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CHINA HONGBAO HOLDINGS LIMITED

中國紅包控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8316)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of China Hongbao Holdings Limited (the “**Company**”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries for the six months ended 30 September 2025 (the “**Interim Results**”). This announcement, containing the full text of the 2025 interim report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in relation to information to accompany the preliminary announcement of Interim Results.

By order of the Board
China Hongbao Holdings Limited
Cheng Jun
Chairman and Executive Director

Hong Kong, 27 November 2025

As at the date of this announcement, the Board comprises Mr. Cheng Jun and Mr. Yu Hua as executive Directors; and Mr. Chow Chun To, Professor Cheung Ka Yue and Ms. Wong Chi Yan as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the website of the Stock Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and will be published on the Company’s website at www.quantongkonggu.com.

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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UNAUDITED FINANCIAL RESULTS

The Board would like to present the unaudited condensed consolidated results of the Group for the six months ended 30 September 2025, together with the comparative unaudited figures for the corresponding period in 2024 as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2025

| | | Six months ended 30 September | |
|--------------------------------------|-------|----------------------------------|---------------------------------|
| | Notes | 2025 HK\$'000 (Unaudited) | 2024 HK\$'000 (Unaudited) |
| Revenue | 3 | 47,442 | 33,904 |
| Cost of services | | (41,174) | (25,915) |
| Gross profit | | 6,268 | 7,989 |
| Other income | 4 | 23 | 126 |
| Impairment loss recognised on: | | | |
| — trade receivables, net | | (5,483) | — |
| — other receivables, net | | (258) | — |
| — prepayments and deposits, net | | (211) | — |
| — contract assets | | (70) | — |
| Administrative expenses | | (13,626) | (11,912) |
| Finance costs | 5 | (667) | (636) |
| Loss before income tax | 6 | (14,024) | (4,433) |
| Income tax expense | 7 | (396) | — |
| Loss for the period | | (14,420) | (4,433) |
| Other comprehensive expense | | | |
| Item that may be reclassified | | | |
| subsequently to profit or loss: | | | |
| Exchange difference arising | | | |
| on translation of foreign operations | | (358) | (176) |
| Total comprehensive expense | | | |
| for the period attributable | | | |
| to the owners of the Company | | (14,778) | (4,609) |
| Loss per share | | HK cents | HK cents |
| — Basic and diluted | 8 | (1.51) | (0.50) |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | Notes | As at 30 September 2025 HK\$'000 (Unaudited) | As at 31 March 2025 HK\$'000 (Audited) |
|--|-------|--|--|
| ASSETS | | | |
| Non-current asset | | | |
| Property, plant and equipment | 10 | 617 | 1,327 |
| Current assets | | | |
| Trade and other receivables | 12 | 17,120 | 11,211 |
| Prepayments and deposits | 13 | 45,106 | 9,538 |
| Contract assets | 11 | – | 2 |
| Cash and cash equivalents | | 31,109 | 36,771 |
| | | 93,335 | 57,522 |
| Assets classified as held for sale | | 5 | 5 |
| | | 93,340 | 57,527 |
| Total assets | | 93,957 | 58,854 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | 14 | 25,125 | 17,108 |
| Contract liabilities | | 70,964 | 30,402 |
| Income tax payable | | 601 | 204 |
| Lease liabilities | | 841 | 1,686 |
| Amount due to a director | | 2,274 | 1,184 |
| Loan from a related party | | – | 14,375 |
| Other borrowings | 15 | 16,575 | 2,200 |
| | | 116,380 | 67,159 |
| Liabilities directly associated with assets classified as held for sale | | 7,687 | 7,027 |
| | | 124,067 | 74,186 |
| Net current liabilities | | (30,727) | (16,659) |
| Total assets less current liabilities | | (30,110) | (15,332) |
| NET LIABILITIES | | (30,110) | (15,332) |

| | Notes | As at 30 September 2025 HK\$'000 (Unaudited) | As at 31 March 2025 HK\$'000 (Audited) |
|---|-------|--|--|
| EQUITY | | | |
| Equity attributable to owners of the Company | | | |
| Share capital | 16 | 9,534 | 9,534 |
| Reserves | | (39,644) | (24,866) |
| TOTAL DEFICITS | | (30,110) | (15,332) |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2025

| | Share capital HK\$'000 | Share premium HK\$'000 | Capital reserve HK\$'000 | Statutory reserve HK\$'000 | Exchange reserve HK\$'000 | Accumulated losses HK\$'000 | Total HK\$'000 |
|---|------------------------------|------------------------------|--------------------------------|----------------------------------|---------------------------------|-----------------------------------|-------------------|
| As at 1 April 2024 (Audited) | 8,664 | 129,601 | 4,759 | 341 | (439) | (174,076) | (31,150) |
| Loss for the period | - | - | - | - | - | (4,433) | (4,433) |
| Other comprehensive expense: | | | | | | | |
| Exchange differences arising on translation of foreign operations | - | - | - | - | (176) | - | (176) |
| Loss and total comprehensive expense for the period | - | - | - | - | (176) | (4,433) | (4,609) |
| Transactions with owners in their capacity as owners: | | | | | | | |
| Issue of shares (Note 16) | 417 | 4,583 | - | - | - | - | 5,000 |
| As at 30 September 2024 (Unaudited) | 9,081 | 134,184 | 4,759 | 341 | (615) | (178,509) | (30,759) |
| As at 1 April 2025 (Audited) | 9,534 | 142,928 | 2,623 | 341 | (517) | (170,241) | (15,332) |
| Loss for the period | - | - | - | - | - | (14,420) | (14,420) |
| Other comprehensive expense: | | | | | | | |
| Exchange differences arising on translation of foreign operations | - | - | - | - | (358) | - | (358) |
| Loss and total comprehensive expense for the period | - | - | - | - | (358) | (14,420) | (14,778) |
| As at 30 September 2025 (Unaudited) | 9,534 | 142,928 | 2,623 | 341 | (875) | (184,661) | (30,110) |

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2025

| | Six months ended 30 September | |
|---|----------------------------------|---------------------------------|
| | 2025 HK\$'000 (Unaudited) | 2024 HK\$'000 (Unaudited) |
| Cash flows from operating activities | | |
| Cash used in operations | (5,461) | (3,048) |
| Income tax paid | (4) | – |
| Net cash used in operating activities | (5,465) | (3,048) |
| Cash flows from investing activities | | |
| Purchases of property, plant and equipment | (11) | (6) |
| Proceeds from disposal of subsidiaries | – | 78 |
| Net cash (used in)/generated from investing activities | (11) | 72 |
| Cash flows from financing activities | | |
| New other borrowings | – | 5,532 |
| Additions of amount due to a director | 1,090 | 850 |
| Payment for lease liabilities | (845) | (1,540) |
| Interest paid on lease liabilities | (34) | (118) |
| Net cash generated from financing activities | 211 | 4,724 |
| Net (decrease)/increase in cash and cash equivalents | (5,265) | 1,748 |
| Cash and cash equivalents at beginning of the period | 36,771 | 1,230 |
| Effect of foreign exchange rate changes | (397) | 45 |
| Cash and cash equivalents at end of the period | 31,109 | 3,023 |

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 15 July 2014, as an exempted company with limited liability under the Companies Law (2004 revision) Chapter 22 of the Cayman Islands. The address of the registered office of the Company is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and the Company's head office and principal place of business is located at Unit Nos. 1–3 on Level 9 of Tower A of Kowloon Commerce Centre, No. 51 Kwai Cheong Road, Kwai Chung, New Territories, Hong Kong. The Company is an investment holding company and its shares were listed on GEM on the Listing Date. The Group is principally engaged in foundation and other construction business and internet services (including O2O commerce and supply chain management) in Hong Kong and the PRC.

2. BASIS OF PREPARATION

The Group's unaudited condensed consolidated financial statements for the six months ended 30 September 2025 has been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the HKICPA, and the applicable disclosure requirements of the GEM Listing Rules. The unaudited condensed consolidated financial statements and notes thereon do not include all of the information required for full set of financial statements and should be read in conjunction with the consolidated financial statements for the year ended 31 March 2025, which have been prepared in accordance with HKFRSs issued by the HKICPA. The unaudited condensed consolidated financial statements have been prepared under the historical cost convention.

The unaudited condensed consolidated financial statements for the six months ended 30 September 2025 have not been audited by the Company's independent auditors, but have been reviewed by the Audit Committee.

The unaudited condensed consolidated financial statements are presented in HK\$, which is also the functional currency of the Company. All values are rounded to the nearest thousands except when otherwise indicated.

For the purpose of preparing and presenting the financial information of the condensed consolidated financial statements, the Group has consistently adopted HKFRS issued by HKICPA which are effective for the Group's financial year beginning on 1 April 2025. The Group has not early applied the new and revised HKFRS that have been issued by HKICPA but are yet to be effective.

The preparation of condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

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

3. REVENUE AND SEGMENT INFORMATION

Operating segments

The Group was principally engaged in the provision of foundation and other construction works and internet services (including O2O commerce and supply chain management) in Hong Kong and the PRC for the six months ended 30 September 2025. The segment related to the supply and installation of new energy charging piles was inactive, and the associated segment assets and liabilities were classified as assets held for sale and liabilities directly associated with assets classified as held for sale, respectively, in the unaudited condensed consolidated statement of financial position. The executive Directors have been identified as the chief operating decision-maker, responsible for making strategic decisions, allocating resources and assessing performance of the operating segments.

The reportable operating segments and their results are as below:

Six months ended 30 September 2025

| | Foundation and other construction works HK\$'000 (unaudited) | Internet services HK\$'000 (unaudited) | Total HK\$'000 (unaudited) |
|---|---|---|----------------------------------|
| Revenue | 1,325 | 46,117 | 47,442 |
| Cost of services | (5,090) | (36,083) | (41,173) |
| Impairment loss recognised on financial assets | (5,553) | (469) | (6,022) |
| Finance costs | (1) | – | (1) |
| Segment (loss)/profit | (9,319) | 9,565 | 246 |
| Unallocated income | | | 23 |
| Unallocated corporate expenses | | | (13,627) |
| Finance costs | | | (666) |
| Loss before income tax | | | (14,024) |
| Income tax expense | | | (396) |
| Loss for the period | | | (14,420) |

Six months ended 30 September 2024

| | Foundation and other construction works HK\$'000 (unaudited) | Internet services HK\$'000 (unaudited) | Total HK\$'000 (unaudited) |
|--------------------------------|---|---|----------------------------------|
| Revenue | 25,127 | 8,777 | 33,904 |
| Cost of services | (22,271) | (3,644) | (25,915) |
| Segment profit | 2,856 | 5,133 | 7,989 |
| Unallocated income | | | 126 |
| Unallocated corporate expenses | | | (11,912) |
| Finance costs | | | (636) |
| Loss before income tax | | | (4,433) |
| Income tax expense | | | – |
| Loss for the period | | | (4,433) |

Revenue reported above represents revenue generated from external customers. These were no intersegment sales for both of the six months ended 30 September 2025 and 30 September 2024.

Other segment information

The following other segment information is included in the measure of segment profit or loss:

Six months ended 30 September 2025

| | Foundation and other construction works HK\$'000 (unaudited) | Internet services HK\$'000 (unaudited) | Total HK\$'000 (unaudited) |
|---|---|---|----------------------------------|
| Depreciation of property, plant and equipment | – | 1 | 1 |
| Impairment loss recognized on: | | | |
| — Trade receivables, net | 5,483 | – | 5,483 |
| — Other receivables, net | – | 258 | 258 |
| — Prepayments and deposits, net | – | 211 | 211 |
| — Contract assets | 70 | – | 70 |

Six months ended 30 September 2024

| | Foundation and other construction works HK\$'000 (unaudited) | Internet services HK\$'000 (unaudited) | Total HK\$'000 (unaudited) |
|---|---|---|----------------------------------|
| Depreciation of property, plant and equipment | 340 | 242 | 582 |

Segment assets and liabilities

As at 30 September 2025

| | Foundation and other construction works HK\$'000 (unaudited) | Internet services HK\$'000 (unaudited) | Supply and installation of new energy charging piles HK\$'000 (unaudited) | Total HK\$'000 (unaudited) |
|--------------------------------|---|---|--|----------------------------------|
| Assets | | | | |
| Segment assets | – | 3,205 | 5 | 3,210 |
| Property, plant and equipment | | | | 617 |
| Other receivables | | | | 59,021 |
| Cash and cash equivalents | | | | 31,109 |
| Consolidated total assets | | | | 93,957 |
| Liabilities | | | | |
| Segment liabilities | 930 | 83,437 | 7,687 | 92,054 |
| Other payables | | | | 12,500 |
| Other borrowings | | | | 16,575 |
| Amount due to a director | | | | 2,274 |
| Lease liabilities | | | | 664 |
| Consolidated total liabilities | | | | 124,067 |

As at 31 March 2025

| | Foundation and other construction works HK\$'000 (audited) | Internet services HK\$'000 (audited) | Supply and installation of new energy charging piles HK\$'000 (audited) | Total HK\$'000 (audited) |
|--------------------------------|---|---|--|--------------------------------|
| Assets | | | | |
| Segment assets | 7,071 | 3,078 | 5 | 10,154 |
| Property, plant and equipment | | | | 1,327 |
| Other receivables | | | | 10,602 |
| Cash and cash equivalents | | | | 36,771 |
| Consolidated total assets | | | | 58,854 |
| Liabilities | | | | |
| Segment liabilities | 1,000 | 36,803 | 7,027 | 44,830 |
| Other payables | | | | 10,158 |
| Other borrowing | | | | 2,200 |
| Amount due to a director | | | | 1,184 |
| Loan from a related party | | | | 14,375 |
| Lease liabilities | | | | 1,439 |
| Consolidated total liabilities | | | | 74,186 |

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

- all assets are allocated to operating and reportable segments, other than certain unallocated property, plant and equipment, other receivables and cash and cash equivalents.
- all liabilities are allocated to operating and reportable segments, other than certain unallocated other payables, other borrowings, amount due to a director, amount due to a shareholder, loan from a related party and lease liabilities.

Disaggregation of revenue from contract with customers

The following analysis of revenue under HKFRS 15 is disaggregated by timing of revenue recognition.

| | Foundation and other construction works HK\$'000 (unaudited) | Internet services HK\$'000 (unaudited) | Total HK\$'000 (unaudited) |
|---|---|---|----------------------------------|
| Six months ended 30 September 2025 | | | |
| Revenue recognised | | | |
| At point in time | – | 5,465 | 5,465 |
| Over time | 1,325 | 40,652 | 41,977 |
| | 1,325 | 46,117 | 47,442 |
| Six months ended 30 September 2024 | | | |
| Revenue recognised | | | |
| At point in time | – | 3,836 | 3,836 |
| Over time | 25,127 | 4,941 | 30,068 |
| | 25,127 | 8,777 | 33,904 |

Geographical information

The Group's revenue was principally derived from Hong Kong and the PRC, based on the location of the customers.

| | Six months ended 30 September | |
|-----------|--|--|
| | 2025 HK\$'000 (Unaudited) | 2024 HK\$'000 (Unaudited) |
| Hong Kong | 1,325 | 25,127 |
| The PRC | 46,117 | 8,777 |
| | 47,442 | 33,904 |

4. OTHER INCOME

| | Six months ended 30 September | |
|--|----------------------------------|---------------------------------|
| | 2025 HK\$'000 (Unaudited) | 2024 HK\$'000 (Unaudited) |
| Bank interest income | 16 | 2 |
| Gain on disposal of subsidiaries (Note 18) | — | 91 |
| Others | 7 | 33 |
| | 23 | 126 |

5. FINANCE COSTS

| | Six months ended 30 September | |
|--|----------------------------------|---------------------------------|
| | 2025 HK\$'000 (Unaudited) | 2024 HK\$'000 (Unaudited) |
| Interest on loan from other borrowings | 114 | — |
| Interest on lease liabilities | 34 | 119 |
| Imputed interest for shareholder loans | 519 | 517 |
| | 667 | 636 |

6. LOSS BEFORE INCOME TAX

Loss before income tax is arrived after charging:

| | Six months ended 30 September | |
|--|----------------------------------|---------------------------------|
| | 2025 HK\$'000 (Unaudited) | 2024 HK\$'000 (Unaudited) |
| Depreciation charge of property, plant and equipment: | | |
| — Owned property, plant and equipment | 1 | 329 |
| — Right-of-use assets | 721 | 1,232 |
| Employee benefit expense (including Directors' remuneration) | 5,386 | 14,870 |

7. INCOME TAX EXPENSE

The income tax expense in the unaudited condensed consolidated statement of profit or loss and other comprehensive income represents:

| | Six months ended 30 September | |
|--------------|----------------------------------|---------------------------------|
| | 2025 HK\$'000 (Unaudited) | 2024 HK\$'000 (Unaudited) |
| Current tax: | | |
| PRC EIT | 396 | – |
| | 396 | – |

Under the two-tiered Hong Kong profits tax regime, the first HK\$2 million of assessable profits of qualifying corporations will be taxed at 8.25% and profits above HK\$2 million will continue to be subject to the tax rate of 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the rate of 16.5%.

No provision for Hong Kong profits tax has been made for the six months ended 30 September 2025 (2024: nil) as the group entities which are subject to Hong Kong profits tax either incurred losses for the period or had tax losses brought forward to set off with the assessable profit for the period.

The basic tax rate of the Group's PRC subsidiaries is 25% under the EIT Law and implementation regulations of the EIT Law. For the current period, certain subsidiaries of the Group qualified as small and micro enterprises and enjoy the reduction of the applicable tax rate to 10%.

For the six months ended 30 September 2025, the Group has made provision for PRC EIT of approximately HK\$396,000 (2024: nil, as the subsidiaries which are subject to PRC EIT either incurred tax losses for the period or had tax losses brought forward to set off with the assessable profit for the period).

8. LOSS PER SHARE

The calculation of the basic loss per share attributable to owners of the Company is based on the following data:

| | Six months ended 30 September | |
|---|--|--|
| | 2025 HK\$'000 (Unaudited) | 2024 HK\$'000 (Unaudited) |
| Loss for the purpose of calculating basic loss per share | | |
| Loss for the period attributable to owners of the Company | (14,420) | (4,433) |
| Number of shares for the purpose of calculating basic loss per share | '000 | '000 |
| Weighted average number of ordinary shares | 953,376 | 880,516 |

There were no potential ordinary shares in issue for the six months ended 30 September 2025 and 2024. Accordingly, the basic loss per share presented is the same as the diluted loss per share.

9. DIVIDEND

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

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2025, the Group acquired plant and machinery amounting to approximately HK\$11,000 (2024: approximately HK\$6,000).

11. CONTRACT ASSETS

| | As at 30 September 2025 HK\$'000 (Unaudited) | As at 31 March 2025 HK\$'000 (Audited) |
|--|---|---|
| Contract assets arising from retention receivables from contracts with customers (<i>Note (a)</i>) | 70 | 4 |
| Less: provision for impairment loss (<i>Note (b)</i>) | (70) | (2) |
| | — | 2 |

Notes:

(a) Foundation construction services

The expected timing of recovery or settlement for contract assets as at 30 September 2025 and 31 March 2025 are as follows:

| | As at 30 September 2025 HK\$'000 (Unaudited) | As at 31 March 2025 HK\$'000 (Audited) |
|-----------------|--|--|
| Within one year | 70 | 2 |

The contract assets primarily relate to the Group's right to consideration for construction works completed but not yet billed to customers, and the retention receivables at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional, that is when the Group issues progress billings to customer based on the progress certificate agreed with customer or when the retention receivable becomes unconditional.

Included within contract assets is an amount of approximately HK\$4,000 (31 March 2025: approximately HK\$4,000) which relate to amounts withheld up to 5%–10% (31 March 2025: 5%–10%) of the contract sum under contractual terms from trade receivables from customers as the construction work progresses. The monies are generally released from the customers upon the certification of completion of work and/or finalisation of contract accounts, which is typically 12 months after the physical completion of the project. As these amounts are expected to be realised in the normal operating cycle, they are classified as current assets.

An impairment analysis is performed at each reporting date using simplified approach to provide for lifetime expected credit loss ("ECL") prescribed by HKFRS 9, which permits the use of the lifetime ECL for contract assets and assesses the expected losses on contract assets individually. The estimated loss rates are estimated based on various factors including the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions, the number of days past due, adjusted for forward-looking factors and specific consideration (such as credit rating and reputation etc.) to the debtors and the economic environment and an assessment of both the current conditions at the reporting period as well as the forecast of future conditions.

(b) Movements in the loss allowance account in respect of contract assets during the six months ended 30 September 2025 and the year ended 31 March 2025 are as follows:

| | 30 September 2025 HK\$'000 (unaudited) | 31 March 2025 HK\$'000 (audited) |
|---|---|---|
| Balance at the beginning of the period/year | 2 | 11,089 |
| Impairment losses recognised during the period/year | 70 | 531 |
| Impairment loss written off | (2) | (5,372) |
| Reclassified to asset classified held for sale | – | (6,246) |
| Balance at the end of the period/year | 70 | 2 |

12. TRADE AND OTHER RECEIVABLES

| | As at 30 September 2025 HK\$'000 (Unaudited) | As at 31 March 2025 HK\$'000 (Audited) |
|--|--|--|
| Trade receivables, gross | 8,728 | 16,317 |
| Less: provision of impairment (Note (b)) | (5,523) | (6,170) |
| Trade receivables, net (Note (a)) | 3,205 | 10,147 |
| Other receivables, gross | 14,181 | 1,071 |
| Less: provision of impairment (Note (b)) | (266) | (7) |
| Other receivables, net | 13,915 | 1,064 |
| | 17,120 | 11,211 |

Notes:

(a) Trade receivables

Trade receivables were mainly derived from provision of foundation works and non-interesting bearing. Except for the assignment of trade receivable mentioned below, the Group does not hold any collateral or other credit enhancements over these balances. The Group grants an average credit period of 30 days to its trade customers of contract works. Application for progress payments of contract works is made on a regular basis.

On 18 March 2025, a wholly-owned subsidiary of the Company, Ambitious Achievement New Materials Holding Limited ("**Ambitious Achievement**"), has entered into an agreement with an independent third party, pursuant to which Ambitious Achievement agreed to assign and that independent third party agreed to acquire and be assigned, the rights, titles and benefits of a trade receivable at the consideration of HK\$2,200,000 in which HK\$2,200,000 was assigned to the lender of the other borrowing as at 30 September 2025 (31 March 2025: HK\$2,200,000).

The following is an analysis of trade receivables by age, net of loss allowance, presented based on invoice dates:

| | As at 30 September 2025 HK\$'000 (Unaudited) | As at 31 March 2025 HK\$'000 (Audited) |
|---|--|--|
| Current or less than one month | 899 | 4,477 |
| One to three months | 1,447 | 3,452 |
| More than three months but less than one year | 859 | 2,218 |
| | 3,205 | 10,147 |

The Group periodically measures the loss allowance for trade receivables at an amount equal to lifetime ECL individually. The estimated loss rates are estimated based on various factors including the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions, the number of days past due, adjusted for forward-looking factors and specific consideration (such as credit rating and reputation etc.) to the debtors and the economic environment and an assessment of both the current conditions at the reporting period as well as the forecast of future conditions.

- (b) Movements in the loss allowance account in respect of trade receivables and other receivables during the six months ended 30 September 2025 and the year ended 31 March 2025 are as follows:

| | Trade receivables | | Other receivables | | Total | |
|---|---|---|---|---|---|---|
| | 30 September 2025 HK\$'000 (unaudited) | 31 March 2025 HK\$'000 (audited) | 30 September 2025 HK\$'000 (unaudited) | 31 March 2025 HK\$'000 (audited) | 30 September 2025 HK\$'000 (unaudited) | 31 March 2025 HK\$'000 (audited) |
| Balance at the beginning of the period/year | 6,170 | 5,779 | 7 | – | 6,177 | 5,779 |
| Impairment losses recognised during the period/year | 5,483 | 1,625 | 258 | 7 | 5,741 | 1,632 |
| Impairment loss written off | (6,130) | – | – | – | (6,130) | – |
| Reclassified to asset classified held for sale | – | (1,159) | – | – | – | (1,159) |
| Exchange alignment | – | (75) | 1 | – | 1 | (75) |
| Balance at the end of the period/year | 5,523 | 6,170 | 266 | 7 | 5,789 | 6,177 |

13. PREPAYMENTS AND DEPOSITS

| | 30 September 2025 HK\$'000 (unaudited) | 31 March 2025 HK\$'000 (audited) |
|---|---|---|
| Prepayments | 45,372 | 8,753 |
| Less: provision of impairment loss (Note (b)) | (266) | (51) |
| | 45,106 | 8,702 |
| Deposits (Note (a)) | – | 841 |
| Less: provision of impairment loss (Note (b)) | – | (5) |
| | – | 836 |
| | 45,106 | 9,538 |

Notes:

- (a) As at 31 March 2025, deposits mainly comprised rental deposits of office, warehouse, carpark and machinery.
- (b) Movements in the loss allowance account in respect of prepayments and deposits during the six months ended 30 September 2025 and the year ended 31 March 2025 are as follows:

| | 30 September 2025 HK\$'000 (unaudited) | 31 March 2025 HK\$'000 (audited) |
|---|---|---|
| Balance at the beginning of the period/year | 56 | 4 |
| Impairment losses recognised during the period/year | 214 | 54 |
| Impairment losses reversed during the period/year | (3) | (1) |
| Impairment loss written off | (2) | – |
| Exchange alignment | 1 | (1) |
| Balance at the end of the period/year | 266 | 56 |

14. TRADE AND OTHER PAYABLES

| | As at 30 September 2025 HK\$'000 (Unaudited) | As at 31 March 2025 HK\$'000 (Audited) |
|-----------------------|--|--|
| Trade payables (Note) | 12,625 | 6,950 |
| Accrued charges | 3,439 | 1,146 |
| Other payables | 9,061 | 9,012 |
| | 25,125 | 17,108 |

Note: An ageing analysis of trade payables as at the end of reporting period, based on invoice dates, is as follows:

| | As at 30 September 2025 HK\$'000 (Unaudited) | As at 31 March 2025 HK\$'000 (Audited) |
|---|--|--|
| Current or less than one month | 12,123 | 6,437 |
| One to three months | 13 | 29 |
| More than three months but less than one year | 14 | 23 |
| More than one year | 475 | 461 |
| | 12,625 | 6,950 |

The Group's trade payables are non-interest bearing and generally have payment terms of 0 to 45 days.

15. OTHER BORROWINGS

| | As at 30 September 2025 HK\$'000 (Unaudited) | As at 31 March 2025 HK\$'000 (Audited) |
|--|--|--|
| Amounts due to an independent third party (Note (a)) | 2,200 | 2,200 |
| Mr. Fu Yik Lung (Note (b)) | 14,375 | – |
| | 16,575 | 2,200 |

Notes:

- (a) As at 31 March 2025, the loan from the creditor of Ambitious Achievements (the “**Creditor**”) is secured by an assignment of trade receivable (Note 12), with interest rate at 12% per annum and repayable 30 days from the first drawdown.

The Company has received a statutory demand issued to Ambitious Achievement pursuant to the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) from the Creditor dated 9 September 2025 in the amount of approximately HK\$2.4 million (the “**Statutory Demand**”). Based on information available to the Company, the Statutory Demand relates to two outstanding loans granted by the Creditor to Ambitious Achievement, comprising (i) a loan granted under a term loan facility dated 18 March 2025 in the principal amount of HK\$200,000, which was drawn down in full by Ambitious Achievement on the same day (the “**First Loan**”), and (ii) a loan granted under an export invoice finance facility dated 27 March 2025 in the principal amount of HK\$2.0 million, which was drawn down in full by Ambitious Achievement on the same day (the “**Second Loan**”) (together, the “**Loans**”). The aggregate demanded sum of approximately HK\$2.4 million comprises the principal loan amount, accrued and default interest as at 9 September 2025 and costs incurred by the Creditor in relation to both loans.

- (b) Mr. Fu Yik Lung (“**Mr. Fu**”) is a former director of the ultimate holding company of the Company. The Group reclassified the balance of loan from a related party to other borrowings to reflect more appropriately the way in which such balance is presented in the unaudited condensed consolidated statement of financial position. As at 30 September 2025, the loan with the carrying amount of approximately HK\$14,375,000 (31 March 2025: HK\$14,375,000 recognised under loan from a related party) are unsecured, interest free and repayable on demand. Mr. Fu has agreed not to demand for repayment of the amount due to him within eighteen months from 31 March 2025.

16. SHARE CAPITAL

| | Number of ordinary shares '000 | Amount HK\$'000 |
|---|---|--------------------|
| Authorised: | | |
| <i>Ordinary shares of HK\$0.01 each</i> | | |
| As at 1 April 2024, 31 March 2025, 1 April 2025 (audited) | 1,000,000 | 10,000 |
| Increase in authorised share capital of the Company (<i>Note (a)</i>) | 2,000,000 | 20,000 |
| As at 30 September 2025 (unaudited) | 3,000,000 | 30,000 |
| Issued and fully paid: | | |
| <i>Ordinary shares of HK\$0.01 each</i> | | |
| As at 1 April 2024 (audited) | 866,400 | 8,664 |
| Loan capitalisation through subscription of new shares (<i>Note (b)</i>) | 41,666 | 417 |
| Loan capitalisation through subscription of new shares (<i>Note (c)</i>) | 45,310 | 453 |
| As at 31 March 2025, 1 April 2025 (audited) and 30 September 2025 (unaudited) | 953,376 | 9,534 |

Note:

- (a) As disclosed in the announcement of the Company dated 30 July 2025, an ordinary resolution has been passed at the annual general meeting of the Company held on Wednesday, 30 July 2025 to approve, among others, the proposed increase in authorised share capital of the Company from HK\$10,000,000 divided into 1,000,000,000 Shares to HK\$30,000,000 divided into 3,000,000,000 Shares by the creation of an additional 2,000,000,000 new Shares. For further details, please refer to the circular of the Company dated 8 July 2025 and the announcement of the Company dated 30 July 2025.
- (b) On 31 July 2024, the number of Issued Share Capital increased to 908,066,000 Shares as a result of the completion of the loan capitalisation through subscription of new shares under general mandate (the "**Subscription of New Shares A**"). For details of the Subscription of New Shares A, please refer to the announcements of the Company dated 24 April 2024 and 31 July 2024.

Pursuant to the subscription agreement dated 24 April 2024 (the "**Subscription Agreement A**") entered into between the Company and Ms. Zhang Xiaoping (the "**Subscriber A**"), a shareholder of the Company, the Company has conditionally agreed to allot and issue, and the Subscriber A has conditionally agreed to subscribe for, a total of 41,666,000 subscription shares at the subscription price of HK\$0.12 per subscription share. The total subscription amount payable by the Subscriber A of HK\$4,999,920 under the Subscription Agreement A shall be satisfied by way of capitalisation of part of the debt already due from the Company to the Subscriber A amounted to HK\$5,000,000 and the remaining balance of HK\$80 was already settled as at 31 March 2025. Completion of the issue of 41,666,000 subscription shares took place on 31 July 2024.

- (c) On 4 March 2025, the number of Issued Share Capital increased to 953,376,000 Shares as a result of the completion of the loan capitalisation through subscription of new shares under general mandate (the **"Subscription of New Shares B"**). For details of the Subscription of New Shares B, please refer to the announcements of the Company dated 15 January 2025 and 4 March 2025.

Pursuant to the subscription agreement dated 15 January 2025 (the **"Subscription Agreement B"**) entered into between the Company and Ms. Lau Wai Man (the **"Subscriber B"**), a shareholder of the Company, the Company has conditionally agreed to allot and issue, and the Subscriber B has conditionally agreed to subscribe for, a total of 45,310,000 subscription shares at the subscription price of HK\$0.203 per subscription share. The total subscription amounts payable by the Subscriber B of approximately HK\$9,198,000 under the Subscription Agreement B shall be satisfied by way of capitalisation of part of the debt already due from the Company to the Subscriber B amounted to HK\$10,000,000 and the remaining balance of approximately HK\$802,000 was already settled as at 31 March 2025. Completion of the issue of 45,310,000 subscription shares took place on 4 March 2025.

17. RELATED PARTY TRANSACTION

In addition to the transactions and balances disclosed elsewhere in the unaudited condensed consolidated financial statements, the Group did not entered into any significant related party transactions during the six months ended 30 September 2025 and 2024.

Key management personnel compensation

The key management personnel of the Group are the Directors. Details of the remuneration paid to them during the six months ended 30 September 2025 and 2024 are as follows:

| | Six months ended 30 September | |
|------------------------------|----------------------------------|---------------------------------|
| | 2025 HK\$'000 (Unaudited) | 2024 HK\$'000 (Unaudited) |
| Salaries and benefits | 1,061 | 1,067 |
| Pension scheme contributions | 46 | 45 |
| | 1,107 | 1,112 |

18. DISPOSAL OF SUBSIDIARIES

Fortune Elite Investments Limited ("Fortune Elite") and Quantong Globe Limited (collectively "Fortune Elite Group")

On 23 September 2024, the Group disposed of the entire issued share capital in Fortune Elite, a wholly-owned subsidiary of the Company, at a cash consideration of US\$10,000. Fortune Elite and its wholly-owned subsidiary, Quantong Globe Limited, were inactive during the six months ended 30 September 2024. The aggregate net liabilities of Fortune Elite Group at the date of disposal were as follows:

| | HK\$'000 |
|---|----------|
| Trade and other payables | (13) |
| Net liabilities | (13) |
| Gain on disposal | |
| Consideration for disposal | 78 |
| Net liabilities disposed of | 13 |
| Gain on disposal of subsidiaries | 91 |
| Net cash inflow arising on disposal of subsidiaries: | |
| Cash consideration, received | 78 |

19. CONTINGENT LIABILITY

As of the date of this report, Ambitious Achievement may face possible legal claim(s) from its contractor for uncompleted works. Costs incurred for completing outstanding works may be charged to Ambitious Achievement. For details, please refer to the announcement of the Company dated 24 October 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The Group has been engaged in foundation works and other construction activities in Hong Kong for over 10 years. During the six months ended 30 September 2025, the Board lost contact with Mr. Ng Yeuk Cheung ("**Mr. Ng**"), the key person responsible for the operations of the Group's construction segment (the "**Construction Segment**"). Additionally, all desktop computers hosting server information, along with operational and accounting documents at Ambitious Achievement's office, were reported missing. Consequently, the absence of on-site leadership, the missing operational and accounting records, and disrupted systems necessitated a temporary suspension of operations at Ambitious Achievement (the "**Temporary Suspension of Construction Business**"), affecting the entire Construction Segment until control over the missing records is regained. The Temporary Suspension of Construction Business has adversely affected revenue.

The revenue of the Construction Segment decreased by approximately HK\$23.8 million, from approximately HK\$25.1 million for the six months ended 30 September 2024 to approximately HK\$1.3 million for the six months ended 30 September 2025. The Construction Segment had three incomplete projects as of 31 March 2025. During the six months ended 30 September 2025, the Group recognized approximately HK\$1.3 million in revenue related to these incomplete projects. It is essential to note that the Group only recognised revenues that have been received or are probable of being received, in accordance with HKFRS 15, and has not recorded amounts that may not be collectible. The Construction Segment has changed from recording a segment profit of approximately HK\$2.9 million for the six months ended 30 September 2024 to recording a segment loss of approximately HK\$9.3 million for the six months ended 30 September 2025.

The Group intends to resume its construction business with strengthened management oversight and enhanced internal controls. The construction business may be conducted through Ambitious Achievement and/or other Hong Kong subsidiary(ies) of the Group. The Group has formulated plans to engage management personnel with relevant experience and expertise to oversee the operations of its construction business, including the appointment of new director(s) with relevant experience and expertise to the operating entity(ies) of the Group's construction business. Subject to the completion of requisite internal procedures, the Group expects to finalize these appointments by the end of January 2026. While the construction business faces temporary disruption, the Group remains confident in its prospects and is committed to rebuilding and strengthening its market position. Subject to the outcome of the Group's review of its capacity and capabilities regarding construction projects, the Group will continue to monitor and evaluate potential opportunities to bid on tenders and may consider reestablishing communication with previous clients and other stakeholders to explore suitable opportunities in both the public and private sectors. For further details of the Temporary Suspension of Construction Business, please refer to the announcements of the Company dated 3 September 2025, 24 October 2025 and 6 November 2025.

On the other hand, the Group engages in providing internet services (including O2O commerce and supply chain management) since July 2022. In 2025, China's O2O commerce in the supply chain industry is characterized by the strategic integration of advanced digital technologies and a focus on creating seamless, personalized consumer experiences. The management is excited to enhance consumer experiences on the one-stop e-commerce platform (the **"Platform"**) provided by the Group and is continuing to implement technological innovations and upgrades for the Platform, particularly in the merchant-end of "on-demand delivery". Recognizing the importance of marketing, the Group has increased its digital marketing efforts to boost user engagement on the Platform. For the six months ended 30 September 2025, the Group generated revenue of approximately HK\$46.1 million (2024: approximately HK\$8.8 million) and a gross profit of approximately HK\$10.0 million (2024: approximately HK\$5.1 million) from the internet services segment.

Despite the challenges faced by the Directors in resuming the construction business within the Group, they are optimistic that the internet services segment will strengthen, as more users engage with the Platform, thereby generating increased revenue for the Group. Management will consider the continuation of digital marketing efforts for promoting the Platform. Furthermore, the Group remains committed to exploring new business opportunities in the market, with the primary goal of delivering increased returns to Shareholders. By diversifying our business portfolio and capitalizing on emerging sectors, we aim to strengthen our position in the industry and enhance value for Shareholders.

FINANCIAL REVIEW

REVENUE

The Group's revenue for the six months ended 30 September 2025 was approximately HK\$47.4 million, representing an increase of approximately HK\$13.5 million or approximately 39.9% as compared to approximately HK\$33.9 million for the six months ended 30 September 2024. The increase was attributable to the boost in revenue generated from the internet services segment by approximately HK\$37.3 million or approximately 425.4% from approximately HK\$8.8 million for the six months ended 30 September 2024 to approximately HK\$46.1 million for the six months ended 30 September 2025 due to the substantial digital marketing effort made by the Group during the period.

It was partially offset by the decrease in revenue from the Construction Segment by approximately HK\$23.8 million or approximately 94.7% from approximately HK\$25.1 million for the six months ended 30 September 2024 to approximately HK\$1.3 million for the six months ended 30 September 2025. As mentioned in the section headed "Business Review and Outlook", the Temporary Suspension of Construction Business has adversely affected the revenue of the Construction Segment during the period ended 30 September 2025.

COST OF SERVICES

The Group's cost of services increased from approximately HK\$25.9 million for the six months ended 30 September 2024 to approximately HK\$41.2 million for the six months ended 30 September 2025, representing an increase of approximately HK\$15.3 million or approximately 58.9%. Such increase was driven by the increase in revenue from the internet services segment for the six months ended 30 September 2025.

GROSS PROFIT AND GROSS PROFIT MARGIN

For the six months ended 30 September 2025, the Group recorded a gross profit of approximately HK\$6.3 million (2024: approximately HK\$8.0 million) and the gross profit margin was approximately 13.2% (2024: approximately 23.6%). The decrease in gross profit was mainly due to decrease in gross profit generated from the Construction Segment.

OTHER INCOME

Other income of the Group decreased by approximately HK\$103,000 or approximately 81.7% from approximately HK\$126,000 for the six months ended 30 September 2024 to approximately HK\$23,000 for the six months ended 30 September 2025. It was mainly because there was no gain on disposal of subsidiaries during the six months ended 30 September 2025 (2024: approximately HK\$91,000).

IMPAIRMENT LOSS ON FINANCIAL ASSETS

During the six months ended 30 September 2025, the Group recognised impairment loss on financial assets of approximately HK\$6.0 million (2024: nil). Such increase was due to increase in impairment loss recognised on trade receivables, other receivables, prepayments and deposits and contract assets of approximately HK\$5.5 million, HK\$258,000, HK\$211,000 and HK\$70,000, respectively.

ADMINISTRATIVE EXPENSES

The administrative expenses increased by approximately HK\$1.7 million or 14.2% from approximately HK\$11.9 million for the six months ended 30 September 2024 to approximately HK\$13.6 million for the six months ended 30 September 2025. The higher administrative expenses was mainly driven by the increase in digital marketing cost of approximately HK\$3.2 million. It was partially offset by decrease in administrative staff cost of approximately HK\$2.0 million.

FINANCE COSTS

Finance costs slightly increased from approximately HK\$636,000 for the six months ended 30 September 2024 to approximately HK\$667,000 for the six months ended 30 September 2025. Such increase was mainly due to interest on other borrowing of approximately HK\$114,000 incurred during the six months ended 30 September 2025 (2024: nil).

TOTAL COMPREHENSIVE EXPENSE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY

Total comprehensive expense increased by approximately HK\$10.2 million or approximately 220.6% from approximately HK\$4.6 million for the six month ended 30 September 2024 to approximately HK\$14.8 million for the six months ended 30 September 2025. Such increase was mainly due to the decrease in gross profit (particularly gross profit from the construction segment) and increase in administrative expenses and impairment loss recognised on financial assets during the period.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Shares were successfully listed on GEM on the Listing Date. Save as disclosed in the section headed “Management Discussion and Analysis — Financial Review — Capital Structure” below, there has been no change in the capital structure of the Group since the Listing Date and up to the date of this report.

| | As at 30 September 2025 (Unaudited) | As at 31 March 2025 (Audited) |
|--------------------------------|--|--|
| Current assets (HK\$'000) | 93,340 | 57,527 |
| Current liabilities (HK\$'000) | 124,067 | 74,186 |
| Current ratio (times) | 0.75 | 0.78 |

The current ratio of the Group as at 30 September 2025 remained stable at approximately 0.75 times (31 March 2025: approximately 0.78 times).

As at 30 September 2025, the Group had total cash and cash equivalents of approximately HK\$31.1 million (31 March 2025: approximately HK\$36.8 million).

As at 30 September 2025 and 31 March 2025, the Group had other borrowings, amount due to a director, loan from a related party and leases liabilities of approximately HK\$19.7 million and HK\$19.4 million in aggregate, respectively. The scheduled repayment date of the Group were as follows:

| | As at 30 September 2025 HK\$'000 (Unaudited) | As at 31 March 2025 HK\$'000 (Audited) |
|-----------------|--|--|
| Within one year | 19,690 | 19,445 |

GEARING RATIO

The Group monitors capital using a gearing ratio, which is net debt divided by total deficit. Net debts are calculated as the total of lease liabilities, amount due to a director, loans from a related party and other borrowings less cash and cash equivalents.

| | As at 30 September 2025 HK\$'000 (Unaudited) | As at 31 March 2025 HK\$'000 (Audited) |
|---------------------------------|--|--|
| Total debt | 19,690 | 19,445 |
| Less: Cash and cash equivalents | (31,109) | (36,771) |
| Net debt | (11,419) | (17,326) |
| Total deficit | (30,110) | (15,332) |
| Gearing ratio | N/A | N/A |

CAPITAL STRUCTURE

The Shares were successfully listed on GEM on the Listing Date. The Issued Share Capital only comprises ordinary shares.

The changes in the Issued Share Capital since the Listing Date and up to the date of this report were as follows:

| | Number of Issued Share Capital |
|--|---|
| On the Listing Date | 800,000,000 |
| Completion of a subscription of new shares under general mandate on 16 January 2023 (<i>Note (a)</i>) | <u>28,050,000</u> |
| As at 16 January 2023 | 828,050,000 |
| Completion of a subscription of new shares under general mandate on 13 March 2023 (<i>Note (b)</i>) | <u>38,350,000</u> |
| As at 13 March 2023 | 866,400,000 |
| Completion of a subscription of new shares under general mandate on 31 July 2024 (<i>Note (c)</i>) | <u>41,666,000</u> |
| As at 31 July 2024 | 908,066,000 |
| Completion of a subscription of new shares under general mandate on 4 March 2025 (<i>Note (d)</i>) | <u>45,310,000</u> |
| As at 4 March 2025, 31 March 2025, 30 September 2025 and up to the date of this report | <u>953,376,000</u> |

Notes:

- (a) Please refer to the announcements of the Company dated 5 January 2023 and 16 January 2023 for further details.
- (b) Please refer to the announcements of the Company dated 27 February 2023 and 13 March 2023 for further details.
- (c) Please refer to the announcements of the Company dated 24 April 2024 and 31 July 2024 for further details.
- (d) Please refer to the announcements of the Company dated 15 January 2025 and 4 March 2025 for further details.

With effect from 17 July 2023, the board lot size of the Shares for trading on GEM has been changed from 10,000 Shares to 2,000 Shares. Please refer to the announcements of the Company dated 26 June 2023 and 19 July 2023 for further details.

As disclosed in the announcement of the Company dated 30 July 2025, an ordinary resolution has been passed at the annual general meeting of the Company held on Wednesday, 30 July 2025 to approve, among others, the proposed increase in authorised share capital of the Company from HK\$10,000,000 divided into 1,000,000,000 Shares to HK\$30,000,000 divided into 3,000,000,000 Shares by the creation of an additional 2,000,000,000 new Shares. For further details, please refer to the circular of the Company dated 8 July 2025 and the announcement of the Company dated 30 July 2025.

As at 30 September 2025, the Issued Share Capital was approximately HK\$9.5 million, representing 953,376,000 issued ordinary Shares of HK\$0.01 each.

INTERIM DIVIDEND

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

CONTINGENT LIABILITIES

Save as disclosed elsewhere in this report, the Group did not have any significant contingent liabilities as at 30 September 2025.

CHARGE ON GROUP ASSETS

As at 30 September 2025, the Group had no assets charged for bank borrowings or for other purposes.

CAPITAL COMMITMENTS

As at 30 September 2025, the Group did not have any significant capital commitment.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

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

SIGNIFICANT INVESTMENTS HELD BY THE GROUP

During the six months ended 30 September 2025, there was no significant investment held by the Group.

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group did not have any concrete plan for material investments or capital assets as at 30 September 2025.

FOREIGN CURRENCY RISK

For the Group's operation in Hong Kong, the major revenue and expenses are denominated in Hong Kong dollars. For the Group's operation in the PRC, the major revenue and expenses are denominated in RMB, which would expose the Group to foreign exchange risk. The Group currently does not have a foreign currency hedging policy. However, the management of the Company monitors foreign exchange exposure and will consider hedging significant foreign currency exposure when the need arises.

EMPLOYEES AND REMUNERATION

As at 30 September 2025, the Group employed a total of 31 staff (31 March 2025: 59 staff). The total employee remuneration, including remuneration of the Directors for the six months ended 30 September 2025, amounted to approximately HK\$5.4 million (for the six months ended 30 September 2024: approximately HK\$14.9 million).

The Group entered into separate labour contracts with each of the employees in accordance with the applicable labour laws in Hong Kong and the PRC. Employees are remunerated according to their performance and working experience. The Group provides its staff with various benefits including discretionary bonus, contributory provident fund and medical insurance. The Group also provides and sponsors various types of training to employees.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report, there is no other material subsequent event undertaken by the Company or by the Group after 30 September 2025 and up to the date of this report.

DISCLOSURE OF INTERESTS

DIRECTORS' AND CHIEF EXECUTIVES' INTEREST 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 in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions), or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which are required to be notified to the Company and the Stock Exchange pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules, are as follows:

LONG POSITIONS IN THE ORDINARY SHARES OF THE COMPANY

| Name | Capacity/Nature of interest | Number of shares held/ interested | Percentage of shareholding |
|---------------|-----------------------------|--------------------------------------|----------------------------|
| Mr. Cheng Jun | Beneficial owner | 180,078,000 | 18.89% |

Save as disclosed above, as at 30 September 2025, none of the Directors and chief executives of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

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

As at 30 September 2025, none of the substantial or significant shareholders or other persons, other than the Directors and chief executives of the Company whose interests are set out in the section "Management Discussion and Analysis — Disclosure of Interests — Directors' and Chief Executives' Interest and Short Positions in Shares, Underlying Shares and Debentures" above, had or were deemed to have an interest or a short position in the shares or the underlying shares of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company remained to be kept under Section 336 of the SFO, or who were directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group.

SHARE OPTION SCHEME

The Company has adopted the Share Option Scheme on 6 July 2015. No share option has been granted, exercised, cancelled, lapsed or forfeited under the Share Option Scheme since its adoption and up to the date of this report. As at 1 April 2025 and 30 September 2025, there was no outstanding share option and the number of options available for grant under the Share Option Scheme was 80,000,000 as at 1 April 2025.

The Share Option Scheme has been expired on 5 July 2025 and the Company do not have share option scheme as at 30 September 2025.

COMPETING INTERESTS

During the six months ended 30 September 2025 and up to the date of this report, the Directors, the Controlling Shareholders and their respective close associates did not have any business or interest in a business apart from the business of the Group which competes or may compete, directly or indirectly, with the business of the Group or any other conflicts of interest which any such person has or may have with the Group.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for dealing in securities of the Company by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the **"Required Standard of Dealings"**). The Company had also made specific enquiry of all the Directors and each of the Directors confirmed that he/she was in compliance with the Required Standard of Dealings throughout the six months ended 30 September 2025.

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

During the six months ended 30 September 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including any sale of treasury shares). As at 30 September 2025, there were no treasury shares held by the Company.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles and code provisions in the CG Code as set out in Appendix C1 to the GEM Listing Rules as its corporate governance practices. During the six months ended 30 September 2025, to the best knowledge of the Board, the Company has complied with the applicable code provisions set out in Part 2 of the CG Code except for the deviation from code provision D.2.5 of the CG Code regarding internal audit function as set out in the "Corporate Governance Report" in the annual report of the Company dated 25 June 2025. The Directors have reviewed the need for an internal audit function and are of the view that in light of the size, nature and complexity of the business of the Group, it would be more cost effective to appoint external independent professionals to perform internal audit function for the Group in order to meet its needs. The Audit Committee and the Board will continue to review the need for an internal audit function on an annual basis.

AUDIT COMMITTEE

The Audit Committee was established on 6 July 2015. The chairman of the Audit Committee is Mr. Chow Chun To, an independent non-executive Director, and other members include Ms. Wong Chi Yan and Professor Cheung Ka Yue, the other independent non-executive Directors. The written terms of reference of the Audit Committee are posted on the website of the Stock Exchange and on the Company's website.

The primary duties of the Audit Committee are mainly to review the financial information and reporting process, oversee the financial controls, internal control procedures and risk management system, effectiveness of the Company's internal audit function, audit plan and relationship with external auditors and review arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Company has complied with Rule 5.28 of the GEM Listing Rules with three members comprising independent non-executive Directors only and at least one of the members of the Audit Committee is an independent non-executive Director who possesses appropriate professional qualifications or accounting or related financial management expertise.

The Group's unaudited condensed consolidated financial statements for the six months ended 30 September 2025 have been reviewed by the Audit Committee. The Audit Committee is of the opinion that such statements comply with applicable accounting standards, the GEM Listing Rules and that adequate disclosures have been made.

By order of the Board
China Hongbao Holdings Limited
Cheng Jun
Chairman and Executive Director

Hong Kong, 27 November 2025

As at the date of this report, the Board comprises Mr. Cheng Jun and Mr. Yu Hua, as executive Directors; and Mr. Chow Chun To, Professor Cheung Ka Yue and Ms. Wong Chi Yan as independent non-executive Directors.

DEFINITIONS

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

| | |
|------------------------------|--|
| "associate(s)" | has the meaning ascribed to it under the GEM Listing Rules |
| "Audit Committee" | the audit committee of the Board |
| "Board" | the board of Directors |
| "CG Code" | Corporate Governance Code as set out in Appendix C1 to the GEM Listing Rules |
| "Chairman" | the chairman of the Board, as appointed and designated from time to time |
| "close associate(s)" | has the meaning ascribed to it under the GEM Listing Rules |
| "Company" | China Hongbao Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on GEM (Stock Code: 8316) |
| "Controlling Shareholder(s)" | has the meaning ascribed to it under the GEM Listing Rules |
| "Director(s)" | the director(s) of the Company |
| "ECL" | expected credit loss prescribed by HKFRS 9 |
| "EIT" | enterprise income tax of the PRC |
| "EIT Law" | Law of the PRC on EIT (Order of the President of the PRC Numbered 63) as amended, supplemented or otherwise modified from time to time |
| "GEM" | GEM of the Stock Exchange |
| "GEM Listing Rules" | the Rules Governing the Listing of Securities on GEM of the Stock Exchange as amended, supplemented or otherwise modified from time to time |
| "Group" | the Company and its subsidiaries |
| "HKFRS(s)" | Hong Kong Financial Reporting Standard(s) |
| "HKICPA" | Hong Kong Institute of Certified Public Accountants |

"HK\$" 

Hong Kong dollars, the lawful currency of Hong Kong

"Hong Kong"

the Hong Kong Special Administrative Region of the PRC

"Issued Share Capital"

issued share capital of the Company

"Listing Date"

10 August 2015, the date on which the Shares were listed on GEM

"PRC"

the People's Republic of China, which for the purpose of this report shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan

"RMB"

Renminbi, the lawful currency of the PRC

"SFO"

Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time

"Share(s)"

ordinary share(s) of HK\$0.01 each in the Issued Share Capital

"Shareholder(s)"

holders of the Shares

"Share Option Scheme"

the share option scheme of the Company adopted by the Shareholders on 6 July 2015

"Stock Exchange"

The Stock Exchange of Hong Kong Limited

"treasury shares"

has the meaning ascribed to it under the GEM Listing Rules

"US\$" 

the United States dollars, the lawful currency of the United States of America

"%"

per cent