



Deson Development International Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code : 262)



INTERIM REPORT 2025

The board of directors (the “**Board**”) of Deson Development International Holdings Limited (the “**Company**”) hereby announce the unaudited interim consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 September 2025 (the “**Reporting Period**”), together with the comparative figures for the six months ended 30 September 2024 as follows:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2025

	Notes	2025 HK\$'000	2024 HK\$'000
REVENUE	3	53,685	91,978
Cost of sales		<u>(24,503)</u>	<u>(61,261)</u>
Gross profit		29,182	30,717
Other income and gains	3	10,115	12,907
Administrative expenses		(44,136)	(38,300)
Other operating income/(expenses), net		7,927	(2,472)
Finance costs	5	(7,201)	(12,752)
Share of profits and losses of associates, net		<u>(370)</u>	<u>(268)</u>
LOSS BEFORE TAX	4	(4,483)	(10,168)
Income tax expenses	6	<u>(1,123)</u>	<u>(4,459)</u>
LOSS FOR THE PERIOD		<u>(5,606)</u>	<u>(14,627)</u>
Attributable to:			
Owners of the Company		(5,598)	(14,622)
Non-controlling interests		<u>(8)</u>	<u>(5)</u>
		<u>(5,606)</u>	<u>(14,627)</u>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted	8	<u>HK(0.38) cents</u>	<u>HK(1.00) cents</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2025

	2025 HK\$'000	2024 HK\$'000
LOSS FOR THE PERIOD	(5,606)	(14,627)
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	20,355	29,884
Share of other comprehensive income of associates, net	16	7
Net other comprehensive income that may be reclassified to profit or loss in subsequent periods	20,371	29,891
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	14,765	15,264
Attributable to:		
Owners of the Company	14,778	15,277
Non-controlling interests	(13)	(13)
	14,765	15,264

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

		30 September 2025	31 March 2025
	Notes	HK\$'000	HK\$'000 (Audited)
NON-CURRENT ASSETS			
Goodwill		—	—
Property, plant and equipment		345,141	306,150
Investment properties	9	653,569	641,576
Investments in associates		4,843	5,447
Equity investments at fair value through profit or loss	10	32,068	28,130
Consideration receivables	11	57,012	55,457
Total non-current assets		1,092,633	1,036,760
CURRENT ASSETS			
Due from associates		4,653	4,867
Properties held for sale	12	449,024	459,313
Inventories		6,546	5,171
Accounts receivable	13	35,170	17,158
Prepayments, deposits and other receivables	11	156,529	152,294
Tax recoverable		26,704	26,451
Pledged deposits		4,000	4,000
Cash and cash equivalents		16,961	36,074
Total current assets		699,587	705,328

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(CONTINUED)

As at 30 September 2025

		30 September 2025	31 March 2025
	<i>Notes</i>	HK\$'000	<i>HK\$'000</i> (Audited)
CURRENT LIABILITIES			
Accounts payable	14	32,613	32,056
Other payables and accruals		95,965	79,879
Due to related companies		13,742	645
Tax payable		43,509	42,993
Bonds payable	15	15,000	—
Interest-bearing bank and other borrowings		167,286	150,988
Lease liabilities		2,101	2,205
		<hr/>	<hr/>
Total current liabilities		370,216	308,766
		<hr/>	<hr/>
NET CURRENT ASSETS		329,371	396,562
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,422,004	1,433,322
		<hr/>	<hr/>
NON-CURRENT LIABILITIES			
Bonds payable	15	—	15,000
Interest-bearing bank and other borrowings		30,586	42,635
Deferred tax liabilities		96,651	95,418
Lease liabilities		38,092	38,359
		<hr/>	<hr/>
Total non-current liabilities		165,329	191,412
		<hr/>	<hr/>
Net assets		1,256,675	1,241,910
		<hr/> <hr/>	<hr/> <hr/>
EQUITY			
Equity attributable to owners of the Company			
Issued capital	16	146,682	146,682
Reserves		1,123,579	1,108,801
		<hr/>	<hr/>
		1,270,261	1,255,483
Non-controlling interests		(13,586)	(13,573)
		<hr/>	<hr/>
Total equity		1,256,675	1,241,910
		<hr/> <hr/>	<hr/> <hr/>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2025

	Attributable to owners of the Company										Non-controlling interests	
	Issued capital	Share premium account	Contributed surplus	Other reserve	Property revaluation reserve	Capital reserve	Capital redemption reserve	Exchange fluctuation reserve	Retained profits	Total		
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 April 2025 (audited)	146,682	240,853*	15,262*	23,061*	92,410*	(9,235)*	14,457*	(88,675)*	820,668*	1,255,483	(13,573)	1,241,910
Loss for the period	—	—	—	—	—	—	—	—	(5,598)	(5,598)	(8)	(5,606)
Other comprehensive income/(loss) for the period:												
Share of other comprehensive income of associates	—	—	—	—	—	—	—	16	—	16	—	16
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	20,360	—	20,360	(5)	20,355
Total comprehensive income/(loss) for the period	—	—	—	—	—	—	—	20,376	(5,598)	14,778	(13)	14,765
Release of revaluation reserve	—	—	—	—	(2,204)	—	—	—	2,204	—	—	—
At 30 September 2025	<u>146,682</u>	<u>240,853*</u>	<u>15,262*</u>	<u>23,061*</u>	<u>90,206*</u>	<u>(9,235)*</u>	<u>14,457*</u>	<u>(68,299)*</u>	<u>817,274*</u>	<u>1,270,261</u>	<u>(13,586)</u>	<u>1,256,675</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

For the six months ended 30 September 2024

	Attributable to owners of the Company										Non-controlling interests	
	Issued capital	Share premium account	Contributed surplus	Other reserve	Property revaluation reserve	Capital reserve	Capital redemption reserve	Exchange fluctuation reserve	Retained profits	Total	Total equity	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
At 1 April 2024 (audited)	146,682	240,853	15,262	23,061	111,716	(9,240)	14,457	(78,888)	889,172	1,353,075	(11,485)	1,341,590
Loss for the period	—	—	—	—	—	—	—	—	(14,622)	(14,622)	(5)	(14,627)
Other comprehensive income/(loss) for the period:												
Share of other comprehensive income of associates	—	—	—	—	—	—	—	7	—	7	—	7
Exchange differences on translation of foreign operations	—	—	—	—	—	—	—	29,892	—	29,892	(8)	29,884
Total comprehensive income/(loss) for the period	—	—	—	—	—	—	—	29,899	(14,622)	15,277	(13)	15,264
Partial disposal of a subsidiary	—	—	—	—	—	—	—	—	—	—	39	39
Release of revaluation reserve	—	—	—	—	(2,610)	—	—	—	2,610	—	—	—
At 30 September 2024	146,682	240,853	15,262	23,061	109,106	(9,240)	14,457	(48,989)	877,160	1,368,352	(11,459)	1,356,893

* These reserve accounts comprise the consolidated reserves of HK\$1,123,579,000 (31 March 2025: HK\$1,108,801,000) in the interim condensed consolidated statement of financial position.

The contributed surplus of the Group represents the excess of the nominal value of the subsidiaries' shares acquired over the nominal value of the Company's shares issued in exchange thereof, pursuant to the Group reorganisation on 21 May 1997.

The reserve funds of the Group include statutory reserves required to be appropriated from the profit after tax of the Company's subsidiaries in Mainland China under the laws and regulations of the People's Republic of China (the "PRC"). The amount of the appropriation is at the discretion of these subsidiaries' boards of directors.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2025

	Notes	2025 HK\$'000	2024 HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(4,483)	(10,168)
Adjustments for:			
Finance costs	5	7,201	12,752
Share of profits and losses of associates, net		370	268
Interest income	3	(32)	(178)
Imputed interest income	3	(4,859)	(8,201)
Loss on disposal of items of property, plant and equipment	4	3	10
Loss on sales and leaseback	4	—	458
Depreciation of property, plant and equipment	4	8,848	6,572
Reversal of provision of impairment of accounts receivable	4	(8,677)	—
Provision for inventories	4	262	406
		(1,367)	1,919
Decrease in properties held for sale		6,412	82,387
Increase in inventories		(1,634)	(244)
(Increase)/decrease in accounts receivable		(9,265)	5,811
Increase in prepayments, deposits and other receivables		(153)	(1,860)
(Decrease)/increase in accounts payable		(2)	8,044
Increase/(decrease) in other payables and accruals		14,830	(2,794)
Cash generated from operations		8,821	93,263
Interest paid		(7,201)	(12,752)
Overseas taxes paid		(354)	(1,240)
Net cash flows from operating activities		1,266	79,271

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(CONTINUED)

For the six months ended 30 September 2025

	2025 HK\$'000	2024 HK\$'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	32	178
Dividend income	250	—
Advances to equity investments at fair value through profit or loss	(4,300)	(5,301)
Purchases of items of property, plant and Equipment	(31,501)	(15,098)
Refund of equity investments designated at fair value through profit or loss	363	—
Repayment from/(advances to) associates, net	214	(369)
	<hr/>	<hr/>
Net cash flows used in investing activities	(34,942)	(20,590)
CASH FLOWS FROM FINANCING ACTIVITIES		
New bank and other borrowings	80,915	73,888
Repayment of bank and other borrowings	(80,817)	(121,777)
Repayment of bonds payable	—	(5,000)
Principal portion of lease liabilities	(1,123)	(764)
Repayment of loan from a related party	—	(6,480)
Movement in balances with related companies, net	13,019	(3,980)
	<hr/>	<hr/>
Net cash flows from/(used in) financing activities	11,994	(64,113)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(CONTINUED)

For the six months ended 30 September 2025

	2025 HK\$'000	2024 HK\$'000
NET DECREASE IN CASH AND CASH EQUIVALENTS	(21,682)	(5,432)
Cash and cash equivalents at beginning of period	18,341	20,399
Effect of foreign exchange rate changes, net	<u>429</u>	<u>734</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>(2,912)</u>	<u>15,701</u>
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as stated in the statement of financial position	16,961	33,340
Bank overdrafts	<u>(19,873)</u>	<u>(17,639)</u>
Cash and cash equivalents as stated in the statement of cash flows	<u>(2,912)</u>	<u>15,701</u>

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

These unaudited interim condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). They have been prepared under the historical cost convention, except for leasehold land and buildings classified as property, plant and equipment, investment properties and equity investments which have been measured at fair value. These unaudited interim condensed consolidated financial statements should be read in conjunction with the annual accounts for the year ended 31 March 2025.

The accounting policies and methods of computation used in the unaudited interim condensed consolidated financial statements for the six months ended 30 September 2025 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2025, except for the standards, amendments and interpretations to the Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA applicable to the annual period beginning on 1 April 2025 as described below.

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to HKFRSs in the current period had no material impact on the Group’s financial position and performance for the current and prior periods and the disclosures set out in these condensed consolidated financial statements.

The Group has not early adopted any revised HKFRSs that have been issued but are not yet effective, in these condensed consolidated financial statements.

2. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three (six months ended 30 September 2024: three) reportable operating segments as follows:

- (a) the property development and investment business segment is engaged in property development of residential and commercial properties and holding of investment properties;
- (b) the trading business segment is engaged in the trading of medical equipment and home security and automation products; and
- (c) the “others” segment comprises, principally, the operation of hotels.

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group’s profit/loss before tax except that bank interest income, dividend income, fair value changes on equity investments at fair value through profit or loss, finance costs, share of profits and losses of associates, gain or loss on disposal of subsidiaries, gain on disposal of investment properties as well as unallocated head office and corporate expenses are excluded from such measurement.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

2. OPERATING SEGMENT INFORMATION (CONTINUED)

Six months ended 30 September 2025

	Property development and investment business HK\$'000	Trading business HK\$'000	Others HK\$'000	Total HK\$'000
Segment revenue (note 3)				
Sales to external customers	17,274	20,723	15,688	53,685
Other income and gains	9,596	401	86	10,083
	<u>26,870</u>	<u>21,124</u>	<u>15,774</u>	<u>63,768</u>
Total Segment results	6,237	557	1,732	8,526
<u>Reconciliation:</u>				
Bank interest income				32
Finance costs				(7,201)
Share of profits and losses of associates, net				(370)
Unallocated expenses				<u>(5,470)</u>
Loss before tax				<u><u>(4,483)</u></u>
Other segment information:				
Provision for inventories	—	262	—	262
Depreciation of property, plant and equipment	4,836	229	3,783	8,848
Capital expenditure*	<u>4,775</u>	<u>61</u>	<u>26,665</u>	<u>31,501</u>

* Capital expenditure mainly represents addition of property, plant and equipment for the operation of new hotels.

2. OPERATING SEGMENT INFORMATION (CONTINUED)

Six months ended 30 September 2024

	Property development and investment business HK\$'000	Trading business HK\$'000	Others HK\$'000	Total HK\$'000
Segment revenue (note 3)				
Sales to external customers	60,786	23,154	8,038	91,978
Other income and gains	12,620	109	—	12,729
	73,406	23,263	8,038	104,707
Total Segment results	9,358	398	(1,086)	8,670
Reconciliation:				
Bank interest income				178
Finance costs				(12,752)
Share of profits and losses of associates, net				(268)
Unallocated expenses				(5,996)
Loss before tax				(10,168)
Other segment information:				
Provision for inventories	—	406	—	406
Depreciation of property, plant and equipment	3,688	259	2,625	6,572
Capital expenditure*	225	—	49,251	49,476

* Capital expenditure mainly represents addition of property, plant and equipment, including right-of-use assets for the operation of a new hotel.

2. OPERATING SEGMENT INFORMATION (CONTINUED)

Geographical information

(a) Revenue from external customers

	Hong Kong		Mainland China		Consolidated	
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue:						
Sales to external customers	<u>19,848</u>	<u>21,585</u>	<u>33,837</u>	<u>70,393</u>	<u>53,685</u>	<u>91,978</u>

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

Information about a major customer

During the period, revenue of approximately HK\$12,439,000 (2024: HK\$36,876,000) was derived through sales of medical equipment, wellness and pandemic prevention products in the trading business segment (2024: sales of properties in the property development and investment business segment) from a single customer.

3. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2025 HK\$'000	2024 HK\$'000
Revenue from contracts with customers:		
Income from property development and investment business	9,455	49,520
Income from trading of medical equipment and home security and automation products	20,723	23,154
Hotel operations	<u>15,688</u>	<u>8,038</u>
	45,866	80,712
Revenue from other sources:		
Gross rental income from investment properties	<u>7,819</u>	<u>11,266</u>
	53,685	91,978

3. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

(i) Disaggregated revenue information

For the six months ended 30 September 2025

	Property development and investment business HK\$'000	Trading business HK\$'000	Others HK\$'000	Total HK\$'000
Geographical markets				
Hong Kong	—	19,848	—	19,848
Mainland China	9,455	875	15,688	26,018
Total revenue from contracts with customers recognised at a point in time	9,455	20,723	15,688	45,866

For the six months ended 30 September 2024

	Property development and investment business HK\$'000	Trading business HK\$'000	Others HK\$'000	Total HK\$'000
Geographical markets				
Hong Kong	—	21,585	—	21,585
Mainland China	49,520	1,569	8,038	59,127
Total revenue from contracts with customers recognised at a point in time	49,520	23,154	8,038	80,712

3. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

(ii) Performance obligations

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

Sale of properties

The performance obligation is satisfied when the physical possession or the legal title of the completed property is obtained by the purchaser.

As a practical expedient, the transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are not disclosed in the notes to the condensed consolidated financial statements because all the remaining performance obligations in relation to the income from property development and investment business are parts of contracts that have an original expected duration of one year or less.

Sale of goods

The performance obligation is satisfied upon delivery of the products and payment is generally due ranging from 30 to 90 days from delivery.

Hotel operations

The performance obligation is satisfied over time as services are rendered and short-term advances are normally required before rendering the services.

3. REVENUE, OTHER INCOME AND GAINS (CONTINUED)

(ii) Performance obligations (Continued)

Hotel operations (Continued)

The performance obligation of food and beverage operations of the hotel is satisfied when the control of the food and beverage products is transferred, being at the point when the customer purchases the food and beverage items at the food and beverage operations. Payment of the transaction is due immediately at the point when the customer purchases the food and beverage items.

As a practical expedient, the transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) are not disclosed in the notes to the condensed consolidated financial statements because all the remaining performance obligations in relation to the income from hotel operations are a part of contracts that have an original expected duration of one year or less.

An analysis of other income and gains is as follows:

	2025 HK\$'000	2024 HK\$'000
Other income and gains		
Bank interest income	32	178
Gross rental income from property, plant and equipment	3,323	3,087
Imputed interest income	4,859	8,201
Others	1,901	1,441
	<u>10,115</u>	<u>12,907</u>

4. LOSS BEFORE TAX

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

	2025 HK\$'000	2024 HK\$'000
Cost of properties sold	6,456	43,103
Cost of inventories sold and services provided	18,047	18,158
Provision for inventories, included in cost of inventories sold and services provided above	262	406
Depreciation of property, plant and equipment	8,848	6,572
Employee benefit expense (including directors' remuneration):		
Wages, salaries and allowances	16,839	17,003
Pension schemes contributions*	347	355
Less: Amount capitalised	—	(714)
Less: Amount included in cost of inventories sold and services provided above	(1,366)	(796)
	<u>15,820</u>	<u>15,848</u>
Directors' remuneration:		
Fees	480	480
Salaries and allowances	4,974	5,681
Pension schemes contributions	61	66
	<u>5,515</u>	<u>6,227</u>
Loss on disposal of items of property, plant and equipment^	3	10
Reversal of impairment of accounts receivable^	(8,677)	—
Foreign exchange differences, net^	747	2,004
Loss on sales and leaseback^	—	458
	<u> </u>	<u> </u>

* At 30 September 2025, there were no forfeited contributions available to the Group to reduce contributions to the pension schemes in future years (31 March 2025: Nil).

^ These amounts were included in "Other operating income/(expenses), net" on the face of the interim condensed consolidated statement of profit or loss.

5. FINANCE COSTS

An analysis of finance costs is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on:		
Bank loans and other borrowings	5,826	11,141
Bonds payable	849	1,306
Lease liabilities	526	305
	<hr/>	<hr/>
Total finance costs	<u>7,201</u>	<u>12,752</u>

6. INCOME TAX

No provision of Hong Kong profits tax was made during six months ended 30 September 2025 and 2024 as the Group's subsidiaries do not generate any assessable profits arising in Hong Kong during that period and the Group's subsidiaries have available tax losses brought forward from prior years to offset the assessable profits generated during the period.

Taxes on profits assessable elsewhere had been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

Land appreciation tax ("LAT") in Mainland China is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from the sale of properties less deductible expenditure, including amortisation of land use rights, borrowing costs and all property development expenditures.

6. INCOME TAX (CONTINUED)

	2025 HK\$'000	2024 HK\$'000
Current — Mainland China		
Charge for the period	176	4,018
Current — Elsewhere		
Charge for the period	—	91
LAT in Mainland China	595	(176)
Deferred	352	526
	<u> </u>	<u> </u>
Total tax charge for the period	<u>1,123</u>	<u>4,459</u>

7. DIVIDEND

The Board does not recommend the payment of any interim dividend in respect of the six months ended 30 September 2025 (six months ended 30 September 2024: Nil).

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

The calculation of the basic loss per share amount is based on the loss for the period attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 1,466,820,600 (30 September 2024: 1,466,820,600) in issue during the period.

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (CONTINUED)

The calculation of the basic and diluted loss per share amounts attributable to the ordinary equity holders of the Company is based on the following data:

	2025 HK\$'000	2024 HK\$'000
Loss		
Loss attributable to ordinary equity holders of the Company, used in the basic and diluted loss per share calculation	(5,598)	(14,622)
	2025	2024
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic loss per share calculation	1,466,820,600	1,466,820,600

No adjustment has been made to the basic loss per share amounts presented for the periods ended 30 September 2025 and 2024 in respect of a dilution as the Group had no potential dilutive ordinary shares in issue during the periods ended 30 September 2025 and 2024.

9. INVESTMENT PROPERTIES

	30 September 2025 HK\$'000	31 March 2025 HK\$'000
Carrying amount at beginning of period/year	641,576	661,908
Net loss from fair value adjustment	—	(14,094)
Exchange realignment	11,993	(6,238)
	<u>653,569</u>	<u>641,576</u>
Carrying amount at end of period/year	<u>653,569</u>	<u>641,576</u>

The investment properties are leased to third parties under operating leases.

As at 30 September 2025, certain investment properties of the Group with an aggregate carrying amount of HK\$463,587,000 (31 March 2025: HK\$454,750,000) were pledged to secure certain banking facilities granted to the Group.

10. EQUITY INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 September 2025 HK\$'000	31 March 2025 HK\$'000
Equity investments at fair value through profit or loss		
Unlisted equity investments, at fair value		
Century Rosy Limited	839	839
Excel Castle International Limited	31,229	26,928
Pamfleet Shanghai Real Estate Fund II, L.P.	—	363
	<u>32,068</u>	<u>28,130</u>

The above equity investments were irrevocably designated at fair value through profit or loss as the Group has not elected to recognise the fair value gain or loss through other comprehensive income.

During the six months ended 30 September 2025 and 2024, no dividend was received.

11. OTHER RECEIVABLES

On 20 October 2022, Honour Advance Limited ("**Honour Advance**"), a wholly-owned subsidiary of the Company, and Fanning Properties Limited ("**Fanning Properties**"), an independent third party entered into a letter of intent ("**Letter of Intent**") with Haikou Longhua City Investment Holding Co., Ltd.* (海口市龍華區城市投資控股有限公司), in relation to a proposed disposal of their entire interests in Honour Advance Real Estate (Hainan) Limited* (江裕置業(海南)有限公司) by Honour Advance ("**Disposal 1**") and Hainan Fruitful Business Management Ltd* (海南富迪商業管理有限公司) which held a property for the benefit of the Group by Fanning Properties ("**Disposal 2**") at the aggregate consideration of RMB385,000,000 (equivalent to approximately HK\$427,778,000). On 7 August 2023, the parties entered into a formal definitive agreement relating to the Disposal 1 and Disposal 2. The Disposal 1 and Disposal 2 were completed on 30 August 2023 ("**Completion Date**").

The outstanding consideration receivable for the Disposal 1 and Disposal 2 of approximately RMB165,000,000 (equivalent to approximately HK\$183,333,000) (31 March 2025: RMB285,000,000 (equivalent to approximately HK\$316,667,000)) ("**Outstanding Consideration**") is to be paid in three instalments, being RMB110,000,000, RMB50,000,000 and RMB5,000,000 payable on or before 31 October 2025, 31 October 2026 and 31 October 2027, respectively. As at the date of this interim report, the instalment of RMB110,000,000 has been paid in full.

A discounted effect of approximately HK\$33,515,000 was considered due to the repayment schedule of the Outstanding Consideration in prior year. During the six months ended 30 September 2025, imputed interest income amounted to approximately HK\$4,859,000 (2024: HK\$8,201,000) had been generated from the Outstanding Consideration (note 3).

* English name for identification purpose only.

11. OTHER RECEIVABLES (CONTINUED)

The discounted Outstanding Consideration of approximately HK\$178,113,000 (31 March 2025: HK\$173,254,000) was classified as other receivables under non-current assets, except for RMB110,000,000 (equivalent to approximately HK\$122,222,000) (31 March 2025: RMB110,000,000 (equivalent to approximately HK\$122,222,000) being the outstanding instalment payable before 31 October 2025 (31 March 2025: outstanding instalment payable before 31 October 2025) and the corresponding discounted amount was approximately HK\$121,101,000 (31 March 2025: HK\$117,797,000).

Please refer to the announcement of the Company dated 7 August 2023 and the circular of the Company dated 31 August 2023 for details of the Disposal 1 and Disposal 2.

12. PROPERTIES HELD FOR SALE

	30 September 2025 HK\$'000	31 March 2025 HK\$'000
Completed properties held for sale	<u>449,024</u>	<u>459,313</u>

As at 30 September 2025, certain completed properties held for sale and properties held for sale under development of the Group with an aggregate carrying amount of HK\$113,688,000 (31 March 2025: HK\$144,450,000) were pledged to secure certain banking facilities granted to the Group.

13. ACCOUNTS RECEIVABLE

The Group's trading terms with its customers are mainly on credit. The credit period is generally ranging from 30 to 90 days for the sale of trading goods and up to 180 days for the sale of completed properties held for sale. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's accounts receivable relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Accounts receivable are non-interest-bearing.

13. ACCOUNTS RECEIVABLE (CONTINUED)

An ageing analysis of the accounts receivable as at the end of the Reporting Period, based on the invoice date and net of loss allowance, is as follows:

	30 September 2025 HK\$'000	31 March 2025 HK\$'000
Within 90 days	14,896	7,284
91 to 180 days	2,946	213
181 to 360 days	117	9,540
Over 360 days	17,211	121
	<hr/>	<hr/>
Total	35,170	17,158
	<hr/> <hr/>	<hr/> <hr/>

14. ACCOUNTS PAYABLE

An ageing analysis of the accounts payable as at the end of the Reporting Period, based on the invoice date, is as follows:

	30 September 2025 HK\$'000	31 March 2025 HK\$'000
Within 90 days	29,219	28,733
91 to 180 days	74	431
181 to 360 days	384	18
Over 360 days	2,936	2,874
	<hr/>	<hr/>
Total	32,613	32,056
	<hr/> <hr/>	<hr/> <hr/>

Accounts payable are non-interest-bearing and are normally settled on 30-day terms.

15. BONDS PAYABLE

On 22 August 2022, the Company issued an unlisted corporate bond at a principal amount of HK\$20,000,000 (“**20M Bond**”), which is unsecured, bears a fixed interest rate of 7% per annum, and is fully redeemable by the Company after two years from the issue date at its principal amount of HK\$20,000,000. On 6 May 2024, the Company and the holder of the 20M Bond agreed to extend the bond for a further two years from 22 August 2024 and revise the principal amount from HK\$20,000,000 to HK\$15,000,000 (“**15M Bond**”) after the Company repaid part of the principal amount in the sum of HK\$5,000,000, which is unsecured, bears a fixed interest rate of 7% per annum. Accordingly, the 15M Bond is fully redeemable by the Company after two years from 22 August 2024 at its principal amount of HK\$15,000,000.

On 1 February 2024, the Company issued an unlisted corporate bond at a principal amount of HK\$13,000,000 (“**13M Bond**”), which is unsecured, bears a fixed interest rate of 10% per annum, and is fully redeemable by the Company after 1 year from the issue date at its principal amount of HK\$13,000,000. The 13M Bond was repaid in full during the year ended 31 March 2025.

The effective interest rate of the unlisted corporate bonds is approximately 7%, 7% and 10% for 20M Bond, 15M Bond and 13M Bond, respectively.

16. SHARE CAPITAL

	30 September 2025 HK\$'000	31 March 2025 HK\$'000
Authorised:		
5,000,000,000 ordinary shares of HK\$0.10 each	<u>500,000</u>	<u>500,000</u>
Issued and fully paid:		
1,466,820,600 ordinary shares of HK\$0.10 each	<u>146,682</u>	<u>146,682</u>

17. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions and balances detailed elsewhere in these interim condensed financial statements, the Group had the following material transactions with related parties during the period:

		2025	2024
	Notes	HK\$'000	HK\$'000
Management fee income from associates	(i)	1,150	974
Rental income from a related company	(ii)	84	84
Rental income from an associate	(iii)	60	60
Management fee to a related company	(iv)	180	180
Interest expense to a related party	(v)	—	1,427
		<u> </u>	<u> </u>

Notes:

- (i) The management fee was charged by reference to actual costs incurred for the services provided by the Group.
- (ii) During the period, rental income was charged to Fitness Concept Limited ("FCL") at HK\$14,000 (2024: HK\$14,000) per month in average. Mr. Tjia Boen Sien ("Mr. Tjia") is a director and has beneficial interests in the Company and FCL, while Mr. Tjia Wai Yip, William is a director of the Company and FCL.
- (iii) During the period, rental income was charged to an associate at HK\$10,000 (2024: HK\$10,000) per month as mutually agreed between the parties.
- (iv) The management fee was charged by FCL by reference to the terms of agreement as agreed between both parties.
- (v) The interest expense was charged by the loan from a related party.

17. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Outstanding balances with related parties:

The balances with associates, related companies and non-controlling shareholders are unsecured, interest-free and repayable on demand.

(c) Compensation of key management personnel of the Group:

The key management personnel of the Group are the directors and chief executive of the Company. Details of the remuneration of the directors of the Company are disclosed in note 4 to the condensed consolidated financial statements.

The related party transactions above also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts		Fair values	
	30 September 2025 HK\$'000	31 March 2025 HK\$'000	30 September 2025 HK\$'000	31 March 2025 HK\$'000
Financial assets				
Equity investments at fair value through profit or loss	32,068	28,130	32,068	28,130
Outstanding consideration (with non-current portion)	178,113	173,254	178,113	173,254
	<u>210,181</u>	<u>201,384</u>	<u>210,181</u>	<u>201,384</u>
Financial liabilities				
Interest-bearing bank and other borrowings (with non-current portion)	57,818	64,783	57,818	64,783

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS *(CONTINUED)*

The Group's corporate finance team headed by the financial controller is responsible for determining the policies and procedures for fair value measurement of financial instruments. The corporate finance team reports directly to the directors of the Company. At each reporting date, the corporate finance team analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the directors of the Company.

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, accounts receivable, accounts payable, financial assets included in prepayments, deposits and other receivables, financial liabilities included in other payables and accruals, amounts due to related companies and interest-bearing bank and other borrowings classified as current liabilities approximate to their carrying amounts largely due to the short term maturities of these instruments.

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

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

The fair values of unlisted equity investments have been estimated using market-based valuation techniques based on assumptions that are supported by observable market prices or rates. As at 30 September 2025 and 31 March 2025, certain unlisted equity investments carry out property redevelopment projects and the fair values of the properties under these projects are considered in the fair value assessment by the directors; while an unlisted investment carries a listed equity investment and its quoted market price is also considered in the fair value assessment by the directors. The valuation requires the directors to determine comparable public companies (peers) based on industry, size, leverage and strategy, and to calculate an appropriate price multiple for each comparable company identified. The multiple is calculated by dividing the enterprise value of the comparable company by an earnings measure. The trading multiple is then adjusted for considerations such as illiquidity and size differences between the comparable companies based on company-specific facts and circumstances. A discount for lack of marketability (“**DLOM**”) is applied in the fair value assessment, representing the amounts of premium and discounts determined by the Group that market participants would take into account when pricing the investments. The adjusted multiple is applied to the corresponding equity and earnings measure of the unlisted equity investments to measure the fair value. The directors believe that the estimated fair values resulting from the valuation techniques, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in profit or loss and other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period. The fair values of interest-bearing bank and other borrowings repayable beyond one year after the end of the reporting period as assessed on an individual borrowing basis have been calculated by discounting the expected future cash flows using rates currently available for instruments on similar terms, credit risk and remaining maturities.

The Group did not have any financial liabilities measured at fair value as at 30 September 2025 and 31 March 2025.

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS
(CONTINUED)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 September 2025

	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	Total HK\$'000
Equity investments at fair value through profit or loss	—	—	32,068	32,068

As at 31 March 2025

	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	Total HK\$'000
Equity investments at fair value through profit or loss	—	—	28,130	28,130

18. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (Continued)

Assets measured at fair value: (Continued)

As at 30 September 2025, the Group's financial liabilities not measured at fair value but for which fair values were disclosed included interest-bearing bank and other borrowings with non-current portion of HK\$57,818,000 (31 March 2025: HK\$64,783,000). The fair values of these financial liabilities disclosed were measured based on valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable (Level 2).

During the Reporting Period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (six months ended 30 September 2024: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group's major business segments during the six months ended 30 September 2025 (the "**Reporting Period**") comprise:

- (a) the property development and investment business segment, which is engaged in property development of residential and commercial properties and the holding of investment properties;
- (b) the trading business segment, which is engaged in the trading of medical equipment and home security and automation products, including the provision of related installation; and
- (c) the "others" segment, which comprises, principally, the operation of hotels.

The Group's revenue for the period ended 30 September 2025 was approximately HK\$53,685,000 (six months ended 30 September 2024: HK\$91,978,000), representing a significant decrease of approximately 42% compared with the corresponding period last year.

Property development and investment business

The Group's revenue for the Reporting Period from this segment was approximately HK\$17,274,000 (six months ended 30 September 2024: HK\$60,786,000), representing a significant decrease of approximately 72% as compared with the corresponding period last year. The turnover from this segment mainly arose from sales of properties in the PRC and rental income from investment properties located in the PRC.

BUSINESS REVIEW (CONTINUED)

Property development and investment business (Continued)

(i) *Sales of properties*

Property market in Mainland China has remained cautious. Although government measures have stimulated some first-time buyer and upgrade demand, home prices have continued to decline. The real estate industry as a whole continued to face severe downward pressure during the Reporting Period. The government has been actively promoting a new development model for the property market to ensure stable, healthy, and high-quality growth. Both central and local authorities have introduced multiple stimulus measures, gradually relaxing stringent policies such as purchase restrictions, sales restrictions, and mortgage controls.

Revenue decreased from approximately HK\$49,520,000 for the period ended 30 September 2024 to approximately HK\$9,455,000 for the Reporting Period, representing a significant decrease of approximately 81%.

Sales were mainly contributed by the sales of Section G of Century Place in Kaifeng. The significant drop is because the decrease in area sold from 6,000 square meters ("sq.m.") to only 490 sq.m. for properties located in Kaifeng, the PRC.

(ii) *Rental income from investment properties*

Turnover from rental income decreased from approximately HK\$11,266,000 for the six months ended 30 September 2024 to approximately HK\$7,819,000 for the Reporting Period, representing a decrease of approximately 31%. The decrease was mainly due to one of the long term tenancy agreements signed with an independent third party for a mall in Kaifeng, the PRC, was terminated during the year ended 31 March 2025.

BUSINESS REVIEW (CONTINUED)

Property development and investment business (Continued)

Segment operating profit generated from this segment for the Reporting Period amounted to approximately HK\$6,237,000 (six months ended 30 September 2024: HK\$9,358,000). The decrease was inline with the significant drop of sales during the Reporting Period. The effect was partly offset by the reversal of impairment of accounts receivable of approximately HK\$7,630,000 representing the expected credit loss recognised for the year ended 31 March 2025 regarding the sales of the animation center (area: 5,823 sq.m.) at the World Expo Plaza in Kaifeng, the PRC. The outstanding amount that was impaired has been settled during the Reporting Period.

Trading business

The Group's revenue for the Reporting Period from this segment was recorded at approximately HK\$20,723,000 (six months ended 30 September 2024: HK\$23,154,000), representing a decrease of approximately 10% as compared to the last reporting period.

Revenue generated from this segment was contributed by the trading of medical equipment, wellness and pandemic prevention products and home security and automation products, including the provision of the related installation and maintenance services.

(i) *Trading of medical equipment, wellness and pandemic prevention products*

Revenue decreased from approximately HK\$21,411,000 for the six months ended 30 September 2024 to approximately HK\$19,757,000 for the Reporting Period, representing a decrease of approximately 8%. The decrease in sales was because of the challenging business environment.

The recognition of a significant order for an underwater treadmill to a non-profit making organisation in last reporting period, amounting to approximately HK\$1,215,000 caused a decrease in turnover during the Reporting Period.

BUSINESS REVIEW (CONTINUED)

Trading business (Continued)

(ii) *Trading of home security and automation products*

Revenue decreased from approximately HK\$1,743,000 for the six months ended 30 September 2024 to approximately HK\$966,000 for the Reporting Period, representing a decrease of approximately 45%. The decrease in turnover was because the economic growth was not up to expectation, our customers in Hong Kong became more conservative which caused the drop in sales and demand for security products.

Segment operating profit generated from this segment for the Reporting Period amounted to approximately HK\$557,000 (six months ended 30 September 2024: HK\$398,000). The increase was because the number of sales people was decreased during the Reporting Period which caused a drop in salaries. This helped to improve the segment result for the trading segment.

“Others” business, principally operation of hotels

The Group’s revenue for the Reporting Period generated from this segment was approximately HK\$15,688,000 (2024: HK\$8,038,000), representing a significant increase of 95% as compared to the same period last year. Revenue generated from this segment arises mainly from the operation of hotels. The Group has licensed to a hotel management company, which helps the Group to manage the hotels through their on-site hotel management team appointed by them and the hotel management company charges and collects management fees from the Group in return. The Group is allowed to use their brand name, logo, operating manuals and procedures. These hotels are operated in accordance with their brand standards, including converting the hotel properties to conform to the standard design and layout of the corresponding brand offering under their supervision, being integrated into their central reservation system and hotel management IT system, and being included in their consumable goods procurement system. The Group is responsible for the costs of developing and operating the hotels, including the costs of renovating the hotels to meet their standards.

The increase in revenue is because the Group has operated three hotels (2024: one hotel) during the Reporting Period in Kaifeng, the PRC.

BUSINESS REVIEW (CONTINUED)

“Others” business, principally operation of hotels (Continued)

Hotels Performance

Name	Commencement	Rooms available	Average daily rooms available		Occupancy		Average room rate		Revenue per average available room	
			2025	2024	2025	2024	2025	2024	2025	2024
									(RMB)	(RMB)
Holiday Inn	January 2020	243	234	243	51%	49%	214	217	129	128
Orange Hotel	October 2024	89	89	N/A	94%	N/A	384	N/A	391	N/A
Hi Inn	June 2025	60	60	N/A	73%	N/A	211	N/A	159	N/A
Atour Hotel	October 2025	112	112	N/A	68%	N/A	492	N/A	348	N/A

a) Holiday Inn Express Kaifeng City Center (“Holiday Inn”)

Holiday Inn Express Kaifeng is located in the city centre of Kaifeng, with a total gross floor area of approximately 14,000 sq.m. It is operated by Intercontinental Hotels Group (Shanghai) Limited.

It consists of 243 guest rooms, including 100 king bed standard rooms, 106 single bed standard rooms, 18 king bed superior rooms, 18 single bed superior rooms and 1 suite. There are also 3 meeting rooms with a total gross floor area of approximately 460 sq.m.

Holiday Inn has commenced operations since January 2020. Total turnover for the Reporting Period is approximately HK\$7,629,000 (2024: HK\$8,038,000). The average occupancy rate increased from 49% in last reporting period to 51% to this Reporting Period. Due to the decrease in average daily room available and average daily rate, the turnover for Holiday Inn dropped even though the occupancy rate has increased. The daily available rooms decreased by nine compared to last reporting period, which amounts to 1,620 fewer available room-nights over the Reporting Period.

BUSINESS REVIEW (CONTINUED)

“Others” business, principally operation of hotels (Continued)

Hotels Performance (Continued)

a) *Holiday Inn Express Kaifeng City Center (“**Holiday Inn**”) (Continued)*

The reason for the decrease in average daily rate is because the hotel has been opened for six years, with facilities starting to show wear and tear, making it hard to compete with newly opened hotels. Additionally, the hotel’s location is relatively far from tourist attractions, so this year’s room rates have been lowered compared to last reporting period to stay competitive.

b) *Orange Hotel (“**Orange Hotel**”)*

The Orange Hotel is located inside the Song City tourist zone (宋都皇城旅遊度假區) and next to the LongTing Lake, Kaifeng, the PRC, with a total gross floor area of approximately 4,700 sq.m.. It is operated by H World Group Limited.

It consists of 89 guest rooms, including 27 double bed rooms with lake view, 6 twin bed rooms with lake views, 23 double rooms, 24 superior twin bed rooms, 4 king bed rooms, 1 suite and 4 family rooms (include 1 extra large double bed and 1 double bed). There is also 1 meeting room with a total gross floor area of approximately 15 sq.m..

The Orange Hotel has commenced operations since October 2024. Total turnover for the Reporting Period is approximately HK\$6,795,000 (2024: Nil). The average occupancy rate for the Reporting Period was approximately 94%.

BUSINESS REVIEW (CONTINUED)

“Others” business, principally operation of hotels (Continued)

Hotels Performance (Continued)

c) Hi Inn Kaifeng Millennium City Park (“Hi Inn”)

The Hi Inn is located inside the Song City tourist zone (宋都皇城旅遊度假區) and next to the Dasong Imperial Street (大宋御街) and the Longting Square (龍亭廣場), with a total gross floor area of approximately 1,900 sq.m.. It is operated by H World Group Limited.

It consists of 60 guest rooms, including 33 superior king-size rooms, 8 double bed rooms, 15 twin rooms, and 4 family rooms (include 1 double bed and 1 single bed).

The Hi Inn has commenced operations since June 2025. Total turnover for the Reporting Period is approximately HK\$1,264,000 (2024: Nil). The average occupancy rate for the Reporting Period was approximately 73%.

Segment operating profit generated from this segment during the Reporting Period amounted to approximately HK\$1,732,000 (2024: loss of HK\$1,086,000). The improvement was mainly because more hotels were operated during the Reporting Period.

The net loss attributable to owners of the Company for the Reporting Period amounted to approximately HK\$5,598,000 as compared with that for the six months ended 30 September 2024 of approximately HK\$14,622,000. Such decrease of net loss attributable to owners of the Company was due to (i) the reversal of impairment of accounts receivable of the property development and investment segment and (ii) the increase in turnover arising from the operation of new hotels during the Reporting Period.

Loss per share for the six months ended 30 September 2025 was approximately HK0.38 cents (2024: 1.00 cents).

FINANCIAL REVIEW

Turnover

For the six months ended 30 September 2025, the Group's turnover amounted to approximately HK\$54 million, decreased significantly by approximately 42% as compared to the same period last year. Such decrease was mainly because of the significant drop in sales area in Kaifeng, the PRC.

Revenue generated from property development and investment business, trading business and others business amounted to approximately HK\$17 million, HK\$21 million and HK\$16 million, respectively, representing an decrease of approximately 72%, a decrease of approximately 10% and an increase of approximately 95%, respectively, as compared with the same period last year.

Gross profit margin

During the six months ended 30 September 2025, the Group's gross profit margin was approximately 54.4%, up by 21 percentage points as compared to 33.4% of the same period last year.

The increase in turnover from the operation of hotels caused a higher gross profit margin in the Reporting Period.

On the other hand, the increase is driven by larger proportion of rental income included in turnover from property development and investment business segment in the Reporting Period as compared with the same period last year, increased from approximately 12% to approximately 15%. The gross profit margin of the rental income was much higher than that of the sales of properties. As a result, overall gross profit margin was higher in the Reporting Period.

FINANCIAL REVIEW (CONTINUED)

Other income and gains

For the six months ended 30 September 2025, the Group's other income and gains amounted to approximately HK\$10 million, decreased by approximately 22% as compared to approximately HK\$13 million in the same period last year. The drop is caused by the decrease in imputed interest income regarding the discounted effect due to the repayment schedule of the Outstanding Consideration shown in note 11 to the notes to the interim condensed consolidated financial statements.

Liquidity and financial resources

During the Reporting Period, the Group maintained a healthy liquidity position with working capital financed mainly by internal resources and also other borrowings. The Group adopted a prudent cash and financial management policy.

As at 30 September 2025, the Group had total assets of approximately HK\$1,792,220,000, which were financed by total liabilities, shareholders' equity and non-controlling interests of approximately HK\$535,545,000, HK\$1,270,261,000 and HK\$13,586,000 (debit balance), respectively. The Group's current ratio as at 30 September 2025 was 1.89 as compared with 2.28 as at 31 March 2025.

Gearing ratio is calculated by dividing the total interest-bearing debts less cash and cash equivalents with the total equity as at the end of the respective reporting periods and multiplied by 100%. The Group had a net gearing ratio of approximately 19% as at 30 September 2025 (31 March 2025: 17%). We analyse the maturity profiles of our borrowings and manage our liquidity level to ensure a sufficient cash flow to service our indebtedness and meet cash requirements arising from our business. We will explore various financing opportunities to improve our capital structure and reduce our cost of capital.

Capital expenditure

Total capital expenditure for the six months ended 30 September 2025 was approximately HK\$31,501,000, which was mainly used for the addition of leasehold improvement for the newly operating hotels in Kaifeng, the PRC.

FINANCIAL REVIEW (CONTINUED)

Contingent liabilities

At the end of the Reporting Period, there were no significant contingent liabilities for the Group.

Commitments

At the end of the Reporting Period, the Group had no capital commitments contracted, but not provided for.

Charges on group assets

The Group's banking facilities are secured by:

- (i) the pledge of certain of the Group's leasehold land and buildings situated in Hong Kong and the PRC of HK\$214,302,000 (31 March 2025: HK\$140,952,000);
- (ii) the pledge of certain of the Group's investment properties situated in the PRC of HK\$463,587,000 (31 March 2025: HK\$454,750,000);
- (iii) the pledge of certain of the Group's of properties held for sale situated in the PRC of HK\$113,688,000 (31 March 2025: HK\$144,450,000);
- (iv) the assignment of rental income from the leases of certain of properties of the Group; and
- (v) the pledge of the Group's time deposits of HK\$4,000,000 (31 March 2025: HK\$4,000,000).

FINANCIAL REVIEW (CONTINUED)

Treasury policies

The Group had adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Reporting Period. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Exchange risk exposure

The Group mainly exposes to balances denominated in Renminbi ("RMB") which is mainly arising from relevant group entities' foreign currency denominated monetary assets and liabilities for the Group's operating activities.

The Group currently does not have a foreign currency hedging policy to eliminate the currency exposures. However, the management monitors the related foreign currency exposure closely and will consider hedging against significant foreign currency exposures should the need arise.

PROSPECTS

Property development and investment

With stagnant income expectations and a persistently negative outlook on housing prices, it is expected that China's real estate market will continue to face adjustment pressures. For real estate enterprises, ensuring financial stability remains the paramount concern. As the market has shifted to a buyer's market, the key to the survival and development of real estate enterprises lies in reinforcing internal strength, improving operational efficiency, enhancing product quality, and continuing to create value for customers.

PROSPECTS (CONTINUED)

Property development and investment (Continued)

Century Place, Kaifeng

On 9 June 2005, the Group was granted the land use rights of a development site in the Long Ting District of the city of Kaifeng, Henan Province, the PRC, which has been developed into a residential and commercial complex with an estimated gross floor area of approximately 210,500 sq.m. known as “**Century Place, Kaifeng**”. Up to the date of this interim report, the construction of a gross floor area of approximately 190,000 sq.m. has been completed as Section A to Section F and achieved a total sales contract sum of approximately RMB767 million.

The unsold area at the Century Place Section A to Section F, Kaifeng consists of the following:

	CURRENT USE	GROSS FLOOR AREA
Section A	Investment properties — Shops (leased out)	53,600 sq.m.
Section B	Properties held for sale — Apartments	200 sq.m.
	Car park	70 units
Section C	Properties held for sale — Villas	6,000 sq.m.
Section D	Properties held for sale — Offices	1,200 sq.m.
	Car park	10 units
Section E	Properties held for sale — Shops	350 sq.m.
Section F	Properties held for sale — Shops	3,000 sq.m.
	Investment properties — Hotel (leased out)	6,200 sq.m.
	Property, plant and equipment — Hotel	1,900 sq.m.
	Car park	86 units

PROSPECTS (CONTINUED)

Property development and investment (Continued)

Century Place, Kaifeng (Continued)

The remaining part of the land (Section G) with gross floor area of approximately 20,400 sq.m. has been launched to the market. The unsold area at the Century Place Section G, namely Xiyuan, Longting Area, Kaifeng consists of the following:

	CURRENT USE	GROSS FLOOR AREA
Section G	Properties held for sale — Apartments	9,600 sq.m.
	Properties held for sale — Shops	1,300 sq.m.
	Property, plant and equipment — Hotel	2,800 sq.m.
	Car park	88 units

Up to the date of this interim report, a total sales contract sum of approximately RMB119 million has been achieved.

World Expo, Kaifeng

On 16 February 2012, the Group successfully won a bid for the acquisition of the land use right of a residential and commercial site in the city of Kaifeng, the PRC, which has been developed into a residential and commercial complex with an estimated gross floor area of approximately 95,000 sq.m. known as “**World Expo, Kaifeng**”. Up to the date of this interim report, this project has been completed and achieved a total sales contract sum of approximately RMB574 million.

PROSPECTS (CONTINUED)

Property development and investment (Continued)

World Expo, Kaifeng (Continued)

The unsold area at the World Expo, Kaifeng consists of the following:

	CURRENT USE	GROSS FLOOR AREA
Commercial Sector A	Property, plant and equipment — Hotel	14,000 sq.m.
Commercial Sector B	Properties held for sale — Shops	2,300 sq.m.
Residential Blocks 1–3	Properties held for sale — Apartments	6,700 sq.m.
	Car park	142 units

Trading of medical equipment and home security and automation products

Medical equipment

The increasing standard of living around the globe, especially in Hong Kong and major cities in the PRC, and increasing health awareness, in particular from high-income consumers living in urban areas, together create additional demand for medical equipment. Consequently, this segment is expected to continue to be a worthwhile investment. In the coming reporting period, we will expand our distribution channels and introduce a broader range of products to boost sales growth.

In addition, with the improving standard of living and technology in Hong Kong, major cities in the PRC and Southeast Asia, the Group aims to provide a series of solutions to smart city development for shopping malls, government facilities, border and airport, etc.

The Group has set up two associates, namely Hope4Care Limited (20% owned by the Group) and UltraX Technologies Co., Ltd. (35% owned by the Group), with independent third parties.

PROSPECTS (CONTINUED)

Trading of medical equipment and home security and automation products (Continued)

Medical equipment (Continued)

Hope4Care Limited (“**Hope4Care**”) is a research and development company which engages in inventing intelligent human-computer interaction rehabilitation training platforms for the elderly and persons with chronic diseases. The Group cooperates with a professor from the Chinese University of Hong Kong to develop the online augmented reality and virtual reality training platforms for stroke survivors and the elderly, including upper limb, lower limb, balance and coordination exercises. The products specially target on elderly and persons with chronic diseases and to provide online rehabilitation service to improve their quality of life.

Hope4Care has been granted ISO13485, which is applicable to research, design, development, marketing and distribution of medical software. On the other hand, Hope4Care has been granted HK\$1.1 million under the Chinese University of Hong Kong Technology Start-up Support Scheme for Universities 2024–2025.

Home security and automation products

Through one of the associates of the Group, Axxonsoft Hong Kong Limited, the Group continues to promote the application of artificial intelligence (“**AI**”) video analysis technology, which can provide various functions such as preventing loitering, assist in controlling the spread of diseases, analyzing human posture and behaviour, and assisting property valuation.

In addition, with the improving standard of living and technology in Hong Kong, major cities in the PRC and Southeast Asia, the Group aims to provide a series of solutions to smart city development for shopping malls, government facilities, border and airport, etc.

PROSPECTS (CONTINUED)

Trading of medical equipment and home security and automation products (Continued)

Home security and automation products (Continued)

In Hong Kong, we provide people flow analysis services to financial institutions located in different areas to help them better understand customer traffic patterns. We also provide advanced video management platform software to various organizations of the Hong Kong Government to enhance their monitoring and management capabilities.

In Mainland China, we have successfully obtained the first large-scale airport project which integrates multiple different systems, such as access control systems, intrusion alarm systems and fire alarm systems, etc., while combining over 18,000 channels of video cameras, some of which are equipped with AI analysis capabilities, to provide more comprehensive physical security information management services for airport managers.

We actively increase our market share by attending seminars and exhibitions in order to promote our products and expand the sales channel.

The Group will continue to adopt efficacious cost management strategies and maintain tight credit control measures to cope with challenges and to improve competitiveness within the volatile operating environment. The Directors will continue to make every effort to maximise the interests of the shareholders of the Company.

PROSPECTS (CONTINUED)

Hotel operation

In view of the increasing number of visitors in Kaifeng, the PRC, the Group will continue to improve the quality of its hotel services to ensure hotel guests will have enjoyable experiences during their stays in the hotel.

Opening a hotel in Kaifeng offers several strategic advantages, driven by its cultural heritage and tourism potential. Kaifeng is part of the “Central Plains”, which includes nearby cities like Luoyang and Zhengzhou. Annual events like the “**Kaifeng Chrysanthemum Cultural Festival**” draw millions of visitors, creating seasonal demand for accommodations.

The outlook for our hotels division remains stable amid prevailing challenges. Despite signs of recovery, the industry continues to face operating obstacles including staffing shortages, increase of operation costs and economic uncertainties. In this regard, we will continue to adopt a stringent expenses control approach, stay abreast of the market and be innovative on hotel operations in order to maintain a competitive edge.

Atour Hotel (“Atour Hotel”)

The Kaifeng Millennium City Park Drum Tower Square Atour Hotel is located inside the Song City tourist zone (宋都皇城旅遊度假區) and next to the LongTing Lake, Kaifeng, with a total gross floor area of the ten villa buildings approximately 6,000 sq.m.. It consists of 112 guest rooms, including 2 Superior King Rooms, 12 executive king-size rooms, 12 executive twin rooms, 38 premium king-size rooms, 24 premium twin rooms, 12 executive king-size rooms with bath, 10 exclusive suites, 2 exclusive family suites (including 2 large beds). There are also 2 reception rooms with a total gross floor area of approximately 25 sq.m..

It is operated by H World Group Limited. The Atour Hotel has commenced operations since October 2025.

PROSPECTS (CONTINUED)

Hotel operation (Continued)

Atour Hotel (“Atour Hotel”) (Continued)

The Board will strive for new breakthroughs in terms of industry and geographic coverage by improving the Group’s corporate governance to comply with the Listing Rules, increasing the risk control level, enhancing asset management capability, further forging a professional and high-quality talent team to seize the development opportunity and actively develop new customers. The Group will also pay attention to maintain relationships with existing customers and explore deeper cooperation with quality customers in order to achieve steady and long-term development of the Group.

SIGNIFICANT INVESTMENT HELD, MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

During the Reporting Period, there has been no significant investment held, material acquisition and disposal of subsidiaries and affiliated companies by the Group.

FUNDRAISING FOR THE PAST TWELVE MONTHS

Placing of bonds and use of proceeds

On 22 August 2022, the Company issued an unlisted corporate bond at a principal amount of HK\$20,000,000 (“**20M Bond**”), which is unsecured, bears a fixed interest rate of 7% per annum, and is fully redeemable by the Company after 2 years from the issue date at its principal amount of HK\$20,000,000. On 6 May 2024, the Company and the holder of the 20M Bond agreed to extend the bond for a further two years from 22 August 2024 and revise the principal amount from HK\$20,000,000 to HK\$15,000,000 (“**15M Bond**”) after the Company repaid part of the principal amount in the sum of HK\$5,000,000, which is unsecured, bears a fixed interest rate of 7% per annum. Accordingly, the 15M Bond is fully redeemable by the Company after two year from 22 August 2024 at its principal amount of HK\$15,000,000.

As at the date of this interim report, bond of an aggregate principal amount of HK\$15,000,000 was subscribed for by one placee, who is an independent third party.

FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

Save as disclosed in this interim report, the Group did not have other plans for material investment or capital assets as at 30 September 2025.

HUMAN RESOURCES

As at 30 September 2025, the Group had 192 employees, 147 of whom were based in the PRC. The total employee benefits expenses including directors' emoluments for the Reporting Period decreased slightly to approximately HK\$17.1 million from approximately HK\$17.4 million in the same period last year. The decrease is because of the offsetting effect of the decrease in salary for directors and the decrease in the number of sales people for the trading segment during the Reporting Period and the increase in the number of staff due to the operation of three more hotels in Kaifeng, the PRC.

The remuneration policy and package of the Group's employees are reviewed and approved by the Directors. Apart from pension funds, in order to attract and retain capable and motivated workforce, the Group offers discretionary bonuses and share options to staff based on their individual performance and the achievements in relation to the Group's targets.

SHARE OPTION SCHEME

On 30 August 2022, a share option scheme (the "**Scheme**") was adopted to comply with the requirements of Chapter 17 of the Listing Rules regarding share option schemes of a company.

The Company operates the Scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors (including independent non-executive directors), the Company's shareholders and other employees of the Group. The Scheme became effective on 30 August 2022 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

SHARE OPTION SCHEME (CONTINUED)

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Group at the adoption date of the Scheme. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting. As at 1 April 2025 and 30 September 2025, the number of options available for grant under the Scheme was 146,682,060 and 146,682,060 respectively. As at the date of this interim report, the total number of new shares available for issue under the Scheme is 146,682,060 shares, representing approximately 10.0% of the total number of shares of the Company in issue.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors (excluding any independent non-executive director who is the grantee of the share options). In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in advance in a general meeting.

The offer of a grant of share options may be accepted within 30 days from the date of offer, upon payment of a nominal consideration of HK\$1 in total by the grantee. An option may be exercised under the Scheme at any time during a period not exceeding 10 years after the date when the option is granted and will expire on the last date of such period.

The exercise price of the share options is determinable by the directors, but may not be less than the higher of (i) the Stock Exchange closing price of the Company's shares on the date of offer of the share options; (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of offer; and (iii) the nominal value of an ordinary share.

SHARE OPTION SCHEME (CONTINUED)

The share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

There was no outstanding share option under the Scheme for the six months ended 30 September 2025.

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

At 30 September 2025, the interests and short positions of the Directors in the share capital and share option of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange 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 would be deemed or taken to have under Section 344 and 345 of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers, were as follows:

Long positions in shares and underlying shares of the Company:

Name of Directors	Number of shares held, capacity and nature of interest			Percentage of the Company's issued share capital
	Directly beneficially owned (Note 2)	Through controlled corporation	Total	
Mr. Tjia Boen Sien ("Mr. Tjia") (Note 1)	129,002,400(L)	524,902,500(L)	653,904,900	44.58
Mr. Wang Jing Ning	39,644,100(L)	—	39,644,100	2.70
Mr. Tjia Wai Yip, William	3,600,000(L)	—	3,600,000	0.25
Dr. Ho Chung Tai, Raymond	727,500(L)	—	727,500	0.05
Ir Siu Man Po	1,580,000(L)	—	1,580,000	0.11

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONTINUED)

Notes:

1. Sparta Assets Limited ("**Sparta Assets**"), a company incorporated in the British Virgin Islands ("**BVI**") and wholly-owned by Mr. Tjia, is beneficially interested in 524,902,500 shares of the Company. Accordingly, Mr. Tjia is deemed to be interested in 524,902,500 shares of the Company held by Sparta Assets by virtue of the SFO.
2. The letter "L" denotes the person's long position in the relevant shares of the Company.
3. The calculation is based on the total number of 1,466,820,600 Shares in issue as at 30 September 2025.

Long positions in ordinary shares of Sparta Assets, being an associated corporation:

Name of Director	Number of shares held, capacity and nature of interest			Percentage of the Sparta Assets issued share capital
	Directly beneficially owned	Through controlled corporation	Total	
Mr. Tjia*	1,000	—	1,000	100.00

* Sparta Assets, a company incorporated in the BVI and wholly-owned by Mr. Tjia, is beneficially interested in 524,902,500 ordinary shares of the Company.

Save as disclosed above, none of the Directors had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading **“Directors’ and chief executives’ interests and short positions in shares, underlying shares and debentures”** above, at no time during the six months ended 30 September 2025 were rights to acquire benefits by means of the acquisition of 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; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS’ AND OTHER PERSONS’ INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 30 September 2025, so far as is known to the Directors of the Company, the following persons/entities (other than the Directors or chief executives of the Company) had an interest or short position in shares or underlying shares of the Company which would fall to be disclosed to the Company under Division 2 and 3 of part XV of the SFO or as recorded in the register of interests of the Company required to be kept pursuant to Section 336 of the SFO:

Long positions:

Name	Capacity and nature of interest	Number of ordinary/ underlying ordinary shares held (Note 3)	Percentage of the Company’s issued share Capital (Note 4)
Sparta Assets (Note 1)	Beneficial Owner	524,902,500(L)	35.79
Granda Overseas Holding Co., Ltd. (“Granda”) (Note 2)	Beneficial Owner	260,548,110(L)	17.76
Mr. Chen Huofa	Interests of controlled corporation	260,548,110(L)	17.76

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (CONTINUED)

Notes:

1. Sparta Assets, a company incorporated in BVI and wholly-owned by Mr. Tjia, is beneficially interested in 524,902,500 shares of the Company. Accordingly, Mr. Tjia is deemed to be interested in 524,902,500 shares of the Company held by Sparta Assets by virtue of the SFO.
2. Granda, a company incorporated in the BVI and wholly-owned by Mr. Chen Huofa, is beneficially interested in 260,548,110 shares of the Company. Accordingly, Mr. Chen Huofa is deemed to be interested in 260,548,110 shares of the Company held by Granda by virtue of the SFO.
3. The letter "L" denotes the person's long position in the relevant shares of the Company.
4. The calculation is based on the total number of 1,466,820,600 Shares in issue as at 30 September 2025.

Save as disclosed above, as at 30 September 2025, the Company has not been notified of any other interests or short positions in the shares or underlying shares of the Company which were required to be notified to the Company under Division 2 and 3 of Part XV of the SFO or were recorded in the register of interests required to be kept by the Company under Section 336 of the SFO.

INTERIM DIVIDEND

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Reporting Period.

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the six months ended 30 September 2025.

CAPITAL STRUCTURE

There was no change in the capital structure of the Company during the six months ended 30 September 2025.

CORPORATE GOVERNANCE

In the Corporate Governance Report which was published in our annual report for the year ended 31 March 2025, the Company's corporate governance practices are based on the principles of good corporate governance and the code provisions ("**Code Provisions**") as set out in the Corporate Governance Code ("**CG Code**") contained in Appendix C1 of the Listing Rules. The Directors consider that the Company has complied with most of the Code Provisions throughout the six months ended 30 September 2025, save for the deviation from the Code Provision C.2.1, details of which are explained below. The Company regularly reviews its corporate governance practices to ensure that these continue to meet the requirements of the CG Code.

Summary of deviation of the CG Code:

Code Provision C.2.1

Code Provision C.2.1 requires that the roles of Chairman and chief executive should be separate and should not be performed by the same individual.

CORPORATE GOVERNANCE (CONTINUED)

Summary of deviation of the CG Code: (Continued)

Code Provision C.2.1 (Continued)

The Company has deviated from Code Provision C.2.1 to the extent that the roles of chairman and chief executive (or in the context of the Company, the managing director) are performed by Mr. Tjia. Having considered the existing structure and composition of the Board and operations of the Group in Hong Kong, the Board believes that vesting the roles of both chairman and managing director in Mr. Tjia facilitates the effective implementation and execution of its business strategies by, and ensures a consistent leadership for, the Group. Further, a balance of power and authority between the Board and management can be ensured by the operation of the Board, whose members (including the three independent non-executive directors) are individuals of high calibre with ample experience, such that the interests of shareholders can be safeguarded. The Company will continue to review the structure and composition of the Board from time to time to ensure that a balance of power and authority between the Board and management is appropriately maintained for the Group.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the six months ended 30 September 2025.

The Company has adopted the same Model Code for securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company.

No incident of non-compliance of the Model Code by the relevant employees was noted by the Company.

AUDIT COMMITTEE

The Company has an audit committee which was established in accordance with the requirements of the CG Code for the purpose of reviewing and providing supervision over the Group's internal controls, risk management and financial reporting matters including the review of the interim results for the six months ended 30 September 2025, and adequacy of resources and qualifications of the Company's accounting staff. The audit committee comprises three independent non-executive Directors, namely Dr. Ho Chung Tai, Raymond, Mr. Siu Kam Chau and Mr. Song Sio Chong. Mr. Siu Kam Chau is the Chairman of the committee.

The interim results of the Group for the six months ended 30 September 2025 have not been reviewed or audited by the Company's independent auditor. The audit committee held a meeting on 26 November 2025. The audit committee has considered and reviewed the interim report and interim financial statements of the Group and given their opinion and recommendation to the Board. The audit committee considers that the 2025 interim report and interim financial statements of the Group have complied with the applicable accounting standards and the Company has made appropriate disclosures thereof.

NOMINATION COMMITTEE

The Company has a nomination committee which was established in accordance with the requirements of the CG Code for the purpose of reviewing the Board composition and identifying and nominating candidates for appointment to the Board such that it has the relevant appropriate blend of skills, knowledge and experience. The nomination committee currently comprises two executive Directors, namely Mr. Tjia Boen Sien and Mr. Wang Jing Ning, and three independent non-executive Directors, namely Dr. Ho Chung Tai, Raymond, Mr. Siu Kam Chau and Mr. Song Sio Chong. Mr. Song Sio Chong is the Chairman of the committee.

REMUNERATION COMMITTEE

The Company has a remuneration committee which was established in accordance with the requirements of the CG Code for the purpose of reviewing the remuneration policy and fixing the remuneration packages for all Directors and chief executives. The remuneration committee currently comprises two executive Directors, namely Mr. Tjia Boen Sien and Mr. Wang Jing Ning, and three independent non-executive Directors, namely Dr. Ho Chung Tai, Raymond, Mr. Siu Kam Chau and Mr. Song Sio Chong. Mr. Siu Kam Chau is the Chairman of the committee.

BOARD OF DIRECTORS

As at the date of this interim report, the executive Directors of the Company are Mr. Tjia Boen Sien, Mr. Wang Jing Ning, Mr. Tjia Wai Yip, William and Ms. Tse Hoi Ying, the independent non-executive Directors of the Company are Dr. Ho Chung Tai, Raymond, Ir Siu Man Po, Mr. Siu Kam Chau and Mr. Song Sio Chong.

By Order of the Board
Deson Development International Holdings Limited
Tjia Boen Sien
Managing Director and Chairman

Hong Kong, 26 November 2025