.

6 Finance cost

The Group

	30 June 2025 HK\$'000	31 December 2023 HK\$'000
Interest expenses on borrowings	332	–
Interest expenses on lease liabilities (Note 22)	1,487	10
	1,819	10

7 Loss before taxation

The Group

	30 June 2025 HK\$'000	31 December 2023 HK\$'000
Audit fees paid to:		
- auditors of the Company	1,264	633
- other auditors	108	36
Non-audit related services – auditors of the Company	88	–
Depreciation of plant and equipment (Note 10):		
- Cost of sales	928	–
- Administrative expenses	2,306	17
	3,234	17
Depreciation of right-of-use assets (Note 11):		
- Cost of sales	2,474	–
- Administrative expenses	1,353	49
	3,827	49
Foreign exchange loss, net	1,087	23
Legal and professional fees	3,086	2,278
Operating lease expenses (Note 22):		
- Cost of sales	300	–
- Administrative expenses	364	126
	664	126
Sponsor fees	576	413
Design fees	1,087	–
Unallocated overheads ⁽¹⁾	1,623	–
Electricity and water fees	720	1
Exhibition fees	572	–
Travelling and transportation fees	1,381	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

7 Loss before taxation (Cont'd)

The Group	30 June 2025 HK\$'000	31 December 2023 HK\$'000
<u>Employee benefits:</u>		
Directors of the Company:		
- Salaries and bonuses	448	313
- Fees	2,076	1,122
Key management personnel (non-directors):		
- Salaries and bonuses	1,596	1,280
- Defined contribution benefits	152	94
Other than directors and key management personnel:		
- Salaries and bonuses	23,526	128
- Defined contribution benefits	3,031	29
	30,829	2,966
 Represented by:		
- Cost of sales	9,095	42
- Administrative expenses	16,870	2,924
- Marketing and distribution costs	4,864	–
	30,829	2,966

⁽¹⁾ Unallocated overheads related to the amounts of fixed overheads not allocated to each unit of production as a consequence of low production or idle capacity in accordance with SFRS(I) 1-2 *Inventories*.

8 Taxation

The Group	30 June 2025 HK\$'000	31 December 2023 HK\$'000
<u>Current tax expense</u>		
Current year provision	263	265
Over provision of tax in respect of prior years	(141)	(189)
	122	76

Reconciliation of effective tax rate

The tax expense on the results of the financial year varies from the amount of income tax determined by applying each entity's domestic rates of income tax on their respective results as follows:

Unrecognised deferred tax assets

Unutilised tax losses arising from PRC entities are available for carry forward and set-off against future taxable income, subject to agreement by the tax authorities and compliance with certain provisions of the tax legislations in which the subsidiaries operate. Unutilised tax losses of approximately HK\$23,210,000 (2023 - HK\$204,000) related to certain subsidiaries expire from 2029 to 2030. No deferred tax asset has been recognised due to the unpredictability of future profit streams.

Non-deductible expenses relate mainly to (a) expenses incurred by the Company and its Hong Kong subsidiary where they do not have taxable profits, (b) impairment of goodwill and other non-financial assets and (c) disallowed expenditures incurred in the ordinary course of business which included depreciation expense on non-qualifying assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

8 Taxation (Cont'd)

The domestic corporate income tax ("CIT") rate applicable to the results of the significant entities of the Group are as follows:

	Country	Rate	Basis
- Net Pacific Financial Holdings Limited	Singapore	17.0%	Full tax
- Net Pacific Finance Group Limited	Hong Kong SAR	16.5%	Full tax
- Net Pacific Investment Holdings Limited	British Virgin Islands	0%	Full tax
- Cloud Nine (Foshan) Information Technology Co., Ltd	PRC	25%	Full tax
- Cloud Nine (Guangzhou) Golf Sports Development Co., Ltd	PRC	25%	Full tax
- Saint Pearl Travel Products (Guangdong) Co., Ltd	PRC	25%	Full tax

9 (Loss)/ profit per share

The calculations of basic (loss)/profit per share are based on the loss for the year and number of shares shown below:

The Group	30 June 2025			31 December 2024		
	Continuing operations HK\$'000	Discontinued operations HK\$'000	Total HK\$'000	Continuing operations HK\$'000	Discontinued operations HK\$'000	Total HK\$'000
Profit/(loss) attributable to equity holders of the Company	(22,095)	2,852	(19,243)	(5,651)	771	(4,880)
Weighted average number of shares (in '000)	525,630	525,630	525,630	525,630	525,630	525,630
(Loss)/profit per share (Hong Kong cents)	(4.20)	0.54	(3.66)	(1.08)	0.15	(0.93)

Basic loss per share is calculated by dividing the Group's loss for the financial period/year attributable to equity holders by the weighted average number of ordinary shares during the financial period/year.

As at 30 June 2025 and 31 December 2024, there were no dilutive potential ordinary shares issued and/or granted. The fully diluted loss per share is the same as the basic loss per share.

10 Plant and equipment

The Group	Motor vehicle HK\$'000	Office equipment HK\$'000	Golf simulator and related equipment HK\$'000	Renovation HK\$'000	Plant and machinery HK\$'000	Total HK\$'000
<u>Cost</u>						
At 1 January 2023	–	18	–	–	–	18
Acquisition of subsidiary (Note 12)	172	16	428	–	–	616
At 31 December 2023	172	34	428	–	–	634
Acquisition of subsidiary (Note 12)	82	317	–	177	9,291	9,867
Additions	38	126	1,413	1,778	3,527	6,882
Disposals/ write-off	–	(17)	–	–	(139)	(156)
Translation differences	1	7	(3)	4	186	195
At 30 June 2025	293	467	1,838	1,959	12,865	17,422

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

10 Plant and equipment (Cont'd)

The Group	Motor vehicle HK\$'000	Office equipment HK\$'000	Golf simulator and related equipment HK\$'000	Renovation HK\$'000	Plant and machinery HK\$'000	Total HK\$'000
<u>Accumulated depreciation</u>						
At 1 January 2023	–	9	–	–	–	9
Depreciation for the year	3	7	7	–	–	17
At 31 December 2023	3	16	7	–	–	26
Depreciation for the period	93	206	804	749	1,382	3,234
Disposals/ write-off	–	(17)	–	–	(10)	(27)
Translation differences	–	2	–	1	11	14
At 30 June 2025	96	207	811	750	1,383	3,247
<u>Impairment loss</u>						
At 1 January and 31 December 2023	–	–	–	–	–	–
Impairment loss recognised	–	3	–	39	773	815
At 30 June 2025	–	3	–	39	773	815
<u>Carrying amount</u>						
At 30 June 2025	197	257	1,027	1,170	10,709	13,360
At 31 December 2023	169	18	421	–	–	608

The Company	Office equipment 30 June 2025 HK\$'000	31 December 2023 HK\$'000
<u>Cost</u>		
At the beginning of the period/year	18	18
Additions	17	–
Disposals/ write-off	(18)	–
At the end of the period/year	17	18
<u>Accumulated depreciation</u>		
At the beginning of the period/year	15	9
Depreciation for the period	8	6
Disposals/ write-off	(18)	–
At the end of the period/year	5	15
Carrying amount	12	3

As at 30 June 2025, impairment loss of HK\$815,000 represents the write-down of certain plant and equipment in the under-performing Luggage Business segment to their recoverable amount based on their fair value less cost of disposal, which is a fair value hierarchy Level 3 measurement.

Certain plant and equipment with a carrying amount of HK\$6,408,000 (2023 - Nil) are pledged to secure bank borrowings (Note 24).

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

11 Right-of-use assets

The Group	Factory premises HK\$'000	Golf venue premises HK\$'000	Total HK\$'000
As at 1 January 2023	–	–	–
Acquisition of a subsidiary (Note 12)	–	2,077	2,077
Depreciation charge	–	(49)	(49)
As at 31 December 2023	–	2,028	2,028
Acquisition of a subsidiary (Note 12)	17,373	–	17,373
New leases	252	78	330
Leases terminated	–	(604)	(604)
Depreciation charge	(3,041)	(786)	(3,827)
Translation differences	338	(15)	323
As at 30 June 2025	14,922	701	15,623

Information about the Group's leasing activities are disclosed in Note 22.

12 Investment in subsidiaries

The Company	30 June 2025 HK\$'000	31 December 2023 HK\$'000
Unquoted equity shares, at cost:		
At beginning of period/year	1,169	1,069
Additions	1	100
At end of period/year	1,170	1,169

Details of significant subsidiaries of the Company are set out below:

Name	Principal place of business/Country of incorporation	Effective interest held by the Company		Principal activities
		30 June 2025 %	31 December 2023 %	
Held by the Company				
Net Pacific Finance Group Limited (“NPFGL”) ^{(a)(b)}	Hong Kong Special Administrative Region of the PRC (“HKSAR”)	100	100	Provision of financing services
Net Pacific Investment Holdings Limited (“NPIHL”) ^{(a)(b)}	British Virgin Islands	100	100	Provision of financing services and investment holding
Held by the Company’s subsidiaries				
Cloud Nine (Foshan) Information Technology Co., Ltd ^{(a)(b)}	PRC	100	100	Sale of golf simulators
Cloud Nine (Guangzhou) Golf Sports Development Co., Ltd ^{(a)(b)}	PRC	100	100	Operations of indoor golf simulator venue
Saint Pearl Travel Products (Guangdong) Co., Ltd (“Saint Pearl”) ^{(a)(b)(c)}	PRC	40.8%	–	Manufacture and sale of hard case luggage

^(a) Audited by Foo Kon Tan LLP for consolidation purposes

^(b) Not required to be audited in the country of jurisdiction

^(c) The Group's effective shareholdings in Saint Pearl of 40.8% comprises its 80% shareholdings in subsidiary Net Industrial International Company Limited ("NIICL"), which in turn holds 51% shareholdings in the entity. Consequently, the Group has control of the board of directors of NIICL, which in turn has control over the board of directors of Saint Pearl, and consolidates the investment in this entity as a subsidiary of the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

12 Investment in subsidiaries (Cont'd)

Acquisition of subsidiary

FY2025

On 2 February 2024, the Company announced that it had entered into a joint venture agreement ("JVA") with Mr. Ben Lee, a Non-Independent Non-Executive Director of the Company ("Joint Venture"). Further to the JVA, the Company and Mr Ben Lee incorporated Net Industrial International Company Limited ("Net Industrial", "NIICL") in HKSAR, with shareholding of 80% and 20% in NIICL, respectively.

On the same day, NIICL entered into a share transfer agreement to acquire Mr Ben Lee's 51% equity interest in the total issued and paid-up share capital of Saint Pearl Travel Products (Guangdong) Co., Ltd ("Saint Pearl") ("Acquisition") which was a wholly-owned subsidiary of Jiangmen Limingzhu Technology Co., Ltd ("Limingzhu"). Based on an equity holding agreement dated 6 April 2023 entered between Mr. Ben Li and Limingzhu, the latter was holding the 51% shareholding interest of Saint Pearl on behalf of Mr. Ben Lee. Saint Pearl is in the business of independent research, design, production, and sale of travel hard cases made from polypropylene and polycarbonate and other innovative materials, offering a comprehensive set of travel product solutions to major brands and channels both domestically and internationally ("Luggage Business").

In accordance with the JVA, the consideration payable by Net Industrial for the Acquisition is RMB 2.7 million. The consideration was arrived at based on 51% of the unaudited net assets of Saint Pearl as at 31 December 2023.

The Company had on 23 February 2024 convened an Extraordinary General Meeting ("EGM") to seek approval of shareholders in relation to the Acquisition and Business Diversification to include the Golf and Luggage Business. Both resolutions were passed unanimously at the EGM. The acquisition of Saint Pearl was completed on 10 May 2024. The Group settled its 80% share of the consideration of approximately HK \$2.3 million in cash through internal financial resources.

Details of the consideration paid, assets acquired, and liabilities assumed, non-controlling interests recognised and goodwill arising, and the effects on the cash flows of the Group are as follows:

	Note	30 April 2024 HK\$'000
Plant and equipment	10	9,867
Right-of-use assets	11	17,373
Investments in associate	14	494
Inventories		7,293
Trade and other receivables		16,366
Cash and bank balances		466
Trade and other payables		(35,762)
Deferred tax liabilities		(411)
Lease liabilities		(17,373)
Identifiable net liabilities acquired		(1,687)
Considered transferred		2,348
Add: Fair value of identifiable net liabilities acquired		1,687
Less: Non-controlling interests at 59.2% effective interest		(999)
Group's share of fair value of identifiable net liabilities acquired		688
Goodwill arising on acquisition (Note 13)		3,036
Cash considered paid		2,348
Less: Cash and bank balances in subsidiary acquired		(466)
Cash outflow on acquisition		1,882

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

12 Investment in subsidiaries (Cont'd)

Acquisition of subsidiary (Cont'd)

FY2023

On 15 December 2023, the Group completed the acquisition of 100% equity interest in Ben Sports HK for a consideration of HK\$100,000. The principal activities of Ben Sports HK are investment holding and has business operations through its subsidiaries in the area of golf simulator. Included in the identifiable assets and liabilities acquired at the date of acquisition of Ben Sports HK are inputs (right-of-use assets, plant and equipment and distribution agreements with suppliers) and an organised workforce. The Group has determined that together the acquired inputs and processes significantly contribute to the ability to create revenue. The Group has concluded that the acquired set is a business.

The acquisition will value add to the Group through contribution of revenue to the Group. The key management personnels will be employed by Ben Sports HK and its subsidiaries to operate and run the golf simulator business and have extensive exposure and knowledge in running golf related operations including golf coaching, training centre, brand marketing and planning.

For the half-month ended 31 December 2023, Ben Sports HK and its subsidiaries contributed revenue of HK\$15,000 and reported a net loss of HK\$263,000 to the Group's results. If the acquisition had occurred on 1 January 2023, the consolidated revenue would have been HK\$3,327,000 and the consolidated loss for the year would have been HK\$5,517,000. In determining these amounts, management has assumed that any fair value adjustments, if any, that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 January 2023.

Details of the acquired assets and assumed liabilities as recognised by the Group at the acquisition date, and the effects on the cash flows of the Group, are as follows:

	Note	31 December 2023 HK\$'000
Plant and equipment	10	616
Right-of-use assets	11	2,077
Cash and bank balances		100
Lease liabilities		(2,077)
Other payables		(616)
Net assets acquired		<u>100</u>
Cash consideration paid		(100)
Cash acquired		<u>100</u>
Net change in cash flow		<u>-</u>

Acquisition-related costs

The Group incurred acquisition related costs of HK\$454,000 (2023 - HK\$800,000) on legal fees and due diligence costs. These costs have been included in "Administrative expenses".

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

12 Investment in subsidiaries (Cont'd)

Acquisition of subsidiary (Cont'd)

Measurement of fair values

The valuation techniques used to assess the fair value of material assets acquired were as follows:

Asset acquired	Valuation techniques
30 June 2025 (Saint Pearl) and 31 December 2023 (Ben Sports HK):	
Plant and equipment	Market comparison technique and cost technique: The valuation model considers market prices for similar items when they are available, and depreciated replacement costs when appropriate.
Right-of-use assets	Discounted cashflows method: Measured using the present value of the remaining lease payments as if the acquired lease was a new lease at the acquisition date, adjusted to reflect favourable and unfavourable terms of the leases when compared with market terms.
30 June 2025 (Saint Pearl) only:	
Inventories	Comparative sales method: Work-in-progress (WIP) and finished goods were valued using (i) expected sales price, (ii) cost to complete, (iii) selling and distribution (S&D) costs as a percentage of sales, and (iv) S&D efforts of the acquiring entity base on profit for similar products.

Non-controlling interests

The Group has two (2023 - Nil) subsidiaries non-controlling interests ("NCI") which relates to minority shareholders' stakes in Saint Pearl and its immediate holding company NIICL. The following table summarises financial information of NIICL and Saint Pearl based on its financial statements prepared in accordance with SFRS(I), modified for fair value adjustments and differences in the Group's accounting policies.

The Group	NIICL HK\$'000	Saint Pearl HK\$'000	Total HK\$'000
NCI effective interest %	20%	59.2%	
30 June 2025:			
Revenue	-	67,936	
Total comprehensive loss for the period	(1,718)	(17,567)	
Attributable to non-controlling interest:			
Total comprehensive loss for the period	(344)	(10,399)	(10,743)
Non-current assets	8,987	26,307	
Current assets	33	46,479	
Non-current liabilities	-	(14,370)	
Current liabilities	(10,738)	(61,272)	
Net liabilities	(1,718)	(2,856)	
Net liabilities attributable to NCI	(344)	(1,691)	(2,035)
Cash flows used in operating activities	-	(19,614)	
Cash flows used in investing activities	-	(6,422)	
Cash flows generated from financing activities	33	28,891	
Net increase in cash and cash equivalents	33	2,855	

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

13 Goodwill

The Group

HK\$'000

At 1 January 2023

–

Acquisition of a subsidiary (Note 12)

3,036

Impairment loss recognised

(3,036)

At 30 June 2025

–

Goodwill acquired in a business combination is allocated, at acquisition, to the cash generating units ("CGU") that are expected to benefit from that business combination. The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

In 2025, impairment loss of HK\$3,036,000 was recognised in the consolidated statement of comprehensive income due to underperformance of Saint Pearl.

The recoverable amount of the CGU is determined from a value in use calculation. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The revenue growth rates are based on past experience adjusted for industry growth forecasts and expectations of future changes in the market.

The key assumptions used in the estimation of the recoverable amount are set out below. The value assigned to the key assumption represent management's assessment of future trends in the relevant industry and have been based on historical trends from both external and internal sources.

	Discount rate	Terminal value growth rate	Average 5-year revenue growth rate	Average 5-year EBITDA growth rate
Saint Pearl	11.4%	2.0%	23.1%	(23.6%)

The discount rate was a post-tax measure estimated based on the historical industry average weighted-average cost of capital, with a post-tax cost of debt of 5.0%.

The cash flow projection included specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate was determined based on management's estimate of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

Budgeted EBITDA was estimated taking into account past experience, where sale volumes for the next five years were projected based on their average increase over the past year. This is in line with market expectations of demand for the next five years.

It was assumed that the sales price would increase in line with forecast inflation over time next five years.

As at 30 June 2025 any reasonably possible change to the key assumptions applied are not likely to cause the recoverable amount to exceed the carrying amounts of the CGU.

14 Investment in associate

The Group

30 June 2025

HK\$'000

Unquoted equity shares, at cost

494

Accumulated share of post-acquisition loss

(504)

Accumulated share of translation and other reserves

10

–

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

14 Investment in associate (Cont'd)

The details of the Group's associate are as follows:

Name	Country of incorporation and place of business	Principal activities	Proportion (%) of ownership interest 30 June 2025
Held through Saint Pearl 沸腾冒泡 (广州) 文化有限公司	PRC	Research and development, production, sales and marketing of travel product solutions	46%

Summarised financial information based on its IFRS financial statements and a reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

	30 June 2025 HK\$'000
The Group	
Proportion of the Group's ownership	46%
Revenue	491
Loss for the period, representing total comprehensive loss for the period	(3,541)
Non-current assets	2,109
Current assets	7,403
Current liabilities	(11,961)
Net liabilities	(2,449)
Carrying amount of investment	-
Movement reconciliation during the financial period:	
The Group	HK\$'000
At 1 January 2024	-
Acquisition of a subsidiary (Note 12)	494
Group's share of:	
- Loss for the period	(504)
- Other comprehensive income – translation reserve	10
Total comprehensive loss	(494)
At 30 June 2025	-

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

15 Trade and other receivables

	Note	30 June 2025 HK\$'000	31 December 2023 HK\$'000 (Restated)	1 January 2023 HK\$'000 (Restated)
The Group				
Trade receivables - third parties	A	5,577	–	–
Trade receivables - related party	A	9,417	–	–
Trade receivables - associate company	B	5,501	–	–
		20,495	–	–
Advances to associate company	B	2,738	–	–
Deposits		1,032	177	23
Dividend receivable		400	480	640
Interest receivable		1,167	1,185	1,185
Other receivables		478	10	178
Consideration receivable	C	4,087	4,147	4,306
Allowance for impairment loss	C	(3,553)	(1,964)	–
Consideration receivable, net	C	534	2,183	4,306
Financial assets at amortised cost		26,844	4,035	6,332
Financial assets at FVTPL	D	–	15,434	25,267
Total financial assets		26,844	19,469	31,599
Other tax receivables, net		2,010	18	9
Prepayments		3,394	31	44
Total trade and other receivables		32,248	19,518	31,652
Presented as:				
- Non-current		–	1,996	3,671
- Current		32,248	17,522	27,981
		32,248	19,518	31,652

The Company

Amounts due from subsidiaries (non-trade)	E	135,226	134,508	134,079
Allowance for impairment loss	E	(70,823)	(65,931)	(59,570)
		64,403	68,577	74,509
Deposits		16	15	14
Financial assets at amortised cost		64,419	68,592	74,523
Other tax receivables, net		50	18	9
Prepayments		43	31	44
		64,512	68,641	74,576

Note A:

Credit period ranges from 0 to 120 days. No interest is charged on the outstanding balance.

Note B:

The Group's credit period extended to the associate on trade balances is 60 days. No interest is charged on the outstanding balance.

The Group has extended advances to associate which are non-interest bearing and are repayable on demand.

As at 30 June 2025, the Company's controlling shareholder and non-executive director has guaranteed the recoverability of above balances for the next 12-months up to 30 June 2026.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

15 Trade and other receivables (Cont'd)

Note C:

The Group	30 June 2025 HK\$'000	31 December 2023 HK\$'000
Consideration receivable	4,087	4,147
Allowance for impairment loss:		
- At the beginning of period/year	(1,964)	–
- Impairment loss recognised	(1,589)	(1,964)
- At the end of period/year	(3,553)	(1,964)
	534	2,183

The consideration receivable is due from an external buyer on the disposal of a financial asset at FVTPL in January 2019. Under a revised repayment schedule received and approved by the Credit Committee in December 2023, the remaining balance would be repaid over another 24 instalments from January 2024 to December 2025, which is interest-free.

At the end of the reporting period, the Group evaluated the counterparty's financial performance to meet the contractual cash flow obligations and assessed that the credit risk has increased significantly since initial recognition. The Group had provided an expected credit loss of HK\$1,589,000 (2023 - HK\$1,964,000) on the non-trade amounts due from the counterparty.

In making this assessment, the Group has based on qualitative and quantitative factors that are indicative of the risk of default (including but not limited to external ratings, available financial information, management accounts and applying experienced credit judgement).

Note D:

Financial assets at FVTPL relates to the Jetwin receivables which were derecognised in the current financial period (see Note 3).

Note E:

The movement in the non-trade amounts due from subsidiaries as follows:

The Company	NPFG/ NPIHL HK\$'000 (Note (i))	Ben Sports HK HK\$'000 (Note (ii))	NIICL HK\$'000 (Note (iii))	Total HK\$'000
At 30 June 2025:				
Amounts due from subsidiaries	97,880	10,290	27,056	135,226
Allowance for impairment loss	(70,823)	–	–	(70,823)
	27,057	10,290	27,056	64,403
At 31 December 2023 (as restated):				
Amounts due from subsidiaries	127,170	7,338	–	134,508
Allowance for impairment loss	(65,931)	–	–	(65,931)
	61,239	7,338	–	68,577
At 1 January 2023 (as restated):				
Amounts due from subsidiaries	134,079	–	–	134,079
Allowance for impairment loss	(59,570)	–	–	(59,570)
	74,509	–	–	74,509

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

15 Trade and other receivables (Cont'd)

Note E (Cont'd):

The movement in impairment loss as follows:

	30 June 2025 HK\$'000	31 December 2023 HK\$'000 (Restated)
The Company		
At the beginning of period/year	65,931	59,570
Impairment loss recognised	4,892	6,361
At the end of period/year	70,823	65,931

The amounts due from subsidiaries as at 30 June 2025 are as follows:

- (i) HK\$27,057,000 (31 December 2023 – HK\$61,239,000 (restated)) which are non-trade in nature, unsecured, bear interest at rate of 2.78% (31 December 2023 – 4.31%) per annum and is repayable on demand.

In the current financial period, HK\$28,155,000 (31 December 2023 – HK\$7,338,000) was reduced to fund the shareholders' loans to Ben Sports HK of HK\$2,514,000 (31 December 2023 – HK\$7,338,000); and HK\$25,641,000 to NIICL, respectively.

At the end of the reporting period, the Company evaluated its subsidiaries' financial performance to meet the contractual cash flow obligations and had provided an expected credit loss of HK\$4,892,000 (2023 – HK\$6,361,000) on the non-trade amounts due from a subsidiary.

- (ii) HK\$10,290,000 (31 December 2023 – HK\$7,338,000) due from Ben Sports HK, a wholly owned subsidiary of the Company, which is non-trade in nature, bear interest at rate of 8.00% per annum and mature two (2) years from the date of disbursement pursuant to a Shareholder Loan Agreement entered between the Company and Ben Sports HK on 31 January 2024 ("SLA").

Based on the supplemental agreement entered between the Company and Mr Ben Lee, a Non-Independent Non-Executive Director of the Company, Mr Ben Lee undertakes that in the event that Ben Sports HK fails to repay the interest payable on the shareholder's loans as set out in the SLA, Mr Ben Lee shall be responsible for such loan interest due but not having been paid by Ben Sports HK, and shall make payment of such loan interest to the Company. Mr Ben Lee also undertakes that in the event the Company (at its sole discretion) requires Ben Lee to purchase the Company's interest in Ben Sports HK (the "Ben Sports Shares") from the Company, Ben Lee shall acquire the Ben Sports Shares from the Company within three (3) to six (6) months, for an amount equivalent to the shareholder's loans which has been disbursed under the SLA. As at 30 June 2025, it is secured by a personal guarantee from Mr Ben Lee.

- (iii) HK\$27,056,000 (31 December 2023 – Nil) due from NIICL, which the Company holds 80% interest while Mr Ben Lee owns the remaining 20%. The amount, which is non-trade in nature, bear interest at rate of 8.00% per annum and mature two (2) years from the date of disbursement pursuant to the JVA (as explained under Note 12), for the furtherance of the Luggage Business. Mr Ben Lee undertakes that in the event that NIICL fails to repay the interest payable on the shareholder's loans as set out in the JVA, Mr Ben Lee shall be responsible for such loan interest due but not having been paid by NIICL and shall make payment of such loan interest to the Company.

Mr Ben Lee also undertakes that in the event the Company (at its sole discretion) requires Mr Ben Lee to purchase the Company's interest in NIICL (the "Net Industrial Shares") from the Company, Ben Lee shall acquire the Net Industrial Shares from the Company within three (3) to six (6) months, for an amount equivalent to the shareholder's loans which has been disbursed by the Company.

The Company had in April 2025 extended a loan of HK\$8,600,000 to Saint Pearl via NIICL. This non-trade loan bears an interest rate of 8% per annum and matures one (1) year from the date of disbursement. As at 30 June 2025, it is secured by a personal guarantee from Mr Ben Lee.

Trade and other receivables are denominated in the following currencies:

	The Group		The Company	
	30 June 2025 HK\$'000	31 December 2023 HK\$'000 (Restated)	30 June 2025 HK\$'000	31 December 2023 HK\$'000 (Restated)
Singapore dollar	109	64	109	64
Hong Kong dollar	1,978	3,857	64,403	68,577
Chinese Yuan	24,879	163	–	–
United States dollar	5,282	–	–	–
Australian dollar	–	15,434	–	–
Total and other receivables	32,248	19,518	64,512	68,641

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

16 Loans and advances

The Group

In prior years, the Group had offered and granted loans to external parties via its Hong Kong subsidiary (registered money lender in Hong Kong). The Group continues to grant three loans (2023 - three loans) to the existing borrowers via its Hong Kong subsidiary. The Hong Kong dollar denominated revolving loans are repayable within one year as at 30 June 2025 and 31 December 2023.

Nature of business of borrowers	Carrying amount of loans		Country	Maturity date	Interest rate	
	2025	2023			2025	2023
	HK\$'000	HK\$'000			%	%
Scrap metals trading	18,000	18,000	PRC	Revolving loans	12	12
Trading	4,600	4,600	HKSAR	Revolving loans	12	12
Investment	5,000	5,000	British Virgin Islands	Revolving loans	12	12
	27,600	27,600				

At the reporting date, in order to determine whether there has been a significant increase in credit risk since initial recognition, the Group has evaluated the following information on its loans and advances:

- (i) the financial performance and position of the borrowers as well as the economic outlook of the industries in which the borrowers operate;
- (ii) the credit reviews for each borrower performed by the Credit Committee on a semi-annual basis; and
- (iii) the borrowers' repayment history in principal and interest and current capacity to repay.

The loans and advances are considered to have low credit risk at the reporting date as there is no significant increase in credit risk for these exposures and the borrowers have the ability and capacity to meet their contractual cash flow obligations in the near term. Accordingly, impairment on these balances has been measured on the 12-month expected credit loss basis and the amount of allowance is insignificant.

17 Inventories

The Group

	30 June 2025 HK\$'000
<u>At cost:</u>	
Raw materials	7,358
<u>At net realisable value:</u>	
Work-in-progress	4,091
Finished goods	5,410
	16,859

Costs of inventories included in cost of sales amounted to HK\$56,363,000.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

18 Cash and bank balances

	The Group		The Company	
	30 June 2025 HK\$'000	31 December 2023 HK\$'000	30 June 2025 HK\$'000	31 December 2023 HK\$'000
Singapore dollar	1,866	1,932	674	772
Hong Kong dollar	1,659	30,791	334	336
Chinese Yuan	3,297	332	–	–
United States dollar	5,318	9	–	–
Australian dollar	12,300	14,182	–	–
Cash at bank	24,440	47,246	1,008	1,108

19 Share capital

The Group and The Company	30 June 2025 No. of ordinary shares	31 December 2023	30 June 2025 HK\$'000	31 December 2023 HK\$'000
Issued and fully paid, with no par value				
Balance at beginning and at end of year ^	525,630,328	525,630,328	145,105	145,105

^ equivalent to S\$24,584,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. All shares rank equally with regard to the Company's residual assets.

20 Translation reserve

The translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

21 Deferred tax assets and liabilities

The following are the major deferred tax assets and liabilities recognised by the Group, and the movements thereon, during the current and prior reporting periods:

The Group	1 January 2023 \$'000	Acquisition of a subsidiary \$'000 (Note 12)	Recognised in profit or loss \$'000	Translation differences \$'000	30 June 2025 \$'000
Lease liabilities	–	(111)	–	(2)	(113)
Deferred tax assets	–	(111)	–	(2)	(113)
Plant and equipment	–	20	–	1	21
Right-of-use assets	–	301	–	5	306
Inventories	–	201	–	4	205
Deferred tax liabilities	–	522	–	10	532
Net amount	–	411	–	8	419

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

22 Lease liabilities

	30 June 2025 HK\$'000	31 December 2023 HK\$'000
The Group		
Undiscounted lease payments due:		
- Less than 1 year	3,576	636
- Between 2 to 5 years	13,343	1,608
- More than 5 years	3,475	–
	20,394	2,244
Less: Future interest cost	(3,737)	(209)
Lease liabilities	16,657	2,035
Presented as:		
- Non-current	14,163	1,499
- Current	2,494	536
	16,657	2,035

Total cash outflows for all leases during the year amount to HK\$4,926,000 (2023 - HK\$178,000).

Interest expense on lease liabilities of HK\$1,487,000 (2023 - HK\$10,000) is recognised within “finance cost” (Note 6).

Rental expenses not capitalised in lease liabilities but recognised within “Cost of sales” and “Administrative expenses” in profit or loss are set out below:

	30 June 2025 HK\$'000	31 December 2023 HK\$'000
The Group		
Short-term lease	664	126

As at 30 June 2025, the Group's short-term lease commitments at the reporting date are not substantially dissimilar to those giving rise to the Group's short-term lease expenses for the year.

The Group's lease liabilities are secured by the lessor's title to the leased assets.

Information about the Group's leasing activities are disclosed in Note 23.

Lease liabilities is denominated in Chinese Yuan.

23 Leases

The Group as lessee

As at 30 June 2025, the Group has four (2023 - two) lease contracts for the Golf Business with lease terms ranging from 1 to 3 years (2023 - 3 to 4 years) and four lease contracts for the Luggage Business with lease terms ranging from 1 to 8 years.

The Group applies the 'short-term lease' recognition exemptions for certain leases of office premises with lease terms of 12 months or less.

Information regarding the Group's right-of-use assets and lease liabilities are disclosed in Note 11 and 22 respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

24 Borrowings

The Group	30 June 2025 HK\$'000
Bank borrowings	<u>7,864</u>

The bank loan was drawn down on 28 June 2024, renewed on 27 June 2025 and is due for repayment in full on 27 June 2026. The bank loan carries fixed interest rate at 3.60% per annum and is secured by a charge over certain fixed assets under Saint Pearl with a carrying amount of HK\$6,408,000 (Note 10), and personal guarantees by certain directors of Saint Pearl.

25 Trade and other payables

	The Group		The Company	
	30 June 2025 HK\$'000	31 December 2023 HK\$'000	30 June 2025 HK\$'000	31 December 2023 HK\$'000
Trade payables	13,667	–	–	–
Trade payables - related party	3,548	–	–	–
Accrued operating expense	6,083	2,646	2,223	2,122
Advance payments received from customers for sales of goods	3,094	295	–	–
Amounts due to related parties (Note (a))	11,831	616	–	–
Financial liabilities at amortised cost	38,223	3,557	2,223	2,122
Provisions (Note (b))	–	3,552	–	–
Contract liabilities (Note (c))	462	113	–	–
	<u>38,685</u>	<u>7,222</u>	<u>2,223</u>	<u>2,122</u>

The average credit period on purchases of goods and services is 0 to 90 days (2023 - 0 to 30 days). Trade and other payables, comprising amounts outstanding for trade purchases and operating costs, are unsecured and non-interest bearing. The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe.

Note (a):

As at 30 June 2025, the non-trade shareholders' loan from the minority shareholder of Saint Pearl, and Mr. Ben Lee, the 20% shareholder of NIICL, are unsecured, interest-free and repayable on demand.

As at 31 December 2023, the amount related to a non-trade balance of HK\$616,000 arising from the acquisition of Ben Sport HK in FY2023 that is payable to an entity in which a controlling shareholder cum director of the Company has beneficial interest in.

Note (b):

During the current financial period, provisions made in respect of Jetwin amounting to AUD 667,000 equivalent to HK\$3,251,000 (31 December 2023 - HK\$3,552,000) were set off upon the derecognition as set out in Note 3 to the financial statements.

Note (c):

Contract liabilities mainly relate to advances received from customers for the sale of membership stored value card which are recognised as revenue when utilised by the customers.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

25 Trade and other payables (Cont'd)

Trade and other payables are denominated in the following currencies:

	The Group		The Company	
	30 June 2025 HK\$'000	31 December 2023 HK\$'000	30 June 2025 HK\$'000	31 December 2023 HK\$'000
Singapore dollar	2,223	2,086	2,223	2,086
Hong Kong dollar	173	172	–	36
Chinese Yuan	36,289	1,310	–	–
Australian dollar	–	3,654	–	–
	38,685	7,222	2,223	2,122

26 Commitments

	The Group		The Company	
	30 June 2025 HK\$'000	31 December 2023 HK\$'000	30 June 2025 HK\$'000	31 December 2023 HK\$'000
Short-term leases - Not later than 1 year	303	34	85	34

27 Related party transactions

Other than as disclosed elsewhere in the financial statement, significant transactions with related parties are as follows:

	30 June 2025 HK\$'000	31 December 2023 HK\$'000
The Group		
Trading transactions with related companies with common directors of the 49% shareholder of Saint Pearl ^(a)		
- sale of hard-case luggage	21,492	–
- purchase of raw materials and design fee services rendered	1,185	–
Sale of hard-case luggage to an associate	5,150	–
Purchase of aluminium-cased luggage from an interested person ^(b)	12,422	–
Interest income received from a controlling shareholder ^(c)	559	–
Fund transferred from a borrower through a related party ^(d)	–	1,089
Fund transferred from a borrower through a controlling shareholder cum director of the Company ^(e)	3,250	1,071

- (a) In the Circular to Shareholders dated 6 February 2024, as a newly incorporated company at its infant stage of operations, Saint Pearl does not have sufficient qualification and experience to be included in the supplier list of international market players in the luggage industry. As Limingzhu is a more established company as compared to Saint Pearl, orders for hard case luggage will be obtained through Limingzhu and its related companies in the initial stages of the business operations and as a temporary start-up arrangement for a minimal first twelve (12) months or until such time when Saint Pearl attains the necessary quality certifications including ISO1400 and ISO9100 issued by the International Organization for Standardization required by customers to accept orders directly from them.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

27 Related party transactions (Cont'd)

- (b) The Company obtained a general mandate from its shareholders at an extraordinary meeting held on 2 October 2024 in relation to commercial transactions between Saint Pearl and Guangdong Dapu All Aluminum Luggage Co., Ltd. ("Dapu").

The largest shareholder of Dapu is Ms Li Minhui (who holds 80% interest in Dapu), the sister of Mr Ben Lee who is a Non-Independent Non-Executive Director and controlling shareholder of the Company. Accordingly, since Mr Ben Lee and his immediate family (which includes Mr Ben Lee's siblings) together (directly or indirectly) have an interest of 30% or more in Dapu, Dapu is considered an associate of Mr Ben Lee, and therefore an "interested person".

Pursuant to the cooperation framework agreement, Saint Pearl shall place separate production orders with Dapu, upon securing sales orders from its third-party end-customers. The salient terms of each of the production orders shall align with the salient terms as agreed with Saint Pearl's third-party end-customers save for the unit price. The salient terms shall include, among others, the product specifications, quality standards, production quantity and payment terms.

The unit price offered to Dapu shall be at a discount to the unit price contracted with the third-party end-customer, which will be further negotiated with Dapu on an order-by-order basis. Such discount is expected to enable Saint Pearl to enjoy a mark-up that is sufficient to cover the costs incurred due to the further processing required by Saint Pearl to fulfil the sales orders of the third-party end-customer such as the final assembly of accessories and packaging. In addition, Saint Pearl will not accept a sales order from a third-party end-customer and farm it out to Dapu for production if the order quantity does not meet a minimum order quantity as required by Saint Pearl from such third-party end-customers.

- (c) The Group received interest payment of HK\$559,000 from Mr Ben Lee, a Non-Independent Non-Executive Director of the Company, being interest on the shareholder's loan extended to the Company's wholly owned subsidiary, Ben Sports HK, as explained under Note 15 E(ii). Based on the supplemental agreement entered between the Company and Mr Ben Lee, Mr Ben Lee undertakes that in the event that Ben Sports HK fails to repay the interest payable on the shareholder's loans as set out in the SLA, Mr Ben Lee shall be responsible for such loan interest due but not having been paid by Ben Sports HK, and shall make payment of such loan interest to the Company.
- (d) In the previous financial year ended 31 December 2023, the Group received an amount of HK\$1,089,000 from a borrower in PRC through an entity in which one of the Company's directors is also a director cum shareholder of the entity solely to facilitate the funds transfer process.
- (e) During the financial period from 1 January 2024 to 30 June 2025, the Group received an amount of HK\$3,250,000 (2023 - HK\$1,071,000) from a borrower in PRC through a controlling shareholder cum director of the Company to facilitate the funds transfer process.

28 Financial risk management

28.1 Financial risk factors

The Company's and the Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise adverse effects from the unpredictability of financial markets on the Company's and the Group's financial performance. The key financial risks include interest rate risk, foreign currency risk, credit risk, market price risk and liquidity risk.

The Company's and the Group's overall risk management policy is to ensure adequate financial resources are available for the development of the Company's and the Group's business whilst managing the risks.

The Company's and the Group's risk management is carried out by the Board of Directors. The Company and the Group do not hold or issue derivative financial instruments for trading purposes or to hedge against fluctuations, if any, in interest rates and foreign exchange.

There has been no change to the Company's and the Group's exposure to these financial risks and the manner in which they manage and measure the risks.

28.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group and the Company are not exposed to any interest rate risk as they do not have any monetary financial instruments with variable interest rates.

The Group and the Company are not exposed to any interest rate risk as they do not have any monetary financial instruments with variable interest rates.

The Group does not account for any fixed rate financial assets or liabilities at fair value through profit or loss. Therefore, in respect of the fixed rate instruments, a change in interest rates at the reporting date would not affect the statement of comprehensive income.

The Group's loan and advances to the external borrowers and bank borrowings are at fixed interest rates.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

28 Financial risk management (Cont'd)

28.3 Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group has currency exposures arising from transactions, assets and liabilities that are denominated in currencies other than functional currency of respective Group entities. The currencies in which these transactions primarily are denominated in are the Australian dollar (AUD), United States dollar (USD), Chinese yuan (RMB) and Singapore dollar (SGD).

The Group does not use forward contracts to hedge its exposure to foreign currency risk in the local functional currency.

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the end of the reporting period, such foreign currency balances are mainly in AUD, USD, RMB and SGD.

The Group's and the Company's exposures to currency risks are as follows:

The Group	Note	AUD HK\$'000	USD HK\$'000	RMB HK\$'000	SGD HK\$'000
At 30 June 2025					
Financial Assets					
Trade and other receivables	15	–	5,282	24,879	109
Cash and bank balances	18	12,300	5,318	3,297	1,866
		12,300	10,600	28,176	1,975
Financial Liabilities					
Trade and other payables ⁽¹⁾	25	–	–	36,289	2,223
Bank borrowings	24	–	–	7,864	–
Lease liabilities	22	–	–	16,657	–
		–	–	60,810	2,223
Net currency exposure		12,300	10,600	(32,634)	(248)
At 31 December 2023					
Financial Assets					
Trade and other receivables	15	–	–	163	64
Cash and bank balances	18	14,182	9	332	1,932
		14,182	9	495	1,996
Financial Liabilities					
Trade and other payables ⁽¹⁾	25	3,654	–	902	2,086
Lease liabilities	22	–	–	2,035	–
		3,654	–	2,937	2,086
Net currency exposure		10,528	9	(2,442)	(90)

⁽¹⁾ Excluded contract liabilities

		Singapore dollar	
		30 June 2025	31 December 2023
The Company	Note	HK\$'000	HK\$'000
Financial Assets			
Trade and other receivables	15	109	64
Cash and bank balances	18	674	772
		783	836
Financial Liabilities			
Trade and other payables	25	2,223	2,086
		2,223	2,086
Net currency exposure		(1,440)	(1,250)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

28 Financial risk management (Cont'd)

28.3 Currency risk (Cont'd)

Sensitivity analysis for foreign currency risk

A 5% strengthening/weakening of the above currencies against the functional currency of the group entities at 31 December would have increased/(decreased) equity and results before tax by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis has not taken into account the associated tax effects and assumes that all other variables, in particular interest rates, remain constant.

The Group	Period from 1 January 2024 to 30 June 2025		31 December 2023	
	Loss	Equity	Loss	Equity
	before tax HK\$'000	HK\$'000	before tax HK\$'000	HK\$'000
AUD				
- strengthened 5% against HKD	(615)	(615)	(526)	(526)
- weakened 5% against HKD	615	615	526	526
USD				
- strengthened 5% against HKD	(530)	(530)	—*	—*
- weakened 5% against HKD	530	530	—*	—*
RMB				
- strengthened 5% against HKD	1,632	1,632	122	122
- weakened 5% against HKD	(1,632)	(1,632)	(122)	(122)
SGD				
- strengthened 5% against HKD	12	12	5	5
- weakened 5% against HKD	(12)	(12)	(5)	(5)

The Company	Period from 1 January 2024 to 30 June 2025		31 December 2023	
	Loss	Equity	Loss	Equity
	before tax HK\$'000	HK\$'000	before tax HK\$'000	HK\$'000
SGD				
- strengthened 5% against HKD	72	72	63	63
- weakened 5% against HKD	(72)	(72)	(63)	(63)

* less than HK\$1,000

28.4 Credit risk

Credit risk refers to the risk that one party to a financial instrument will fail to discharge an obligation and cause the Group or the Company to incur a financial loss. The Group's exposure to credit risk arises primarily from loans and advances and trade and other receivables.

The Group's objective is to seek continual growth while minimising losses arising from credit risk exposure.

For trade receivables, the Group adopts a policy of dealing only with customers of appropriate credit history and obtaining sufficient security where appropriate to mitigate credit risks. These customers are internationally dispersed and sell in a variety of end markets. The Group's third-party trade receivables comprise 1 (2023 - Nil) major debtors that represented 12% (2023 - Nil) of trade receivables.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

28 Financial risk management (Cont'd)

28.4 Credit risk (Cont'd)

For loans and advances, the Group adopts the policy of dealing only with borrowers of appropriate credit history, and obtaining sufficient security where appropriate to mitigate credit risk. The Group closely monitors and avoids any significant concentration of credit risk. For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties. For risk management purposes, the Group considers and consolidates all elements of credit risk exposure including the default risk of the individual obligor, security risk, market and industry risk. Credit policies are formulated covering credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements. All credit facilities, including those with collateral, require the approval by Credit Committee. All collateral assets must be tangible, accessible and marketable in reputable market. The Group has in place a monitoring system to identify early symptoms of problematic loan accounts. Regular reviews and internal assessment are carried out by the Credit Committee on the financial ability of the borrowers to repay the loans and advances to determine whether impairment provisions may be required against specific credit exposures.

The Group's significant exposure to credit risk arises from loans and advances and trade and other receivables. Credit exposure to an individual counterparty is restricted by credit limits that are approved by the Credit Committee based on ongoing credit evaluation. The counterparty's payment profile and credit exposure are continuously monitored by management and the Credit Committee. The Group's loans and advances comprise three borrowers (2023 - three borrowers) that represented 100% (2023 - 100%) of the total loans and advances. There is significant credit risk concentration in a few borrowers. In order to mitigate the concentration of credit risk, the loans and advances are guaranteed by the shareholders of the borrowers and/or Underwriters.

For other financial assets, the Group adopts the policy of dealing only with high credit quality counterparties.

The Group and the Company do not hold collateral in respect of its financial asset except for the amounts due from Jetwin where Jetwin grants security over the Properties to the Group. Jetwin agreed to grant security over the Properties to NPIHL, whether by way of caveat or registered mortgage, and not otherwise encumber the Properties as security for repayment of debts. As at 31 December 2023, the carrying value of the Properties was AUD2,990,000, comprising fully completed apartments and residential apartments under construction. The maximum exposure to credit risk is represented by the carrying amount of each class of financial assets in the statements of financial position.

Exposure to credit risk

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets as follows:

	30 June 2025 HK\$'000	31 December 2023 HK\$'000 (Restated)
The Group		
Financial assets		
Trade and other receivables (Note 15)	26,844	19,469
Loans and advances (Note 16)	27,600	27,600
Cash and bank balances (Note 18)	24,440	47,246
	78,884	94,315
The Company		
Financial assets		
Trade and other receivables (Note 15)	64,419	68,592
Cash and bank balances (Note 18)	1,008	1,108
	65,427	69,700

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

28 Financial risk management (Cont'd)

28.4 Credit risk (cont'd)

Exposure to credit risk (Cont'd)

The tables below detail the credit quality of the Group's and the Company's financial assets, as well as maximum exposure to credit risk without taking into account of any collateral held or other credit enhancements:

The Group	12-month ECL Not credit impaired HK\$'000	Lifetime Expected Credit loss Not credit impaired HK\$'000	Lifetime Expected Credit loss Credit impaired HK\$'000	Total HK\$'000
At 30 June 2025:				
Loans and advances				
- neither past due nor impaired	27,600	–	–	27,600
Trade receivables, past due not impaired:				
- not past due	6,301	–	–	6,301
- past due 1 – 30 days	5,858	–	–	5,858
- past due 31 – 60 days	3,647	–	–	3,647
- past due 61 – 90 days	2,966	–	–	2,966
- past due more than 90 days	1,723	–	–	1,723
	20,495	–	–	20,495
Other receivables:				
- neither past due nor impaired	5,815	–	–	5,815
- past due and impaired	–	–	4,087	4,087
	5,815	–	4,087	9,902
Gross amount	53,910	–	4,087	57,997
Loss allowances	–	–	(3,553)	(3,553)
	53,910	–	534	54,444

At 31 December 2023:

Loans and advances				
- neither past due nor impaired	27,600	–	–	27,600
Other receivables:				
- neither past due nor impaired	1,852	–	–	1,852
- past due and impaired	–	–	4,147	4,147
Gross amount	29,452	–	4,147	33,599
Loss allowances	–	–	(1,964)	(1,964)
	29,452	–	2,183	31,635

The Company	12-month/ Lifetime ECL	Gross carrying amount HK\$'000	Loss allowance HK\$'000	Net carrying amount HK\$'000
At 30 June 2025				
Trade and other receivables ⁽¹⁾	12-month ECL	16	–	16
Amounts due from subsidiaries (non-trade)	12-month ECL	135,226	(70,823)	64,403
		135,242	(70,823)	64,419
At 31 December 2023				
Trade and other receivables ⁽¹⁾	12-month ECL	15	–	15
Amounts due from subsidiaries (non-trade)	12-month ECL	134,508	(65,931)	68,577
		134,523	(65,931)	68,592

⁽¹⁾ Excluded prepayment and tax receivables

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

28 Financial risk management (Cont'd)

28.4 Credit risk (Cont'd)

Exposure to credit risk (Cont'd)

The carrying amount of financial assets recorded in the financial statements, grossed up for any allowances for losses, represents the Group's maximum exposure to credit risk without taking into account of the value of any collateral obtained.

(1) Loans and advances and trade and other receivables

The expected credit loss on loans and advances and trade and other receivables are estimated by reference to payment history, current financial situation of the borrower, borrower-specific information obtained directly from the borrower and public domain, where available, and an assessment of the current and future wider economic conditions and outlook for the industry in which the borrower operates at the reporting date.

Loans and advances and trade and other receivables are written off when there is no reasonable expectation of recovery. Expected credit losses and reversal of expected credit losses are presented on the face of the consolidated statement of profit or loss and other comprehensive income. Subsequent recoveries of amounts previously written off are credited against the same line item. The allowance for expected credit losses is disclosed in Note 15 and 16.

(2) Amounts due from subsidiaries

The use of loans and advances to assist with the subsidiaries' cash flow management is in line with the Group's capital management. In determining the ECL, management has taken into account the finances and business performance of the subsidiaries, and a forward-looking analysis of the financial performance of projects undertaken by these subsidiaries. For the non-trade amounts due from subsidiaries which are repayable on demand, expected credit losses are determined based on the availability of accessible and highly liquid assets of the subsidiaries for repayment if they are demanded at the reporting date. The impairment assessment for ECL is disclosed in Note 15.

(3) Cash and cash equivalents

Cash is placed with financial institutions which are regulated and have good credit ratings. Expected credit loss on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

Financial assets that are neither past due nor impaired

As of 30 June 2025, trade and other receivables and amounts due from subsidiaries (non-trade) for the Company of HK\$64,419,000 (2023 - HK\$68,592,000 (restated)) and loans and advances and trade and other receivables for the Group of HK\$53,910,000 (2023 - HK\$29,452,000 (restated)) are neither past due nor impaired. Based on historical default rates, the Group believes that no expected credit losses is necessary in respect of these balances not past due as they mainly arise from borrowers that have a good credit record with the Group.

Financial assets that are past due but not impaired

As of 30 June 2025 and 31 December 2023, other receivables of HK\$534,000 (2023 - HK\$2,183,000) are past due but not impaired.

Financial assets that are past due and/or impaired

As of 30 June 2025, amounts due from subsidiaries (non-trade) for the Company of HK\$70,823,000 (2023 - HK\$65,931,000 (restated)) are impaired. The Company determines that it is not probable to collect all principal and interest due according to the contractual terms of the transactions. As at 30 June 2025, other receivables of HK\$3,553,000 (31 December 2023 - HK\$1,964,000) are past due and impaired. The impairment assessed is disclosed in Note 15 (c).

28.5 Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices. As at 30 June 2025 and 31 December 2023, the Group does not hold any quoted or marketable financial instruments and thus is not exposed to any movement in market prices.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

28 Financial risk management (Cont'd)

28.6 Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or other financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's approach in managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group monitors its liquidity risk and maintains a level of cash and equivalent deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Management believes that it will have the necessary liquidity by scaling its business activities, collections from investments, loans and advances and /or raising funds as it deemed appropriate.

The table summarises the maturity profile of the Group's and the Company's financial liabilities at the reporting date based on contractual undiscounted payments:

	Carrying amount HK\$'000	Contractual undiscounted cash flows			
		Total HK\$'000	Less than 1 year HK\$'000	Between 2 and 5 years HK\$'000	Over 5 years HK\$'000
The Group					
30 June 2025					
Trade and other payables	38,223	38,223	38,223	–	–
Bank borrowings	7,864	8,062	8,062	–	–
Lease liabilities	16,657	20,394	3,576	13,343	3,475
	62,744	66,679	49,861	13,343	3,475
	Carrying amount HK\$'000	Contractual undiscounted cash flows			
		Total HK\$'000	Less than 1 year HK\$'000	Between 2 and 5 years HK\$'000	Over 5 years HK\$'000
The Group					
31 December 2023					
Trade and other payables	3,557	3,557	3,557	–	–
Lease liabilities	2,035	2,244	636	1,608	–
	5,592	5,801	4,193	1,608	–
The Company					
30 June 2025					
Trade and other payables	2,223	2,223	2,223	–	–
31 December 2023					
Trade and other payables	2,122	2,122	2,122	–	–

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

29 Financial instruments

29.1 Accounting classifications of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities in each category are as follows:

		The Group		The Company	
	Note	30 June 2025 HK\$'000	31 December 2023 HK\$'000 (Restated)	30 June 2025 HK\$'000	31 December 2023 HK\$'000 (Restated)
Financial assets:					
At amortised cost:					
Trade and other receivables	15	26,844	4,035	64,403	68,577
Loans and advances	16	27,600	27,600	–	–
Cash and bank balances		24,440	47,246	1,008	1,108
		78,884	78,881	65,411	69,685
At FVTPL:					
Trade and other receivables	15	–	15,434	–	–
Financial liabilities:					
Borrowings	24	7,864	–	–	–
Trade and other payables	25	38,223	3,557	2,223	2,122
		46,087	3,557	2,223	2,122

30 Fair value measurement

Definition of fair value

SFRS(I)s define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

30.1 Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of fair value hierarchy. The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 : inputs for the assets or liability that are not based on observable market data.

30.2 Determination of fair values

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Financial instruments whose carrying amounts approximate fair value

The carrying amounts of financial assets and liabilities at their amortised costs with a maturity of less than one year (including loans and advances and trade and other receivables (excluding prepayments), cash and cash equivalents and trade and other payables) approximate their fair values because of the short period to maturity. Management has determined the fair value of these financial instruments to closely approximate their carrying amount at the reporting date.

The fair value of the non-current receivables is an approximation to their carrying values at the reporting date. They are estimated by discounted cash flow analysis using discount rate based on market rate for similar instrument at inception.

The Company and the Group do not anticipate that the carrying amounts recorded at the end of the reporting period would be significantly different from the values that would eventually be received or settled.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

30 Fair value measurement (Cont'd)

30.2 Determination of fair values (Cont'd)

Financial assets at FVTPL

As disclosed in Notes 3 and 34 to the financial statements, management performed a reassessment and concluded that the amounts due from Jetwin should have been measured at fair value since the amounts receivable failed to meet the solely payments of principal and interest test.

In determining the appropriate measurement basis, management made significant judgement and estimates that the fair value of the amounts due from Jetwin should reflect the cash flows expected to be recovered from the underlying properties as its value is dependent on the recovery of the properties held by Jetwin, which are classified as Level 3 of the fair value hierarchy. For the uncompleted properties at each balance sheet date as at 31 December 2022 and 31 December 202 respectively for purpose of the restatements, the fair values of the uncompleted properties, which are primarily vacant land, are determined on an "as-is" basis based on the valuation conducted by the independent professional valuers.

Properties held by Jetwin (Level 3)

The following table shows the professional valuer's valuation technique used in measuring the fair value of properties held by Jetwin, as well as the significant unobservable inputs used.

Valuation technique	Inter-relationship between key unobservable inputs and fair value measurement	Significant unobservable inputs
Direct comparison method	The estimated fair value would increase (decrease) if: Price per square meter was higher/(lower) - Fully completed apartment - Uncompleted/ vacant land	Price per square meter of market comparables: - 31 December 2023 - HK\$25,505 to HK\$31,266 - 1 January 2023 - HK\$23,101 to HK\$31,078 - 31 December 2023 - HK\$8,314 to HK\$31,085 - 1 January 2023 - HK\$8,482 to HK\$31,713

31 Capital management

The Group's objectives when managing capital are:

- (a) To safeguard the Group's ability to continue as a going concern;
- (b) To support the Group's stability and growth;
- (c) To provide capital for the purpose of strengthening the Group's risk management capability; and
- (d) To provide an adequate return to shareholders.

The Group defines capital as shareholders' equity. The Group regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected loan financing opportunities. The Group currently does not adopt any formal dividend policy.

The Group monitors capital using Gearing Ratio, which is net debt divided by total equity. For this purpose, net debt is defined as total liabilities (as shown in the statement of financial position) less cash and cash equivalents. There were no changes in the Group's approach to capital management during the period.

The Company and its subsidiaries are not subject to externally imposed capital requirements.

	30 June 2025 HK\$'000	31 December 2023 HK\$'000
The Group		
Total liabilities	63,762	9,356
Less: Cash and bank balances (Note 18)	(24,440)	(47,246)
Net debt (A)	39,322	(37,890)
Equity attributable to owner of the Company (B)	68,403	87,644
Gearing ratio (A)/(B) (%)	57%	#

Not applicable as the Group had a net cash position as at 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

32 Operating segments

For management purposes, the Group is organised into the following reportable operating segments as follows:

(1) Financing Business

The financing segment is the business of the provision of financing services in the PRC, the Hong Kong Special Administrative Region and Australia, which include the provision of working capital financing, asset-backed loans, mezzanine loans and investments in companies with good fundamentals and growth potential.

(2) Golf Business

The golf segment is the business of sale of golf simulators and the operation of indoor golf simulator venues in the PRC.

(3) Luggage Business

The manufacture and sale of hard case luggage in the North America, Asia Pacific, Middle East, and Europe.

Segment information provided to management for reportable segments is as follows:

	Financing Business ⁽¹⁾		Golf Business		Luggage Business		Corporate		Consolidated	
	30	31	30	31	30	31	30	31	30	31
	June	December	June	December	June	December	June	December	June	December
	2025	2023	2025	2023	2025	2023	2025	2023	2025	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(Restated)								(Restated)
Revenue	4,959	3,312	6,371	15	67,936	–	–	–	79,266	3,327
Segment profit/(loss)	4,800	872	(5,890)	(312)	(20,914)	–	(7,860)	(5,364)	(29,864)	(4,804)
Loss before tax									(29,864)	(4,804)
Income tax expense									(122)	(76)
Loss for the period / year									(29,986)	(4,880)
Segment assets	49,715	85,258	6,579	10,567	72,707	–	1,129	1,175	130,130	97,000
Segment liabilities	309	3,889	2,360	3,345	58,869	–	2,224	2,122	63,762	9,356
Other material items:										
Depreciation:										
- Plant and equipment	–	–	1,598	11	1,629	–	7	6	3,234	17
- Right-of-use assets	–	–	786	49	3,041	–	–	–	3,827	49
Foreign exchange loss/(gain)	1,455	12	(72)	–	(338)	–	42	11	1,087	23
Gain on derecognition of financial assets at FVTPL	3,052	–	–	–	–	–	–	–	3,052	–
Fair value gain on financial assets at FVTPL	–	637	–	–	–	–	–	–	–	637
Impairment loss recognised:										
- Plant and equipment	–	–	–	–	815	–	–	–	815	–
- Goodwill	–	–	–	–	3,036	–	–	–	3,036	–
- Other receivables	1,598	1,964	–	–	–	–	–	–	1,598	1,964

⁽¹⁾ Includes the financial performance of the Financing Business in Australia accounted for as a “discontinued operations” under SFRS(I) 5 as disclosed in Note 3 to the financial statements, where the Group does not have substantive rights and power to direct the relevant activities of Jetwin.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

32 Operating segments (Cont'd)

Geographical segments

No-current assets information based on the geographical locations are as follows:

	30 June 2025 HK\$'000	31 December 2023 HK\$'000
The Group		
Non-current assets:		
Singapore	12	3
PRC and Hong Kong SAR	28,971	2,633
British Virgin Islands	–	1,996
	28,983	4,632

Segment results

Performance of each segment is evaluated based on the profit or loss for each segment.

Segment assets

The amounts provided to management with respect to total assets are measured in a manner consistent with that of the financial statements. Management monitors the assets attributable to each segment for the purpose of monitoring segment performance and for allocating resources between segments. All assets are allocated to reportable segments.

Segment liabilities

The amounts provided to management with respect to total liabilities are measured in a manner consistent with that of the financial statements. All liabilities are allocated to the reportable segments based on the operations of the segments.

Information about major customers

Interest income of approximately HK\$4,959,000 (2023 - HK\$3,312,000) are derived from three (2023 - three) third-party customers and are attributable to the Financing Business.

There were no major customers in the Golf Business.

Revenue recognised of approximately HK\$9,846,000 (2023 - Nil) were derived from 1 (2023 - Nil) third-party customer who contributed at least 10% of the Group's revenue under the Luggage Business.

The Group's third-party trade receivables comprise 1 (2023 - Nil) major debtors that represented 12% (2023 - Nil) of trade receivables and are attributable to the Luggage Business.

33 Comparative information

On 29 November 2024, the Company changed its financial year-end from 31 December to 30 June. Consequently, the current period figures relate to the period from 1 January 2024 to 30 June 2025, while the corresponding figures related to the financial year ended 31 December 2023. Accordingly, the consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cashflows and related notes to the financial statements for the current period are not comparable to those of the previous year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

34 Prior years' adjustments

As disclosed in Note 3 "Matters relating to Jetwin", following the receipt of the letter of final findings from ACRA where the latter is of the view that management has not complied with SFRS(I) 9 in respect of the classification and measurement of the receivables due from Jetwin which was previously measured at amortised cost, management performed a reassessment and concluded that the amounts due from Jetwin should have been measured at fair value since the amounts receivable from Jetwin failed to meet the solely payments of principal and interest test under SFRS(I) 9.

Accordingly, management recomputed the fair value of the amounts due from Jetwin as at 1 January and 31 December 2023, respectively, and recorded the fair value adjustments in respect of the amounts receivable from Jetwin retrospectively by restating the comparative amounts for the prior period's statement of comprehensive income in accordance with SFRS(I) 1-8 *Accounting Policies, Changes in Accounting Estimates and Errors*. The relevant significant judgement and estimate applied in determining the fair value of the receivables due from Jetwin, which is premised on the fair value of the properties held by Jetwin is disclosed in Notes 3 and 30.2 to the financial statements.

The prior year adjustments, to the extent that they are applied retrospectively, have the following impact:

	As reported HK\$'000	Prior year adjustments HK\$'000	As restated HK\$'000
Statements of financial position			
The Group:			
At 1 January 2023			
Trade and other receivables (Note 15)	33,051	(5,070)	27,981
Financial assets at amortised cost (Note 15)	31,599	(25,267)	6,332
Financial assets at FVTPL (Note 15)	–	25,267	25,267
Accumulated loss	(47,511)	(5,070)	(52,581)
At 31 December 2023			
Trade and other receivables (Note 15)	21,955	(4,433)	17,522
Financial assets at amortised cost (Note 15)	19,469	(15,434)	4,035
Financial assets at FVTPL (Note 15)	–	15,434	15,434
Accumulated loss	(53,028)	(4,433)	(57,461)
The Company:			
At 1 January 2023			
Trade and other receivables (Note 15)	79,646	(5,070)	74,576
Amount due from subsidiaries (Note 15)	79,579	(5,070)	74,509
Accumulated loss	(65,087)	(5,070)	(70,157)
At 31 December 2023			
Trade and other receivables (Note 15)	73,074	(4,433)	68,641
Amount due from subsidiaries (Note 15)	73,010	(4,433)	68,577
Accumulated loss	(71,873)	(4,433)	(76,306)

NOTES TO THE FINANCIAL STATEMENTS

For the financial period from 1 January 2024 to 30 June 2025

34 Prior years' adjustments (Cont'd)

The prior year adjustments, to the extent that they are applied retrospectively, have the following impact: (Cont'd)

	As reported HK\$'000	Prior year adjustments HK\$'000	As restated HK\$'000
Consolidated statement of comprehensive income			
Financial year ended 31 December 2023			
Fair value gain on financial asset at FVTPL (Note 3)	–	637	637
Loss before taxation	(5,441)	637	(4,804)
Loss for the year, attributable to owners of the Company	(5,517)	637	(4,880)
Loss per share - basic and diluted (Hong Kong cents)	(1.05)	0.12	(0.93)
Consolidated statement of cash flows			
Cash Flows from Operating Activities			
Loss before taxation	(5,441)	637	(4,804)
Fair value gain on financial asset at FVTPL	–	(637)	(637)

STATISTICS OF SHAREHOLDINGS

As at 24 October 2025

Number of shares	525,630,328
Class of shares	Ordinary shares
Voting rights of ordinary shareholders	One vote per share
Number of treasury shares	Nil
Number of subsidiary holdings	Nil

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	63	8.37	506	0.00
100 - 1,000	114	15.14	65,758	0.01
1,001 - 10,000	133	17.66	810,705	0.15
10,001 - 1,000,000	410	54.45	65,901,136	12.54
1,000,001 AND ABOVE	33	4.38	458,852,223	87.30
TOTAL	753	100.00	525,630,328	100.00

SHAREHOLDINGS HELD IN HANDS OF PUBLIC

Based on the register of shareholders and to the best of knowledge of the Company, approximately 29.56% of the total issued ordinary shares of the Company is held by the public as at 24 October 2025 and accordingly, the Company is in compliance with Rule 723 of the SGX-ST Listing Manual Section B: Rules of Catalyst.

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	120,863,000	22.99
2	ZHOU WEN JIE	119,750,600	22.78
3	CHIN FOOK LAI	69,022,400	13.13
4	QUAD SKY LIMITED	53,700,000	10.22
5	CHEONG YONG WAH	17,386,700	3.31
6	MAYBANK SECURITIES PTE. LTD.	17,228,800	3.28
7	CHIN FAH	8,464,350	1.61
8	DBS NOMINEES (PRIVATE) LIMITED	6,136,315	1.17
9	RSM STONE FOREST PTE LTD	4,650,000	0.88
10	CHIN FOOK CHOY	3,994,500	0.76
11	MO HUANSHEG	3,758,000	0.71
12	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	3,158,500	0.60
13	LIM TENG SAY	3,098,000	0.59
14	TAN LAN FANG	2,032,400	0.39
15	TIGER BROKERS (SINGAPORE) PTE. LTD.	1,898,600	0.36
16	TAN KHEE BOON	1,836,800	0.35
17	PHILLIP SECURITIES PTE LTD	1,733,694	0.33
18	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	1,724,855	0.33
19	LOO BEE KENG	1,700,001	0.32
20	CHOON YONG KWANG	1,600,000	0.30
	TOTAL	443,737,515	84.41

STATISTICS OF SHAREHOLDINGS

As at 24 October 2025

SUBSTANTIAL SHAREHOLDERS

(as recorded in the Register of Substantial Shareholders)

Name of Substantial Shareholders	Direct Interest	Deemed Interest	Total	%
Zhou Wen Jie ⁽¹⁾	119,750,600	–	119,750,600	22.78%
Zhou Dan ^{(1) (2)}	120,000,000	–	120,000,000	22.83%
Ben Lee ^{(1) (2)}	–	120,000,000	120,000,000	22.83%
Quad Sky Limited ⁽³⁾⁽⁴⁾	53,700,000	–	53,700,000	10.22%
Head Quator Limited ⁽³⁾	–	53,700,000	53,700,000	10.22%
Ong Chor Wei ⁽³⁾	3,150,000	53,700,000	56,850,000	10.82%
Wingate Investment Corporation ⁽⁴⁾	–	53,700,000	53,700,000	10.22%
Yung Fung Ping ⁽⁴⁾	–	53,700,000	53,700,000	10.22%
Chan Mei Sau ⁽⁴⁾	–	53,700,000	53,700,000	10.22%
Chin Fook Lai	69,022,400	–	69,022,400	13.13%

Notes:

- (1) Zhou Wen Jie is the brother of Zhou Dan and the brother-in-law of Ben Lee.
- (2) Zhou Dan is the wife of Ben Lee. Ben Lee is deemed interested in the shares held by Zhou Dan.
- (3) Ong Chor Wei @ Alan Ong is deemed interested in the shares held by Quad Sky Limited by virtue of him owning 100.0% of the equity interest in Head Quator Limited which in turn owns 50.0% of the equity interest in Quad Sky Limited.
- Head Quator Limited is deemed interested in the shares held by Quad Sky Limited by virtue of it owning 50% of the equity interest in Quad Sky Limited.
- (4) Wingate Investment Corporation is deemed interested in the shares held by Quad Sky Limited by virtue of it owning 50% of the equity interest in Quad Sky Limited.
- Yung Fung Ping and Chan Mei Sau are deemed interested in the shares held by Quad Sky Limited by virtue of them each owning 50% of the equity interest in Wingate Investment Corporation which in turn owns 50% of the equity interest in Quad Sky Limited.

NOTICE OF ANNUAL GENERAL MEETING

(Incorporated in the Republic of Singapore – Company Registration No. 200300326D)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Net Pacific Financial Holdings Limited (the “**Company**”) will be convened and held at 1 Robinson Road #18-00 AIA Tower, Singapore 048542 on Thursday, 20 November 2025 at 2 p.m., for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 30 June 2025 together with the Auditors’ Report thereon. **(Resolution 1)**
2. To re-elect the following Directors retiring pursuant to Regulation 89 of the Company’s Constitution:

Mr Chung Wai Man (Retiring pursuant to Regulation 89) **(Resolution 2)**

Mr Chung Wai Man will, upon re-election as a Director, remain as Independent Non-Executive Chairman of the Company and Chairman of the Nominating Committee. Information on Mr Chung Wai Man can be found on pages 2 and 29 to 35 of the annual report.

Mr Zhou Wen Jie (Retiring pursuant to Regulation 89) **(Resolution 3)**

Mr Zhou Wen Jie will, upon re-election as a Director, remain as Non-Independent Non-Executive Director of the Company. Information on Mr Zhou Wen Jie can be found on pages 2 and 29 to 35 of the annual report.

Mr Ben Lee (Retiring pursuant to Regulation 89) **(Resolution 4)**

Mr Ben Lee will, upon re-election as a Director, remain as Non-Independent Non-Executive Director of the Company, and member of the Nominating Committee and Remuneration Committee. Information on Mr Ben Lee can be found on pages 2 to 3 and 29 to 35 of the annual report.
3. To approve the payment of Directors’ fees of S\$119,000 for the period from 1 January 2025 to 30 June 2025. **(Resolution 5)**
[See Explanatory Note (i)]
4. To approve the payment of the sum of up to S\$238,000 to be paid to all Directors as Directors’ fees for the financial year ending 30 June 2026, such fees to be paid half-yearly in arrears. (2025: S\$357,000) **(Resolution 6)**
5. To re-appoint Foo Kon Tan LLP, Chartered Accountants of Singapore, as the Company’s Auditors and to authorise the Directors to fix their remuneration. **(Resolution 7)**
6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. Authority to allot and issue new Shares in the capital of the Company and/or instruments

“That pursuant to Section 161 of the Companies Act 1967 (the “**Act**”) and Catalist Rule 806, authority be and is hereby given to the Directors of the Company to:

- (a) (i) allot and issue new shares in the capital of the Company (“**Shares**”) (whether by way of rights, bonus or otherwise); and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require new Shares to be allotted and issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

NOTICE OF ANNUAL GENERAL MEETING

(Incorporated in the Republic of Singapore – Company Registration No. 200300326D)

- (b) notwithstanding the authority conferred by this Resolution may have ceased to be in force, allot and issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:
- (1) the aggregate number of new Shares (including shares to be allotted and issued in pursuance of the Instruments made or granted pursuant to this Resolution) to be allotted and issued pursuant to this Resolution shall not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of new Shares to be allotted and issued other than on a pro rata basis to Shareholders of the Company (including Shares to be allotted and issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company (as calculated in accordance with sub-paragraph (2) below);
 - (2) (subject to such manner of calculations as may be prescribed by the SGX-ST), for the purpose of determining the aggregate number of Shares that may be allotted and issued under sub-paragraph (1) above, the percentage of the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time this Resolution is passed after adjusting for:-
 - (a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities;
 - (b) new Shares arising from exercising of share options or vesting of share awards, provided that the share options or share awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares.
- Any adjustments made in accordance with sub-paragraphs (2)(a) or (2)(b) above shall only be made in respect of new Shares arising from convertible securities and Instruments which were issued and outstanding and/or subsisting at the time of the passing of this Resolution;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution of the Company for the time being; and
 - (4) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.”
- [See Explanatory Note (ii)]* **(Resolution 8)**

8. The Proposed Renewal of General Mandate for Interested Person Transactions

That:

- (a) for the purposes of Chapter 9 of the Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), for the Company, its subsidiaries and associated companies that are regarded as “entities at risk” (as that term is used in Chapter 9 of the Catalist Rules), or any of them, to enter into any of the transactions falling within the types of interested person transactions described in the appendix to Shareholders dated 5 November 2025 (“**Appendix**”) with any party who fall within the types of interested persons described in the Appendix, provided that such transactions are on normal commercial terms and in accordance with the review procedures for such interested person transactions as set out in the Appendix;
- (b) the approval given in paragraph (a) above (“**IPT General Mandate**”) shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting is required by law to be held, whichever is the earlier; and

NOTICE OF **ANNUAL GENERAL MEETING**

(Incorporated in the Republic of Singapore – Company Registration No. 200300326D)

- (c) the Directors of the Company and each of them be and are hereby authorised to approve, perform, complete and do all such acts and things (including, without limitation, to sign, seal, execute and deliver) all such documents and deeds as may be required as they and/or he may consider desirable, necessary or expedient in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.
[See Explanatory Note (iii)] **(Resolution 9)**

By Order of the Board

Gn Jong Yuh Gwendolyn
Chong Kian Lee
Joint Company Secretaries
Singapore, 5 November 2025

NOTICE OF ANNUAL GENERAL MEETING

(Incorporated in the Republic of Singapore – Company Registration No. 200300326D)

Explanatory Notes:

- (i) The shareholders of the Company had, during the annual general meeting (“**Annual General Meeting**” or “**AGM**”) held on 21 May 2024, approved the payment of the sum of up to S\$238,000 to be paid to all Directors as Directors’ fees for the financial period ended 31 December 2024. Given that the Company changed its financial year end from 31 December to 30 June (as announced on 29 November 2024), the Board of Directors have proposed the payment of Directors’ fees for the period from 1 January 2025 to 30 June 2025 to account for the period wherein which the payment of Directors’ fees would otherwise have been unaccounted for.
- (ii) The Ordinary Resolution 8 proposed in item 7 above, if passed, will empower the Directors from the date of the passing of Ordinary Resolution 8 until the date of the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, to allot and issue new Shares and Instruments in the Company. The aggregate number of new Shares (including Shares to be allotted and issued in pursuance of the Instruments made or granted pursuant to Ordinary Resolution 8), to be allotted and issued pursuant to Ordinary Resolution 8 shall not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company as at the date of the passing of Ordinary Resolution 8. For the allotment and issue of new Shares other than on a pro rata basis to shareholders of the Company, the aggregate number of new Shares (including Shares to be allotted and issued in pursuance of the Instruments made or granted pursuant to Ordinary Resolution 8), to be allotted and issued pursuant to Ordinary Resolution 8 shall not exceed fifty per cent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company as at the date of the passing of Ordinary Resolution 8. This authority will, unless previously revoked or varied at a general meeting, expire at the next Annual General Meeting or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.
- (iii) The Ordinary Resolution 9 proposed in item 8 above, if passed, will empower the Directors to do all acts necessary to give effect to the IPT General Mandate as described in the Appendix. The authority shall, unless revoked or varied by the Company in a general meeting, continue to be in force until the date that the next annual general meeting of the Company is held or required by law to be held.

Important Notes to Shareholders on arrangements for the Annual General Meeting:

1. The Annual General Meeting will be held physically at 1 Robinson Road #18-00 AIA Tower, Singapore 048542 on Thursday, 20 November 2025 at 2 p.m.. **There will be no option for Shareholders to participate virtually.**
2. The Annual Report for the financial period ended 30 June 2025 (the “**FY2025 Annual Report**”) and the Appendix to the FY2025 Annual Report in relation to the Proposed Renewal of the IPT General Mandate, together with this Notice of AGM, the accompanying Proxy Form, and Request Form have been made available on the SGX-ST website at the URL <https://www.sgx.com/securities/company-announcements> and the website of the Company at the URL <https://www.netpac.com.sg/announcement-2025>. A hardcopy of the FY2025 Annual Report will not be sent to shareholders. However, this Notice of AGM and accompanying Proxy Form and Request Form, will be mailed to all Shareholders. Shareholders may request printed copies of the FY2025 Annual Report by completing and returning the Request Form no later than Wednesday, 12 November 2025.
3. Arrangements relating to submission of comments, queries and/or questions to the Chairman of the AGM in advance of and at the AGM of the Company, addressing of substantial and relevant comments, queries and/or questions at least 48 hours prior to the closing date and time for the lodgement of the Proxy Forms and during the AGM, and voting physically or appointing proxy(ies) (including the Chairman of the AGM) to vote at the AGM of the Company, are set out in this Notice of AGM.
4. The Company has decided that the forthcoming AGM will be held at 1 Robinson Road #18-00 AIA Tower, Singapore 048542. There will be no option for Shareholders to participate virtually at the AGM. Shareholders (whether individual or corporate) may vote at the AGM by themselves or may appoint proxy(ies) (including the Chairman of the AGM) to attend, speak and vote on his/her/its behalf at the AGM in accordance with the instructions on the Proxy Form if such Shareholder wishes to exercise his/her/its voting rights at the AGM.
5. A Shareholder:
 - (a) who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM on his/her/its behalf. Where such Shareholder’s form of proxy appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy;
 - (b) who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM on his/her/its behalf, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such Shareholder. Where such Shareholder’s form of proxy appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the form of proxy. Where a member appoints more than (2) proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed.

“**Relevant Intermediary**” shall have the same meaning ascribed to it in Section 181 of the Companies Act 1967.

NOTICE OF ANNUAL GENERAL MEETING

(Incorporated in the Republic of Singapore – Company Registration No. 200300326D)

6. CPF/SRS investors:
- (a) may vote at the AGM if they are appointed as proxies by their respective CPF agent banks or SRS operators, and should contact their respective CPF agent banks or SRS operators if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the AGM as proxy, in which case they should approach their respective CPF agent banks or SRS operators to submit their votes by 5.00 p.m. on Monday, 10 November 2025 (that is, at least seven (7) working days before the date of the AGM).
7. Duly appointed proxy(ies), including the Chairman of the AGM acting as proxy, need not be a Shareholder of the Company. A Shareholder may choose to appoint the Chairman of the AGM as his/her/its proxy.
8. The Proxy Form must be submitted to the Company in the following manner:
- (a) if submitted by post, be lodged at the registered office of the Company's Share Registrar at Boardroom Corporate & Advisory Services Pte. Ltd, at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632; or
 - (b) if submitted by email, in Portable Document Format (PDF) format to the Company at srs.proxy@boardroomlimited.com,
- in either case, by 2.00 p.m. on Monday, 17 November 2025 (that is, not less than 72 hours before the time fixed for holding the AGM). A Shareholder who wishes to submit the Proxy Form must first complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. Shareholders are strongly encouraged to submit the completed Proxy Forms by way of electronic means.
9. Shareholders may submit comments, queries and/or questions relating to the resolutions in the Notice of AGM in advance of the AGM of the Company, in the following manner:
- (a) if submitted by post, to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd, at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632; or
 - (b) if submitted by way of electronic means, be submitted via email to the Company at srs.proxy@boardroomlimited.com,
- in either case, by 2.00 p.m. on Wednesday, 12 November 2025.
10. Shareholders or (where applicable) their duly appointed proxy(ies) and representatives will also be able to raise questions at the AGM of the Company itself.
11. The Company will endeavour to address all substantial and relevant comments, queries and/or questions received from Shareholders before the AGM. The Company will publish its responses to comments, queries and/or questions on the Company's website at the URL <https://www.netpac.com.sg/announcement-2025> and on SGX-ST website at the URL <https://www.sgx.com/securities/company-announcements> not later than 2.00 p.m. on Friday, 14 November 2025.
12. Shareholders and (where applicable) duly appointed proxies and representatives may participate in the AGM physically at 1 Robinson Road #18-00 AIA Tower Singapore 048542. There will be no option for Shareholders to participate virtually.
13. The Company will publish the minutes of the AGM on the Company's website at the URL <https://www.netpac.com.sg/announcement-2025> and on SGX-ST website at the URL <https://www.sgx.com/securities/company-announcements> within one (1) month after the AGM.

PERSONAL DATA PRIVACY:

By submitting the Proxy Form appointing a proxy(ies) (including the Chairman of the AGM) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Shareholder of the Company (a) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (b) warrants that where the Shareholder discloses the personal data of the Shareholder's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the Shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) agrees to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of warranty. In addition, by attending the AGM and/or any adjournment thereof, a Shareholder consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for any of the Purposes.

APPENDIX

APPENDIX DATED 5 NOVEMBER 2025

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

This Appendix, together with the Annual Report of Net Pacific Financial Holdings Limited (the **"Company"**) for the financial year ended 30 June 2025, the notice of AGM and the accompanying proxy form, has been made available to the shareholders of the Company (the **"Shareholders"**) on the SGXNET at the URL <https://www.sgx.com/securities/company-announcements> and the Company's website at the URL <https://www.netpac.com.sg>. Its purpose is to provide information to Shareholders in relation to, and to seek Shareholders' approval for, the Proposed Renewal of General Mandate for Interested Person Transactions (as defined herein) to be tabled at the annual general meeting (the **"AGM"**) of the Company to be held at 1 Robinson Road #18-00 AIA Tower, Singapore 048542 on Thursday, 20 November 2025 at 2 p.m. or at any adjournment thereof.

Unless otherwise stated, capitalised terms on this cover are defined in this Appendix under the section titled "DEFINITIONS".

If you have sold or transferred all your ordinary shares (the **"Shares"**) in the capital of Net Pacific Financial Holdings Limited (the **"Company"**) held through The Central Depository (Pte) Limited (the **"CDP"**), you need not forward the Notice of Annual General Meeting (**"AGM"**), accompanying Proxy Form, and Request Form to the purchaser or transferee as arrangements will be made by CDP for a separate Notice of AGM, accompanying Proxy Form, and Request Form to be sent to the purchaser or transferee. If you have sold or transferred all your Shares represented by physical share certificate(s), you should immediately forward the Notice of AGM, accompanying Proxy Form, and Request Form to the purchaser or transferee, or the bank, stockbroker or agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. You should also inform the purchaser or transferee, or bank, stockbroker or agent through whom the sale or transfer was effected for onward notification to the purchaser, that this Appendix, together with the Notice of AGM, accompanying Proxy Form, and Request Form are available on the SGX website at the URL <https://www.sgx.com/securities/company-announcements> and the website of the Company at the URL <https://www.netpac.com.sg>. In accordance with the Company's Constitution, a printed copy of this Appendix will NOT be despatched to Shareholders.

This Appendix has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the **"Sponsor"**). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the **"SGX-ST"**) and the SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix.

The contact person for the Sponsor is Ms. Foo Jien Jieng, 16 Collyer Quay #10-00 Collyer Quay Centre Singapore 049318, sponsorship@ppcf.com.sg.



利通太平洋金融控股有限公司
Net Pacific Financial Holdings Limited

(Incorporated in Singapore on 9 January 2003)
(Company registration no. 200300326D)

APPENDIX TO THE ANNUAL REPORT IN RELATION TO

THE PROPOSED RENEWAL OF GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

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APPENDIX

DEFINITIONS

The following definitions apply throughout in this Appendix except where the context otherwise requires:

“Act”	: The Companies Act 1967 of Singapore, as amended, supplemented or modified from time to time or re-enactment thereof for the time being in force
“AGM”	: The annual general meeting of the Company to be convened on Thursday, 20 November 2025 at 2 p.m.
“Approving Authority”	: Has the meaning ascribed to it at Section 2.5.2 of this Appendix
“associate”	: (a) in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:- (i) his immediate family; (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and (b) in relation to a substantial shareholder or controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of any such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
“associated company”	: As defined in the Catalist Rules, a company in which at least 20% but not more than 50% of its shares are held by the listed company or group
“Audit Committee”	: The audit committee of the Company for the time being
“Board” or “Board of Directors”	: The board of directors of the Company
“Catalist”	: The Catalist board of the SGX-ST
“Catalist Rules”	: The SGX-ST Listing Manual Section B: Rules of Catalist, as may be amended, supplemented or modified from time to time
“CDP” or “Depository”	: The Central Depository (Pte) Limited
“Company” or “NET”	: Net Pacific Financial Holdings Limited
“Companies Act”	: The Companies Act 1967 of Singapore, as amended, modified or supplemented from time to time
“Constitution”	: The Constitution of the Company, as may be amended, supplemented or modified from time to time
“controlling shareholder”	: A person who: (a) holds directly or indirectly 15% or more of the nominal amount of all voting shares in the company. The SGX-ST may determine that a person who satisfies this paragraph is not a controlling shareholder; or

	(b) in fact exercises control over the company
“Dapu”	: Has the meaning ascribed to it in Section 2.2.3 of this Appendix
“Directors”	: The directors of the Company for the time being
“EGM”	: The extraordinary general meeting of the Company held at 3.00 p.m. on Wednesday, 2 October 2024
“Entity at Risk”	: As defined in the Catalist Rules: (a) the Company; (b) a subsidiary of the Company that is not listed on the SGX-ST or an approved exchange; or (c) an associated company of the Company that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company
“Former Dapu”	: Has the meaning ascribed to it in Section 2.2.3 of this Appendix
“FY” or “Financial Year”	: Financial year ended or ending 30 June (as the case may be)
“Group”	: The Company and its subsidiaries collectively
“HKSAR”	: Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholders”	: The Shareholders who are deemed to be independent for the purposes of voting on the IPT Mandate
“Interested Person”	: As defined in the Catalist Rules: (a) a director, chief executive officer, or controlling shareholder of the Company; or (b) an associate of any such director, chief executive officer, or controlling shareholder
“IPT”	: A transaction between an Entity at Risk and an Interested Person
“IPT Mandate”	: Has the meaning ascribed to it in Section 1 of this Appendix
“Latest Practicable Date”	: 29 October 2025, being the latest practicable date prior to the dissemination of this Appendix
“Mandated Interested Person”	: Has the meaning ascribed to it in Section 2.3.2 of this Appendix
“Mandated Transactions”	: The interested person transactions which will be covered by the proposed IPT Mandate as set out at Section 2.4 of the Appendix
“Non-Interested Directors”	: The Directors who are considered independent for the purpose of making a recommendation on the Proposed Renewal of General Mandate for Interested Person Transactions, namely, Mr Chung Wai Man, Mr Ong Chor Wei @ Alan Ong, Mr Chin Fook Lai, Mr Tso Sze Wai, Mr Chak Chi Shing and Ms Kwok Meei Ying, Monica
“Notice of AGM”	: The notice which is set out on pages 125 to 129 of this Annual Report
“NTA”	: Net tangible assets

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“Ordinary Resolution”	: The ordinary resolution to approve the IPT Mandate
“PC”	: Has the meaning ascribed to it in Section 2.2.2 of this Appendix
“PP”	: Has the meaning ascribed to it in Section 2.2.2 of this Appendix
“PRC”	: The People’s Republic of China, excluding the Hong Kong Special Administrative Region and Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Proposed Renewal of General Mandate for Interested Person Transactions”	: Has the meaning ascribed to it in Section 1 of this Appendix
“Saint Pearl”	: Has the meaning ascribed to it in Section 2.2.1 of this Appendix
“Securities Account”	: A securities account maintained by a Depositor with CDP (but does not include a securities sub-account maintained with a Depository Agent)
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Shareholders”	: Registered holders of Shares in the Register of Members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the persons named as Depositors in the Depository Register maintained by CDP whose securities accounts are credited with those Shares. Any reference to Shares held by or shareholdings of Shareholders shall include Shares standing to the credit of their respective securities accounts in the Depository Register maintained by CDP
“Share(s)”	: Ordinary share(s) in the capital of the Company
“Substantial Shareholder”	: A person who has an interest (directly or indirectly) in one (1) or more voting Shares and the total votes attaching to that Share, or those Shares, is not less than 5% of the total votes attached to all the voting Shares in the Company

Currencies, units and others

“HK\$”	: HKSAR dollars, the lawful currency of the HKSAR
“RMB”	: Renminbi, the lawful currency of the PRC
“S\$” and “cents”	: Singapore dollars and cents respectively, the lawful currency of the Republic of Singapore
“%” or “per cent.”	: Per centum or percentage

The terms **“Depositor”**, **“Depository”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them in Section 81F of the Securities and Futures Act 2001. The term **“treasury shares”** shall have the meaning ascribed to it the Act.

The terms **“approved exchange”**, **“entity at risk”**, **“interested person”**, **“interested person transaction”** and **“transaction”** shall have the meanings ascribed to them respectively in Rule 904 of the Catalist Rules.

The headings in this Appendix are inserted for convenience only and shall be ignored in construing this Appendix.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

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Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the Catalist Rules or any statutory modification thereof and used in this Appendix shall have the meaning assigned to it under the said Act, the Catalist Rules or such statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of a day in the Appendix is a reference to Singapore time unless otherwise stated.

Any discrepancies in figures included in this Appendix between the amounts listed and the totals thereof are due to rounding. Accordingly, figure shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.

Shook Lin & Bok LLP has been appointed as the Singapore legal adviser to the Company in relation to the Proposed Renewal of General Mandate for Interested Person Transactions.

APPENDIX

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

All statements contained in this Appendix, statements made in press releases and oral statements that may be made by the Group, its directors, executive officers, employees or authorised persons acting on the Group's behalf that are not statements of historical fact, constitute "forward-looking statements". Some of these forward-looking statements can be identified by terms such as "expects", "believes", "plans", "intends", "estimates", "anticipates", "may", "will", "would" and "could" or similar words and phrases. However, it should be noted that these words are not the exclusive means of identifying forward-looking statements. All statements regarding the Group's expected financial position, business strategies, plans and prospects are forward-looking statements.

These forward-looking statements and other matters discussed in this Appendix regarding matters that are not historical facts, are only predictions. These forward-looking statements reflect the Group's current views with respect to future events and are not guarantees of future performance. These statements are based on the Group's beliefs and assumptions, which in turn are based on currently available information. Although the Group believes the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be inaccurate. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group's actual results, performance or achievements to be materially different from any future results, performance or achievements expected, expressed or implied by these forward-looking statements.

Given the risks and uncertainties that may cause the Group's actual future results, performance or achievements to be materially different from those expected, expressed or implied by the forward-looking statements in this Appendix, Shareholders are cautioned to not place undue reliance on those statements which apply only as at the date of this Appendix. Neither the Group nor any other person represents or warrants to you that the Group's actual future results, performance or achievements will be as discussed in those statements. These forward-looking statements are applicable only as at the date of this Appendix. All forward-looking statements contained in this Appendix are expressly qualified in their entirety by such factors. The Group's actual results may differ materially from those anticipated in these forward-looking statements as a result of the risks faced by the Group. Further, the Group disclaims any responsibility to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements to reflect future developments, events or circumstances for any reason, even if new information becomes available or other events occur in the future.

LETTER TO SHAREHOLDERS

NET PACIFIC FINANCIAL HOLDINGS LIMITED

(Incorporated in Singapore on 9 January 2003)

(Company registration no. 200300326D)

Board of Directors:

Mr Chung Wai Man (Independent Non-Executive Chairman)
 Mr Zhou Wen Jie (Non-Independent Non-Executive Director)
 Mr Ong Chor Wei @ Alan Ong (Chief Executive Officer and Executive Director)
 Mr Ben Lee (Non-Independent Non-Executive Director)
 Mr Chin Fook Lai (Non-Independent Non-Executive Director)
 Mr Tso Sze Wai (Lead Independent Non-Executive Director)
 Mr Chak Chi Shing (Independent Non-Executive Director)
 Ms Kwok Meei Ying, Monica (Independent Non-Executive Director)

Registered Office:

35 Selegie Road, #10-25,
 Parklane Shopping Mall,
 Singapore 188307

5 November 2025

To: The Shareholders of Net Pacific Financial Holdings Limited

Dear Sir/Madam,

1. INTRODUCTION

- 1.1.1 The Directors refer to the notice of AGM of the Company dated 5 November 2025 (the “**Notice of AGM**”) convening the AGM of the Company to be held on Thursday, 20 November 2025.
- 1.1.2 The proposed Ordinary Resolution 9 in the Notice of AGM relates to the proposed renewal of the Company’s general mandate for interested person transactions (“**IPT Mandate**”) (“**Proposed Renewal of General Mandate for Interested Person Transactions**”). The Shareholders had previously approved, at the EGM of the Company held on 2 October 2024 (the “**2024 EGM**”), the adoption of the IPT Mandate. The IPT Mandate will expire at the forthcoming AGM unless it is renewed by Shareholders. Accordingly, the Company intends to seek a renewal of the IPT Mandate at the forthcoming AGM. If approval is obtained from Shareholders at the forthcoming AGM, the IPT Mandate will be renewed with effect from the date of passing of the ordinary resolution in relation to the Proposed Renewal of General Mandate for Interested Person Transactions, and will (unless revoked or varied by the Company in a general meeting) continue to be in force until the date on which the next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held, subject to satisfactory review by the Audit Committee of its continued application to the transactions with the Mandated Interested Person.
- 1.1.3 The purpose of this Appendix is to provide Shareholders with information relating to, and explaining the rationale for, the Proposed Renewal of General Mandate for Interested Person Transactions, and to seek Shareholders’ approval for the ordinary resolution in relation to the Proposed Renewal of General Mandate for Interested Person Transactions at the forthcoming AGM.
- 1.1.4 The SGX-ST assumes no responsibility for the accuracy of any statements or opinions made or reports contained in this Appendix.

APPENDIX

2. THE PROPOSED RENEWAL OF GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

2.1 Chapter 9 of the Catalist Rules

2.1.1 Pursuant to Chapter 9 of the Catalist Rules, where an issuer or any of its subsidiaries, or associated companies over which the group has control, being an entity at risk, enters into or proposes to enter into a transaction with a party who is an interested person, and the value of the transaction is equal to or more than certain financial thresholds, an immediate announcement or shareholders' approval is required in respect of that transaction.

2.1.2 Under Rule 905 of the Catalist Rules, an issuer must make an immediate announcement where:

- (a) the transaction is of a value equal to, or more than, 3% of the listed group's latest audited NTA; or
- (b) the aggregate value of all transactions entered into with the same interested person during the same financial year amounts to 3% or more of the listed group's latest audited NTA.

2.1.3 Under Rule 906 of the Catalist Rules, an issuer must obtain shareholder approval where:

- (a) the transaction is of a value equal to, or more than, 5% of the group's latest audited NTA; or
- (b) the transaction is of a value equal to, or more than, 5% of the group's latest audited NTA when aggregated with other transactions entered into with the same interested person during the same financial year. However, a transaction which has been approved by shareholders, or is the subject of aggregation with another transaction that has been approved by shareholders need not be included in any subsequent aggregation.

2.1.4 The above requirements for immediate announcement and/or shareholders' approval do not apply to any transaction below S\$100,000. While transactions below S\$100,000 are not normally aggregated under Rules 905 and 906 of the Catalist Rules, the SGX-ST may aggregate any such transaction entered into during the same financial year and treat them as if they were one transaction in accordance with Rule 902 of the Catalist Rules.

2.1.5 For illustrative purposes only, based on the latest audited consolidated financial statements of the Company and the Group for FY2025, the latest audited NTA of the Group was approximately HK\$66,368,000 million as at 30 June 2025. Accordingly, in relation to the Group, for the purposes of Chapter 9 of the Catalist Rules, in the current financial year, Shareholders' approval is required where:

- (a) the transaction is of a value equal to, or more than, approximately HK\$3,318,000 million, being 5% of the Group's latest audited NTA as at 30 June 2025; or
- (b) the transaction, when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than, HK\$3,318,000 million, being 5% of the Group's latest audited NTA as at 30 June 2025. The aggregation will exclude any transaction that has been approved by Shareholders previously or is the subject of aggregation with another transaction that has been approved by Shareholders.

2.1.6 However, pursuant to Rule 920 of the Catalist Rules, an issuer may seek a general mandate from its shareholders for recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations such as the purchase and sale of supplies and materials, but not in respect of the purchase or sale of assets, undertakings or business. Such general mandate is subject to annual renewal.

2.2 Background, Rationale and Benefits of the Proposed IPT Mandate

2.2.1 On 10 May 2024, the Company announced the completion of the acquisition of 51% of the total issued and paid-up share capital of Saint Pearl Travel Products (Guangdong) Co., Ltd. ("**Saint Pearl**") by Net Industrial International Company Limited, a subsidiary of the Company.

2.2.2 Saint Pearl is a limited liability company incorporated on 6 April 2023 in the PRC. The principal activities of Saint Pearl are mainly hard case luggage manufacturing and sales in the Business-to-Business arena. As at the Latest Practicable Date, Saint Pearl currently produces hard case luggage (including the manufacturing, assembling and packaging), and has expanded its product ranges to include aluminium-cased luggage via the cooperation framework arrangement with

Guangdong Dapu All Aluminium Luggage Co., Ltd. (“**Dapu**”) as approved by Shareholders at the extraordinary general meeting held on 2 October 2024. Saint Pearl’s hard case luggage is usually made of a variety of different materials, such as low-cost polypropylene (“**PP**”), polycarbonate (“**PC**”) or reinforced composite layers with high strength and lightweight properties and is expected to produce 50,000 pieces of PP/PC hard case luggage per month on a full capacity basis. Currently, Saint Pearl does not have the capability to produce aluminium-cased luggage.

2.2.3 Dapu is principally engaged in the manufacturing and sales of luggage. In particular, Dapu has the expertise to produce aluminium alloy luggage case shells and accessories required for a finished luggage. Dapu was incorporated in the PRC on 17 February 2023, with a registered capital of RMB 6.0 million. Its legal representative is Mr Kuang Zhongbin (邝仲斌), who also serves as the executive director and financial controller. There are two unrelated natural person shareholders, namely Ms Li Minhui (李敏辉) and Mr Li Zhiqiang (利志强), holding 80% and 20% of the shares of Dapu respectively, who, at the same time, are also managing the operation of Dapu as supervisor and general manager respectively. The predecessor of Dapu is Foshan Dapu All Aluminium Luggage Co., Ltd. (“**Former Dapu**”). Former Dapu was incorporated in the PRC on 30 January 2018, with a registered capital of RMB 7.5 million. Its legal representative was Mr Li Zhiqiang (利志强) who also served as an executive director, general manager and the head of finance of the company. There were two natural person shareholders, namely Ms Li Minhui (李敏辉) and Mr Li Zhiqiang (利志强), holding 75% and 25% of the shares of Former Dapu respectively. They were also managing the operation of Former Dapu as supervisor and the executive director, general manager and the head of finance respectively. The business scope of Former Dapu was substantially the same as that of Dapu. Due to business expansion to facilitate increase in production volume, the operations of Former Dapu was relocated from Foshan City to Sihui City in Guangdong Province of the PRC in early 2023 and taken over by Dapu. Former Dapu was de-registered on 12 October 2023.

2.2.4 Due to the relationship between Saint Pearl and Dapu through Mr Ben Lee (being a director of Saint Pearl and brother of Ms Li Minhui (李敏辉), shareholder with 80% interest in Dapu (as further explained in Section 2.3.2 below)), on 13 September 2024, Saint Pearl and Dapu entered into a cooperation framework agreement for a validity period of two (2) years from the date of signing of the agreement (validity of which could be extended upon expiry with mutual agreement) and the cooperation framework arrangement was approved by Shareholders at the extraordinary general meeting held on 2 October 2024. Pursuant to the cooperation framework arrangement, the Mandated Transactions (as defined below) will be entered into between Dapu and Saint Pearl on a back-to-back basis. Saint Pearl shall place separate production order(s) with Dapu, upon securing sales orders from its third-party end-customer(s). The salient terms of each of the production order(s) shall align with the salient terms as agreed with Saint Pearl’s third-party end-customer(s) save for the unit price. The salient terms shall include, among others, the product specifications, quality standards, production quantity and payment terms. The unit price offered to Dapu shall be at a discount to the unit price contracted with the third-party end-customer(s), which will be further negotiated with Dapu on an order-by-order basis. Such discount is expected to enable Saint Pearl to enjoy a mark-up that is sufficient to cover the costs incurred due to the further processing required by Saint Pearl to fulfil the sales orders of the third-party end-customer(s) such as the final assembly of accessories and packaging. In addition, Saint Pearl will not accept a sales order from a third-party end-customer and farm it out to Dapu for production if the order quantity does not meet a minimum order quantity as required by Saint Pearl from such third-party end-customers. Other than that, there is no separate minimum order quantity requirement in the cooperation framework agreement entered into between Saint Pearl and Dapu. Saint Pearl shall complete the product verification and acceptance procedure within seven (7) working days from the date of receipt of products delivered by Dapu. Before Saint Pearl undergoes the product verification and acceptance procedure, Dapu shall submit the necessary product information to Saint Pearl, including approval documents from relevant authorities (if applicable) for each production order, specifications (such as size and colours) set by the third-party end-customer(s) of Saint Pearl, and factory inspection reports. Pursuant to the Mandated Transactions (as defined below), Dapu shall also arrange for production according to Saint Pearl’s product production details sheet, deliver qualified products on time and in full quantity, failing which Saint Pearl can: (a) refuse to accept the delivery and require Dapu to re-manufacture and re-deliver and that any losses and additional costs caused by the remanufacturing to be borne by Dapu, (b) procure the production from a third party supplier with additional costs incurred by Saint Pearl to be borne by Dapu, and/or (c) seek compensation for all losses including loss of expected profits, compensation, penalties, fines paid by the non-breaching party to third parties, investigation and evidence collection costs, notarisation fees, litigation costs, attorney’s fees and other reasonable expenses, save for force majeure circumstances. Apart from this, Dapu is bound by a non-compete clause which prohibits Dapu from negotiating with or selling aluminium alloy luggage parts or products to Saint Pearl’s third-party end-customer(s) directly for a period of three (3) years after termination of the cooperation framework agreement.

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- 2.2.5 With the cooperation framework arrangement, Saint Pearl is able to transfer various trading risks, business risks, and credit risks to Dapu due to the back-to-back arrangement. As Saint Pearl has no experience in producing or subcontracting the production of aluminium-cased luggage, it would have been risky for Saint Pearl to accept aluminium-cased luggage orders from third-party end-customer(s) and cooperate with other third-party suppliers, given that the directors of Saint Pearl are of the view that other third-party suppliers are unlikely to accept the same subcontracting arrangement on a back-to-back basis (or otherwise with less favourable subcontracting terms as those offered to Dapu) as there is lack of business relationship between Saint Pearl and other third-party suppliers. Therefore, the Mandated Transactions (as defined below) enable Saint Pearl to expand its business into the sale of aluminium-cased luggage, and thereby widen the range of products Saint Pearl can offer, with minimal capital investment, and at a mitigated risk level.
- 2.2.6 Saint Pearl's entry into the cooperation framework agreement, and the Mandated Transactions (as defined below) with Dapu, subject to shareholders' approval being obtained for the renewal, is a strategic move to establish follow-on potential partnerships and/or cooperation with third-party end-customer(s), suppliers and other industry participants. This is likely to be one of the feasible strategies to gain a foothold and establish a reputation in the market. Being an Original Equipment Manufacturer (OEM) of well-known local and global luggage brands, and by providing its third-party end-customers with quality-assured aluminium-cased luggage products in the early development stages, Saint Pearl can quickly gain the trust of third-party end-customer(s) and establish goodwill in the industry, generate word-of-mouth, which may bring about more orders in the future, or help in obtaining customer qualification certification from other well-known global brands to allow Saint Pearl to eventually independently undertake other hard case orders from third-party end-customer(s). In addition, the order may be part of a larger long-term contract or agreement to be placed by the third-party end-customer(s), which may include more profitable contracts in the future.
- 2.2.7 As Saint Pearl has yet to reach its optimal sales volume in order to achieve production efficiency, entry into the Mandated Transactions (as defined below) with Dapu will help utilise idle labour resources, whereby the aluminium alloy luggage case shells and accessories required for a finished luggage produced by Dapu will be assembled and packaged by Saint Pearl with its in-house labour resources. The mark-up from the Mandated Transactions (as defined below) is not expected to be high but merely to cover the costs for the final assembly of accessories and packaging. Nevertheless, by maximising Saint Pearl's existing resources, fixed costs can be covered and start-up operating losses could be mitigated. At the same time, the sales orders from the third-party end-customer(s) shall meet the minimum order quantity as set out by Saint Pearl and hence the production volume would be sufficient to provide valuable learning experience and process improvement opportunities. Saint Pearl's management can also accumulate experience to improve the subcontracting production process and improve efficiency. These orders will help the Company potentially better-manage future costs and improve profitability.
- 2.2.8 In view of the time-sensitive nature of commercial transactions, and the need for smooth and efficient conduct of business, and it is envisaged that the Mandated Transactions (as defined below) to be entered into with Dapu are recurring in nature and necessary for Saint Pearl's day-to-day operations, the Directors are seeking the approval of the Independent Shareholders (which shall exclude Shareholders who are required to abstain from voting pursuant to Rule 920(1)(b)(viii) of the Catalyst Rules) for the Proposed Renewal of General Mandate for Interested Person Transactions in respect of future Mandated Transactions (as defined below) that the Group may enter into with Dapu, provided that the Mandated Transactions (as defined below) are entered into on normal commercial terms and are not prejudicial to the Company and its minority Shareholders.
- 2.2.9 The Proposed Renewal of General Mandate for Interested Person Transactions would eliminate the need to announce, or to announce and convene separate general meetings from time to time to seek Shareholders' prior approval as and when potential transactions with the Mandated Interested Person arise, thereby saving substantial administrative time and costs expended in preparing such announcements and/or convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the Group.

2.3 Information on the Entity at Risk and Mandated Interested Person

Entity at risk

- 2.3.1 The "entity at risk" would be the Company and its subsidiaries, including Saint Pearl.

Mandated Interested Person

2.3.2 Information on the interested person to be covered under the IPT Mandate is set out in the table below (“**Mandated Interested Person**”):

Name of entity	Reasons it is an interested person for the purposes of Chapter 9 of the Catalist Rules	Country of Incorporation	Principal business
Dapu	The largest shareholder of Dapu is Ms Li Minhui (李敏辉) (who holds 80% interest in Dapu) who is Mr Ben Lee's sister. Mr Ben Lee is a Non-Independent Non-Executive Director and controlling shareholder of the Company. Accordingly, as Dapu is a company in which Mr Ben Lee and his immediate family (which includes Mr Ben Lee's siblings) together (directly or indirectly) have an interest of 30% or more, Dapu is an associate of Mr Ben Lee, and therefore an “interested person”	PRC	Manufacturing and sales of luggage

2.4 Mandated Transactions

The mandated transactions would involve Saint Pearl, a 51%-owned subsidiary in the PRC of Net Industrial International Company Limited, a subsidiary of the Company, commissioning the Mandated Interested Person as a contractor and farming out production orders to Dapu to produce aluminium alloy luggage case shells and accessories required for a finished luggage with dimensions ranging from 20 inches to 28 inches, according to the sales orders of Saint Pearl's customers, which, upon delivery from Dapu, will further be sewn and packaged by Saint Pearl to fulfil the sales orders of its third-party end-customers (collectively, the “**Mandated Transactions**”).

In accordance with the cooperation framework agreement, Dapu shall execute according to the quality standards stipulated in separate production orders placed by Saint Pearl. As set out in Section 2.2.4 above, the salient terms of each of the production order(s) shall align with the salient terms as agreed with its third-party end-customer(s) save for the unit price. The salient terms shall include, among others, the product specifications, quality standards, production quantity and payment terms. The unit price offered to Dapu shall be at a discount to the unit price contracted with the third-party end-customer(s), which will be further negotiated with Dapu on an order-by-order basis. Dapu shall arrange for production according to Saint Pearl's product production details sheet, deliver qualified products on time and in full quantity, failing which Saint Pearl can (a) refuse to accept the delivery and require Dapu to re-manufacture and re-deliver and that any losses and additional costs caused by the remanufacturing to be borne by Dapu, (b) procure the production from a third party supplier with additional costs incurred by Saint Pearl to be borne by Dapu, and/or (c) seek compensation for all losses including loss of expected profits, compensation, penalties, fines paid by the non-breaching party to third parties, investigation and evidence collection costs, notarisation fees, litigation costs, attorney's fees and other reasonable expenses, save for force majeure circumstances.

2.5 Guidelines and Review Procedures

To ensure that (a) the Mandated Transactions are carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders, and (b) the Mandated Transactions are undertaken on an arm's length basis and are no less favourable to the Group than those transactions entered into by the Group with unrelated third parties, the Company has put in place the following guidelines and review procedures for the Mandated Transactions under the proposed IPT Mandate as set out in this Section 2.5.

2.5.1 Review procedures

The review procedures for the purchase of products from the Mandated Interested Person:

- quotations from at least two (2) unrelated third-party vendors shall be obtained. The purchase price of the products from the Mandated Interested Person shall be at the prevailing market price offered to the Group for the same or substantially similar types of products and on terms which are no less favourable than the commercial terms extended by the unrelated third-party suppliers to the Group from which quotations have been obtained; and
- in the event where Saint Pearl may not be able to obtain the requisite quotations from unrelated third-party vendors due to reasons including limited size and numbers of vendors in the niche market, or where it is impracticable or not possible or feasible for such quotations to be obtained, the Approving Authority (as defined below) and

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depending on the threshold limit set out in Section 2.5.2 below, will determine whether the price and terms offered by the Mandated Interested Person are fair and reasonable after considering factors such as the nature and duration of the transaction, quantity and quality of products, delivery schedules, compliance with specifications, track record and reliability, experience and expertise, payment and credit terms and where applicable, availability of preferential rates, rebates or discounts given for bulk purchases.

2.5.2 Approval procedures

Before entering into any Mandated Transaction, all such contracts will be subject to review and pre-approval by the relevant approving authorities, who shall not (i) have an interest directly or indirectly in the transaction under consideration; (ii) be a nominee of the Mandated Interested Person or (iii) have an associate involved in the decision-making process on the part of the Mandated Interested Person, according to the value of the Mandated Transaction as set out in the matrix below (the “**Approving Authority**”):

Value of Mandated Transactions	Approving Authority
(a) Less than S\$100,000	One (1) director of Saint Pearl and the Group Financial Controller (or equivalent position), in accordance with the usual business practices of Saint Pearl as determined by the Directors from time to time, and such contracts shall be reported to the Audit Committee on a quarterly basis. In the event the Group Financial Controller (or equivalent position) is interested in the Mandated Transactions, such transaction shall be reviewed and approved by the Chief Executive Officer in his/her stead
(b) S\$100,000 or more but less than S\$500,000	In addition to (a), approval from the Chief Executive Officer, and such contracts shall be reported to the Audit Committee on a quarterly basis. In the event the Chief Executive Officer is interested in the Mandated Transactions, such transaction shall be reviewed and approved by the Audit Committee.
(c) S\$500,000 or more	In addition to (a) and (b), approval from the Audit Committee

The approval thresholds set out above have been adopted by the Group after considering various factors including but not limited to the nature, frequency and size of the Mandated Transactions. The threshold limits are intended to allow for efficient day-to-day operations of the Group while ensuring that there are sufficient internal control system and reporting mechanisms for the Mandated Transactions.

In the event that any member of the relevant Approving Authority has an interest in a Mandated Transaction under review or has any business or personal connection with the Mandated Interested Person, the relevant person shall declare his or her interest to the Audit Committee, and shall not participate in any decision-making procedure in respect of that Mandated Transaction. In such case, the review and approval of that Mandated Transaction will be undertaken only by a non-interested member of that Approving Authority where applicable, or if there is only one member of that Approving Authority or where all the members of the relevant Approving Authority are conflicted, then the approval from the next higher Approving Authority shall be sought.

In reviewing and approving the various contracts, the Approving Authority may request for additional information on the transaction and also seek the opinion of independent advisers including seeking an independent financial adviser’s opinion and obtaining valuations from independent professional valuers.

2.5.3 Additional controls

In addition to the review and approval procedures set out in Sections 2.5.1 and 2.5.2 above, the Company will also implement the following controls in relation to the Mandated Transactions:

(a) *Register of interested persons*

The Company will maintain a list of interested persons (including the Mandated Interested Person) based on periodic declarations made, to enable identification of interested persons. The list of interested persons (including the Mandated Interested Person) will be tabled before the Audit Committee on an annual basis.

(b) *Register of interested person transactions*

A register of interested person transactions will be maintained by the Company to record all transactions entered into with interested persons (as defined in the Catalist Rules), including the Mandated Transactions. The basis for pricing and other commercial terms, including quotations, enquiries and/or reports to support the same shall also be recorded.

On a quarterly basis, the Audit Committee will review the register of interested person transactions to ensure that the review and approval procedures have been adhered to. On an annual basis, the Audit Committee shall also review the appropriateness and sufficiency of the review and approval procedures for the interested person transactions.

(c) *Periodic reviews*

The internal auditors shall, on an annual basis or when requested by the Audit Committee, carry out:

- (i) audit reviews on the sufficiency and compliance of the internal control system and reporting mechanisms for the Mandated Transactions;
- (ii) audit reviews on whether established controls and procedures are appropriate and have been complied with; and
- (iii) preparation of internal audit reports on the Mandated Transactions to ascertain that internal control procedures for the Mandated Transactions have been complied with and report their findings to the Audit Committee.

In the event that the Audit Committee's review of the internal auditors' report gives rise to concerns on the appropriateness and sufficiency of the procedures and controls for the Mandated Transactions, or if the Audit Committee is of the view that the internal control procedures and review procedures for the Mandated Transactions have become inappropriate or insufficient in the event of changes to the nature of, or manner in which, the business activities of the Group or the Mandated Interested Person are conducted, the Company will seek a fresh mandate from Shareholders with new procedures and controls to ensure that the Mandated Transactions are on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders. In such a situation, all transactions with the Mandated Interested Person will be reviewed and approved by the Audit Committee prior to obtaining a new mandate from Shareholders.

(d) *Abstaining from decision-making*

Directors, members of the Audit Committee, directors of Saint Pearl, the Group Financial Controller and the Chief Executive Officer (as the case may be) who:

- (i) have an interest directly or indirectly in the transaction under consideration;
- (ii) are a nominee of the Mandated Interested Person; or
- (iii) have an associate involved in the decision-making process on the part of the Mandated Interested Person,

shall abstain from the review and approval process which shall be undertaken by the remaining Directors, members of the Audit Committee members, or directors of Saint Pearl (as the case may be) who are not subject to such conflicts of interest. In the event that all the Directors or Audit Committee members are subject to the aforementioned conflicts of interest with respect to a particular transaction, the review and approval of the transaction shall be undertaken by such other senior executive(s) of the Company designated by the Board or Audit Committee (as the case may be).

(e) *Disclosure*

The Company will announce the aggregate value of all interested person transactions (including Mandated Transactions pursuant to the IPT Mandate) for each financial periods which the Company is required to announce on pursuant to Rule 705 of the Catalist Rules within the timeframe required for such announcements.

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In addition, the Company will also disclose in its annual report the aggregate value of all interested person transactions (including Mandated Transactions pursuant to the IPT Mandate) entered into during the financial year under review in the format as set out below:

Name of Interested Person	Nature of relationship	Aggregate value of all Interested Person Transactions during the financial year under review (excluding transactions less than S\$100,000, and transactions conducted under Shareholders' mandate pursuant to Rule 920)	Aggregate value of all Interested Person Transactions conducted under Shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
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3. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Based on the Register of Directors' Shareholdings and the Register of Substantial Shareholders, as at the Latest Practicable Date, the shareholding interests of the Directors and Substantial Shareholders are set out below:

	Direct	Number of Shares Deemed	Total	Total Percentage Interest (%) ⁽¹⁾
Directors				
Mr Chung Wai Man	–	–	–	–
Mr Zhou Wen Jie ⁽²⁾	119,750,600	–	119,750,600	22.78
Mr Ben Lee ⁽²⁾⁽³⁾	–	120,000,000	120,000,000	22.83
Mr Ong Chor Wei @ Alan Ong ⁽⁴⁾	3,150,000	53,700,000	56,850,000	10.82
Mr Chin Fook Lai	69,022,400	–	69,022,400	13.13
Mr Tso Sze Wai	–	–	–	–
Mr Chak Chi Shing	–	–	–	–
Ms Kwok Meei Ying, Monica	–	–	–	–
Substantial Shareholders (other than Directors)				
Zhou Dan ⁽²⁾⁽³⁾	120,000,000	–	120,000,000	22.83
Quad Sky Limited ⁽⁴⁾⁽⁵⁾	53,700,000	–	53,700,000	10.22
Head Quator Limited ⁽⁴⁾	–	53,700,000	53,700,000	10.22
Wingate Investment Corporation ⁽⁵⁾	–	53,700,000	53,700,000	10.22
Yung Fung Ping ⁽⁵⁾	–	53,700,000	53,700,000	10.22
Chan Mei Sau ⁽⁵⁾	–	53,700,000	53,700,000	10.22

Notes:

- (1) Based on the total issued ordinary shares of the Company, comprising 525,630,328 shares as at the Latest Practicable Date.
 - (2) Zhou Wen Jie is the brother of Zhou Dan and the brother-in-law of Ben Lee.
 - (3) Zhou Dan is the wife of Ben Lee. Ben Lee is deemed interested in the shares held by Zhou Dan.
 - (4) Ong Chor Wei @ Alan Ong is deemed interested in the shares held by Quad Sky Limited by virtue of him owning 100.0% of the equity interest in Head Quator Limited which in turn owns 50.0% of the equity interest in Quad Sky Limited.
- Head Quator Limited is deemed interested in the shares held by Quad Sky Limited by virtue of it owning 50% of the equity interest in Quad Sky Limited.

- (5) Wingate Investment Corporation is deemed interested in the shares held by Quad Sky Limited by virtue of it owning 50% of the equity interest in Quad Sky Limited.

Yung Fung Ping and Chan Mei Sau are deemed interested in the shares held by Quad Sky Limited by virtue of them each owning 50% of the equity interest in Wingate Investment Corporation which in turn owns 50% of the equity interest in Quad Sky Limited.

Other than through their respective shareholdings in the Company and as set out in Section 3 of this Appendix, none of the Directors or Substantial Shareholders has any interest, direct or indirect, in the Ordinary Resolution.

4. STATEMENT FROM THE AUDIT COMMITTEE

The Audit Committee has reviewed the terms of the IPT Mandate and confirms that the guidelines and procedures for determining the transaction prices of the Mandated Transactions under the IPT Mandate have not changed since the IPT Mandate was approved by Shareholders at the 2024 EGM and that such guidelines and procedures are sufficient to ensure that the Mandated Transactions with the Mandated Interested Person will be conducted on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

5. NON-INTERESTED DIRECTORS' RECOMMENDATIONS

Having fully considered, *inter alia*, the terms, rationale and benefits of the IPT Mandate, the review procedures for the Mandated Transactions and the statement of the Audit Committee as set out in this Appendix, the Independent Directors are of the opinion that the Proposed Renewal of General Mandate for Interested Person Transactions is in the best interests of the Company and its Shareholders, and therefore recommend that Shareholders vote in favour of the ordinary resolution in relation to the Proposed Renewal of General Mandate for Interested Person Transactions to be tabled at the forthcoming AGM.

6. ABSTENTION FROM VOTING

Mr Ben Lee and Mr Zhou Wen Jie (i.e., the brother-in-law of Mr Ben Lee) have abstained from making any deliberation/recommendation on or approving any matters in connection with the Proposed Renewal of General Mandate for Interested Person Transactions. Further, both Mr Ben Lee and Mr Zhou Wen Jie shall (a) abstain from voting at the AGM in relation to the Proposed Renewal of General Mandate for Interested Person Transactions and (b) ensure that their associates abstain from voting on the same at the AGM. Both Mr Ben Lee and Mr Zhou Wen Jie shall not accept nomination as proxies or otherwise for voting at the AGM in respect of the Proposed Renewal of General Mandate for Interested Person Transactions unless specific instructions have been given in the instrument of proxy on how Shareholders wish their votes to be cast for the same.

7. ANNUAL GENERAL MEETING

The AGM, notice of which is set out on pages 125 to 129 of this Annual Report, will be held at 1 Robinson Road #18-00 AIA Tower, Singapore 048542 on Thursday, 20 November 2025 at 2 p.m. (or any adjournment thereof) for the purpose of considering and, if thought fit, passing (with or without modification) the resolution as set out in the notice of AGM.

8. ACTIONS TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the AGM and who wish to appoint a proxy to attend and vote on their behalf, should complete, sign and return the attached proxy form attached to this Appendix in accordance with the instructions printed thereon as soon as possible and, in any event, so as to arrive at the registered office of the Company's Share Registrar at Boardroom Corporate & Advisory Services Pte. Ltd, at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632, or if submitted electronically, be submitted via email to the Company at srs.proxy@boardroomlimited.com, not later than 72 hours before the time for holding the AGM. The completion and return of the proxy form by a Shareholder will not prevent him from attending and voting in person at the AGM in place of his proxy if he so wishes.

A Depositor shall not be regarded as a member of the Company entitled to attend the AGM and to speak and vote thereat unless his name appears on the Depository Register 72 hours before the AGM.

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9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Proposed Renewal of General Mandate for Interested Person Transactions, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Appendix in its proper form and context.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company's Share Registrar at Boardroom Corporate & Advisory Services Pte. Ltd, at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632, during normal business hours from the date of this Appendix up to and including the date of the AGM:

- (a) the Constitution; and
- (b) the annual report of the Company for the financial year ended 30 June 2025.

Yours faithfully

For and on behalf of the Board of Directors of
Net Pacific Financial Holdings Limited

Ong Chor Wei @ Alan Ong
Chief Executive Officer and Executive Director

NET PACIFIC FINANCIAL HOLDINGS LIMITED

(Company Registration Number: 200300326D)
(Incorporated in the Republic of Singapore)

PROXY FORM

IMPORTANT

- 1. The Annual General Meeting ("AGM") will be held physically at 1 Robinson Road #18-00 AIA Tower Singapore 048542 on Thursday, 20 November 2025 at 2 p.m.. There will be no option for Shareholders to participate virtually.
- 2. Pursuant to Section 181(1C) of the Companies Act 1967, Relevant Intermediaries (as defined in the Companies Act) may appoint more than 2 proxies to attend, speak and vote at the AGM.
- 3. CPF/SRS investors:
 - (a) may vote at the AGM if they are appointed as proxies by their respective CPF agent banks or SRS operators, and should contact their respective CPF agent banks or SRS operators if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the AGM as proxy, in which case they should approach their respective CPF agent banks or SRS operators to submit their votes by 5.00 p.m. on Monday, 10 November 2025 (that is, at least seven (7) working days before the date of the AGM).
- 4. This Proxy Form is not valid for use by CPF Investors and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by CPF Investors and SRS Investors.

I/We*, _____ (Name) _____ (NRIC/Passport/Company Registration Number*)
of _____ (Address)

being a member/members of Net Pacific Financial Holdings Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholding	
		No. of Shares	%
Address			

and/or*

Name	NRIC/Passport No.	Proportion of Shareholding	
		No. of Shares	%
Address			

or failing him/her*, the Chairman of the AGM as my/our* proxy/proxies* to vote for me/us* on my/our* behalf at the AGM to be held at 1 Robinson Road #18-00 AIA Tower, Singapore 048542 on Thursday, 20 November 2025 at 2 p.m. and at any adjournment thereof. I/We* direct my/our* proxy/proxies* to vote for or against the resolution to be proposed at the AGM as indicated hereunder.

* Please delete where appropriate.

(Please indicate your vote "For" or "Against" with a tick [✓] within the box provided.)

	Resolutions relating to:	For**	Against**	Abstain**
	Ordinary Business			
1.	To adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 30 June 2025			
2.	Re-election of Mr Chung Wai Man as a Director of the Company (Retiring pursuant to Regulation 89)			
3.	Re-election of Mr Zhou Wen Jie as a Director of the Company (Retiring pursuant to Regulation 89)			
4.	Re-election of Mr Ben Lee as a Director of the Company (Retiring pursuant to Regulation 89)			
5.	Approval of payment of Directors' fees of S\$119,000 for the period from 1 January 2025 to 30 June 2025			
6.	Approval of payment of the sum of up to S\$238,000 to all Directors as Directors' fees for the financial year ending 30 June 2026, payable half-yearly in arrears			
7.	Re-appointment of Foo Kon Tan LLP, Chartered Accountants of Singapore, as the Company's auditors and to authorise the Directors to fix their remuneration			
	Special Business			
8.	Authority to allot and issue new Shares in the capital of the Company and/or Instruments			
9.	Approval of the Proposed Renewal of the General Mandate for Interested Person Transactions.			

** If you wish to exercise all your votes "For" or "Against" or "Abstain", please tick (✓) in the box provided. Otherwise, please indicate the number of votes as appropriate. In the absence of specific directors in respect of a resolution, the appointment of proxy(ies) for that resolution will be treated as invalid.

Voting will be conducted by poll

Dated this _____ day of _____ 2025

Total number of Shares in:	No. of Shares
(a) Depository Register	
(b) Register of Members	

Signature or Common Seal of Member(s)



IMPORTANT: PLEASE READ NOTES BELOW CAREFULLY BEFORE COMPLETING THIS FORM

Notes:

1. The AGM will be held at 1 Robinson Road #18-00 AIA Tower, Singapore 048542 on Thursday, 20 November 2025 at 2 p.m.. There will be no option for Shareholders to participate virtually.
2. The Annual Report for the financial year ended 30 June 2025 (the **"FY2025 Annual Report"**) and the Appendix to the FY2025 Annual Report in relation to the Proposed Renewal of the General Mandate for Interested Person Transactions, together with the Notice of AGM, this Proxy Form, and Request Form have been made available on the SGX-ST website at the URL <https://www.sgx.com/securities/company-announcements> and the website of the Company at the URL <https://www.netpac.com.sg/announcement-2025>. A hardcopy of the FY2025 Annual Report will not be sent to shareholders. However, the printed copies of the Notice of AGM, this Proxy Form and the Request Form, will be mailed to all Shareholders.
3. Arrangements relating to submission of comments, queries and/or questions to the Chairman of the AGM in advance of and at the AGM of the Company, addressing of substantial and relevant comments, queries and/or prior to the AGM and during the AGM, and voting physically or appointing proxy(ies) (including the Chairman of the AGM) to vote at the AGM of the Company, are set out in the Notice of AGM.
4. Shareholders (whether individual or corporate) may vote at the AGM by themselves or may appoint proxy(ies) (including the Chairman of the AGM) to attend, speak and vote on his/her/its behalf at the AGM in accordance with the instructions on the Proxy Form if such Shareholder wishes to exercise his/her/its voting rights at the AGM.
5. A Shareholder:
 - (a) who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM on his/her/its behalf. Where such Shareholder's form of proxy appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the form of proxy. Where a member appoints two (2) proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy;
 - (b) who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM on his/her/its behalf, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such Shareholder. Where such Shareholder's form of proxy appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the form of proxy. Where a member appoints more than (2) proxies, the appointments shall be invalid unless the member specifies the number of Shares in relation to which each proxy has been appointed. The proxy must bring along his/her NRIC/passport to enable the Company to verify his/her identity. If a shareholder submits a proxy form and subsequently attends the meeting in person and votes, the appointment of the proxy shall be revoked.

"Relevant Intermediary" shall have the same meaning ascribed to it in Section 181 of the Companies Act 1967.

6. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the SFA), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, this Proxy Form shall be deemed to relate to all the Shares held by you.
7. CPF/SRS investors:
 - (a) may vote at the AGM if they are appointed as proxies by their respective CPF agent banks or SRS operators, and should contact their respective CPF agent banks or SRS operators if they have any queries regarding their appointment as proxies; or
 - (b) may appoint the Chairman of the AGM as proxy, in which case they should approach their respective CPF agent banks or SRS operators to submit their votes by 5.00 p.m. on Monday, 10 November 2025 (that is, at least seven (7) working days before the date of the AGM).
8. Duly appointed proxy(ies), including the Chairman of the AGM acting as proxy, need not be a Shareholder of the Company. A Shareholder may choose to appoint the Chairman of the AGM as his/her/its proxy.
9. The Proxy Form must be submitted to the Company in the following manner:
 - (a) if submitted by post, be lodged at the registered office of the Company's Share Registrar at Boardroom Corporate & Advisory Services Pte. Ltd, at 1 Harbourfront Avenue, Keppel Bay Tower #14-07, Singapore 098632; or
 - (b) if submitted by email, in Portable Document Format (PDF) format to the Company at srs.proxy@boardroomlimited.com, in either case, by 2 p.m. on Monday, 17 November 2025 (that is, not less than 72 hours before the time fixed for holding the AGM). A Shareholder who wishes to submit the Proxy Form must first complete and sign the Proxy Form, before submitting it by post to the address provided above, or by scanning and submitting it by way of electronic means via email to the email address provided above. Shareholders are strongly encouraged to submit the completed Proxy Forms by way of electronic means.
10. Where this Proxy Form is executed by an individual, it must be executed under the hand of the individual or his attorney duly authorised. Where this Proxy Form is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
11. Where a Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof shall (failing previous registration with the Company) be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.

GENERAL:

The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the Proxy Form. In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form if the Shareholder, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 72 hours before the time fixed for holding the AGM, as certified by the Central Depository (Pte) Limited to the Company. A Depositor shall not be regarded as a Shareholder of the Company entitled to attend, speak and vote at the AGM unless his name appears on the Depository Register 72 hours before the time set for the AGM.

PERSONAL DATA PRIVACY:

By submitting the Proxy Form appointing a proxy(ies) (including the Chairman of the AGM) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Shareholder of the Company (a) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (b) warrants that where the Shareholder discloses the personal data of the Shareholder's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the Shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (c) agrees to indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of warranty. In addition, by attending the AGM and/or any adjournment thereof, a Shareholder consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for any of the Purposes.

Corporate Information

COMPANY REGISTRATION NUMBER:

200300326D

REGISTERED OFFICE:

35 Selegie Road #10-25 Singapore 188307

Tel : (65) 6542 3488

Fax : (65) 6542 1933

Website: www.netpac.com.sg

BOARD OF DIRECTORS:

Chung Wai Man

(Independent Non-Executive Chairman)

Zhou Wen Jie

(Non-Independent Non-Executive Director)

Ong Chor Wei@Alan Ong

(Chief Executive Officer and Executive Director)

Ben Lee

(Non-Independent Non-Executive Director)

Chin Fook Lai

(Non-Independent Non-Executive Director)

Tso Sze Wai

(Lead Independent Non-Executive Director)

Chak Chi Shing

(Independent Non-Executive Director)

Kwok Meei Ying, Monica

(Independent Non-Executive Director)

AUDIT COMMITTEE:

Tso Sze Wai (Chairman)

Chak Chi Shing

Kwok Meei Ying, Monica

REMUNERATION COMMITTEE:

Tso Sze Wai (Chairman)

Ben Lee

Chak Chi Shing

NOMINATING COMMITTEE:

Chung Wai Man (Chairman)

Ben Lee

Tso Sze Wai

Kwok Meei Ying, Monica

RISK MANAGEMENT COMMITTEE:

Chak Chi Shing (Chairman)

Tso Sze Wai

Kwok Meei Ying, Monica

COMPANY SECRETARIES:

Gn Jong Yuh Gwendolyn, LLB (Hons)

Chong Kian Lee, CA

SHARE REGISTRAR:

Boardroom Corporate & Advisory Services Pte. Ltd.

1 Harbourfront Avenue,

Keppel Bay Tower #14-07

Singapore 098632

Tel: (65) 6536 5355

INDEPENDENT AUDITORS:

Foo Kon Tan LLP

Public Accountant & Chartered Accountants,
Singapore

1 Raffles Place #04-61/62,

One Raffles Place Tower 2,

Singapore 048616

Partner-in-charge:

Kong Chih Hsiang Raymond

(with effect from the financial year ended
30 June 2025)

SPONSOR:

PrimePartners Corporate Finance Pte. Ltd.

16 Collyer Quay, #10-00 Collyer Quay Centre

Singapore 049318



利通太平洋金融控股有限公司
Net Pacific Financial Holdings Limited

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Singapore 188307
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