



香港通訊

HKC INTERNATIONAL HOLDINGS LIMITED

香港通訊國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock code : 248

INTERIM REPORT
2025



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Chan Chung Yee, Hubert
(*Chairman & Chief Executive Officer*)
Chan Chung Yin, Roy
Chan Ming Him, Denny
Wu Kwok Lam CPA, FCCA
Ip Man Hon
Lam Man Hau
Wan Man Lai, Polly

Independent Non-executive Directors

Chiu Ngar Wing FCCA, CPA (Practising)
Chu Chor Lup
Law Ka Hung
Wong Kwok Leung

COMPANY SECRETARY

Wu Kwok Lam CPA, FCCA

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands
British West Indies

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

14/F., Block B, Vita Tower
29 Wong Chuk Hang Road
Hong Kong

CAYMAN ISLANDS PRINCIPAL REGISTRAR

Codan Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands
British West Indies

HONG KONG BRANCH REGISTRAR

Union Registrars Limited
Suite 3301-04, 33/F.,
Two Chinachem Exchange Square
338 King's Road
North Point, Hong Kong

AUDITORS

SHINEWING (HK) CPA Limited

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking
Corporation Limited
China Construction Bank (Asia)

STOCK CODE

248

WEBSITE ADDRESS

<http://www.hkc.com.hk>

The board of directors (the "Board") of HKC International Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 September, 2025 as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER, 2025

		Six months ended 30 September,	
	Notes	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Revenue	3	32,358	48,130
Cost of sales		(20,324)	(29,322)
Gross profit		12,034	18,808
Other income, gains and losses	4	94	216
Fair value gain on financial assets at fair value through profit and loss ("FVTPL")		–	54
Reversal of impairment loss on trade receivables		225	107
Selling and distribution expenses		(1,364)	(1,443)
Administrative and other operating expenses		(16,909)	(17,093)
Finance costs	5	(3,324)	(3,713)
Loss before taxation	6	(9,244)	(3,064)
Taxation		–	–
Loss for the period attributable to equity holders of the Company		(9,244)	(3,064)
Other comprehensive income			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of overseas operations		636	173
Total comprehensive expense attributable to equity holders of the Company		(8,608)	(2,891)
Loss per share – (HK cents)			
– basic and diluted	7	(0.74) cents	(0.25) cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER, 2025

	Notes	As at 30 September, 2025 HK\$'000 (unaudited)	As at 31 March, 2025 HK\$'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment		47,396	47,697
Investment properties		146,900	146,900
Financial assets at FVTPL		10,205	9,777
		204,501	204,374
CURRENT ASSETS			
Inventories		17,007	13,701
Contract assets	9	105,901	104,324
Financial assets at FVTPL		–	498
Trade receivables	10	6,540	13,838
Prepayments, deposits and other receivables		10,172	12,227
Tax recoverable		117	24
Pledged bank deposits		2,802	2,765
Cash and bank balances		6,556	9,127
		149,095	156,504
CURRENT LIABILITIES			
Trade payables	11	4,276	3,091
Accruals and other payables	11	2,868	1,242
Contract liabilities		2,424	2,446
Amounts due to directors		3,100	3,000
Lease liabilities		54	126
Bank borrowings		131,358	133,482
Tax payable		366	46
		144,446	143,433

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

AS AT 30 SEPTEMBER, 2025

	As at 30 September, 2025 HK\$'000 (unaudited)	As at 31 March, 2025 HK\$'000 (audited)
NET CURRENT ASSETS	4,649	13,071
TOTAL ASSETS LESS CURRENT LIABILITIES	209,150	217,445
NON-CURRENT LIABILITIES		
Lease liabilities	313	–
Deferred tax liabilities	49	49
	362	49
NET ASSETS	208,788	217,396
CAPITAL AND RESERVES		
Share capital	12,453	12,453
Reserves	196,335	204,943
TOTAL EQUITY	208,788	217,396

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 SEPTEMBER, 2025

	Attributable to equity holders of the Company							
	Share capital	Share premium	Capital reserve	Property revaluation reserve	Translation reserve	Share-based payment reserve	Retained profits	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April, 2025	<u>12,453</u>	<u>39,621</u>	<u>28,325</u>	<u>74,640</u>	<u>1,932</u>	<u>1,582</u>	<u>58,843</u>	<u>217,396</u>
Loss for the period	-	-	-	-	-	-	(9,244)	(9,244)
Other comprehensive income for the period	-	-	-	-	636	-	-	636
Total comprehensive income (expense) for the period	-	-	-	-	636	-	(9,244)	(8,608)
At 30 September, 2025 (unaudited)	<u>12,453</u>	<u>39,621</u>	<u>28,325</u>	<u>74,640</u>	<u>2,568</u>	<u>1,582</u>	<u>49,599</u>	<u>208,788</u>
At 1 April, 2024	<u>12,453</u>	<u>39,621</u>	<u>28,325</u>	<u>74,640</u>	<u>149</u>	<u>1,887</u>	<u>85,286</u>	<u>242,361</u>
Loss for the period	-	-	-	-	-	-	(3,064)	(3,064)
Other comprehensive income for the period	-	-	-	-	173	-	-	173
Total comprehensive income (expense) for the period	-	-	-	-	173	-	(3,064)	(2,891)
At 30 September, 2024 (unaudited)	<u>12,453</u>	<u>39,621</u>	<u>28,325</u>	<u>74,640</u>	<u>322</u>	<u>1,887</u>	<u>82,222</u>	<u>239,470</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER, 2025

	Six months ended	
	30.9.2025	30.9.2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Net cash generated from operating activities	17,890	39,185
Net cash used in investing activities	(399)	(127)
Net cash used in financing activities	(27,016)	(27,016)
Net (decrease) increase in cash and cash equivalents	(9,525)	12,042
Cash and cash equivalents at beginning of the period	(1,453)	1,510
Effect of foreign exchange rates changes	26	6
Cash and cash equivalents at end of the period	(10,952)	13,558
Analysis of balances of cash and cash equivalents		
Cash and bank balances	6,556	15,657
Bank overdraft	(17,508)	(2,099)
	(10,952)	13,558

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER, 2025

1. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations ("HK-Int")) issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and certain financial instruments, which have been measured at fair values. These financial statements are presented in Hong Kong Dollars ("HK\$") and all values are rounded to the nearest thousand except where otherwise indicated.

2. PRINCIPAL ACCOUNTING POLICIES

In the current interim period, the Group has applied, for the first time, the following amendments to HKAS issued by the HKICPA which are effective for the Group's financial year beginning 1 April, 2025:

Amendments to HKAS 21

Lack of Exchangeability

The application of the above amendments in the current interim period has had no material effect on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE/SEGMENT INFORMATION

Revenue represents sales of mobile phones, sales of internet of things ("IOT") solutions, maintenance income, installation, repairs services and gross rental income.

Segment results, assets and liabilities

Information reported to the executive directors, as chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The directors of the Company have chosen to organise the Group around differences in products and services. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable segments are as follows:

1. Sales of mobile phones in Hong Kong
2. Sales of IOT solutions in Hong Kong
3. Sales of IOT solutions in Mainland China and other countries in South East Asia
4. Property investment

3. REVENUE/SEGMENT INFORMATION (Continued) Segment results, assets and liabilities (Continued)

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than financial assets at FVTPL.
- all liabilities are allocated to reportable segments other than deferred tax liabilities.

The following is an analysis of the Group's revenue and results by reportable and operating segments.

Segment revenues and results

For the six months ended 30 September, 2025

	Sales of mobile phones in Hong Kong HK\$'000 (unaudited)	Sales of IOT solutions in Hong Kong HK\$'000 (unaudited)	Sales of IOT solutions in Mainland China and other countries in South East Asia HK\$'000 (unaudited)	Property investment HK\$'000 (unaudited)	Inter-segment elimination HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
REVENUES						
Revenue	2,023	25,910	7,933	1,210	(4,718)	32,358
Less: inter-segment revenue	-	-	(4,718)	-	4,718	-
Reportable segment revenue – external	<u>2,023</u>	<u>25,910</u>	<u>3,215</u>	<u>1,210</u>	<u>-</u>	<u>32,358</u>
Reportable segment loss	<u>(577)</u>	<u>(5,106)</u>	<u>(3,250)</u>	<u>(297)</u>	<u>-</u>	<u>(9,230)</u>
Segments assets and liabilities:						
Reportable segment assets	1,170	200,205	18,205	123,811	-	343,391
Reportable segment liabilities	<u>1,683</u>	<u>138,525</u>	<u>3,810</u>	<u>741</u>	<u>-</u>	<u>144,759</u>
Other segment information:						
Amounts included in the measure of segment profit or loss or segment assets						
Interest income from bank deposits	-	102	-	-	-	102
Finance costs	2	3,144	12	166	-	3,324
Depreciation	22	428	201	12	-	663
Reversal of impairment loss on trade receivables	-	225	-	-	-	225
Additions to non-current assets	-	12	350	-	-	362

3. REVENUE/SEGMENT INFORMATION (Continued)**Segment revenues and results (Continued)**

For the six months ended 30 September, 2024

	Sales of mobile phones in Hong Kong HK\$'000 (unaudited)	Sales of IOT solutions in Hong Kong HK\$'000 (unaudited)	Sales of IOT solutions in Mainland China and other countries in South East Asia HK\$'000 (unaudited)	Property investment HK\$'000 (unaudited)	Inter-segment elimination HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
REVENUES						
Revenue	3,150	43,008	9,047	773	(7,848)	48,130
Less: inter-segment revenue	—	—	(7,848)	—	7,848	—
Reportable segment revenue – external	<u>3,150</u>	<u>43,008</u>	<u>1,199</u>	<u>773</u>	<u>—</u>	<u>48,130</u>
Reportable segment (loss) profit	<u>(657)</u>	<u>3,131</u>	<u>(3,704)</u>	<u>(1,802)</u>	<u>—</u>	<u>(3,032)</u>
Segments assets and liabilities:						
Reportable segment assets	2,261	181,623	25,566	165,200	—	374,650
Reportable segment Liabilities	<u>1,644</u>	<u>132,987</u>	<u>10,624</u>	<u>652</u>	<u>—</u>	<u>145,907</u>
Other segment information:						
Amounts included in the measure of segment profit or loss or segment assets						
Interest income from bank deposits	—	275	—	—	—	275
Finance costs	5	2,490	17	1,201	—	3,713
Depreciation	71	176	220	12	—	479
Reversal of impairment loss on trade receivables	—	107	—	—	—	107
Additions to non-current assets	<u>—</u>	<u>48</u>	<u>21</u>	<u>—</u>	<u>—</u>	<u>69</u>

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment (loss) profit represents the (loss) profit earned by each segment without allocation of fair value gain (loss) of financial assets at FVTPL and net exchange loss. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

3. REVENUE/SEGMENT INFORMATION (Continued)

Geographic information

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets is presented based on the geographic location of the assets.

	Revenues from external customers		Non-current assets*	
	30.9.2025 HK\$'000 (unaudited)	30.9.2024 HK\$'000 (unaudited)	30.9.2025 HK\$'000 (unaudited)	31.3.2025 HK\$'000 (audited)
Hong Kong (place of domicile)	27,933	46,931	193,809	194,313
Mainland China	1,434	89	121	133
Singapore	2,991	1,110	366	151
Other countries in South East Asia	-	-	-	-
	4,425	1,199	487	284
	32,358	48,130	194,296	194,597

* Non-current assets excluding financial assets at FVTPL.

Reconciliations of reportable segment profit or loss before taxation

	Six months ended	
	30.9.2025 HK\$'000 (unaudited)	30.9.2024 HK\$'000 (unaudited)
PROFIT OR LOSS		
Reportable segment loss	(9,230)	(3,032)
Fair value gain on financial assets at FVTPL	-	54
Net exchange loss	(14)	(86)
Consolidated loss before taxation	(9,244)	(3,064)

3. REVENUE/SEGMENT INFORMATION (Continued)

Reconciliations of reportable segment assets and liabilities

	30.9.2025 HK\$'000 (unaudited)	31.3.2025 HK\$'000 (audited)
ASSETS		
Total reportable segment assets	343,391	350,603
Unallocated corporate assets	10,205	10,275
	<hr/>	<hr/>
Consolidated total assets	353,596	360,878
	<hr/>	<hr/>
LIABILITIES		
Total reportable segment liabilities	144,759	143,433
Deferred tax liabilities	49	49
	<hr/>	<hr/>
Consolidated total liabilities	144,808	143,482
	<hr/>	<hr/>

4. OTHER INCOME, GAINS AND LOSSES

	Six months ended	
	30.9.2025 HK\$'000 (unaudited)	30.9.2024 HK\$'000 (unaudited)
Loss on disposal of financial assets at FVTPL	(13)	–
Government subsidies (Note)	16	26
Bank interest income	102	275
Dividend income	3	1
Net exchange loss	(14)	(86)
	<hr/>	<hr/>
	94	216
	<hr/>	<hr/>

Note:

The Group recognised government subsidies of HK\$16,000 (2024: HK\$26,000) from Singapore government. There are no unfulfilled conditions and other contingencies attached to the receipts of those subsidies.

5. FINANCE COSTS

	Six months ended	
	30.9.2025 HK\$'000 (unaudited)	30.9.2024 HK\$'000 (unaudited)
Interest on bank borrowings	2,983	3,559
Interest on lease liabilities	5	8
Total interest expenses	2,988	3,567
Bank charges	336	146
	3,324	3,713

6. LOSS BEFORE TAXATION

	Six months ended	
	30.9.2025 HK\$'000 (unaudited)	30.9.2024 HK\$'000 (unaudited)
Loss before taxation has been arrived at after charging:		
Depreciation on		
– property, plant and equipment	484	306
– right-of-use assets	179	173
	663	479
Employee benefits expenses (including directors' remuneration)		
– salaries, allowances and benefits in kind	8,276	8,717
– retirement benefit scheme contributions	1,200	1,250
Total staff costs	9,476	9,967
Reversal of impairment loss on trade receivables	(225)	(107)

7. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of basic and diluted loss per share is based on the loss attributable to equity holders of the Company of HK\$9,244,000 (2024: HK\$3,064,000) and on the number of shares of 1,245,331,256 (2024: 1,245,331,256) in issue during the period.

As a result of the Group's net loss for the periods ended 30 September, 2025 and 2024, share options outstanding were excluded from the calculation of diluted loss per share as their inclusion would have been anti-dilutive.

8. DIVIDEND

The directors do not recommend the payment of any interim dividend for the six months ended 30 September, 2025 (2024: Nil).

9. CONTRACT ASSETS

IOT solutions

Less: Loss allowance

30.9.2025 HK\$'000 (unaudited)	31.3.2025 HK\$'000 (audited)
107,847	106,270
(1,946)	(1,946)
105,901	104,324

10. TRADE RECEIVABLES

The Group allows an average credit periods ranging from seven days to one month to its customers. For certain customers with long-established relationship and have good credit worthiness, a longer period may be granted.

Trade debtors

Less: Loss allowance

30.9.2025 HK\$'000 (unaudited)	31.3.2025 HK\$'000 (audited)
7,533	15,056
(993)	(1,218)
6,540	13,838

The following is an aged analysis of trade receivables presented based on the invoice date:

Within 30 days

31 – 60 days

61 – 90 days

91 – 180 days

181 – 365 days

Over 365 days

30.9.2025 HK\$'000 (unaudited)	31.3.2025 HK\$'000 (audited)
3,538	9,069
1,515	864
1,108	833
12	102
103	1,012
1,257	3,176
7,533	15,056

11. TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES

	30.9.2025 HK\$'000 (unaudited)	31.3.2025 HK\$'000 (audited)
Trade payables	4,276	3,091
Accruals and other payables	2,868	1,242
	<u>7,144</u>	<u>4,333</u>

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

	30.9.2025 HK\$'000 (unaudited)	31.3.2025 HK\$'000 (audited)
0 – 30 days	3,427	1,873
31 – 60 days	54	284
61 – 90 days	15	1
Over 90 days	780	933
	<u>4,276</u>	<u>3,091</u>

The trade payables were due according to the terms stated in the relevant contracts. The average credit period ranged from 30 days to 60 days.

12. RELATED PARTY TRANSACTIONS

Key management personnel compensation

The remuneration of directors of the Company (who are also the key management) during the period were as follows:

	Six months ended 30.9.2025 HK\$'000 (unaudited)	30.9.2024 HK\$'000 (unaudited)
Short-term benefits	2,359	2,400
Post-employment benefits	64	81
	<u>2,423</u>	<u>2,481</u>

The remuneration of directors of the Company is determined by the remuneration committee having regard to the performance of individual and market trends.

MANAGEMENT DISCUSSION AND ANALYSIS

For the six months ended 30 September, 2025, the Group's revenue was HK\$32 million which represented a decrease of approximately 33% as compared with the HK\$48 million recorded for the corresponding period last year and the loss attributable to equity holders of the Company was HK\$9 million as compared to the loss of HK\$3 million for the six months ended 30 September, 2024.

Sales of mobile phones

During the period under review, the revenue was HK\$2 million, representing a decrease of 33% compared to the same period last year (2024: HK\$3 million) due to the weak market demand. The division recorded loss of HK\$0.6 million (2024: HK\$0.7 million).

Sales of IOT solutions

During the period under review, the turnover was HK\$29 million (2024: HK\$44 million). The division recorded loss of HK\$8 million (2024: HK\$1 million).

Property investment

During the period under review, the rental income increased by HK\$0.4 million to HK\$1.2 million (2024: HK\$0.8 million). The division recorded loss of HK\$0.3 million (2024: HK\$1.8 million).

PROSPECTS

Regarding the mobile phone business, we are the authorised distributors of both Nokia and vivo brands. In view of the weak demand in the foreseeable future, we will decrease our resources in this segment to minimize losses.

For IOT solutions segment, the market demand is weak due to the uncertain economic outlook. We will continue to strengthen our cost control and develop additional products to meet market demand and to mitigate the negative impact upon our business. We have integrated artificial intelligence into our products, including the Smart Sorter, which will enhance the accuracy of predicting the contents of enclosed CD cases for the Hong Kong Public Library. Additionally, we pioneered the development and deployment of a first-of-its-kind Automated Storage and Retrieval System (ASRS) for a pop-up library at Singapore Changi Airport. Building on our expertise in AI and robotics, the Group continues to explore innovative applications across diverse domains.

Regarding the property investment segment, all properties have been leased.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September, 2025, the Group's cash and bank balances amounted to approximately HK\$7 million (31 March, 2025: HK\$9 million) while the bank borrowings were HK\$131 million (31 March, 2025: HK\$133 million).

The Board believes that the Group has sufficient cash balances and banking facilities to satisfy its commitment and working capital requirements. The gearing ratio was 63% (31 March, 2025: 61%) which is expressed as a percentage of total borrowings to total equity.

EMPLOYEES

As at 30 September, 2025, the total number of employees of the Group was approximately 82 (31 March, 2025: 83) and the aggregate remuneration of employees (excluding directors' emoluments) amounted to HK\$6 million (2024: HK\$7 million). The remuneration and bonus packages of the employees are based on the individual merits and performance and are reviewed at least annually. The Group maintains a good relationship with its employees.

PLEDGE OF ASSETS

As at 30 September, 2025, the Group's general banking facilities were secured by (1) first legal charge on certain leasehold land and buildings with total carrying value of HK\$46,145,000 (31 March, 2025: HK\$46,691,000); (2) first legal charge on certain investment properties with total fair value of HK\$146,900,000 (31 March, 2025: HK\$146,900,000); (3) bank deposits of HK\$2,802,000 (31 March, 2025: HK\$2,765,000) and (4) financial assets at FVTPL with total fair value of HK\$9,340,000 (31 March, 2025: HK\$9,340,000).

CONTINGENT LIABILITIES

As at 30 September, 2025, the Company had provided corporate guarantees of HK\$138 million (31 March, 2025: HK\$138 million) to secure the banking facilities granted to subsidiaries.

SHARE-BASED PAYMENT TRANSACTIONS

The Company's share option scheme (the "Scheme"), was adopted pursuant to a resolution passed on 26 August 2022 for the primary purpose of providing incentives to directors and eligible employees, and will expire on 26 August 2032. Under the Scheme, the Board may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

Details of specific categories of options are as follows:

Date of grant	Vesting period	Exercise period	Exercise price
18 October 2022	18 October 2022 to 31 October 2023	1 November 2023 to 31 December 2025	HK\$0.055

The following table discloses movements of the Company's share options held by employees and directors during the period:

Grantee	Outstanding at 1 April 2025	Granted during the period	Exercised during the period	Forfeited during the period	Expired during the year	Outstanding at 30 September 2025
Directors						
Chan Chung Yee Hubert	12,000,000	-	-	-	-	12,000,000
Wu Kwok Lam	9,772,000	-	-	-	-	9,772,000
Lam Man Hau	8,488,000	-	-	-	-	8,488,000
Wan Man Lai Polly	3,724,000	-	-	-	-	3,724,000
Chan Ming Him	2,620,000	-	-	-	-	2,620,000
Chan Chung Yin Roy	2,520,000	-	-	-	-	2,520,000
Chiu Ngar Wing	1,200,000	-	-	-	-	1,200,000
Chu Chor Lup	1,200,000	-	-	-	-	1,200,000
Law Ka Hung	1,200,000	-	-	-	-	1,200,000
Employees	31,268,000	-	-	-	-	31,268,000
Total	73,992,000	-	-	-	-	73,992,000

SHARE-BASED PAYMENT TRANSACTIONS (Continued)

The maximum number of shares in respect of which share options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company as of the date of adoption of the Scheme, being 124,533,125. As at 30 September, 2025, the number of shares that may be issued in respect of the options granted and outstanding under the Scheme was 73,992,000 (31 March, 2025: 73,992,000), representing 6% (31 March, 2025: 6%) of the shares of the Company in issue at that date. The number of shares which can further be issued under the Scheme is 50,541,125.

The estimated fair value of the options granted on the date is HK\$1,887,000.

The fair value was calculated using the Binomial model. The inputs into the model were as follows:

18 October
2022

Exercise price	HK\$0.055
Volatility	61.745%
Attrition rate	5%
Risk-free rate	4.32%
Expected dividend yield	0%

Expected volatility was determined by using the historical volatility of the Company's share price over the previous 3 years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

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

As at 30 September, 2025, the interests and short positions of each director and chief executive of the Company in shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions which he was taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long position in shares and underlying shares of the Company

Name of Director	Number of shares held		Number of underlying shares held under equity derivatives (Note 1)	Total	Approximate percentage of interest
	Personal interests (held as beneficial owner)	Corporate interests (interests of controlled corporation)			
Chan Chung Yee, Hubert	659,740,159	22,012,087 (Note 2)	12,000,000	693,752,246	55.71
Chan Chung Yin, Roy	93,795,191	–	2,520,000	96,315,191	7.73
Chan Ming Him, Denny	2,616,991	–	2,620,000	5,236,991	0.42
Ip Man Hon	1,537,598	–	–	1,537,598	0.12
Lam Man Hau	625,000	–	8,488,000	9,113,000	0.73
Wu Kwok Lam	3,000	–	9,772,000	9,775,000	0.79
Wan Man Lai, Polly	145,000	–	3,724,000	3,869,000	0.31
Chiu Ngar Wing	–	–	1,200,000	1,200,000	0.10
Chu Chor Lup	–	–	1,200,000	1,200,000	0.10
Law Ka Hung	–	–	1,200,000	1,200,000	0.10

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

Long position in shares and underlying shares of the Company (Continued)

Notes:

- (1) These underlying shares of the Company held under equity derivatives represented the share options granted by the Company under its share option scheme.
- (2) These shares were held by Light Emotion Limited, a Company owned by Mr. Chan Chung Yee, Hubert and his wife, Josephine Liu.
- (3) Save as disclosed above, as at the end of the reporting period, none of the directors and chief executive of the Company had any interest and short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he was taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from those disclosed under the heading "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures" and "Share-based payment transactions" above at no time during the period under review were there any rights to acquire shares in or debentures of the Company granted to any director or their respective spouse or minor children, or were any such rights exercised by them. None of the Company or any of its subsidiaries was a party to any arrangement to enable the directors or their respective spouse or minor children to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September, 2025, the interests and short positions of the substantial shareholders of the Company (other than the directors and the chief executive of the Company) in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO were as follows:

Name	Number of Shares (long position) (Note 1)	Capacity/ nature of interest	Approximate percentage of interest
Josephine Liu (Note 1)	693,752,246	Interests of spouse	55.71
Chan Low Wai Han, Edwina (Note 2)	96,315,191	Interests of spouse	7.73

Notes:

- (1) Ms. Josephine Liu is the wife of Mr. Chan Chung Yee, Hubert. By virtue of the provisions of Divisions 2 and 3 of Part XV of the SFO, Ms. Josephine Liu is deemed to be interested in all the shares in which Mr. Chan Chung Yee, Hubert is interested.
- (2) Mrs. Chan Low Wai Han, Edwina is the wife of Mr. Chan Chung Yin, Roy. By virtue of the provisions of Divisions 2 and 3 of Part XV of the SFO, Mrs. Chan Low Wai Han, Edwina is deemed to be interested in all the shares in which Mr. Chan Chung Yin, Roy is interested.

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

During the six months ended 30 September, 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE OF THE LISTING RULES

In the opinion of the directors, the Company has complied with the code provisions in the Corporate Governance Code (the “Code”) as set out in Appendix 14 to the Listing Rules throughout the six months ended 30 September, 2025, except the following provisions:

Code provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not segregate the roles of chairman and chief executive officer and Mr. Chan Chung Yee, Hubert currently holds both positions. The Board believes that vesting the roles of chairman and chief executive officer in the same person provides the Group with strong and consistent leadership in the development and execution of long-term business strategies. The Board will continuously review and improve the corporate governance practices and standards of the Company to ensure that business activities and decision making processes are regulated in a proper and prudent manner.

Code provision A.6.7 stipulates, among other things, that the independent non-executive directors and other non-executive directors should attend general meetings. Mr. Chiu Ngar Wing and Dr. Chu Chor Lup were unable to attend the annual general meeting of the Company held on 29 August, 2025 due to their other commitments.

COMPLIANCE WITH THE MODEL CODE SET OUT IN APPENDIX 10 TO THE LISTING RULES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the “Model Code”) as its own code of conduct regarding directors’ securities transactions. Having made specific enquiry of all directors, all directors confirmed that they have complied with the required standards set out in the Model Code during the six months ended 30 September, 2025.

AUDIT COMMITTEE

The audit committee has reviewed with management the accounting policies adopted by the Group and discussed internal control and financial reporting matters including the review of the unaudited interim results for the six months ended 30 September, 2025.

APPRECIATION

The Board of the Company would like to extend its sincere gratitude to the Company's shareholders, business counterparts and all management and the staff members of the Group for their contribution and continued support during the period.

On behalf of the Board
Chan Chung Yee, Hubert
Chairman

Hong Kong, 28 November, 2025