ANXIAN YUAN CHINA HOLDINGS LIMITED
安賢園中國控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 00922)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

The Board of the Company announces the unaudited condensed consolidated results of the Group for the six months ended 30 September 2025 together with the comparative figures for the six months ended 30 September 2024 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the six months ended 30 September 2025

		Unaudited Six months ended 30 September	
		2025	2024
	Notes	***HK$'000***	*HK$'000*
REVENUE	*4*	**98,499**	102,307
Cost of sales		**(31,093)**	(28,035)
Gross profit		**67,406**	74,272
Other income and gains, net	*4*	**3,157**	3,798
Selling and distribution expenses		**(31,911)**	(12,028)
Administrative expenses		**(37,487)**	(36,683)
Finance costs	*6*	**(739)**	(298)
PROFIT BEFORE INCOME TAX	*5*	**426**	29,061
Income tax expense	*7*	**(10,547)**	(10,825)
(LOSS)/PROFIT FOR THE PERIOD		**(10,121)**	18,236

* *For identification purposes only*

	Notes	Unaudited Six months ended 30 September **2025** ***HK$'000***	 2024 *HK$'000*
(Loss)/Profit for the period attributable to:			
Owners of the Company		**(6,010)**	17,382
Non-controlling interests		**(4,111)**	854
		(10,121)	18,236
(LOSS)/EARNINGS PER SHARE FOR (LOSS)/ PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY FOR THE PERIOD			
Basic and diluted *(HK cents)*	*9*	**(0.27)**	0.78

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2025

	Unaudited Six months ended 30 September 2025 HK$'000	2024 HK$'000
(LOSS)/PROFIT FOR THE PERIOD	**(10,121)**	18,236
OTHER COMPREHENSIVE INCOME		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of foreign operations	**10,606**	5,417
Item that will not be reclassified subsequently to profit or loss:		
Change in fair value of financial assets at fair value through other comprehensive income ("FVTOCI")	**7**	6
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**10,613**	5,423
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**492**	23,659
Total comprehensive income/(expense) for the period attributable to:		
Owners of the Company	**4,227**	22,614
Non-controlling interests	**(3,735)**	1,045
	492	23,659

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Notes	Unaudited 30 September 2025 HK$'000	Audited 31 March 2025 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	10	**60,472**	62,296
Right-of-use assets	10	**2,419**	3,061
Intangible assets	10	**401,828**	398,732
Goodwill		**12,240**	12,111
Financial assets at FVTOCI		**683**	676
Cemetery assets	11	**371,742**	235,608
Fixed time deposits		**10,953**	10,836
Total non-current assets		**860,337**	723,320
CURRENT ASSETS			
Inventories		**216,125**	224,841
Trade receivables	12	**2,306**	2,444
Prepayments, deposits and other receivables		**1,645**	2,438
Loan to non-controlling shareholder		**640**	625
Financial assets at fair value through profit or loss ("FVTPL")		**–**	10,579
Fixed time deposits		**–**	54,181
Cash and cash equivalents		**227,615**	264,944
Total current assets		**448,331**	560,052
CURRENT LIABILITIES			
Trade payables	13	**38,087**	33,307
Other payables and accruals		**20,676**	11,110
Amount due to a director of the Company		**–**	1,000
Contract liabilities		**23,670**	23,691
Interest-bearing bank borrowings		**55,313**	43,887
Lease liabilities		**722**	589
Tax payables		**44,178**	50,226
Dividends payable	8(b)	**24,435**	–
Total current liabilities		**207,081**	163,810
NET CURRENT ASSETS		**241,250**	396,242
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,101,587**	1,119,562

	Notes	**Unaudited 30 September 2025** *HK$'000*	Audited 31 March 2025 *HK$'000*
NON-CURRENT LIABILITIES			
Contract liabilities		**45,771**	40,185
Lease liabilities		**182**	113
Deferred tax liabilities		**106,112**	105,799
Total non-current liabilities		**152,065**	146,097
NET ASSETS		**949,522**	973,465
EQUITY			
Share capital	*14*	**222,136**	222,136
Reserves		**695,305**	715,513
Equity attributable to owners of the Company		**917,441**	937,649
Non-controlling interests		**32,081**	35,816
TOTAL EQUITY		**949,522**	973,465

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

1. CORPORATE AND GROUP INFORMATION

Anxian Yuan China Holdings Limited (the "Company") is a limited liability company incorporated in Bermuda and domiciled in Hong Kong. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The Company's principal place of business in Hong Kong is Room 1215, Leighton Centre, 77 Leighton Road, Causeway Bay, Hong Kong. During the Period, the Group principally engaged in the cemetery business in the PRC.

As at 30 September 2025 the Company's immediate and ultimate parent is Master Point Overseas Limited which was incorporated in the British Virgin Islands (the "BVI"). Its ultimate controlling party is Mr. Shi Hua, who is also the chairman and executive director of the Company.

2.1 BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the Period have been prepared in accordance with HKAS 34 "Interim Financial Reporting" issued by the HKICPA and the applicable disclosure requirements of the Listing Rules.

These financial statements have been prepared under the historical cost convention, except for equity investments which were stated at fair value. They are presented in HK$, which is also the functional currency of the Company and all values are rounded to the nearest thousand except when otherwise indicated.

These financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2025.

2.2 ADOPTION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Except as described below, the accounting policies used in the unaudited condensed consolidated financial statements for the Period are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2025. In the Period, the Group has applied for the first time the following new standards, amendments and interpretation issued by the HKICPA that are relevant for the preparation of the Group's unaudited condensed consolidated financial statements.

The HKICPA has issued the amendments to HKFRSs that are first effective and relevant to the current accounting period of the Group:

Amendments to HKAS 21	Lack of Exchangeability

The application of the above amendments to HKFRSs in the Period has had no material effect on the amounts reported in the unaudited condensed consolidated financial statements and/or disclosures set out in these financial statements.

3. OPERATING SEGMENT INFORMATION

The chief operating decision maker considers that the operation of the Group constitutes a single operating segment as the revenue and profit are derived from cemetery business entirely from the People's Republic of China ("PRC"). Accordingly, no segment analysis is presented. The majority of property, plant and equipment and cemetery assets is located in the PRC. The information reported to the chief operating decision maker for the purpose of resources allocation and assessment of performance are same as the amounts reported under HKFRS Accounting Standards.

Geographical information

(a) Disaggregated revenue from external customers

	Unaudited Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
The PRC	**98,499**	102,307

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

(b) Non-current assets

	Unaudited As at 30 September 2025	Audited As at 31 March 2025
	HK$'000	*HK$'000*
Hong Kong	**455**	27
The PRC	**848,246**	711,781
	848,701	711,808

Non-current asset information above is based on the locations of the assets and excludes financial instruments.

Information about major customers

For the period ended 30 September 2025, no (six months ended 30 September 2024: Nil) revenue from a single customer accounted for 10% or more of the Group's revenue.

4. REVENUE, OTHER INCOME AND GAINS

Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by major products and services and timing of revenue recognition. The Group has only one reportable operating segment which is the cemetery business in the PRC, and the disaggregated geographic information of revenue has been set out in note 3(a).

	Unaudited Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
Revenue by products and services		
Sales of tombs and niches	**88,560**	86,712
Management fee income	**4,152**	4,825
Burial services	**5,787**	10,770
	98,499	102,307
Timing of revenue recognition		
At point in time	**88,560**	86,712
Over time	**9,939**	15,595
	98,499	102,307
Other income and gains, net		
Gain on disposals of property, plant and equipment, net	**1**	–
Bank interest income	**1,654**	2,566
Reversal of loss allowance on loan to non-controlling shareholder	**–**	660
Others	**1,502**	572
	3,157	3,798

5. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging/(crediting):

	Unaudited Six months ended 30 September 2025 HK$'000	2024 HK$'000
Additional revaluation of Value Added Tax ("VAT") and other charges#	**18,044**	–
Amortisation of intangible assets*	**1,203**	1,127
Amortisation of cemetery assets*	**5,103**	3,881
Cost of inventories sold recognised as expense	**23,600**	18,876
Cost of services provided	**1,187**	4,153
Depreciation on property, plant and equipment	**3,980**	4,019
Depreciation on right-of-use assets	**1,436**	1,286
Employee benefit expense (excluding directors' and chief executives' remuneration):		
Wages and salaries	**16,980**	15,308
(Gain)/loss on disposals of property, plant and equipment, net	**(1)**	4
Reversal of loss allowance on loan to non-controlling shareholder	**–**	(660)

* *Amortisations of intangible assets and cemetery assets for the periods are included in "Cost of sales" in the condensed consolidated statement of profit or loss.*

Additional revaluation of VAT and other charges is included in "Selling and distribution expenses".

6. FINANCE COSTS

An analysis of finance costs is as follows:

	Unaudited Six months ended 30 September 2025 HK$'000	2024 HK$'000
Interest on lease liabilities	**23**	9
Interest on interest-bearing bank borrowings	**903**	509
Less: interest capitalised	**(187)**	(220)
	739	298

7. INCOME TAX EXPENSE

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

Pursuant to the rules and regulations of Bermuda, the Company is not subject to any income tax in that jurisdiction (six months ended 30 September 2024: Nil).

No (six months ended 30 September 2024: Nil) provision for Hong Kong profits tax has been made as the Group had no (six months ended 30 September 2024: Nil) assessable profits derived from or earned in Hong Kong during the Period.

Provision for the PRC current income tax is based on the statutory rate of 25% (six months ended 30 September 2024: 25%) of the assessable profits of the PRC subsidiaries of the Company as determined in accordance with the PRC Corporate Income Tax Law.

The major components of income tax expense are as follows:

	Unaudited Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
Current tax – PRC Corporate Income Tax		
– Current period	**7,666**	9,448
– Under-provision in respect of prior periods	**2,021**	–
PRC dividend withholding tax	**1,453**	1,553
Deferred tax	**(593)**	(176)
Total income tax expense for the period	**10,547**	10,825

8. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: HK0.5 cent per share).

(a) Dividends declared to equity shareholders of the Company attributable to the period:

	Unaudited Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
No interim dividend (2024: HK0.5 cent) per ordinary share declared	**–**	11,107

The interim dividend was proposed after the end of the relevant financial period and has not been recognized as a liability at the end of the relevant financial period.

(b) At a meeting held on 20 June 2025, the Directors proposed a final dividend of HK1.1 cents per ordinary share for the year ended 31 March 2025 (31 March 2024: HK1.3 cents), which was estimated to be HK$24,435,000 at the time calculated on the basis of the ordinary share in issue as at 31 March 2025. The final dividend was approved by Shareholders at the annual general meeting on 8 September 2025.

9. (LOSS)/EARNINGS PER SHARE FOR (LOSS)/PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic (loss)/earnings per share is based on the loss for the Period attributable to owners of the Company over the weighted average number of ordinary shares of 2,221,363,000 (six months ended 30 September 2024: 2,221,363,000) in issue during the Period.

There was no dilutive potential ordinary shares outstanding during the periods ended 30 September 2025 and 2024 and hence the diluted (loss)/earnings per share is the same as basic (loss)/earnings per share.

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

During the Period, the Group acquired items of property, plant and machinery with a cost of HK$974,000 (six months ended 30 September 2024: HK$1,493,000). Items of property, plant and machinery with a net carrying value of HK$0 were disposed of during the Period (six months ended 30 September 2024: HK$11,000), resulting in a gain on disposal of HK$1,000 (six months ended 30 September 2024: loss of HK$4,000).

Certain property, plant and equipment in net carrying value amounting of HK$7,618,000 were pledged for the banking facilities granted by the banks at the end of the Period (31 March 2025: HK$7,729,000).

In addition, the Group has entered into new lease agreements during the Period. Right-of-use assets amounted to HK$764,000 (six months ended 30 September 2024: HK$436,000) has been recognised for the Period accordingly.

No additions to intangible assets was made during the Period (six months ended 30 September 2024: Nil).

11. CEMETERY ASSETS

	Unaudited As at 30 September 2025 ***HK$'000***	Audited As at 31 March 2025 *HK$'000*
Leasehold lands	**190,614**	54,427
Landscape facilities	**181,128**	181,181
	371,742	235,608

During the Period, the Group paid land transfer fee at a cost of approximately HK$137,195,000 (31 March 2025: land acquisition cost of approximately HK$39,499,000).

12. TRADE RECEIVABLES

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

	Unaudited As at 30 September 2025 *HK$'000*	Audited As at 31 March 2025 *HK$'000*
Within 60 days	**1,614**	261
61 to 180 days	**–**	1,488
Over 1 year	**692**	695
	2,306	2,444

13. TRADE PAYABLES

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

	Unaudited As at 30 September 2025 *HK$'000*	Audited As at 31 March 2025 *HK$'000*
Within 90 days	**7,591**	808
91 to 180 days	**2,226**	504
181 to 365 days	**4,565**	1,141
Over 1 year	**23,705**	30,854
	38,087	33,307

14. SHARE CAPITAL

	Unaudited As at 30 September 2025 *HK$'000*	Audited As at 31 March 2025 *HK$'000*
Issued and fully paid:		
2,221,363,000 (31 March 2025: 2,221,363,000) ordinary shares	**222,136**	222,136

A summary of movements in the Company's share capital is as follows:

	Number of shares *'000*	Nominal Value *HK$'000*
Issued and fully paid:		
As at 31 March 2025 and 30 September 2025	**2,221,363**	222,136

15. RELATED PARTY TRANSACTIONS

In addition to the transactions and balances detailed elsewhere in these financial statements, the Group had the following transactions with related parties during the Period.

(a) Other transactions with related parties

	Unaudited Six months ended 30 September 2025 HK$'000	2024 HK$'000
Consultancy fee to a related company in which one of the Executive Directors has control *(notes (i) and (ii))*	**98**	396
Rental payment to a related company in which one of the Executive Directors has control *(notes (i) and (iii))*	**481**	484
Carpark fee to a related company in which a close family member of one of the Executive Directors has control *(notes (i) and (iv))*	**30**	30

Notes:

(i) The transaction constitute a de minimis transaction under Rule 14A.76(1)(c) of Chapter 14A of the Listing Rules and are therefore fully exempted from all disclosure requirements.

(ii) These transactions related to consultancy fee paid to a related party in which one of the executive directors has control.

(iii) These rental expenses related to rental payment to related party in which one of the executive directors has control.

(iv) These carpark expenses related to carpark payment to related party in which a close family member of one of the executive directors has control.

(b) Compensation of key management personnel of the Group

The Directors are of the opinion that the key management are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, and are defined as the Executive Directors, Non-executive Directors and the Chief Executive Officer of the Company.

16. EVENTS AFTER THE REPORTING DATE

There was no event occurring after the reporting date to be disclosed by the Group up to the approval date of the condensed consolidated financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET OVERVIEW

The funeral culture in China is profound and long-standing. "When one is alive, be served with propriety; when dead, be buried with propriety and worshipped with propriety（生，事之以禮；死，葬之以禮，祭之以禮）", Confucius once said in the Analects of Confucius（《論語》）This philosophy of "the same respect for life and death" profoundly reflects traditional emotional sustenance and humanistic care, providing enduring cultural impetus and market demand for the development of the modern funeral industry.

According to a report by Qianzhan Industry Research Institute, the scale of China's funeral services market had already reached RMB169.5 billion[1] in 2015, and is expected to expand to RMB521.2 billion[2] by 2030, with the CAGR expected to remain stable growth. According to the latest data released by the National Bureau of Statistics, by the end of 2024, China's population aged 60 and above exceeded 300 million for the first time, accounting for 22%[3] of the total population. The accelerating trend of population ageing in China is expected to result in annual deaths sustained between 10.93 million and 12.22 million from 2025 to 2030. Furthermore, China's urbanization rate is projected to approach 68% by 2025. During the "15th Five-Year" Plan period, urbanization is expected to advance steadily, reaching over 73%[4] by 2030. As the urbanization process accelerates, per capita disposable income is also set to rise continuously. Amidst growing material prosperity, the pursuit of spiritual needs is becoming increasingly prominent, spurring the robust emergence of demand for customized and personalized funeral services.

The "Two Sessions" held in 2025 reasserted the essence of funeral and interment reform, with continued efforts to standardize market order, encourage professional and diversified development, and actively promote eco-friendly burial trends. Policy guidance, coupled with digital empowerment in the "post-pandemic" era, is accelerating funeral upgrading and transformation, injecting new vitality and growth momentum into the funeral market.

In summary, driven by multiple factors including China's vast population base, accelerating aging trend, ongoing urbanization, consumption upgrade, policy support, digital integration, and cultural inheritance, the funeral services industry has evolved from traditional funeral services to a comprehensive "life services" system. This transformation has established the sector as a blue ocean market characterized by strong defensive qualities and significant long-term growth potential.

1 https://www.chinabaogao.com/detail/748487.html
2 https://caifuhao.eastmoney.com/news/20251013132914173186420
3 https://laoling.cctv.com/2025/01/17/ARTI1YQU2WRMlO75bKSmmyLY250117.shtml
4 http://rdi.cass.cn/yjcg/202509/P020250904402970807053.pdf

BUSINESS REVIEW AND OUTLOOK

As one of the leading enterprises in the funeral and burial industry in the PRC, the Group remains steadfast in its core mission of "respecting life and serving life", continuously enhance its professional standards in funeral services while upholding a deep sense of humanistic care, dedicating to creating a serene and dignified resting place for every client. Through ensuring the deceased can rest in peace and the bereaved can find meaningful solace, we enable every client to profoundly feel the dignity and value of life.

During the reporting period, the Group and its project companies fully implemented the decisions and arrangements of the Board of Directors by embracing the annual working theme of "being committed to compliant practices, pursuing innovation through hard work, and striving for excellence to achieve sustainable development". We aligned with development directions and fostered consensus to proactively respond to industry rectification and market changes, while steadily proceeding with all key tasks. We have achieved a phased result in operation compliance, service improvement, product innovation and brand building. We also innovated and sought progress while maintaining stability, and continuously solidified our foundation. Under the leadership of the Board of Directors, the Group maintained a robust financial condition, with its overall business objectives progressed on track, thereby laying a solid foundation for achieving high-quality development.

During the period under review, all project companies tapped into their development potential and actively promoted the transformation of services and the integration with technology. Zhejiang Anxian Yuan, the Group's flagship project, established benchmarks in service innovation and humanistic inheritance while steadily advancing key projects such as the expansion of office and service buildings and the development of new cemeteries. The "Unlimited" digital life experience space launched by it during the Tomb-sweeping Festival deeply integrated the technologies such as holography and AI with funeral and burial services to provide personalized farewell ceremonies, healing and blessing and other integrated services. It has received widespread acclaim from all sectors of society and provided valuable practical experience for the digital transformation of the industry.

During the Period, Zhejiang Anxian Yuan converted a portion of the undeveloped allocated land within the Zhejiang cemetery into granted land use at a land premium of approximately HK$137 million, in order to accommodate the future development of the cemetery business. Although adjustments in funeral policies, improvements in compliant operation and changes in competitive landscapes across regions put pressure on the sales prices of burial plots at Yin Chuan Fu Shou Yuan and Zunyi Dashenshan, Yin Chuan Fu Shou Yuan has made effective progress in optimizing service processes, developing affordable products, and constructing public welfare facilities. It has also continued to actively explore land-saving and eco-friendly burial products, promoting the development of green funerals. Additionally, by renovating and expanding mourning halls and optimizing service procedures, it has laid a solid foundation for the subsequent launch of affordable mourning services, further enhancing regional competitiveness and customer satisfaction.

The Group has remained true to its founding mission and actively fulfils its social responsibilities by deeply integrating patriotism education and charitable causes into its funeral service business, thereby shaping a compassionate and responsible corporate image. The "Zhejiang Anti-Japanese War Veteran Memorial Park" located in the Group's flagship project, Zhejiang Anxian Yuan, has been established for ten years. During the commemoration of the September 18 Incident, a solemn ceremony titled "Eagles Soar, Heroes Immortal (鷹擊長空•英雄不朽)" was held for the installation of the Zhejiang Memorial Monument for Air Force Martyrs of the War of Resistance Against Japan, providing a dignified resting and commemorative place for a hundred heroic martyrs. This further enriched the patriotic education value of the park, inherited national memory, and promoted the spirit of the martyrs. Project companies across various regions have also actively organized a wide range of public welfare and patriotic education activities. Yin Chuan Fu Shou Yuan, in collaboration with government departments and schools, has continued to hold the "mobile ideological and political education class" memorial ceremony; Zunyi Dashenshan leverages its revolutionary heritage to organize the "Tracing the Footsteps of the Red Army" thematic education campaign. Through regular charitable donations, community care initiatives, and the promotion of public-benefit products, the Group has continuously feedback to society and conveys the warmth of our enterprise.

Looking forward, the Group will remain steadfast in its business philosophy of "people-oriented, service-first, guided by science, and dedicated to service" (以人為本、文化為根，科學為繩、服務為宗). With green funeral practices at the core and innovation as the driving force, the Group will persistently optimize its product structure and service systems by promoting the deep integration of technology and the funeral industry. We will further strengthen compliance awareness, solidify management foundations, and enhance operational efficiency, striving to build a modern funeral service platform that integrates humanity, ecology, and technology. Amid the industry transformation and market challenges, the Group will remain true to its original aspiration, embrace change, and continue to give back to society and serve our customers with professional services, innovative spirit, and responsible attitude, while delivering stable performance to reward our investors and partners.

CEMETERY BUSINESS

The revenue growth rate and gross profit ratio are the key measurements used for the assessment of business performance. Set out below is the table summarizing the key performance indicators for the Group's business.

		Six months ended 30 September	
Key performance indicators	**Definition**	**2025**	2024
Revenue growth rate	Total revenue in current Period vs last period	**-3.7%**	-25.0%
Gross profit ratio	Gross profit over total revenue	**68.4%**	72.6%

During the Period, the Group remain focused on its cemetery business in the PRC.

FINANCIAL REVIEW

For the Period, the Group recorded a loss of approximately HK$10.1 million (six months ended 30 September 2024: profit of approximately HK$18.2 million) and revenue of approximately HK$98.5 million (six months ended 30 September 2024: approximately HK$102.3 million). The Group's earnings before interest and tax was approximately HK$1.2 million (six months ended 30 September 2024: approximately HK$29.4 million). The Group's gross profit ratio decreased from 72.6% for the six months ended 30 September 2024 to 68.4% for the Period.

Revenue

Total revenue decreased to approximately HK$98.5 million (six months ended 30 September 2024: approximately HK$102.3 million) due to Zhejiang Anxian Yuan was required to pay Value Added Tax ("VAT") of approximately HK$4.8 million on revenue derived from its cemetery business during the Period (six months ended 30 September 2024: Nil). Gross profit for the Period decreased to approximately HK$67.4 million (six months ended 30 September 2024: approximately HK$74.3 million) compared with the previous period was mainly due to the average price of tombs sold having decreased by 13% as compared with the same period in last year.

Of the total revenue of approximately HK$98.5 million (six months ended 30 September 2024: approximately HK$102.3 million), sales of tombs and niches amounted to approximately HK$88.6 million (six months ended 30 September 2024: approximately HK$86.7 million). Revenue from burial services decreased to approximately HK$5.8 million (six months ended 30 September 2024: approximately HK$10.8 million).

Other income and gains, net

The Group recorded a decrease in other income by approximately HK$0.6 million. Such decrease was mainly due to the drop of bank interest received amounting to approximately HK$1.7 million for the Period (six months ended 30 September 2024: approximately HK$2.6 million).

Selling and distribution expenses

Selling and distribution expenses increased from approximately HK$12.0 million to approximately HK$31.9 million compared with last period. It was mainly due to (i) additional revaluation of VAT and other charges of approximately HK$13.1 million paid by Yin Chuan Fu Shou Yuan, a non-wholly owned subsidiary, and HK$4.9 million to be paid by Zhejiang Anxia Yuan for prior periods following notifications from the tax authorities and (ii) the increase in wages expenses for promoting the cemetery market.

Administrative expenses

Administrative expenses increased from approximately HK$36.7 million to approximately HK$37.5 million compared with last period. Such increase was mainly due to (i) the increase in repair and maintenance expenses of cemetery and tomb assets and (ii) the surcharges of PRC Income Tax for prior periods approximately of HK$0.5 million.

Finance costs

The Group recorded an increase in finance costs by approximately HK$0.4 million period-on-period. Such increase was primarily due to the new short-term bank borrowings of approximately HK$11.0 million for the Period.

Income tax expense

Income tax expense decreased from approximately HK$10.8million to approximately HK$10.5 million, mainly due to (i) decrease in current tax of PRC Corporate income tax and (ii) Zunyi Dashenshan, a non-wholly owned subsidiary, paid PRC Income Tax for prior periods of approximately HK$2.0 million.

(Loss)/Profit for the period attributable to the owners of the Company

As a result of the reasons mentioned above, loss attributable to the owners of the Company for the Period was approximately HK$6.0 million (six months ended 30 September 2024: profit of approximately HK$17.4 million).

LIQUIDITY AND FINANCIAL RESOURCES

The Group's business operations were funded by its internal resources and bank borrowings. A summary of the condensed consolidated statement of cash flows for the periods ended 30 September 2025 and 2024 were as follows:

	Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
Net cash flows generated from operating activities	**25,797**	12,871
Net cash flows used in investing activities	**(73,737)**	(45,209)
Net cash flows generated from financing activities	**9,567**	15,441
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(38,373)**	(16,897)

During the Period, the net cash outflow was approximately HK$38.4 million (six months ended 30 September 2024: net cash outflow of approximately HK$16.9 million). As at 30 September 2025, the cash and cash equivalents, fixed time deposits and financial assets at FVTPL of the Group which were denominated in HK$, US$ and RMB was approximately HK$238.6 million (31 March 2025: approximately HK$340.5 million). Cash and cash equivalents are held at the financial institutions with good credit ratings. The Group had short-term bank borrowings which were denominated in RMB of approximately HK$55.3 million (31 March 2025: approximately HK$43.9 million) and no long-term bank borrowings as at 30 September 2025 (31 March 2025: Nil). During the Period, the Group raised new bank borrowings of approximately HK$11.0 million in order to improve the Group's financial position.

The current ratio (current assets/current liabilities) of the Group was approximately 2.17 as at 30 September 2025 (31 March 2025: approximately 3.42). The decrease in current ratio as at 30 September 2025 as compared to 31 March 2025 was mainly due to the decrease in current assets and increase in current liabilities of the Group.

The gearing ratio (total liabilities/total assets) at the end of the Period was approximately 0.27 (31 March 2025: approximately 0.24).

As at 30 September 2025, the Group recorded net current assets of approximately HK$241.3 million (31 March 2025: approximately HK$396.2 million). It indicated the Group has sufficient working capital to meet its financial obligations.

CAPITAL STRUCTURE

As at 30 September 2025, the issued share capital of the Company was 2,221,363,150 Shares. During the Period, there was no movement of the issued share capital of the Company.

Total assets and net assets of the Group as at 30 September 2025 were approximately HK$1,308.7 million (31 March 2025: approximately HK$1,283.4 million) and approximately HK$949.5 million (31 March 2025: approximately HK$973.5 million), respectively. The net assets per Share was approximately HK$0.43 (31 March 2025: approximately HK$0.44). The decrease in net assets was mainly due to dividend payable of approximately HK$24.4 million and offset unrealized exchange gain on translation of financial statements of foreign operations of approximately HK$10.6 million due to the appreciation of RMB against HK$ as at 30 September 2025.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

There was no material acquisitions or disposals of subsidiaries, associates or joint ventures during the Period (31 March 2025: Nil).

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

During the Period, the Group's business including revenue and cost of sales were mainly denominated in RMB and the loans were denominated in HK$ and RMB. The PRC subsidiaries of the Group operated in the PRC. All transactions, assets and liabilities of the PRC subsidiaries were denominated in RMB and were translated into HK$ at year/period end date as foreign operations. The Group currently does have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group also monitors its foreign currency exposure closely and considers hedging significant foreign currency exposure should the need arise. The Group did not have significant exposure to foreign currency risk at 30 September 2025. No material foreign currency hedge was made during the Period.

FINANCIAL RESULTS AND DIVIDENDS

The results of the Group for the Period are set out under the condensed consolidated statement of profit or loss and consolidated statement of comprehensive income on pages 1 to 3.

The Board does not recommend the payment of an interim dividend for the Period (six months ended 30 September 2024: HK0.5 cent per Share).

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, no significant event of the Group after 30 September 2025 and up to the date of issue of these condensed consolidated financial statements.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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

COMPETING BUSINESS

As at 30 September 2025, none of the Directors, substantial shareholders of the Company and their respective associates (as defined in the Listing Rules) has any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to ensuring a high standard of corporate governance in the interests of the shareholders and devotes considerable effort to maintain high level of business ethics and corporate governance practices. The Company has complied with all the applicable code provisions set out in Part 2 of the CG Code throughout the six months ended 30 September 2025. The Board will keep reviewing and updating such practices from time to time to ensure compliance with legal and commercial standards.

AUDIT COMMITTEE REVIEW

The Audit Committee has been established with written terms of reference in compliance with Rules 3.21 and 3.22 of the Listing Rules and code provision D.3.3 of the CG Code, for the purposes of, among others, reviewing and providing supervision over the Group's financial reporting process, internal controls and risk management system. The Audit Committee currently comprises three Independent Non-executive Directors, namely Mr. Chan Koon Yung, Mr. Lum Pak Sum and Ms. Hung Wan Fong, Joanne. Mr. Chan Koon Yung is the chairman of the Audit Committee. The Audit Committee has reviewed the accounting principles and policies adopted by the Group and has discussed and reviewed the internal controls and financial reporting matters of the Group, including the review of the unaudited condensed consolidated interim results of the Group and interim report of the Company for the six months ended 30 September 2025, with the management of the Company and has no disagreement with the accounting treatments adopted.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in the Model Code as its own code of conduct for securities transactions by the Directors. The Company had made specific enquiry to all the Directors and they had confirmed compliance with the Model Code throughout the Period. No incident of non-compliance was noted by the Company during the Period.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.anxianyuanchina.com. The interim report of the Company for the six months ended 30 September 2025 containing all the information required by the Listing Rules will be dispatched to Shareholders and published on the above websites in due course.

By order of the Board
Anxian Yuan China Holdings Limited
Shi Hua
Chairman and Executive Director

Hong Kong, 21 November 2025

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Shi Hua, Mr. Shi Jun and Mr. Law Fei Shing; and three independent non-executive directors, namely Mr. Chan Koon Yung, Mr. Lum Pak Sum and Ms. Hung Wan Fong, Joanne.

GLOSSARY

In this announcement, the following expressions shall have the following meanings unless the context otherwise requires:

Audit Committee	the audit committee of the Company
Board	the board of Directors
Bye-laws	the bye-laws of the Company, as amended from time to time
Chairman	the chairman of the Board
Chief Executive Officer	the chief executive officer of the Company
CG Code	the Corporate Governance Code as set out in Appendix C1 of the Listing Rules
Company/Anxian Yuan	Anxian Yuan China Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares are listed on the Stock Exchange
Company Secretary	the company secretary of the Company
Director(s)	the director(s) of the Company
Executive Director(s)	the executive Director(s)
Group	the Company and its subsidiaries
HKAS	the Hong Kong Accounting Standards issued by the HKICPA
HKFRS(s)	the Hong Kong Financial Reporting Standards, collectively includes all applicable individual Hong Kong Financial Reporting Standards, HKAS and Interpretations issued by the HKICPA
HKICPA	the Hong Kong Institute of Certified Public Accountants
Hong Kong	the Hong Kong Special Administrative Region of the PRC
Independent Non-executive Director(s)	the independent non-executive Director(s)
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange

Model Code	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules
Non-executive Director(s)	the non-executive Director(s)
Period	the six months ended 30 September 2025
PRC	the People's Republic of China, which for the purpose of this report exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
SFO	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
Share(s)	the ordinary share(s) of HK$0.1 each in the share capital of the Company
Shareholder(s)	holder(s) of the Share(s)
Stock Exchange	The Stock Exchange of Hong Kong Limited
Yin Chuan Fu Shou Yuan	銀川福壽園人文紀念園有限公司 (Yin Chuan Fu Shou Yuan Humanistic Cultural Memorial Park Co. Ltd.*), a limited liability company established under the laws of the PRC
Zhejiang Anxian Yuan	浙江安賢陵園有限責任公司 (Zhejiang Anxian Yuan Company Limited*), a limited liability company established under the laws of the PRC
Zunyi Dashenshan	遵義詩鄉大神山生態陵園有限公司 (Zunyi Shixiang Dashenshan Cemeteries Co. Ltd.*), a limited liability company established under the laws of the PRC
HK$	Hong Kong dollars, the lawful currency of Hong Kong
RMB	Renminbi, the lawful currency of PRC
US$	United States dollars, the lawful currency of USA
%	per cent

* *The English translation is for identification purpose only.*