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Boill Healthcare Holdings Limited

保集健康控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1246)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Boill Healthcare Holdings Limited (the “**Company**”) announces the unaudited results 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 as set out below. The unaudited condensed consolidated interim financial information has been reviewed by the audit committee of the Company (the “**Audit Committee**”).

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

		For the six months ended 30 September	
		2025	2024
	Notes	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Revenue	6	51,738	32,533
Cost of sales		(47,185)	(24,264)
Gross profit		4,553	8,269
Selling and distribution expenses		(249)	(642)
Administrative and other expenses		(3,637)	(2,918)
Fair value gain on equity instruments, net		40	—
Expected credit losses for financial guarantee contracts		(13,181)	(13,078)
Finance costs	7	(23,404)	(20,097)
LOSS BEFORE TAX	8	(35,878)	(28,466)
Income tax expense	9	(1,099)	—
LOSS FOR THE PERIOD		(36,977)	(28,466)

	For the six months ended	
	30 September	
	2025	2024
<i>Notes</i>	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
OTHER COMPREHENSIVE LOSS		
Items that may be reclassified to profit or loss in the subsequent periods:		
Exchange differences arising on translation to presentation currency	<u>(19,484)</u>	<u>(4,283)</u>
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	<u>(19,484)</u>	<u>(4,283)</u>
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	<u><u>(56,461)</u></u>	<u><u>(32,749)</u></u>
LOSS FOR THE PERIOD ATTRIBUTABLE		
– OWNERS OF THE COMPANY	(35,509)	(26,972)
– NON-CONTROLLING INTEREST	<u>(1,468)</u>	<u>(1,494)</u>
	<u><u>(36,977)</u></u>	<u><u>(28,466)</u></u>
TOTAL COMPREHENSIVE LOSS ATTRIBUTABLE TO		
– OWNERS OF THE COMPANY	(54,018)	(31,232)
– NON-CONTROLLING INTEREST	<u>(2,443)</u>	<u>(1,517)</u>
	<u><u>(56,461)</u></u>	<u><u>(32,749)</u></u>
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY		
BASIC AND DILUTED	<i>11</i> <u><u>HK(2.61) cent</u></u>	<u><u>HK(1.99) cent</u></u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2025

		At 30 September 2025 HK\$'000 (Unaudited)	At 31 March 2025 HK\$'000 (Audited)
	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment		15	15
Investment properties	12	275,495	269,694
Total non-current assets		275,510	269,709
CURRENT ASSETS			
Completed properties held for sale		4,348	4,257
Properties under development		178,194	174,442
Inventories		987	3,663
Trade receivables	13	117,764	59,275
Prepayments, deposits and other receivables		10,207	9,966
Equity instruments at fair value through profit or loss		129	89
Restricted cash		7,641	7,480
Cash and cash equivalents		331	325
Total current assets		319,601	259,497
CURRENT LIABILITIES			
Trade payables	14	302,991	258,364
Other payables and accruals		239,041	200,994
Financial guarantee liabilities		220,409	202,832
Due to related companies		228,845	225,746
Borrowings	15	851,001	833,166
Tax payables		4,897	3,716
Total current liabilities		1,847,184	1,724,818
NET CURRENT LIABILITIES		(1,527,583)	(1,465,321)
NET LIABILITIES		(1,252,073)	(1,195,612)
EQUITY			
Share capital	18	339,500	339,500
Reserves		(1,546,352)	(1,492,334)
Equity attributable to owners of the Company		(1,206,852)	(1,152,834)
Non-controlling interests		(45,221)	(42,778)
TOTAL DEFICIT		(1,252,073)	(1,195,612)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2025

1. CORPORATE AND GROUP INFORMATION

Boill Healthcare Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is a limited liability company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The registered address of the Company is located at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company is located at 15/F., Toi Shan Association Building, 167-169 Hennessy Road, Wan Chai, Hong Kong.

At 30 September 2025, to the Company’s best knowledge, Boill International Co., Limited (“**Boill International**”) is the Company’s largest shareholder, and owned approximately 33.18% of the issued shares of the Company. Boill International is wholly-owned by Boill Holding Group Co., Limited* (“**Boill Holding**”). Liyao Investment Limited (“**Liyao Investment**”) and Mr. Cai Weijie owned approximately 19.15% and 6.13% of the issued shares of the Company, respectively.

Mr. Qiu Dongfang (“**Mr. Qiu**”), a former director of the Company, indirectly owns 75.88% of Boill Holdings and 100% of Liyao Investment.

2. BASIS OF GOING CONCERN

These condensed consolidated financial statements have been prepared in conformity with the principles applicable to a going concern basis. The applicability of these principles is dependent upon continued availability of adequate finance or attaining profitable operations in future and the success of the below plans and measures in view of the excess of current liabilities over current assets.

As at 30 September 2025, the Group’s current liabilities exceeded its current assets and its total liabilities exceeded its total assets by approximately HK\$1,527,583,000 and HK\$1,252,073,000, respectively.

Borrowings

As at 30 September 2025, the Group’s borrowings amounted to approximately HK\$851,001,000. All borrowings are repayable on demand, while the Group only had cash and cash equivalents of approximately HK\$331,000 as at 30 September 2025.

During the six months ended 30 September 2025, the Group default on its all borrowings of approximately HK\$851,001,000. The bank is currently processing a public auction of properties under development of the Group, with a carrying amount of approximately HK\$178,194,000 and investment properties under construction of the Group, with a carrying amount of approximately HK\$270,884,000. The lender engaged an independent valuer to value those investment properties. As of the date of this announcement, the auction is in process.

Financial Guarantee to a related company

The Group has recognised an expected credit loss of approximately RMB49.1 million for the financial guarantee provided by certain guarantors and Shanghai Baoxian Company Limited* (上海保賢實業有限公司) (“**Shanghai Baoxian**”), an indirect non-wholly-owned subsidiary of the Company by way of corporate guarantee for loans of a related company, Shanghai Guzhen Company Limited* (上海顧臻實業有限公司) (“**Shanghai Guzhen**”), controlled by Boill Holding Group Co. Ltd. (“**Boill Holding**”), a company controlled by Mr. Qiu Dongfang (“**Mr. Qiu**”) (collectively, “**Guarantors**”), up to the maximum amount of the corporate guarantee of RMB55.5 million.

During the six-months ended 30 September 2025, Shanghai Guzhen has failed to repay the outstanding borrowing of RMB37.0 million. On 19 February 2024, the People’s Court of Fengxian District, Shanghai City (上海市奉賢區人民法院) (the “**Court**”) handed down a judgment that Shanghai Guzhen should repay all outstanding loan amount and unpaid interests within 10 days after the judgment becoming effective, and the Guarantors should be jointly liable. As such, upon Shanghai Guzhen’s further default of the judgment requirements, the lender applied for property preservation to the Court. As a result, the Group has received documents of legal proceedings claiming the amount of approximately RMB41.5 million (“**Claim Amount**”). Consequently, the bank balances of the Group of approximately HK\$7.6 million have been frozen as at 30 September 2025. Up to the date of this announcement, the management has not received any claim from the lender, Shanghai Fengxian Greenland Microloan Company Limited* (上海奉賢綠地小額貸款股份有限公司).

Financial guarantee for loan facilities

The Group has recognised an expected credit loss of approximately RMB152.1 million relating to loan facilities granted by a non-controlling interest (“**NCI**”) (“**NCI Loan Facilities**”) of the Group to Shanghai Baoxian. As at 30 September 2025, the Group has utilized the loan facilities of RMB45.0 million (“**NCI Loan A**”) of the loan facilities and recorded in the borrowings in the condensed consolidated statement of financial position. Shanghai Baoxian has failed to repay the NCI Loan A. Per management understanding, Boill Holding also borrowed RMB135.0 million from the NCI (“**NCI Loan B**”) and the Group is one of guarantor of the NCI Loan Facilities, and Boill Holding has failed to repay the NCI Loan B during the period. The NCI has initiated legal action against the Group (the “**Dispute**”) to claim the NCI Loan A and NCI Loan B. In connection with this litigation, court judgment was received and the Group is obliged to payment approximately RMB179.2 million which has been fully recognised in the consolidated financial statements as of 30 September 2025.

Certain subsidiaries of the Group have been subjected to high-level consumption restrictions by the Chinese Mainland court and have been included on the list of dishonest persons subject to enforcement.

The Group’s current liabilities exceeded its current assets and total liabilities exceeded its total assets by approximately HK\$1,527,583,000 and HK\$1,252,073,000, respectively. These events and conditions, along with other matters as set forth below, indicate that may cast significant doubt on the Group’s ability to continue as a going concern.

Notwithstanding the abovementioned and those events set forth below, the condensed consolidated financial statements have been prepared on a going concern basis on the assumption that the below events will be successfully completed, and that the Group will continue to meet in full its financial obligations as they fall due in the foreseeable future on, the validity of which is dependent on the outcome of plans and measure to be taken by the management of the Group, including:

- (i) actively negotiating with investor/banks to obtain additional new financing and other source of funding as and when required;
- (ii) the Group continued to sell the completed properties held for sale in order to boost the liquidity of the Group;
- (iii) the directors of the Company will continue to implement stronger measures aiming at improving the working capital and cash flows of the Group, including closely monitoring incurrence of other operating expenses;
- (iv) on 28 June 2024, Boill International and Liyao Investment have made a legal binding undertaking to undertake the Claim Amount and Dispute and any additional claim from the plaintiff in the event of litigation failure. And the Group has the rights to offset the Claim Amount and the Dispute by amounts due to related companies controlled by Boill International and Liyao Investment.

On 8 October 2025, the Company obtained a waiver of amounts payable to related companies, totaling approximately HK\$226.5 million, and simultaneously, Boill International and Liyao Investment terminated their undertaking to pay the Claim Amount and the Dispute, as the waived amounts exceeded the Claim Amount and the Dispute. The related companies, Boill International and Liyao Investment, are controlled by Mr. Qiu. As such, the waived payable was regarded as a capital contribution from the shareholder; and

- (v) the outcome of the litigation and dispute in line with the recognised amount of the financial guarantee and its borrowings and the outcome of the several litigations in relation to disputes under construction contracts in respect of its property development projects, which arose during the normal course of business.

Taking into account the Group's cash flow projections covering a period of fifteen months from the end of the reporting period (i.e. up to 31 December 2026) prepared by management, and assuming the successful implementation of the above measures, the Directors consider the Group would be able to finance its operations and to meet its financial obligations as and when they fall due within the next twelve months from the date of this announcement. Accordingly, the condensed consolidated financial statements have been prepared on a going concern basis notwithstanding that the above events or conditions indicate the existence of material uncertainties that may cast significant doubt about the Group's ability to continue as a going concern.

Should the Group fail to achieve the intended effects resulting from the plans and measures as mentioned above, it might not be able to operate as a going concern, and adjustments would have to be made to write down the carrying amounts of the Group's assets to their net realisable amounts, to provide for any further liabilities that may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the condensed consolidated financial statements.

Accordingly, the condensed consolidated interim financial statements have been prepared on a going concern basis.

The condensed consolidated interim financial statements do not include any adjustments relating to the carrying amount and reclassification of assets and liabilities that might be necessary should the Group be unable to operate as a going concern.

3. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with the disclosure requirements set out in Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). The condensed consolidated interim 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, which have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), except for the adoption of the new or amended HKFRSs, as stated in note 4 to the condensed consolidated interim financial statements below.

The condensed consolidated interim financial statements for the six months ended 30 September 2025 have been prepared under the historical cost convention, except for investment properties and financial instruments at fair value through profit or loss, which have been measured at fair value. The condensed consolidated interim financial statements are presented in Hong Kong dollars (“**HK\$**”) and all values are rounded to the nearest thousand except when otherwise indicated.

4. ACCOUNTING POLICIES

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

Amendments to HKAS 21	<i>Lack of Exchangeability</i>
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The application of the above amendments 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.

5. USE OF JUDGEMENTS AND ESTIMATES

In preparing these condensed consolidated interim financial statements, the significant judgements made by the management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended 31 March 2025.

6. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the chief operating decisionmaker that are used to make strategic decisions. The Group's reportable segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

- i. Property development: sale of properties, sale of construction materials and provision of property management services; and
- ii. Healthcare and leisure: sale of healthcare and leisure-related products.

The management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's loss before tax except that interest income, finance costs as well as head office and corporate income and expenses are excluded from such measurement.

Segment assets exclude other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude amounts due to related companies, borrowings, tax payables and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Six months ended 30 September 2025

	Property development HK\$'000 (Unaudited)	Healthcare and leisure HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Revenue from external customers	<u>14,493</u>	<u>37,245</u>	<u>51,738</u>
Segment results	<u>(7,210)</u>	<u>(426)</u>	<u>(7,636)</u>
Interest income			–
Corporate and other unallocated income and expenses, net			(4,838)
Finance costs			<u>(23,404)</u>
Loss before tax			<u><u>(35,878)</u></u>

Six months ended 30 September 2024

Segment information for the provision of property development (sales of properties, sales of construction materials and provision of property management services) was presented for the six months ended 30 September 2024.

As at 30 September 2025

	Property development HK\$'000 (Unaudited)	Healthcare and leisure HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Segment assets	550,777	43,431	594,208
<i>Reconciliation:</i>			
Equity instruments at fair value through profit or loss			129
Corporate and other unallocated assets			774
Total assets			595,111
Segment liabilities	712,978	40,961	753,939
<i>Reconciliation:</i>			
Due to related companies			228,845
Borrowings			851,001
Tax payables			4,897
Corporate and other unallocated liabilities			8,502
Total liabilities			1,847,184

Geographical Information:

The Group's operations, and its non-current assets, are mainly located in the People's Republic of China ("PRC") and all revenue were generated from the PRC.

Disaggregation of revenue

Revenue from contracts with customers	Property development	
	30 September 2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Timing of revenue recognition under HKFRS 15		
– Sales of properties	–	32,533
– Sales of construction materials	14,406	–
– Provision of healthcare and leisure-related products and services	37,245	–
	<u>51,651</u>	<u>32,533</u>
Revenue from contracts with customers and recognised at a point in time	<u>51,651</u>	<u>32,533</u>
Revenue from other source		
– Rental income from leasing properties with fixed payment	87	–
	<u>51,738</u>	<u>32,533</u>

7. FINANCE COSTS

An analysis of finance costs is as follows:

	Six months ended	
	30 September 2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Interest and charges on borrowings	19,618	16,439
Interest and charges on loan from a non-controlling interests	3,786	3,658
	<u>23,404</u>	<u>20,097</u>

8. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Cost of properties sold	–	24,264
Cost of construction materials sold	13,322	–
Cost of healthcare and leisure products sold	33,863	–
Depreciation	–	6
Employee benefit expenses (excluding directors' remuneration):		
Wages and salaries	1,124	605
Pension scheme contributions	–	6
	<u>1,124</u>	<u>611</u>

9. INCOME TAX EXPENSE

For the six months ended 30 September 2025, Hong Kong Profits Tax of the selected entity was calculated at 8.25% (2024: 8.25%) of the first HK\$2,000,000 estimated assessable profits and 16.5% (2024: 16.5%) of the remaining estimated assessable profits. Hong Kong Profits Tax for the remaining entities within the Group was calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the six months ended 30 September 2025. There were no estimated assessable profits for the six months ended 30 September 2025 (2024: Nil).

Enterprise income tax (“**EIT**”) arising from the PRC is calculated at 25% (2024: 25%) of the estimated assessable profits during the six months ended 30 September 2025 and 30 September 2024.

The provision of the People's Republic of China Land Appreciation Tax (the “**PRC LAT**”) is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. PRC LAT has been provided, as appropriate, at ranges of progressive rates from 30% to 60% on the appreciation value, with certain allowable deductions including land costs, borrowing costs and the relevant property development expenditure.

	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Charged for the period:		
Current – PRC income tax	<u>1,099</u>	<u>–</u>

10. DIVIDENDS

The board of Directors (the “**Board**”) has resolved not to declare any interim dividend for the six months ended 30 September 2025 (2024: Nil).

11. LOSS PER SHARE

Calculation of the basic and diluted loss per share attributable to owners of the Company is based on:

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company	<u>(35,509)</u>	<u>(26,972)</u>
	Number of shares	
	Six months ended	
	30 September	
	2025	2024
	(Unaudited)	(Unaudited)
Weighted average number of ordinary shares in issue during the period for the purpose of basic loss per share	<u>1,358,000,000</u>	<u>1,358,000,000</u>

Diluted loss per share is the same as the basic loss per share because the Group had no dilutive potential ordinary shares outstanding during the six months ended 30 September 2025 and 2024.

12. INVESTMENT PROPERTIES

	Completed <i>HK\$'000</i>	Under construction <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 April 2024 (audited)	4,422	719,423	723,845
Increase/(decrease) in fair value	140	(449,321)	(449,181)
Exchange realignment	(48)	(4,922)	(4,970)
At 31 March 2025 (audited) and 1 April 2025 (audited)	4,514	265,180	269,694
Exchange realignment	97	5,704	5,801
At 30 September 2025 (unaudited)	4,611	270,884	275,495

At 30 September 2025, the Group's investment properties with carrying amount of approximately HK\$270,884,000 (31 March 2025: HK\$265,180,000) were pledged to secure borrowings granted to the Group (note 15). As disclosed in note 2, the bank is currently processing a public auction of investment properties under construction.

13. TRADE RECEIVABLES

	30 September 2025 <i>HK\$'000</i> (Unaudited)	31 March 2025 <i>HK\$'000</i> (Audited)
Trade receivables	121,034	62,477
Impairment loss recognised	(3,270)	(3,202)
	117,764	59,275

Trade receivables represent receivables from sales of construction materials for property development business and healthcare and leisure products. Trade receivables are past due when a counterparty has failed to make a payment when contractually due and the credit period granted to customers is generally for a period of one month or otherwise the payment terms in the sales contract. Trade receivables are non-interest bearing.

An ageing analysis of the trade receivables as at the end of the reporting period is as follows:

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
31 to 60 days	57,743	37,624
61 to 90 days	45	67
91 to 180 days	–	23,674
181 to 360 days	63,246	1,112
	<u>121,034</u>	<u>62,477</u>

14. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of the reporting period is as follows:

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
0 to 30 days	44,627	36,624
181 to 360 days	36,625	169,537
Over 361 days	221,739	52,203
	<u>302,991</u>	<u>258,364</u>

15. BORROWINGS

	<i>Notes</i>	<i>Maturity</i>	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Bank loans – secured (i), (ii) & (iii)	<i>a & b</i>	On demand	786,759	770,192
Other loan – unsecured	<i>c</i>	On demand	4,000	4,000
Other loan – secured (iv)	<i>d</i>	On demand	10,953	10,723
Other loan – secured (v)	<i>e</i>	On demand	49,289	48,251
			<u>851,001</u>	<u>833,166</u>

The Group's borrowings are secured by:

- i) Investment properties with carrying value of approximately HK\$270,884,000 (31 March 2025: HK\$265,180,000);
- ii) Properties under development with carrying value of approximately HK\$178,194,000 (31 March 2025: HK\$174,442,000);
- iii) Properties held by a related company controlled by Mr. Qiu;
- iv) Guaranteed by related companies controlled by Mr. Qiu; and
- v) Personal guarantee given by each of Mr. Qiu and his spouse, Ms. Huang Jian, and corporate guarantees provided by the related companies controlled by Mr. Qiu.

Notes:

- a. In October 2021, the Group obtained a credit facility of approximately of RMB780,000,000 (equivalent to HK\$854,334,000) from a bank. As at 30 September 2025, the Group utilised the facility of approximately RMB718,295,000 (equivalent to HK\$786,749,000) (31 March 2025: RMB718,295,000 (equivalent to HK\$827,336,000)).
- b. As at 30 September 2025, the Group defaulted on its bank borrowings. After the end of the reporting period, the bank is currently processing a public auction of properties under development of the Group, with a carrying amount of approximately HK\$178,194,000 and investment properties of the Group, with a carrying amount of approximately HK\$270,884,000. As of the date of this announcement, the auction is in process.
- c. The other loan was matured in 15 March 2024 and unsettled up to the date of this announcement.
- d. The other loan was matured in May 2024 and unsettled up to the date of this announcement.
- e. The NCI Loan A was matured in December 2023 and unsettled up to the date of this announcement. Details of this borrowing, please refer to note 2.

16. GEARING RATIO

As at 30 September 2025 and 31 March 2025, the Group was in total deficit, no gearing ratio can be presented.

17. CAPITAL COMMITMENTS

As at 30 September 2025 and 31 March 2025, the Group did not have any significant capital commitments.

18. SHARE CAPITAL

	30 September 2025		31 March 2025	
	Number of shares (Unaudited)	HK\$'000 (Unaudited)	Number of shares (Audited)	HK\$'000 (Audited)
Authorised:				
Ordinary shares of HK\$0.25 each	<u>4,800,000,000</u>	<u>1,200,000</u>	<u>4,800,000,000</u>	<u>1,200,000</u>
Issued and fully paid:				
Ordinary shares of HK\$0.25 each	<u>1,358,000,000</u>	<u>339,500</u>	<u>1,358,000,000</u>	<u>339,500</u>

19. CONTINGENT LIABILITIES AND LITIGATIONS

- a. As at 30 September 2025, the Group provided financial guarantees to certain banks in respect of mortgage facilities provided for certain purchasers of the Group's properties in the PRC, amounting to approximately HK\$33,923,000 (31 March 2025: HK\$33,210,000).
- b. The Group is subjected to certain legal claims mainly in relation to disputes under construction contracts in respect of its property development projects, which arose during the normal course of business. Up to the date of this announcement, the maximum amounts of the disputes were approximately HK\$86 million and recognised in the consolidated financial statements as of 30 September 2025.

Except for disclosed in above and the heading "Contingent Liabilities and Litigations" in the Management Discussion and Analysis, the Group did not have other material contingent liabilities and litigation.

MANAGEMENT DISCUSSION AND ANALYSIS

The Board presents the unaudited condensed consolidated interim results of the Group for the six months ended 30 September 2025 to the valued shareholders of the Company. The Group's revenue from continuing operations for the six months ended 30 September 2025 ("**1H2025**") was approximately HK\$51.7 million (2024: approximately HK\$32.5 million), representing an increase of approximately 59.1% over the corresponding reporting period in 2024. Net loss of approximately HK\$37.0 million (2024: approximately HK\$28.5 million) was incurred for the six months ended 30 September 2025 while the basic and diluted loss per share attributable to owners of the Company was approximately HK2.61 cents (2024: approximately HK1.99 cents).

BUSINESS REVIEW

Property Development

Residential property project

The Group expanded its property development business in October 2020 following completion of the acquisition of the entire equity interest of Set Flourish Ventures Limited, which through its subsidiaries, was principally engaged in the development and operation of a property project (the "**Yangzhong Project**"), which is situated at No. 1 Yihe Road, located at the east of Xinyang Road, south of Yihe Road, Sanmao Street, the central business district of Yangzhong City, Zhenjiang City, Jiangsu Province, the People's Republic of China (the "**PRC**"). Under the Yangzhong Project, the Group plans to construct 12 buildings ranging from 6 to 34 storeys, with a total estimated gross floor area of approximately 173,457 square meters (exclusive of the basement with an aggregate gross area of approximately 17,044 square meters) for residential and commercial use, and 753 carparking spaces in basement one and basement two.

The Group recorded nil revenue from the Yangzhong Project for the six months ended 30 September 2025.

Construction materials business

The Group sold construction materials in 1H2025 and recorded revenue from the business of sales of construction materials of approximately HK\$14.4 million (2024: nil) for the six months ended 30 September 2025.

Healthcare and Leisure-Related Business

The Group recorded revenue of approximately HK\$37.2 million in 1H2025 through the distribution of healthcare and leisure-related products. The Company introduced various “Big Health” products identified through test marketing in the provinces of Guangdong, Jiangsu, Fujian, Zhejiang, Shandong and Shanghai City. Our primary products comprised herbal tea, grain-related drinks, huangjiu and other kind of traditional Chinese wines. The market reception was better than expected and the Group sought to expand the distribution network. Going forward, the Group is also considering to enhance its online presence and supplement existing offline distribution capabilities with online distribution network. The Group is working closely with the distributors to co-develop online sales platform.

FINANCIAL REVIEW

Revenue

The revenue of the Group for the six months ended 30 September 2025 was approximately HK\$51.7 million, representing an increase of approximately HK\$19.2 million or 59.1% as compared to the revenue of approximately HK\$32.5 million for the six months ended 30 September 2024.

The increase in revenue was mainly due to the net effect of the increase in sales of construction materials and healthcare and leisure segment, and the decrease in delivery of properties under the Yangzhong Project during the six months ended 30 September 2024.

Gross profit

The gross profit of the Group for the six months ended 30 September 2025 was approximately HK\$4.6 million, representing a decrease of approximately HK\$3.7 million or 44.6% as compared to approximately HK\$8.3 million for the corresponding period in 2024.

The decrease in gross profit was mainly due to the lower gross profit margin for sales of construction materials and healthcare and leisure products as compared with that for delivery of properties.

Selling and distribution expenses

The selling and distribution expenses of the Group for the six months ended 30 September 2025 was approximately HK\$0.2 million, as compared to approximately HK\$0.6 million for the corresponding period in 2024.

The decrease in selling and distribution expenses was mainly due to the decrease in delivery of properties.

Administrative and other expenses

Administrative and other expenses of the Group increased from approximately HK\$2.9 million for the six months ended 30 September 2024 to approximately HK\$3.6 million for the six months ended 30 September 2025. The increase in administrative and other expenses was mainly due to the increase in professional and legal fees.

Expected credit losses for financial guarantee contracts

During the six months ended 30 September 2025, the Group recognised expected credit losses for financial guarantee contracts of approximately HK\$13.2 million (2024: approximately HK\$13.1 million).

Finance costs

Finance costs for the six months ended 30 September 2025 were approximately HK\$23.4 million, representing an increase of approximately HK\$3.3 million from approximately HK\$20.1 million as compared with the corresponding period in 2024. Such increase was mainly due to the increase in interest rate on the defaulted loan.

Income tax expense

The income tax expense of the Group for the six months ended 30 September 2025 was approximately HK\$1.1 million for PRC income tax (2024: nil).

Net Loss

The net loss of Group for the six months ended 30 September 2025 was approximately HK\$37.0 million, representing an increase of approximately HK\$8.5 million from approximately HK\$28.5 million for the corresponding period in 2024.

The increase in net loss was mainly due to the decrease in gross profit and increase in finance costs.

BUSINESS PROSPECTS

Looking back at 2025, the Chinese government stepped up the implementation of more proactive and effective macroeconomic policies. In January 2026, the People's Bank of China announced an interest rate cut on all structural monetary policy, which is encouraging to the property market and serves as a further stimulus to domestic consumption.

In 1H2026, the Group committed greater resources to developing the healthcare and leisure segment. Benefiting from the Group's previous track record in provision of catering services, the Group also expanded its product portfolio to cover condiment wine. Based on the market reception of the products distributed, the Group will further optimize its product portfolio. As involution and anti-involution continue to influence decisions of suppliers and consumers in the consumer goods market, the Group continued to adhere to high quality development and procurement of high quality consumable goods with a focus on gaining recognition from younger generation consumers.

The Group has set up four regional headquarters in the provinces of Guangdong, Fujian, Hangzhou, Shanghai city to support the expanding operation of the business. Having established a strong foothold in tier-one cities in the PRC such as Shanghai, Shenzhen, Hangzhou and the publicity from word-of-mouth marketing, the Group will continue to explore other satellite cities/towns and sinking markets nearby the regional headquarters. Based on the estimate of the management, the products of the Group will be accessible at more than 6,000 sale outlets by the end of 2026.

In our property development segment, the management had been maintaining continuous dialogue with our major stakeholders to facilitate the realization of value in our real estate projects.

Having considered the uncertainties in the real estate industry in the near future, the Company resolved to gradually reduce its reliance in the real estate segment, and prioritise its resources in development the healthcare segment of the Group (through distribution of herbal tea, huangjiu, grain-related drinks and other fast moving consumable goods). The Group is in the course of expanding its product matrix and identifying suitable business partners.

DEBTS AND CHARGE ON ASSETS

As at 30 September 2025, the interest-bearing bank and other borrowings of the Group amounted to approximately HK\$851.0 million (as at 31 March 2025: approximately HK\$833.2 million).

As at 30 September 2025, the Group's borrowings of approximately HK\$851.0 million (as at 31 March 2025: approximately HK\$833.2 million) were secured by (i) investment properties with carrying value of approximately HK\$265.2 million; (ii) properties under development with carrying value of approximately HK\$174.4 million; (iii) properties held by a related company controlled by Mr. Qiu; and (iv) personal guarantees given by each of Mr. Qiu, and his spouse, Ms. Huang Jian, and corporate guarantees provided by the related companies controlled by Mr. Qiu.

As at 30 September 2025, the Group's interest-bearing borrowings of approximately HK\$851.0 million (as at 31 March 2025: approximately HK\$833.2 million) were repayable within one year or on demand and bearing interests at fixed rate ranging from 4.1% to 15% per annum (as at 31 March 2024: at fixed rate ranging from 4.1% to 15% per annum). The interest on debt default was approximately HK\$23.4 million for the six months ended 30 September 2025.

The bank balance including approximately RMB6,856,000 (equivalent to HK\$7,641,000) as of 30 September 2025 (31 March 2025: RMB6,856,000 (equivalent to HK\$7,480,000)) was frozen since 7 March 2024 by Shanghai Court, details refer to note 1 of “Contingent Liabilities and Litigations” in this section.

As at 25 June 2024, the 100% equity interest of Shanghai Xiepeng has been frozen by Hangzhou Court due to the Dispute, details refer to note 2 of “Contingent Liabilities and Litigations” in this section.

Save as disclosed above, the Group did not pledge any assets to bank or other financial institutions nor did the Group have any corporate guarantee given to any entity as at 30 September 2025.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2025, the Group had current liabilities of approximately HK\$1,527.6 million (as at 31 March 2025: approximately HK\$1,465.3 million) and cash and cash equivalents of approximately HK\$0.3 million (as at 31 March 2025: approximately HK\$0.3 million).

As at 30 September 2025, the Group was in total deficit, no gearing ratio can be presented (as at 31 March 2025: no gearing ratio).

In the opinion of the Directors, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due in the foreseeable future, based on the cash flow projections of the Group covering a fifteen-months period from the date of approval for issue of this unaudited condensed consolidated interim financial information (the “**Forecast Period**”) after taking into account the considerations in note 2.

FOREIGN EXCHANGE RISK

The majority of the Group’s assets, liabilities and cash flows were denominated in RMB. During the six months ended 30 September 2025, the steady depreciation of RMB against HK\$ had a negative effect on translation as the reporting currency of the Group was HK\$. Apart from that, the management of the Company is of the view that the change in exchange rate of RMB against foreign currencies had significant impact on the Group’s financial position and performance during the six months ended 30 September 2025 given that the functional currency of the Group was RMB. During the six months ended 30 September 2025, the Group did not engage in any hedging activities and the Group has no intention to carry out any hedging activities in the near future. The management of the Group will continue to closely monitor the foreign currency market and consider carrying out hedging activities when necessary.

SIGNIFICANT INVESTMENTS

The Group did not hold any significant investments during the six months ended 30 September 2025.

CAPITAL COMMITMENTS

As at 30 September 2025 and 31 March 2025, the Group did not have any significant capital commitments.

CONTINGENT LIABILITIES AND LITIGATIONS

As at the date of this announcement, save as disclosed in the announcements named “Inside Information Involving Legal Proceedings Major Transaction and Connected Transaction in Relation to Financial Assistance” on 28 June 2024, “Civil Debt Dispute” on 28 June 2024 and elsewhere in this announcement, the Group is also subjected to the following legal claim:

(1) Inside Information Involving Legal Proceedings Major Transaction and Connected Transaction in relation to Financial Assistance

On 14 March 2023, 上海保賢實業有限公司 (Shanghai Baoxian Company Limited, an indirect non-wholly-owned subsidiary of the Company, “**Shanghai Baoxian**”) (together with 保集控股集團有限公司 (Boill Holding Group Company Limited*, “**Boill Holding**”), Mr. Qiu and Ms. Huang as guarantors (together, the “**Guarantors A**”) in favor of the lender to secure the repayment obligations of 上海顧臻實業有限公司 (Shanghai Guzhen Company Limited*, “**Shanghai Guzhen**”) under a loan agreement dated 14 March 2024 (the “**Loan Agreement A**”) entered between 上海奉賢綠地小額貸款股份有限公司 (Shanghai Fengxian Lvdi Microfinance Company Limited*, the “**Lender A**”) and the Borrower (for the guarantee provided by Shanghai Baoxian therein, the “**Unauthorised Guarantee**”). The maximum loan amount is RMB55.5 million (equivalent to HK\$60.2 million) and the loan has been drawn down by the Borrower under the Loan Agreement A was RMB37.0 million (equivalent to HK\$40.1 million).

Shanghai Guzhen is a company established in the PRC with limited liability and is principally engaged in property construction. As at the date of entering into of the Loan Agreement A and the date of this annual report, Shanghai Guzhen is owned as to 93.872% by Boill Holding which was in turn directly and indirectly owned as to 86.83% by Mr. Qiu, an executive Director and one of the controlling shareholders of the Company, therefore, Shanghai Guzhen is a connected person of the Company under the Listing Rules.

As Shanghai Guzhen has been in default of its repayment obligation upon expiry of the term of the loan, the Lender A sued Shanghai Guzhen and the Guarantors A to claim approximately RMB45 million (equivalent to HK\$48.8 million) (the “**Claim Amount**”).

On 19 February 2024, 上海市奉賢區人民法院 (the People's Court of Fengxian District, Shanghai Municipality*, the “**Shanghai Court**”) handed down a judgment that Shanghai Guzhen should repay all outstanding loan amount and unpaid interests in the sum of approximately RMB39 million within 10 days after the judgment becoming effective, and the Guarantors A should be jointly liable. As such, upon Shanghai Guzhen's further default of the judgment requirements, the Lender A applied for property preservation to the Court in respect of RMB39 million and the bank account of Shanghai Baoxian with a bank balance of approximately RMB6,856,000 (equivalent to HK\$7,641,000) (31 March 2025: RMB6,856,000 (equivalent to HK\$7,480,000)) was frozen since 7 March 2024.

As the Claim Amount has been fully recognized expected credit loss, no valuation was conducted. The Board takes the view that expected credit loss of the Claim Amount in full has been made on a prudent basis in light of the fact that the Lender A has obtained the judgment from the Shanghai Court, and the amount of the expected credit loss recognized is fair and reasonable taking into account the above circumstances.

Non-compliance of the Listing Rules for the Unauthorised Guarantee

As the Unauthorised Guarantee constituted a major and connected transaction of the Company under the Listing Rules, the transaction is subject to the requirements of reporting, announcement, circular and the approval from the independent shareholders of the Company.

The Company failed to comply with (i) the reporting, announcement, circular and independent shareholders' approval requirements under Chapter 14 of the Listing Rules; and (ii) the reporting, announcement, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules in a timely manner at the relevant time of the entering into of the Unauthorised Guarantee.

The non-compliance was due to the then management's misinterpretation of the Listing Rules and in particular the scope of financial assistance and guarantee under Chapters 14 and 14A of the Listing Rules and the non-compliance was inadvertent and unintentional.

Remedial Measures Implemented to avoid recurrence of similar matter

The Directors take such incident of non-compliance with the Listing Rules seriously, and regrets the Company's failure to comply with the relevant provisions of the Listing Rules. To avoid any occurrence of similar incidents in the future, the Company will adopt the following remedial measures to strengthen the relevant internal control procedures of the Group.

- (i) provide further guidance materials and training to the Directors and all senior managers of the Group ("**Relevant Personnel**") regarding definition of a transaction and proper calculation of percentage ratios to strengthen and reinforce their existing knowledge and updates with respect to the classification and compliance requirements for notifiable and connected transactions under the Listing Rules;
- (ii) an internal memo will be issued to all the Directors and Relevant Personnel that the connected transaction requirements under Chapter 14A of the Listing Rules and the notifiable transaction requirements under Chapter 14 of the Listing Rules must be strictly complied with and they shall keep the Company informed of any transactions which may involve connected person(s) of the Company;
- (iii) enhancing the Group's internal control system by, including but not limited to, (a) providing the Relevant Personnel with a list of the connected persons of the Company on a regular basis and making timely updates; (b) requiring pre-approval of the Board for any transactions with connected persons; (c) monitoring the monthly transactions with connected persons to ensure better coordination and report of connected transactions among various business units of the Company which are responsible for reporting, monitoring and handling connected transactions; and
- (iv) further review the existing internal control procedures of the Company to identify any deficiencies of the internal control policies of the Company and seek recommendations from professional parties on how to enhance the monitoring and effectiveness of the implementation of the internal control policies on connected transaction monitoring and reporting to ensure that current and future transactions will be conducted in compliance with the applicable requirements under Listing Rules and the relevant rules and regulations.

The Company's proposed actions to safeguard the Company's interests over the Claim Amount

The Company has taken or proposed to take the following actions to safeguard the Company's interests:

- (i) The Company is seeking for legal advice in relation to the judgment and freezing of the bank account of Shanghai Baoxian, and will consider taking the necessary legal actions to protect the interests of Shanghai Baoxian;
- (ii) The Company understands that Shanghai Guzhen provided property collateral to the Lender A with an agreed value of RMB120 million (the “**Property Collateral**”) which was more than 200% of the maximum principal amount of RMB55.5 million (equivalent to HK\$60.2 million) that could be drawn down under the Loan Agreement A. Subject to legal advice, the Company will urge Shanghai Guzhen and the Lender A to settle the Claim Amount by utilizing the Property Collateral and to release the freeze over Shanghai Baoxian's bank account as soon as practicable.
- (iii) Boill International Co., Limited (“**Boill International**”, a substantial shareholder of the Company holding approximately 33.18% shareholding in the Company) and Liyao Investment Limited (“**Liyao**”, a substantial shareholder of the Company holding approximately 19.15% shareholding in the Company) (Boill International and Liyao, together the “**Indemnifiers**”) have agreed to indemnify the Company against any actual losses which it may suffer if Shanghai Baoxian is required to pay any amount to the Lender A in respect of the legal proceedings. The Indemnifiers also confirm that to the knowledge of the Indemnifiers and Mr. Qiu (the Indemnifiers and Mr. Qiu, together the “**Controlling Shareholders**”), save for the Guarantee, the Company and/or any of its subsidiaries have not provided any other guarantees for the debts of any third party (i.e. any other company, individual or entity other than the Company and its subsidiaries) (“**External Guarantees**”) that have not been released (the “**Outstanding Guarantees**”). In addition, the Indemnifiers undertake that (i) if Shanghai Baoxian repays any amounts to the Lender A in relation to the Guarantee (such amount, “**Repaid Amount**”), the Company is entitled to set off such Repaid Amount against the payables due from the Company and/or its subsidiary to the Controlling Shareholders (or any entity that is more than 50% controlled by the Controlling Shareholders); (ii) the Indemnifiers shall indemnify the Company for any actual losses suffered by the Company due to any of the Outstanding Guarantees; and (iii) if the Controlling Shareholders become aware of any new External Guarantee proposed to be entered into by the Company and/or its subsidiaries, the Controlling Shareholders shall use its reasonable endeavors to procure the reporting of such External Guarantee to the Board. As at 30 September 2025, the payables due from the Company and/or its subsidiaries to the Controlling Shareholders were approximately HK\$228.8 million.

(2) Civil Debt Dispute – NCI Loan

On 11 June 2021, 杭州華建豐置業有限公司 (Hangzhou Huajianfeng Real Estate Company Limited*, the non-controlling shareholder of Shanghai Baoxian, “**NCI**”), Shanghai Baoxian (as borrower) and Boill Holding, Mr. Qiu, Ms. Huang and 上海燮鵬實業有限公司 (Shanghai Xiepeng Company Limited*, an indirect wholly-owned subsidiary of the Company, “**Shanghai Xiepeng**”) as guarantors (together, the “**Guarantors B**”), entered into a loan agreement. The maximum loan amount is RMB200 million (equivalent to HK\$216.8 million) and the loan has been drawn down by Shanghai Baoxian under the Loan Agreement B was RMB180 million (equivalent to HK\$40.1 million) at the same date.

On 9 September 2021, Shanghai Xiepeng, which is the 95% shareholder of Shanghai Baoxian, repaid RMB135 million (equivalent to HK\$146.3 million) to the NCI on behalf of Shanghai Baoxian. Hence, immediately following such repayment, the outstanding principal amount of the loan became RMB45 million (equivalent to HK\$48.8 million) (“**NCI Loan A**”).

Based on the Company’s enquiry with Boill Holding, the Company has been given to understand that: (i) on 9 September 2021, Boill Holding received a total amount of RMB135 million (equivalent to HK\$146.3 million) as a loan from the NCI (the “**NCI Loan B**”) which was a separate arrangement between Boill Holding and the NCI; (ii) it was agreed between Boill Holding and the NCI that, among other things, the NCI Loan B would be (A) secured by a pledge over 100% equity interest in 湖州金滙置業有限公司 (Huzhou Jinhui Properties Company Limited*, “**Huzhou Jinhui**”) held by Boill Holding and, Boill Holding would procure Huzhou Jinhui to repay the principal amount of RMB70 million (equivalent to HK\$75.9 million) and accrued interest thereon on behalf of Boill Holding according to an agreed repayment schedule; and (B) partially repaid and set off by way of the transfer of certain residential housing units developed by 邯鄲市鵬浩房地產開發有限公司 (Handan City Penghao Property Development Company Limited*, an indirect non-wholly-owned subsidiary of Boill Holding) to the designated persons of the NCI with a total agreed value of approximately RMB60 million (equivalent to HK\$65.0 million).

Despite that Shanghai Baoxian, Shanghai Xiepeng and 上海保集健康管理有限公司 (Shanghai Baoji Healthcare Management Company Limited*, an indirect wholly-owned subsidiary of the Company, “**Shanghai Boill Healthcare**”) were not parties to the NCI Loan B, they were nonetheless treated by the NCI as part of the commercial arrangement between the NCI and Boill Holding with respect to NCI Loan B, and the NCI obtained a civil mediation judgment (the “**Hangzhou Court Judgment**”) from 浙江省杭州市中級人民法院 (Intermediate People’s Court of Hangzhou Municipality, Zhejiang Province*, the “**Hangzhou Court**”) in November 2022 against Shanghai Baoxian, Shanghai Xiepeng and Shanghai Baoji Healthcare, together with nine other defendants including but not limited to the Company’s Boill Holding, Mr. Qiu and 上海佳富投資有限公司 (Shanghai Jiafu Investment Company Limited) (collectively, the “**Defendants**”).

Pursuant to the Hangzhou Court Judgement, the Defendants were ordered repay approximately RMB186.3 million (equivalent to HK\$201.9 million) (including the outstanding loan principal and interests, and various legal costs) (the “**Settlement Sum**”) by way of five installments from the period of 31 December 2022 to 31 October 2024. If the Defendants default in repayment of any installment, the total Settlement Sum shall become immediately enforceable and the default interest rate of 15.4% per annum shall apply from 11 July 2022 till the date when all debts are fully repaid, and the NCI shall have right to apply to the Hangzhou Court for enforcement.

As the Defendants failed to repay the Settlement Sum in accordance with the payment schedule set out in the Hangzhou Court Judgment, the NCI applied to the Hangzhou Court for enforcement and the Hangzhou Court issued the Enforcement Writ against all Defendants on 11 June 2024. According to the Enforcement Writ, the Defendants are responsible for the outstanding Settlement Sum of approximately RMB179.2 million (equivalent to HK\$194.2 million), together with accrued interest thereon and the enforcement cost of approximately RMB0.2 million (equivalent to HK\$0.2 million) (the “**Dispute**”). As at 25 June 2024, the 100% equity interest of Shanghai Xiepeng has been frozen by Hangzhou Court due to the Dispute.

As the NCI Loan B has been fully recognized as expected credit loss, no valuation was conducted. The Board takes the view that expected credit loss of the Dispute in full has been made on a prudent basis in light of the fact that the NCI has obtained the judgment from the Hangzhou Court, and the amount of the expected credit loss recognized is fair and reasonable taking into account the above circumstances.

Non-compliance of the Listing Rules in relation to the NCI Loan A and NCI Loan B

As security for the NCI Loan A, the NCI Loan B and the repayment undertaking to NCI, Shanghai Xiepeng provided a guarantee to guarantee the obligations of Shanghai Baoxian. The guarantee exceeded 8% of the assets ratio as defined under Rule 14.07(1) of the Listing Rules and subject to announcement requirements under Rules 13.13 and 13.16 of the Listing Rules.

The Company failed to comply with the relevant announcement requirements under the Listing Rules in a timely manner at the relevant time of entering into the NCI Loan A and NCI Loan B. The non-compliance was due to the then management’s misinterpretation of the Listing Rules and in particular the scope of advance to an entity and financial assistance and guarantees to affiliated companies of an issuer under the Rules 13.13 and 13.16 of the Listing Rules and the non-compliance was inadvertent and unintentional.

Remedial Measures Implemented to avoid recurrence of similar matter

The Directors take such incident of non-compliance with the Listing Rules seriously, and regrets the Company's failure to comply with the relevant provisions of the Listing Rules. To avoid any occurrence of similar incidents in the future, the Company will adopt the following remedial measures to strengthen the relevant internal control procedures of the Group.

- (i) provide further guidance materials and training to the Relevant Personnels regarding definition of a transaction and proper calculation of percentage ratios to strengthen and reinforce their existing knowledge and updates with respect to the classification and compliance requirements for the advance to an entity and financial assistance transactions under the Listing Rules; and
- (ii) set up relevant policies for material provision of financial assistance transactions exceeding certain percentage of the assets ratio, where such transactions must have prior approval from the Board.

The Company's proposed actions to safeguard the Company's interests over the Dispute

The Company has taken or proposed to take the following actions to safeguard the Company's interests:

- (i) The Company is seeking for legal advice in relation to the correct enforcement amount against Shanghai Baoxian, Shanghai Xiepeng and Shanghai Baoji Healthcare, as well as the effect of the Enforcement Writ on them;
- (ii) The Company is also seeking for legal advice in relation to the freezing of the 100% equity interest of Shanghai Xiepeng; and
- (iii) On 8 October 2025, the Company obtained a waiver of amounts payable to related companies, totaling approximately HK\$226.5 million, and simultaneously, Boill International and Liyao Investment terminated their undertaking to pay the Claim Amount and the Dispute, as the waived amounts exceeded the Claim Amount and the Dispute.

(3) Civil Debt Dispute – Bank Borrowing

On 20 December 2024, a judgment was given by the People’s court of Minhang District, Shanghai against, among others, the Company’s subsidiary, namely, Shanghai Baoxian for civil debts disputes with the lender, Agricultural Bank of China Co., Ltd. Shanghai Minhang Branch (the “**Lender**”), amounted to approximately RMB352.27 million (involving the principal amount of RMB348.00 million for the development of a plot of land located at Plot 12A-01A, Industrial Comprehensive Development Zone, Fengxian District, the PRC, which is located at east to Shanghai-Hangzhou Highway, west to Renjie Road, south to Fengpu Avenue and north to Zhijiang Road (the “**Land**”) with a total site area of approximately 63,481 square meters, interest in arrears as at the date of judgment of approximately RMB4.27 million) plus any unpaid interest up to the total repayment of the debts (the “**Debts**”). The judgment ruled that Shanghai Baoxian must fully repay the Debts to the Lender within 10 days from the effective date of the judgment; the defendants are jointly and severally liable for the Debts; and the Lender has the right to enforce the charged properties of a land use right in Fengxian District, Shanghai and an industrial factory building at Baoshan District, Shanghai (provided by Shanghai Xieku* (上海燮庫實業有限公司), a wholly-owned subsidiary of Boill Holdings* (保集控股集團有限公司), a controlling shareholder of the Company) if the Debts were not fully repaid within 10 days from the effective date of the judgment.

The Company’s proposed actions to safeguard the Company’s interests over the Dispute

The Company has taken or proposed to take the following actions to safeguard the Company’s interests: (i) Efforts will be made to cooperate with the Land’s lending bank, Agricultural Bank of China, Shanghai Branch to seek an exemption of a portion of the loan amount, thereby alleviating the debt burden on the Land. Currently, the Lender has completed an internal valuation of the Land and submitted the valuation to the headquarters of Agricultural Bank of China for approval for the exemption of a portion of the loan amount; (ii) Efforts will be made to seek cooperation with investors with strong financial strength for the development; and (iii) We will actively negotiate with the general contractor to strive for an early resumption of work for the Land.

The Group is also subjected to certain legal claims mainly in relation to disputes under construction contracts in respect of its property development projects, which arose during the normal course of business.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have any material acquisitions or disposals of any subsidiaries, associates or joint ventures during the six months ended 30 September 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at the date of this announcement, the Board has not authorised any plans for material investments or additions of capital assets.

EVENTS AFTER THE REPORTING PERIOD

The Group did not have any important events subsequent to 30 September 2025 and up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2025, the Group had 27 employees (as at 31 March 2025: 19 employees). Total employee costs for the six months ended 30 September 2025 amounted to approximately HK\$1.7 million (2024: approximately HK\$0.85 million).

The employee remuneration packages of the Group are maintained at competitive levels and employees are rewarded through the Group's salary and bonus system. The Group provides adequate job training to the employees to equip them with practical knowledge and skills.

On 27 September 2023, the Company adopted a new share scheme (the “**Share Scheme**”) by an ordinary resolution of its shareholders to replace the share option scheme of the Company adopted on 22 September 2013. Pursuant to the Share Scheme, the Board may grant award, which may be a share option or a share award, to eligible participants, including but not limited to the employees of the Group and the Directors, to provide incentive to them in order to promote the development and success of the business of the Group. The Share Scheme will give the eligible participants an opportunity to have a personal stake in the Company and will help motivate them in optimising their performance and efficiency and attract and retain the eligible participants whose contributions are important to the long-term growth of the Group.

During the six months ended 30 September 2025, no options or awards were granted under the Share Scheme.

INTERIM DIVIDEND

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

CORPORATE GOVERNANCE

Corporate Governance Code

The Company has complied with all the code provisions (the “**Code Provision(s)**”) set out in Part 2 of the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) throughout the six months ended 30 September 2025 except for the following deviation:

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Yu Jinlong, an executive Director, does not have any offices with the title of “Chief Executive Officer”. Mr. Yu Jinlong, together with other executive Directors, are responsible for the overall business strategy and development and management of the Group’s business. The Board meets regularly to consider major matters affecting the operations of the Group.

The Board considers that this structure does not impair the balance of power and authority between the Board and the management of the Company. However, the Board will review the board composition regularly and consider to appoint a chief executive officer if a suitable person is identified.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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

The Company has made specific enquiry with all the Directors, and all the Directors confirmed that they have complied with the Model Code throughout the six months ended 30 September 2025.

DIRECTORS’ INTERESTS IN COMPETING BUSINESS

None of the Directors or their respective associates was interested in any business apart from the Group’s businesses which competes or is likely to compete, either directly or indirectly, with the Group’s business, as at the date of this announcement.

PURCHASE, SALE AND REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30 September 2025.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The Company has established the Audit Committee with written terms of reference in compliance with the Listing Rules. The primary duties of the Audit Committee are to review and supervise the Group's internal control and financial reporting process and to maintain an appropriate relationship with the Group's independent auditors.

The Audit Committee comprises three independent non-executive Directors, namely Ms. Mak Suet Man (committee chairman), Mr. Chan Chi Hang and Mr. Liang Yanan.

The Audit Committee has reviewed the unaudited condensed consolidated interim financial information of the Group for the six months ended 30 September 2025 and this interim results announcement. The Audit Committee confirmed that this interim results announcement complies with all the applicable rules and regulations, including but not limited to the applicable accounting standards and the Listing Rules and that adequate disclosures have been made.

SUSPENSION OF TRADING IN SHARES AND RESUMPTION PROGRESS

Trading in the Shares on the Stock Exchange was suspended with effect from 9:31 a.m. on 25 July 2024 pending release of an inside information announcement. As of the date of this announcement, the Stock Exchange has set out the following resumption guidance (the “**Resumption Guidance**”) for the Company:

- (i) demonstrate, with appropriate evidence and to the Stock Exchange's satisfaction, the correct identities of the individuals who make up the Board and their respective roles and functions;
- (ii) inform the market of all material information for the Company's shareholders and investors to appraise the Company's position;
- (iii) publish all outstanding financial results required under the Listing Rules and address any audit modifications;
- (iv) demonstrate the Company's compliance with Rule 13.24;
- (v) re-comply with Rule 3.28;
- (vi) conduct an independent forensic investigation into the matters relating to the Unauthorised Guarantee, the NCI Loan A, the NCI Loan B and the disposal of 100% equity interests in Shanghai Jinshenglong Land Company Limited (上海金盛隆置地有限公司) and its subsidiaries to a related party controlled by Mr. Qiu at nil consideration on 27 March 2024 by the Group. and with a view to identify whether there were any unauthorised loan/guarantee, assess the impact on the Company's business operation and financial position, announce the findings and take appropriate remedial actions;

- (vii) demonstrate that there is no reasonable regulatory concern about the integrity, competence and/or character of the Group's management and/or any person with substantial influence over the Company's management and operations, which may pose a risk to investors and damage market confidence; and
- (viii) conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to comply with the Listing Rules.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.boillhealthcare.com.hk). 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 despatched to the shareholders and available on the aforesaid websites in due course.

CONTINUED SUSPENSION OF TRADING

Trading in the Shares on the Stock Exchange was suspended at the request of the Company with effect from 9:31 a.m. on 25 July 2024. Trading in the Shares will remain suspended until the Company fulfills the Resumption Guidance.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Boill Healthcare Holdings Limited
He Yu
Executive Director

Hong Kong, 25 January 2026

As at the date of this announcement, the Company has (i) two executive Directors, namely Mr. Yu Jinlong and Mr. He Yu; (ii) one non-executive Director, Dr. Tang Sing Hing, Kenny; and (iii) three independent non-executive Directors, namely Ms. Mak Suet Man, Mr. Chan Chi Hang and Mr. Liang Yanan.

In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.

* *The English name of the Chinese entity is translation of its Chinese name and is included herein for identification purpose only.*