



**MODERN INNOVATIVE DIGITAL
TECHNOLOGY COMPANY LIMITED**

新質數字科技有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 2322)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman and Non-executive Director

Mr. MA Weihua

Executive Directors

Ms. ZHENG Juhua

Mr. GONG Huanghui

Ms. CAO Li

Mr. LAU Hoi Kit

Independent Non-executive Directors

Mr. HAN Zhenghai (*Deputy Chairman*)

Mr. CHI Chi Hung, Kenneth

Mr. YEUNG Yat Chuen

Mr. CHEN Chao

JOINT COMPANY SECRETARIES

Mr. CHAU Kin Cheung Alfred

Mr. CHOI Pun Lap

AUDIT COMMITTEE

Mr. CHI Chi Hung, Kenneth (*Chairman*)

Mr. YEUNG Yat Chuen

Mr. CHEN Chao

Mr. HAN Zhenghai

REMUNERATION COMMITTEE

Mr. CHEN Chao (*Chairman*)

Mr. CHI Chi Hung, Kenneth

Mr. YEUNG Yat Chuen

Mr. HAN Zhenghai

NOMINATION COMMITTEE

Mr. YEUNG Yat Chuen (*Chairman*)

Mr. CHI Chi Hung, Kenneth

Mr. CHEN Chao

Ms. ZHENG Juhua

Mr. HAN Zhenghai

AUDITOR

Reanda HK CPA Limited

PRINCIPAL BANKERS

The Bank of East Asia Limited

OCBC Wing Hang Bank Limited

Bank of Communications (Hong Kong) Limited

Bank of China (Hong Kong) Limited

REGISTERED OFFICE

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 2206-10, 22/F., China Resources Building

26 Harbour Road

Wanchai

Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda) Limited

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

STOCK CODE

2322

WEBSITE

<http://www.midt.hk/>

The board (the “Board”) of directors (the “Directors”) of Modern Innovative Digital Technology Company Limited (the “Company”) presents the unaudited condensed consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 September 2025 together with the comparative figures for the corresponding period in 2024. The unaudited condensed consolidated financial statements have been reviewed by the Company’s audit committee.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

		Six months ended 30 September 2025 HK\$'000 Unaudited	2024 HK\$'000 Unaudited
	Notes		
Revenue	3	30,040	35,644
Cost of sales		(20,790)	(23,456)
Gross profit		9,250	12,188
Other income	5	2,480	1,333
Impairment loss on trade and account receivables	13	(9,860)	(13,629)
Impairment loss on factoring receivables	14	–	(1,479)
(Impairment loss)/Reversal of impairment loss on finance lease receivables	15	(1,016)	5
Impairment loss on loan and interest receivables	16	(2,162)	(923)
Gain on changes in fair value of held-for-trading investments		923	76
Gain/(Loss) on disposal of held-for-trading investments		1,046	(156)
Administrative expenses		(22,875)	(27,319)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

		Six months ended 30 September 2025 HK\$'000 Unaudited	2024 HK\$'000 Unaudited
	Notes		
Operating loss		(22,214)	(29,904)
Finance costs	7	(391)	(200)
Loss before taxation	6	(22,605)	(30,104)
Taxation	8	(1,018)	(573)
Loss for the period		(23,623)	(30,677)
Other comprehensive (loss)/income:			
Items that may be reclassified subsequently to profit or loss:			
– Exchange differences arising on translation of foreign operations		(97)	14,622
		(97)	14,622
Items that may not be reclassified subsequently to profit or loss:			
– Gain on revaluation of owner-occupied property upon transfer to investment property		–	5,746
Total comprehensive loss for the period		(23,720)	(10,309)
Loss for the period attributable to:			
Owners of the Company		(23,623)	(30,677)
Total comprehensive loss for the period attributable to:			
Owners of the Company		(23,720)	(10,309)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted loss per share	10	HK\$(0.57) cents	HK\$(0.74) cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2025

		30 September 2025 Notes HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
ASSETS			
Non-current assets			
Property, plant and equipment	11	4,603	3,976
Investment property	11	71,820	71,820
Right-of-use assets		13,880	1,616
Intangible assets	12	500	500
Goodwill	12	1,000	1,000
Other non-current assets		205	205
Deferred tax assets		11,934	11,934
		<u>103,942</u>	<u>91,051</u>
Current assets			
Trade and account receivables	13	222,622	242,184
Factoring receivables	14	18,322	18,322
Finance lease receivables	15	19,591	19,294
Loan and interest receivables	16	160,781	160,078
Deposits, prepayments and other receivables		56,516	46,871
Tax recoverable		43	203
Held-for-trading investments		11,619	22,979
Cash held on behalf of clients		13,044	16,579
Cash and bank balances	17	55,154	59,845
		<u>557,692</u>	<u>586,355</u>
Total assets		<u>661,634</u>	<u>677,406</u>
EQUITY			
Capital and reserves			
Share capital	18	82,412	82,412
Reserves		533,509	557,229
Total equity		<u>615,921</u>	<u>639,641</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 SEPTEMBER 2025

		30 September 2025 <i>Notes</i> HK\$'000 Unaudited	31 March 2025 <i>HK\$'000</i> <i>Audited</i>
LIABILITIES			
Non-current liabilities			
Lease liabilities		8,754	1,221
Deferred tax liabilities		1,861	1,861
		10,615	3,082
Current liabilities			
Trade and account payables	19	13,035	16,978
Lease liabilities		5,466	505
Accruals, other payables and deposit received		8,917	10,714
Amount due to a Director	20	597	306
Tax payables		7,083	6,180
		35,098	34,683
Total liabilities		45,713	37,765
Total equity and liabilities		661,634	677,406
Net current assets		522,594	551,672
Total assets less current liabilities		626,536	642,723

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

	Attributable to owners of the Company							
	Share capital HK\$'000 Unaudited	Share premium HK\$'000 Unaudited	Contributed surplus HK\$'000 Unaudited	Exchange reserve HK\$'000 Unaudited	Surplus reserve HK\$'000 Unaudited	Property revaluation reserve HK\$'000 Unaudited	Accumulated losses HK\$'000 Unaudited	Total HK\$'000 Unaudited
For the six months ended 30 September 2024								
At 1 April 2024	82,412	1,000,745	34,178	(72,325)	10,409	7,245	(338,879)	723,785
Comprehensive loss								
Loss for the period	-	-	-	-	-	-	(30,677)	(30,677)
Other comprehensive income								
Exchange difference on translation of financial statements of foreign operations	-	-	-	14,622	-	-	-	14,622
Gain on revaluation of owner-occupied property upon transfer to investment property	-	-	-	-	-	5,746	-	5,746
Transactions with owners								
Transfer to statutory reserve	-	-	-	-	138	-	(138)	-
At 30 September 2024	82,412	1,000,745	34,178	(57,703)	10,547	12,991	(369,694)	713,476
For the six months ended 30 September 2025								
At 1 April 2025	82,412	1,000,745	34,178	(71,816)	10,409	11,555	(427,842)	639,641
Comprehensive loss								
Loss for the period	-	-	-	-	-	-	(23,623)	(23,623)
Other comprehensive income								
Exchange difference on translation of financial statements of foreign operations	-	-	-	(97)	-	-	-	(97)
Transactions with owners								
Transfer to statutory reserve	-	-	-	-	81	-	(81)	-
At 30 September 2025	82,412	1,000,745	34,178	(71,913)	10,490	11,555	(451,546)	615,921

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

		Six months ended 30 September 2025	2024
	Notes	HK\$'000 Unaudited	HK\$'000 Unaudited
Net cash used in operating activities		(14,229)	(23,276)
Net cash generated/(used in) from investing activities		12,300	(2,763)
Net cash used in financing activities		<u>(2,665)</u>	<u>(5,555)</u>
Decrease in cash and cash equivalents		(4,594)	(31,594)
Cash and cash equivalents at beginning of period		59,845	129,045
Effect of foreign exchange rate changes, net		<u>(96)</u>	<u>708</u>
Cash and cash equivalents at end of period	17	<u>55,155</u>	<u>98,159</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 General information

The Company is a limited liability company incorporated in Bermuda with its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Company’s registered office is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The principal place of the Company’s business in Hong Kong is situated at Suite 2206-10, 22/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.

The principal activity of the Company is investment holding. The Group is principally engaged in trading, money lending, factoring, finance leasing and financial services businesses.

These unaudited condensed consolidated financial statements have been reviewed by the audit committee of the Company and approved for issue by the Board on 28 November 2025.

2 Basis of preparation

The condensed consolidated financial statements for the six months ended 30 September 2025 have been prepared in accordance with the applicable disclosure requirements as prescribed in Appendix 16 of the Rules (the “Listing Rules”) Governing the Listing of Securities on the Stock Exchange and the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

These condensed consolidated 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.

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment property and held-for-trading investments that is measured at fair value.

The condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”), unless otherwise stated. The functional currency of the Company and its subsidiaries is HK\$.

2 Basis of preparation (Continued)

Principal accounting policies and adoption of new/revised Hong Kong Financial Reporting Standards (“HKFRS(s)”)

The significant accounting policies that have been used in the preparation of the Group’s condensed consolidated financial statements for the six months ended 30 September 2025 are consistent with those adopted in the preparation of the Group’s annual financial statements for the year ended 31 March 2025, except as described below.

The Group has adopted and applied, for the first time, the following amendment that have been issued and effective for the accounting period beginning on 1 April 2025:

Amendments to HKAS 21

Lack of Exchangeability

The application of the above amendment did not have any material impact on the condensed consolidated financial statements of the Group.

The Group has not applied any new standard or amendment that is not yet effective for the current accounting period. The Directors anticipate that the application of the other new and revised standards and amendments issued but not yet effective will have no material impact on the results and financial position of the Group.

3 Revenue

Revenue represents (i) net invoiced value of goods sold, after allowances for returns and trade discount; (ii) interest income from money lending, factoring, finance leasing and margin financing; (iii) brokerage commission income from securities dealing; and (iv) underwriting and placing commission income.

An analysis of the Group's revenue for the period is as follows:

	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Sales of goods	20,959	24,513
Interest income from money lending, factoring, finance leasing and margin financing	8,830	10,318
Brokerage commission income from securities dealings	251	212
Underwriting and placing commission income	–	601
	30,040	35,644

Revenue from contracts with customers within HKFRS 15:

Recognised at a point of time

Sales of goods	20,959	24,513
Brokerage commission income from securities dealings	251	212
Underwriting and placing commission income	–	601
	21,210	25,326

Revenue from other sources:

Interest income from money lending, factoring, finance leasing and margin financing calculated using effective interest method	8,830	10,318
	30,040	35,644

4 Segment information

The chief operating decision-maker has been identified as the Board. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Group's operating businesses are structured and managed separately according to the nature of the operations. Each of the Group's reportable operating segments represents a strategic business unit that is subject to risks and returns that are different from other reportable operating segment.

The Group's reportable and operating segments are as follows:

- Trading segment engaged in trading of goods in the PRC and Hong Kong;
- Money lending and factoring segment engaged in provision of loan financing in Hong Kong, loan and factoring financing in the PRC;
- Finance leasing segment engaged in provision of finance leasing and sale-leaseback in the PRC; and
- Financial services segment engaged in provision of securities dealing broking, placing, underwriting, margin financing and asset management services in Hong Kong.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit/loss represents the profit/loss earned by each segment without allocation of incomes or expenses which are not recurring in nature and unrelated to the Group's operating performance, including central administration costs, Directors' emoluments, gain/loss on changes in fair value of held-for-trading investments, gain/loss on disposal of held-for-trading investments, finance costs, impairment loss on deposits and other receivables (non-trading nature), exchange gain/loss, rental income, sublease interest income and interest income from cash and bank balances.

4 Segment information (Continued)

For the purposes of monitoring segment performances and allocating resources between segments, all assets are allocated to operating segments other than investment property, net investment in sublease, deferred tax assets, tax recoverable, held-for-trading investments, cash and bank balances and other corporate assets. All liabilities are allocated to operating segments other than deferred tax liabilities, amount due to a Director, tax payables and other corporate liabilities.

(a) Segment revenue and results

Segment revenue and results	Six months ended 30 September 2025				
	Trading HK\$'000 Unaudited	Money lending and factoring HK\$'000 Unaudited	Finance leasing HK\$'000 Unaudited	Financial services HK\$'000 Unaudited	Total HK\$'000 Unaudited
Segment revenue	20,959	6,276	1,788	1,017	30,040
Segment results	(5,609)	2,323	(497)	(14,267)	(18,050)
Corporate expenses					(8,508)
Operating loss					(26,558)
Corporate income					2,026
Gain on changes in fair value of held-for-trading investments					923
Gain on disposal of held-for-trading investments					1,046
Finance costs					(42)
Loss before taxation					(22,605)
Taxation					(1,018)
Loss for the period					(23,623)

4 Segment information (Continued)
(a) Segment revenue and results (Continued)

	Six months ended 30 September 2024				
Segment revenue and results	Trading HK\$'000 Unaudited	Money lending and factoring HK\$'000 Unaudited	Finance leasing HK\$'000 Unaudited	Financial services HK\$'000 Unaudited	Total HK\$'000 Unaudited
Segment revenue	23,672	7,975	1,929	2,068	35,644
Segment results	(11,746)	3,118	1,510	(15,475)	(22,593)
Corporate expenses					(8,431)
Operating loss					(31,024)
Corporate income					1,092
Gain on changes in fair value of held-for-trading investments					76
Loss on disposal of held-for-trading investments					(156)
Finance costs					(92)
Loss before taxation					(30,104)
Taxation					(573)
Loss for the period					(30,677)

4 Segment information (Continued)

(b) Segment assets and liabilities

	As at 30 September 2025 and six months ended 30 September 2025				
	Trading HK\$'000	Money lending and factoring HK\$'000	Finance leasing HK\$'000	Financial services HK\$'000	Total HK\$'000
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Segment assets					
Non-current assets					
Property, plant and equipment	115	61	3,718	4	3,898
Right-of-use assets	-	-	-	12,549	12,549
Intangible assets	-	-	-	500	500
Goodwill	-	-	1,000	-	1,000
Other non-current assets	-	-	-	205	205
	<u>115</u>	<u>61</u>	<u>4,718</u>	<u>13,258</u>	<u>18,152</u>
Current assets	<u>232,219</u>	<u>179,600</u>	<u>20,503</u>	<u>23,599</u>	<u>455,921</u>
	<u>232,334</u>	<u>179,661</u>	<u>25,221</u>	<u>36,857</u>	<u>474,073</u>
Unallocated:					
Cash and bank balances					55,154
Others					<u>132,407</u>
Total assets per statement of financial position					<u>661,634</u>
Segment liabilities	<u>875</u>	<u>1,075</u>	<u>1,370</u>	<u>26,219</u>	<u>29,539</u>
Unallocated:					
Others					<u>16,174</u>
Total liabilities per statement of financial position					<u>45,713</u>
Other segment information					
Capital expenditure	-	-	1,042	-	1,042
Unallocated capital expenditure					<u>65</u>
					<u>1,107</u>
Depreciation					
- Right-of-use assets	-	-	-	2,510	2,510
- Property, plant and equipment	22	-	11	174	207
Unallocated depreciation					<u>558</u>
					<u>3,275</u>

4 Segment information (Continued)

(b) Segment assets and liabilities (Continued)

	As at 30 September 2024 and six months ended 30 September 2024				
	Trading HK\$'000	Money lending and factoring HK\$'000	Finance leasing HK\$'000	Financial services HK\$'000	Total HK\$'000
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Segment assets					
Non-current assets					
Property, plant and equipment	141	268	2,451	34	2,894
Right-of-use assets	-	-	-	2,832	2,832
Intangible assets	-	-	-	5,525	5,525
Goodwill	-	-	1,000	-	1,000
Other non-current assets	-	-	-	205	205
Loan and interest receivables	-	62,632	-	-	62,632
	141	62,900	3,451	8,596	75,088
Current assets	237,344	130,697	25,068	49,993	443,102
	237,485	193,597	28,519	58,589	518,190
Unallocated:					
Net investment in sublease					962
Cash and bank balances					98,159
Others					154,352
Total assets per statement of financial position					771,663
Segment liabilities	491	387	1,756	33,544	36,178
Unallocated:					
Others					22,009
Total liabilities per statement of financial position					58,187
Other segment information					
Capital expenditure	-	1	2,671	-	2,672
Unallocated capital expenditure					-
					2,672
Depreciation					
- Right-of-use assets	-	-	-	2,832	2,832
- Property, plant and equipment	107	226	267	85	685
Unallocated depreciation					1,533
					5,050

5 Other income

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Bank interest income	78	65
Sublease interest income	—	35
Rental income	1,191	243
Others	1,211	990
	2,480	1,333

6 Loss before taxation

The Group's loss before taxation has been arrived at after charging/(crediting):

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Cost of inventories sold	20,790	23,456
Salaries and wages included in administrative expenses:		
Directors' emoluments (including contribution to defined contribution plans)	3,586	2,398
Salaries, wages and other benefits (excluding directors' emoluments)	8,174	8,762
Contribution to defined contribution plans (excluding directors)	444	542
	32,994	11,702
Auditor's remuneration	68	81
Depreciation of property, plant and equipment	480	868
Depreciation of right-of-use-assets	2,795	4,182
Rental expenses in respect of short-term lease	93	274
Impairment loss on trade and account receivables	9,860	13,629
Impairment loss on factoring receivables	—	1,479
Impairment loss/(Reversal of impairment loss) on finance lease receivables	1,016	(5)
Impairment loss on loan and interest receivables	2,162	923
Gain on changes in fair value of held-for-trading investments	(923)	(76)
(Gain)/Loss on disposal of held-for-trading investments	(1,046)	156

7 Finance costs

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Interest on lease liabilities	391	200

8 Taxation

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Current income tax		
– Hong Kong profits tax	–	–
– PRC corporation income tax	1,018	573
	1,018	573
Deferred tax	–	–
	1,018	573

Hong Kong profits tax

Under the two-tiered profits tax rates regime, Hong Kong profits tax is provided at the rate of 8.25% on the first HK\$2,000,000 of the estimated assessable profits of the qualifying entity of the Group and 16.5% on the estimated assessable profits above HK\$2,000,000. The profits of other group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime are taxed at a flat rate of 16.5%.

No Hong Kong profits tax has been provided as the Group has no estimated assessable profits arising from Hong Kong for the six months ended 30 September 2025 and 2024.

PRC corporate income tax

The PRC corporate income tax in respect of operations in the PRC is calculated at the applicable tax rates on the estimated assessable profits for the year based on existing legislation, interpretations and practices in respect thereof.

9 Interim dividends

The Directors do not recommend the payment of interim dividends for the six months ended 30 September 2025 (six months ended 30 September 2024: Nil).

10 Loss per share

	Six months ended 30 September 2025 HK\$'000 Unaudited	2024 HK\$'000 Unaudited
Loss attributable to shareholders	(23,623)	(30,677)
Weighted average number of ordinary shares, for the purposes of calculating basic loss per share (<i>shares in thousands</i>)	4,120,600	4,120,600
Basic and diluted loss per share	HK\$(0.57) cents	HK\$(0.74) cents

As there are no dilutive potential ordinary shares outstanding as at 30 September 2025 and 2024, the diluted loss per share is equal to the basic loss per share.

11 Property, plant and equipment and investment property

There was no significant acquisition or disposal of property, plant and equipment and investment property during the period.

12 Intangible assets and goodwill

Intangible assets	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
Cost		
Trading right	500	500
Licences	21,000	21,000
	21,500	21,500
Less: Impairment loss	(21,000)	(21,000)
	500	500

Trading right represents the right that allows the Group to trade securities in the Stock Exchange. Licences comprise the licences of Type 1, 2, 4 and 9 regulated activities under the Securities and Futures Ordinance.

Goodwill	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
Cost	76,695	76,695
Less: Impairment loss	(75,695)	(75,695)
	1,000	1,000

Goodwill arose from the acquisition of (i) 100% equity interest in Comercializadora Ven 2010 C.A Limited and its subsidiary ("Comercializadora Ven 2010") on 9 July 2014; and (ii) 100% equity interest in ChaoShang Financial Holding Limited and its subsidiaries ("ChaoShang Financial") on 31 December 2019.

Impairment testing of intangible assets and goodwill

Intangible assets and goodwill have been allocated for impairment testing purposes to the following cash-generating units ("CGUs"):

- the operating activities of Comercializadora Ven 2010 which is engaged in finance leasing business (the "Comercializadora Ven 2010 CGU"); and
- the operating activities of ChaoShang Financial which is engaged in provision of financial services business (the "ChaoShang Financial CGU").

12 Intangible assets and goodwill (Continued)

The carrying amounts of intangible assets and goodwill allocated to the CGUs as at 30 September 2025 and 31 March 2025 are as follows:

As at 30 September 2025	Intangible assets HK\$'000 Unaudited	Goodwill HK\$'000 Unaudited	Total HK\$'000 Unaudited
Comercializadora Ven 2010 CGU			
Cost	–	1,000	1,000
Less: Impairment loss recognised	–	–	–
	<u>–</u>	<u>1,000</u>	<u>1,000</u>
ChaoShang Financial CGU			
Cost	25,000	75,695	97,195
Less: Impairment loss recognised	(21,000)	(75,695)	(96,695)
	<u>500</u>	<u>–</u>	<u>500</u>
	<u>500</u>	<u>1,000</u>	<u>1,500</u>
As at 31 March 2025	Intangible assets HK\$'000 Audited	Goodwill HK\$'000 Audited	Total HK\$'000 Audited
Comercializadora Ven 2010 CGU			
Cost	–	1,000	1,000
Less: Impairment loss recognised	–	–	–
	<u>–</u>	<u>1,000</u>	<u>1,000</u>
ChaoShang Financial CGU			
Cost	21,500	75,695	97,195
Less: Impairment loss recognised	(21,000)	(75,695)	(96,695)
	<u>500</u>	<u>–</u>	<u>500</u>
	<u>500</u>	<u>1,000</u>	<u>1,500</u>

12 Intangible assets and goodwill (Continued)

Intangible assets and goodwill with indefinite useful lives are tested for impairment at least annually or when there is impairment indicator. Details of impairment testing are set out below.

ChaoShang Financial CGU

An impairment test was performed by the Company for intangible assets and goodwill allocated to the ChaoShang Financial CGU by comparing their recoverable amounts to their carrying amounts as at the end of the reporting period. The recoverable amounts of the ChaoShang Financial CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections was 11.5% (31 March 2025: 11.5%), and the cash flows beyond the five-year period were extrapolated using a growth rate of 2.5% (31 March 2025: 2.5%). Other key assumptions for the value in use calculation relate to the estimation of cash inflows/outflows which include budgeted revenue and gross margin, such estimation is based on the past performance and management's expectations for the market development of the ChaoShang Financial CGU. There was no change in the basis on determination of the recoverable amounts as at 30 September 2025 and 31 March 2025.

Since the recoverable amounts of the ChaoShang Financial CGU determined based on value in use calculation exceeded than their carrying amounts, no further impairment loss was recognised during the period ended 30 September 2025 (six months ended 30 September 2024: Nil).

Goodwill has been fully impaired in prior years and impairment loss on intangible assets of approximately HK\$21,000,000 was recognised as at 30 September 2025 and 31 March 2025.

Comercializadora Ven 2010 CGU

During the period, the management reviewed and assessed the value in use of the Comercializadora Ven 2010 CGU to determine its recoverable amount. No impairment loss was considered necessary for the Comercializadora Ven 2010 CGU (six months ended 30 September 2024: Nil).

13 Trade and account receivables

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
Receivables arising from securities broking business:		
– Loans to margin clients	37,704	42,266
– Clearing houses	<u>–</u>	<u>405</u>
	37,704	42,671
Less: Impairment loss	(36,789)	(31,521)
	915	11,150
Receivables arising from trading business	257,875	262,610
Less: Impairment loss	(36,168)	(31,576)
	221,707	231,034
Total trade and account receivables	222,622	242,184

13 Trade and account receivables (Continued)**Receivables arising from securities broking**

With regard to receivables arising from securities broking, the Group seeks to maintain tight control over its outstanding receivables and has procedures and policies to assess its clients' credit quality and define credit limits for each client. All client acceptances and credit limits are approved by designated approvers according to the clients' credit quality.

The normal settlement term of cash clients and clearing houses receivables arising from the ordinary course of business of securities broking is two trading days after the trade date.

Loans to margin clients are secured by the underlying pledged securities, repayable on demand and bear interest at commercial rates. As at 30 September 2025, the total market value of securities pledged as collateral in respect of the loans to margin clients amounted to approximately HK\$1,590,000 (31 March 2025: HK\$34,832,000). Securities are assigned with specific margin ratios for calculating their margin values.

Receivables arising from trading business

The Group's trade receivables are generally with credit periods of 60 to 120 days (31 March 2025: 60 to 120 days).

The maximum exposure to credit risk at each of the end of the reporting period is the carrying amount value of the trade and account receivables. The Group does not hold any collateral as security.

The carrying amounts of trade and account receivables are denominated in following currencies:

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
HK\$	915	11,150
RMB	221,707	231,034
	222,622	242,184

13 Trade and account receivables (Continued)

No ageing analysis of cash client receivables and loans to margin clients is disclosed as in the opinion of the Directors, the ageing analysis is not meaningful in view of the nature of the cash client receivables arising from securities broking and the revolving margin loans.

An aged analysis of receivables arising from trading business, net of allowance for impairment, at the end of the reporting period, based on the date of invoice (or date of revenue recognition, if earlier), is as follows:

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
0 to 30 days	—	—
31 to 60 days	10,667	21,757
61 to 90 days	7,055	—
91 to 180 days	5,497	11,641
More than 180 days	198,488	197,636
	221,707	231,034

The Group applies the simplified approach to provide lifetime ECL prescribed by HKFRS 9 for all trade and account receivables. The management assessed the expected loss on trade and account receivables individually.

The individually impaired trade and account receivables are recognised based on the credit history of its customers, such as financial difficulties or default in payments, and current market conditions and are adjusted for forward-looking information that is available without undue cost or effort. The maximum exposure to credit risk at each of the end of the reporting period is the carrying value of the trade and account receivables.

The movement of provision for impairment of trade and account receivables is as follows:

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
At beginning of the reporting period	63,097	59,624
Provision for impairment	9,860	25,387
Written off	—	(21,914)
At end of the reporting period	72,957	63,097

14 Factoring receivables

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
Factoring receivables	18,360	18,360
Interest receivables	1,120	1,120
	19,480	19,480
Less: Impairment loss	(1,158)	(1,158)
	18,322	18,322

The movement of provision for impairment of factoring receivables is as follows:

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
At beginning of the reporting period	1,158	550
Provision for impairment	–	607
Currency translation differences	–	1
	1,158	1,158

The carrying amounts of factoring receivables are denominated in RMB.

The Group applies the simplified approach to provide lifetime ECL prescribed by HKFRS 9 for factoring receivables. The management assessed the expected loss on factoring receivables individually. The maximum exposure to credit risk at each of the end of the reporting period is the carrying value of the factoring receivables.

15 Finance lease receivables

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
Current portion of finance lease receivables	25,786	24,473
Non-current portion of finance lease receivables	–	–
	25,786	24,473
Less: Impairment loss	(6,195)	(5,179)
	19,591	19,294

15 Finance lease receivables (Continued)

The movement of provision for impairment of finance lease receivables is as follows:

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
At beginning of the reporting period	5,179	4,029
Provision for impairment	1,016	4,153
Written off	—	(3,003)
At end of the reporting period	6,195	5,179

As at 30 September 2025 and 31 March 2025, the finance lease receivables were secured over the leased assets mainly by machineries and equipment. The carrying amounts of finance lease receivables are denominated in RMB.

The maturity date for each finance lease contract is normally not more than 5 years. The interest rate inherent in the leases is fixed at the contract date for the entire lease term. The effective interest rate is approximately 10% to 15% (31 March 2025: 10% to 15%) per annum. The maximum exposure to credit risk at each of the end of the reporting period is the carrying value of the finance lease receivables.

There was no unguaranteed residual values of assets leased under finance leases as at 30 September 2025 and 31 March 2025. The Group applies the simplified approach to provide lifetime ECL prescribed by HKFRS 9 for finance lease receivables. The management assessed the expected loss on all finance lease receivables individually and the credit quality of finance lease receivables has been assessed by reference to historical information about counterparty default rates and fair value of collaterals, if any.

16 Loan and interest receivables

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
Loan receivables	153,264	156,063
Interest receivables	36,900	31,236
	<hr/>	<hr/>
Loan and interest receivables	190,164	187,299
Less: Impairment loss	(29,383)	(27,221)
	<hr/>	<hr/>
	160,781	160,078
	<hr/>	<hr/>
Current portion of loan and interest receivables	160,781	160,078
Non-current portion of loan and interest receivables	–	–
	<hr/>	<hr/>
	160,781	160,078
	<hr/>	<hr/>

16 Loan and interest receivables (Continued)

The carrying amounts of loan and interest receivables are denominated in the following currencies:

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
HK\$	32,809	33,968
RMB	127,972	126,110
	160,781	160,078

Loan receivables are interest-bearing at approximately 8% to 18% (31 March 2025: 8% to 18%) and are repayable with fixed terms agreed with the Group's customers. The maturity date for each loan contract is normally not more than 3 years and is unsecured. The maximum exposure to credit risk at each of the reporting dates is the carrying value of the loan and interest receivables.

The Group applies the general approach to provide for ECL prescribed by HKFRS 9 for loan and interest receivables, which permits the use of the 12 months ECL provision for these loan and interest receivables, unless there has been a significant increase in credit risk since initial recognition, which the Group then recognises lifetime ECL. The management assessed the expected loss on all loan and interest receivables individually and the credit quality of loan and interest receivables has been assessed by reference to historical information about counterparty default rates.

The movement of provision for impairment on loan and interest receivables are as follows:

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
At beginning of the reporting period	27,221	44,738
Provision for impairment	2,162	15,759
Written off	—	(33,276)
At end of the reporting period	29,383	27,221

17 Cash and cash equivalents

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
Cash at bank and on hand	55,154	59,845

The carrying amounts of cash and bank balances are denominated in the following currencies:

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
HK\$	30,500	19,625
US\$	907	1,058
EUR	4	4
RMB	23,743	39,158
	55,154	59,845

The conversion of RMB-denominated balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to relevant rules and regulation of foreign exchange control promulgated by the PRC government.

18 Share capital**(a) Authorised capital**

	Number of shares	Nominal value <i>HK\$'000</i>
As at 1 April 2024, 31 March 2025 (audited) and 30 September 2025 (unaudited), ordinary shares of HK\$0.02 each	<u>5,000,000,000</u>	<u>100,000</u>

(b) Issued and fully paid capital

	Number of shares	Nominal value <i>HK\$'000</i>
As at 1 April 2024, 31 March 2025 (audited) and 30 September 2025 (unaudited), ordinary shares of HK\$0.02 each	<u>4,120,600,000</u>	<u>82,412</u>

19 Account payables

	30 September 2025 <i>HK\$'000</i> Unaudited	31 March 2025 <i>HK\$'000</i> Audited
Payables arising from securities broking business:		
– Cash clients account payables	2,259	6,373
– Margin clients account payables	10,498	10,605
– Clearing houses	<u>278</u>	<u>–</u>
Total trade and account payables	<u>13,035</u>	<u>16,978</u>

The carrying amounts account payables are denominated in HK\$.

No ageing analysis is disclosed as in the opinion of the Directors, the ageing analysis is not meaningful in view of the nature of the payables arising from securities broking. The normal settlement terms of payables due to clearing houses are two trading days after the trade date.

20 Amount due to a Director

Amount due to a Director is unsecured, interest free and repayable on demand.

The carrying amount is denominated in HK\$.

21 Related party transactions

In addition to the transactions and balances disclosed elsewhere in the condensed consolidated financial statements, the Group entered into the following transactions with related parties during the period:

(a) Key management compensation

The remuneration of key management personnel of the Group during the period was as follows:

	30 September 2025 HK\$'000 Unaudited	30 September 2024 HK\$'000 Unaudited
Salaries, allowances and other benefits	4,825	3,557
Contribution to defined contribution plans	64	60
	4,889	3,617

22 Commitments**The Group as lessee**

At the end of the reporting period, the lease commitments for short-term leases are as follows:

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
Not later than 1 year	18	18

None of the leases include contingent rentals.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

The Group recorded a turnover of approximately HK\$30.0 million with a gross profit of approximately HK\$9.3 million for the six months ended 30 September 2025 as compared to approximately HK\$35.6 million and HK\$12.2 million respectively for the last corresponding period. The loss for the current period was approximately HK\$23.6 million as compared to a loss of approximately HK\$30.7 million for the last corresponding period. The decrease in loss was mainly attributable to the net effect of the followings:

- (i) a decrease in aggregate amount of impairment losses on receivables of approximately HK\$3.0 million; and
- (ii) a decrease in administrative expenses of approximately HK\$4.4 million.

As at 30 September 2025, the total assets and net assets of the Group amounted to approximately HK\$661.6 million (31 March 2025: HK\$677.4 million) and HK\$615.9 million (31 March 2025: HK\$639.6 million) respectively. The decrease in total assets and net assets were mainly caused by the loss for the period.

BUSINESS REVIEW

Trading Business

The Group is principally engaged in trading in the PRC. The Group recorded a turnover of approximately HK\$21.0 million with a loss of approximately HK\$5.6 million from its trading business for the six months ended 30 September 2025 as compared to approximately HK\$23.7 million with a loss of approximately HK\$11.7 million for the same period in 2024. Despite the decrease in revenue, the decrease in the loss recorded for the current period was mainly caused by a decrease in provision for impairment losses for trade and accounts receivables arising from trading business.

It was expected that in light with the introduction of economic enhancement measurements by the PRC government, consumption demand in the retail markets would be increased. However, the economic environment surrounding the Group's trading business was less than satisfactory. Although the PRC government announced a number of economic stimulus policies, with international trade wars including increasing tariff looming over the market again, the fundamental market sentiment is not optimistic, which compounded by the uncertainty about the pace of recovery of the economy, the consumption patterns of customers became more prudent. As the Group's trading business focuses on discretionary goods which are not mandatory for people's everyday lives, the above factors together with the Group's management hoping to minimise our credit risks with regard to the above-mentioned macroeconomic conditions and the circumstances of our individual customers, leading to a lower level of turnover and revenue recorded again during the period.

BUSINESS REVIEW (CONTINUED)

Trading Business (Continued)

Under such circumstances, the management of the Group prudently re-assessed the individual conditions of our customers to evaluate the businesses and credit risks with reference to historical trading and repayment patterns, and conditions of the market as a whole, impairment loss on trade receivables arising from trading business amounted to approximately HK\$4.6 million was provided for during the current period. The Group will closely monitor the creditworthiness of the customers and take appropriate measures including legal proceedings against defaulting customers and seizure of the customers' assets for auctioning and selling of all seized assets, to recover sums from such customers, whenever appropriate.

Money Lending and Factoring Business

The Group offers corporate and personal loans in Hong Kong and the PRC to businesses and individuals of occupations ranging from executives, businessmen and professionals. Clients are generally solicited through (i) the directors and senior management of the subsidiaries whom are in charge of each of the lending businesses; (ii) direct approaches from clients; and (iii) referral from existing clients.

The loan portfolio consists of loans with initial terms generally ranging from 1 to 3 years and with principals of approximately HK\$3 million to HK\$25 million which are principally for the development and expansion of their businesses and their corporate and personal needs.

The Group also offers factoring loans on trade receivables in the PRC with initial terms of not more than 6 months and sizes ranging from approximately RMB10 million to RMB20 million in general. The financing purpose of the Group's clients is principally for their operation requirements.

The Group has loan portfolios in Hong Kong and the PRC with carrying amounts of approximately HK\$160.8 million and factoring receivables with carrying amounts of approximately HK\$18.3 million as at 30 September 2025. The Group recognised an aggregate interest income of approximately HK\$6.3 million and a profit of approximately HK\$2.3 million for the current period as compared to approximately HK\$8.0 million and HK\$3.2 million respectively for the last corresponding period. The decrease in the profit recorded for the current period was mainly caused by a decrease in interest income recognized.

BUSINESS REVIEW (CONTINUED)

Money Lending and Factoring Business (Continued)

Collaterals and guarantors would be obtained from clients as appropriate on a case-by-case basis by considering the background, repayment ability and credit worthiness of the potential clients a whole. While the Group aims to have securities over the loans granted in accordance with the industry practice and in compliance with the relevant regulations, if applicable, unsecured loans may also be granted which is considered by the Group as a balance of our product-mix and part of our portfolio. Nevertheless, the Group is conservatively prudent in assessing the creditworthiness of the unsecured loans including but not limited to the review and inspection of asset title, asset portfolio, leverage level and liquidity conditions before approval.

The management of the Group has re-assessed the individual conditions of our customers to evaluate the businesses and credit risks with reference to historical repayment patterns, and conditions of the market as a whole, provision for impairment loss on loan and interest receivables amounted to approximately HK\$2.2 million was provided for during the current period.

Finance Leasing Business

The Group is engaged in finance leasing business in the PRC and mainly offers machinery/equipment-based finance leases, the terms of which generally ranges from 1 to 5 years and with size not more than RMB30 million. The Group provides both direct leasing and sale-leaseback services to customers and the financing purpose of the Group's customers is principally for the development and expansion of their business.

The finance leasing business maintained a portfolio with carrying amount of approximately HK\$19.6 million as at 30 September 2025. The finance leasing portfolio has attributed a turnover of approximately HK\$1.8 million with a loss of approximately HK\$0.5 million to the Group during the current period as compared to approximately HK\$1.9 million and a profit of approximately HK\$1.5 million respectively for the last corresponding period. The turnaround mainly arose from the increase in impairment loss on finance lease receivables of approximately in the current period.

As the management considered asset-heavy clients faces more business risks in this turbulent economic environment and hence was more prudent in accepting new businesses, no finance lease was granted during the current period.

As previously reported, there were certain customers from the finance leasing business deeply impacted by the pandemic due to their industry nature, who default in repayments on schedules, and the Group has taken necessary legal proceedings to seize and safeguard the assets. The Group will closely monitor the creditworthiness of the clients and formulate appropriate actions for recovery of the other outstanding finance lease receivables.

BUSINESS REVIEW (CONTINUED)

Loan Portfolio Summary

In respect of our money lending and factoring business and finance leasing business, in order to diversify the clients and lower the concentration of our loan portfolio, our portfolio include corporations from different industries such as hotel management, renovation, computer software and trading and individuals. As at 30 September 2025, the Group's lending businesses has 17 clients with outstanding balances from different types of loans and fell within the following bands:

Types of loans	Number of customers
Finance leases	2
Factoring loans	1
Corporate loans	6
Personal loans	8
	<hr/>
	17
	<hr/>
Carrying amounts of loans	Number of loans
Less than HK\$5,000,000	7
HK\$5,000,001 – HK\$10,000,000	1
HK\$10,000,001 – HK\$20,000,000	6
Above HK\$20,000,001	3
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	17
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BUSINESS REVIEW (CONTINUED)

Loan Portfolio Summary (Continued)

As at 30 September 2025, the top five clients constituted approximately 52% of the total carrying amounts of the Group's loan portfolio of the lending businesses.

In addition to minimising the risks by restricting the Group's source of funds to its internally generated cash resources, the Group has appointed the directors and senior management personnel of the subsidiaries whom are in charge of each of the lending businesses (the "Management Teams") to be responsible for the credit assessment, granting of and supervision of loans. Each of the Management Teams have vast experiences and knowledge in the industries.

Notwithstanding the nature of the loans granted, the internal control measures are in general very similar to each other. Each loan application must go through three stages before granting to the borrower, namely (i) document collection and verification; (ii) credit risk assessment; and (iii) approval. The following is a summary of procedures the Group conducts on potential clients assessment:

- (i) identity checks must be performed on potential clients and the ultimate beneficial owner(s) of the potential clients by obtaining, including but not limited to, constitution documents, business registrations, identity cards or passports;
- (ii) background checks must be performed by understanding the business operations, occupation and employment, the source and origin of funds and obtaining address proof of the potential clients, which included utility bills, bank/credit card statements or formal correspondence issued by either a governmental department or statutory body;
- (iii) repayment ability of potential clients must be assessed through their financial statements, assets portfolio (e.g. properties held) and the related leverage level, liquidity condition, bankruptcy or winding up or litigation searches, media and news searches, past payment record (where applicable) and any other available information to evaluate their repayment ability;
- (iv) check the availability of guarantor(s), if any; and
- (v) in case of security being provided as collateral for the loan, the validity, title and value of the security must be assessed.

Furthermore, guarantors who provide personal/corporate guarantee in favour of a loan, where applicable, are also required to meet the same basic eligibility and approval criteria as the borrower of loans, and will be required to go through the same verification and approval procedures.

BUSINESS REVIEW (CONTINUED)

Loan Portfolio Summary (Continued)

After credit assessment, with the terms determined (having taken into consideration factors such as the credit quality of the clients, their recoverability and the prevalent market interest rates), loan documents will be prepared and the loans will be recommended for the Management Teams' review and approval. The Management Teams will monitor on a continued basis the credit quality of such loans and may require other credit enhancement measures from the borrowers from time to time. The Management Teams are primarily responsible for the approval of loans by considering whether such loans are on normal commercial terms, fair and reasonable and in the interests of the Company and the shareholders as a whole.

The Management Teams conduct regular review and carry out follow up actions on a continuing basis in respect of overdue amounts to minimise the Group's exposure to credit risk and follows up closely with its clients as to the repayment deadlines. An aging analysis of the borrowers is prepared and reviewed on a monthly basis. As for loan collection, in case of any minor defaults, the Management Teams shall send reminders and/or demand letters to its clients. In case the default persists, the Group may engage lawyers to advise on the recovery and take out enforcement actions as and when appropriate.

Financial Services Business

The Group acquired the financial services business in December 2019 (the "Acquisition") which is principally engaged in provision of securities dealing broking, placing, underwriting, margin financing and asset management services in Hong Kong.

The financial services business attributed a turnover of approximately HK\$1.0 million with a loss of approximately HK\$14.3 million to the Group during the current period, as compared to approximately HK\$2.1 million and a loss of approximately HK\$15.5 million respectively for the last corresponding period. There were no significant changes in turnover and results of this segment from the last corresponding period to the current period.

The management has actively explored the development of financial services business in order to increase the Group's exposure within the capital markets, so as to enlarge the sources of income.

BUSINESS REVIEW (CONTINUED)

Financial Services Business (Continued)

In respect of the profit guarantee given by the vendors of the Acquisition, the Group has actively negotiated with the vendors for the settlement and has instructed our lawyers to issue a writ of summons to initiate legal proceedings against the vendors for recovery of the amount receivable. Subsequently, the Company and the vendors agreed on a settlement arrangement. Whilst the vendors were still in default of the settlement of the outstanding amount, the Company is in the process of continuing negotiations with the vendors on settlement of the outstanding amounts under the profit guarantee. Further updates regarding this profit guarantee will be announced by the Company as and when appropriate.

Impairment Assessment of Expected Credit Losses

Expected credit loss models were adopted to measure the expected credit loss of trade and account receivables, factoring receivables, finance lease receivables, loan and interest receivables, and deposits and other receivables. Major inputs of the model include (i) probability of default of the debtor which include assessing the loss stages and checking forward looking assumptions; (ii) loss given default; (iii) exposure at default; and (iv) discount factor to reflect time value of money. The model was adopted in accordance with Hong Kong Financial Reporting Standard 9 and was consistently applied as the last corresponding year.

Potential Business Development

Looking forward, the Group will actively identify and explore other investment and business opportunities to broaden its assets and revenue base and may consider restructuring its business segments pursuant to the ever-changing economic environment in the PRC and Hong Kong. The Group may consider different fund-raising activities to finance such potential business development. The Group will cautiously search for investment opportunities so as to produce a steady growth in the Group's long term performance.



LIQUIDITY, FINANCIAL RESOURCES AND GEARING

The Group generally finances its operations with internally generated resources.

As at 30 September 2025, the Group had cash and bank balances of approximately HK\$55.2 million (31 March 2025: approximately HK\$59.8 million) and total borrowings of approximately HK\$14.8 million (31 March 2025: approximately HK\$2.0 million). The Group's gearing ratio, calculated by dividing total borrowings by total equity, was 2.41% (31 March 2025: 0.32%) and liquidity ratio, being the ratio of current assets over current liabilities, was 15.89 (31 March 2025: 16.91) as at 30 September 2025.

The increase in gearing ratio and decrease in liquidity ratio was mainly due the entering into new lease agreements which led to the increase in lease liabilities.

FOREIGN EXCHANGE EXPOSURE

Operations of the Group are mainly conducted in Hong Kong dollar ("HK\$"), Renminbi ("RMB") and US dollar ("US\$"), and its revenue, expenses, assets, liabilities and borrowings are principally denominated in HK\$, RMB and US\$.

The Group did not enter into any instruments on the foreign exchange exposure. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk as appropriate.

INTERIM DIVIDENDS

The Board does not recommend the payment of interim dividends for the six months ended 30 September 2025.

CAPITAL STRUCTURE

As at 30 September 2025, the total number of issued shares of the Company was 4,120,600,000.

There was no change in the capital structure of the Company during the period.

CHARGES ON GROUP ASSETS

As at 30 September 2025, none of the Group's asset was pledged.

SIGNIFICANT ACQUISITION AND DISPOSAL OF ASSETS

Save for the acquisition and disposal of held-for-trading investments in securities, there has been no significant acquisition and disposal of assets by the Group during the period.



SECURITIES INVESTMENTS HELD

As at 30 September 2025, the Group had held-for-trading investments in securities in Hong Kong (the “Securities Investments”) with a market value of approximately HK\$11.6 million. Details of the Securities Investments as at 30 September 2025 are as follows:

Company name	Stock code	Principal activities	Number of shares held	% of shareholdings	Cost of acquisition <i>HK\$'000</i>	Fair value as at 30 September 2025 <i>HK\$'000</i>	% of net assets of the Group as at 30 September 2025	Gain/(Loss) on changes in fair value for the period <i>HK\$'000</i>
1. Unity Group Holdings International Limited	1539	provision of leasing services of energy saving systems and products, consultancy service and installation services of renewable energy system and trading of energy saving products	9,000,000	0.26%	4,230	3,555	0.53%	(630)
2. HSC Resources Group Limited	1850	provision of design, supply and installation of fire safety systems for buildings under construction or re-development, maintenance and repair of fire safety systems for built premises and trading of fire service accessories	2,200,000	1.27%	1,166	1,364	0.20%	35
3. SY Holdings Group Limited	6069	provision of digital financing solutions, platform-based technology services and refinancing of supply chain assets in the PRC	431,000	0.04%	(8,535)	2,511	0.37%	(9)
4. Twintek Investment Holdings Limited	6182	provision of sales of building materials and provision of construction and engineering services	3,376,000	0.42%	1,013	1,790	0.27%	777

SECURITIES INVESTMENTS HELD (CONTINUED)

Company name	Stock code	Principal activities	Number of shares held	% of shareholdings	Cost of acquisition <i>HK\$ '000</i>	Fair value as at	% of net assets of the Group as at	Gain/(Loss) on changes in fair value for the period
						30 September 2025 <i>HK\$ '000</i>	30 September 2025	<i>HK\$ '000</i>
5 Byte Metaverse Holdings Limited	8645	provision of (i) network support services mainly encompassing network infrastructure design and hardware installation, network management and security services; (ii) network connectivity services that focus on providing intranet and internet connectivity solutions and value-added services; (iii) electronic commerce ("E-Commerce") services; and (iv) online game intellectual property ("IP") authorisation management services	3,000,000	0.40%	1,739	2,400	0.36%	750

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CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 September 2025.

COMMITMENTS

Details of the Group's commitments as at 30 September 2025 are set out in Note 22 to this report.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2025, the Group employed 52 employees. The Group continues to maintain and upgrade the capabilities of its workforce by providing them with adequate and regular training. The Group remunerates its Directors and employees mainly based on industry practices and individual's performance and experience. On top of regular remuneration, discretionary bonus and share options may be granted to eligible staff by reference to the Group's performance as well as individual's performance.

DIRECTORS’ INTERESTS IN CONTRACTS

Save as the related party transactions as disclosed in the interim report, no contracts of significance in relation to the Company’s business to which the Company or any of its subsidiaries was a party in which a Director had a material interest, whether directly or indirectly, subsisted at 30 September 2025 or at any time during the period then ended.

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

As at 30 September 2025, the interests and short positions of the Directors and chief executives of the Company and their associates in the shares of the Company (the “Shares”), underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or which were recorded in the register as required to be kept 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 (the “Model Code”) as set out in Appendix C3 to the Listing Rules were as follows:

Directors’ interest in the Company:

Name of director	Number of shares	Approximate percentage of shareholding	Capacity
Ms. Zheng Juhua	Long position 834,767,140 shares (Note (i))	20.26%	Interest of controlled corporations
Mr. Lau Hoi Kit	Long position 194,872,000 shares (Note (ii))	4.73%	Beneficial owner and interest of controlled corporations

Note:

- (i) 834,767,140 shares were held by Superb Smart Limited (the “Superb Smart”), a company wholly and beneficially owned by Ms. Zheng Juhua, and accordingly, Ms. Zheng Juhua is deemed to be interested in the relevant shares under the SFO.
- (ii) 146,272,000 shares were beneficially owned by Mr. Lau Hoi Kit and the remaining 48,600,000 shares were held by Costrade Group Limited, a company wholly and beneficially owned by Mr. Lau Hoi Kit. Accordingly, Mr. Lau Hoi Kit is deemed to be interested in all of the above mentioned relevant shares under the SFO. Mr. Lau Hoi Kit is a son of an executive Director, Ms. Zheng Juhua.

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

Save as disclosed above, as at 30 September 2025, none of the Directors nor chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares and/or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO or otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

ARRANGEMENT FOR DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the "Share Option Scheme" section below, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age of eighteen, had any right to subscribe for the securities of the Company, or had exercised any such rights during the period ended 30 September 2025.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2025, so far as it is known by or otherwise notified by any Director or chief executives of the Company, the particulars of the corporations or persons who had 5% or more interests in the following long positions in the Shares and underlying Shares as recorded in the register required to be kept under Section 336 of the SFO or were entitled to exercise, or control the exercise of, 10% or more of the voting power at any general meeting of the Company (the "Voting Entitlements") (i.e. within the meaning of substantial shareholders of the Listing Rules) were as follows:

Name of substantial shareholder	Number of shares	Approximate percentage of shareholding	Capacity
Ms. Zheng Juhua	Long position 834,767,140 shares (Notes (i))	20.26%	Interest of controlled corporations
Superb Smart Limited	Long position 834,767,140 shares (Notes (i))	20.26%	Beneficial owner
Dragon Mind Holdings Limited	Long position 341,132,000 shares (Note (iii))	8.28%	Beneficial owner

SUBSTANTIAL SHAREHOLDERS’ AND OTHER PERSONS’ INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (CONTINUED)

Name of substantial shareholder	Number of shares	Approximate percentage of shareholding	Capacity
Managecorp Limited	Long position 341,132,000 shares (Note (iii))	8.28%	Trustee
Mr. Zhang Lirui	Long position 341,132,000 shares (Note (iii))	8.28%	Founder of a discretionary trust

Notes:

- (i) 834,767,140 shares were held by Superb Smart, a company wholly and beneficially owned by Ms. Zheng Juhua, an executive Director. Accordingly, Ms. Zheng Juhua is deemed to be interested in the relevant shares under the SFO.
- (ii) 341,132,000 shares were held by Dragon Mind Holdings Limited which is wholly-owned by a discretionary trust of which Mr. Zhang Lirui (“Mr. Zhang”) is the settlor and Managecorp Limited (“Managecorp”) is the trustee, and accordingly, Mr. Zhang and Managecorp are deemed to be interested in the relevant shares under the SFO.

Save as disclosed above, the Directors are not aware of any other corporations or persons who, as at 30 September 2025, had the Voting Entitlements or any interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept under Section 336 of the SFO.

SHARE OPTIONS SCHEME

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 28 September 2023 and the Stock Exchange granting approval of the listing of and permission to deal in the shares to be issued under the share option scheme (the "Share Option Scheme") on 29 September 2023, the Company adopted the Share Option Scheme in replacement of a share option scheme adopted on 2 September 2013 which had been expired on 1 September 2023. The Share Option Scheme shall be valid and effective for a period of 10 years from 28 September 2023, unless otherwise terminated. The followings is a summary of the Share Option Scheme:

Purpose

The Share Option Scheme aims to provide the Company with a flexible and effective means of incentivising, rewarding, remunerating, compensating and/or providing benefits to the Directors, employees and other participants of the Company and the Group.

Participants

The Directors may, in accordance with the provisions of the Share Option Scheme and the Listing Rules, invite person(s) who or which is/are eligible to participate as grantee(s) and receive options under the Share Option Scheme, to take up share options to subscribe for shares.

Maximum number of shares available for subscription

The total number of share options to be granted, at the beginning and end of the reporting period, under the Share Option Scheme shall not exceed 10% of the issued shares of the Company as at 28 September 2023, which was 412,060,000 shares, with a service provider submit at 1% of the issued shares of the Company as at 28 September, which was 41,206,000 shares. Upon approval by the shareholders, the Company may renew the scheme mandate limit, provided that each renewal shall not exceed 10% of the issued shares as at the date of approval by the shareholders, and a circular regarding the proposed renewal of the scheme mandate limit has been dispatched to the shareholders in a manner complying with, and containing the matters specified in, the relevant provisions of Chapter 17 of the Listing Rules. The aggregate maximum number of shares which may be issued upon exercise of share options granted under the Share Option Scheme and any other share option scheme(s) of the Company must not in aggregate exceed 30% of the total number of shares in issue from time to time.

Maximum entitlement of each participant

The total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options under the Share Option Scheme) in any 12-month period must not exceed 1% of the issued share capital of the Company. Any excess over 1% shall be subject to the approval of the shareholders at general meeting with such participant and his/her close associates abstaining from voting and the Company shall issue a circular pursuant to relevant provisions of Chapter 17 of the Listing Rules.

SHARE OPTIONS SCHEME (CONTINUED)

Time of acceptance and exercise of a share option

The grantee may accept the offer of the share option within twenty-one days from the date of the offer letter issued by the Company. The grantee shall pay HK\$1 as consideration for accepting the offer of the share option granted. The grantee may subscribe for shares during such period as may be determined by the Board (the said period shall not in whatever case be later than the last day of the 10-year period after the day on which the offer relating to the option is duly approved by the Board in accordance with the Share Option Scheme (subject to early termination)).

Minimum period for which an option must be held before it can be exercised

The vesting period of options granted under the Share Option Scheme shall be determined by the Board subject to a minimum period set out in the rules of the Share Option Scheme. Save for the circumstances prescribed in paragraph 6.5 of the Share Option Scheme, the vesting period for options granted under the Share Option Scheme shall not be less than twelve months.

Basis for determining the exercise price

The exercise price of share option granted pursuant to the Share Option Scheme shall be determined by the Board and shall be at least the higher of (i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheet on the date of offer, which must be a business day; (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the offer; and (iii) the nominal value of the shares.

The life of the Share Option Scheme

The Share Option Scheme will remain in force for ten years starting from 28 September 2023 (which can be terminated before expiration).

As at 30 September 2025 and up to the date of this report, no share options has been granted under the Share Option Scheme since its adoption.

CORPORATE GOVERNANCE

The Company endeavors in maintaining good corporate governance for the enhancement of shareholders' value. The Company has adopted the code provisions in the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Listing Rules. The Company has complied with all the applicable code provisions in the CG Code throughout the six months ended 30 September 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

To the best knowledge of the Directors, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares during the six months ended 30 September 2025.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the period under review and up to the date of this report, none of the Directors had interests in any businesses apart from the Group's businesses, which compete or are likely to compete, either directly or indirectly, with the Group's businesses that need to be disclosed pursuant to Rule 8.08 of the Listing Rules.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding Directors' securities transactions.

Having made specific enquiry of all Directors, the Directors have confirmed that they have complied with the Model Code throughout the six months ended 30 September 2025.

AUDIT COMMITTEE

The Audit Committee currently comprises four independent non-executive Directors, namely Mr. Chi Chi Hung, Kenneth (Chairman), Mr. Yeung Yat Chuen, Mr. Chen Chao and Mr. Han Zhenghai. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters including the review of the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2025.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available and within the best knowledge of the Directors, the Company has complied with the sufficiency of public float requirement under the Listing Rules at any time during the reporting period and up to the date of this report.

BOARD OF DIRECTORS

As at the date of this report, the Board comprises Mr. Ma Weihua as the Chairman and non-executive Director; Ms. Zheng Juhua, Mr. Gong Huanghui, Ms. Cao Li and Mr. Lau Hoi Kit as the executive Directors; and Mr. Han Zhenghai (Deputy Chairman), Mr. Chi Chi Hung, Kenneth, Mr. Yeung Yat Chuen and Mr. Chen Chao as the independent non-executive Directors.

APPRECIATION

On behalf of the Board, I would like to thank all of our shareholders, employees, customers and suppliers for their continued support.

By order of the Board
**MODERN INNOVATIVE DIGITAL TECHNOLOGY
COMPANY LIMITED**
Mr. Ma Weihua
Chairman

Hong Kong, 28 November 2025