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HANG SANG (SIU PO) INTERNATIONAL HOLDING COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3626)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2025

The board (the “**Board**”) of directors (the “**Director(s)**”) of Hang Sang (Siu Po) International Holding Company Limited (the “**Company**”) hereby announces the consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 30 June 2025 together with the comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2025

		2025	2024
	Notes	HK\$'000	HK\$'000
Revenue	4	95,152	70,028
Cost of sales		(58,773)	(49,359)
Gross profit		36,379	20,669
Other income, net	5	1,770	5,647
Selling expenses		(6,145)	(5,741)
Administrative and other operating expenses		(24,254)	(22,322)
Reversal of impairment loss on trade receivables, net	6(c)	196	–
Impairment loss on goodwill		(3,731)	–
Finance costs	6(b)	(947)	(657)
Profit/(loss) before income tax	6	3,268	(2,404)
Income tax (expenses)/credit	7	(376)	98
Profit/(loss) for the year		2,892	(2,306)

		2025	2024
	Note	HK\$'000	HK\$'000
Profit/(loss) for the year		2,892	(2,306)
Other comprehensive income items that may be reclassified to profit or loss:			
Exchange differences on translation of financial statements of foreign operations		<u>141</u>	<u>–</u>
Other comprehensive expenses, that will not be reclassified subsequently to profit or loss:			
Remeasurements of long service payment obligation		<u>(688)</u>	<u>(26)</u>
Total comprehensive income/(expense) for the year		<u>2,345</u>	<u>(2,332)</u>
Profit/(loss) for the year attributable to:			
Owners of the Company		2,656	(2,395)
Non-controlling interests		<u>236</u>	<u>89</u>
		<u>2,892</u>	<u>(2,306)</u>
Total comprehensive income/(expenses) attributable to:			
Owners of the Company		2,109	(2,421)
Non-controlling interests		<u>236</u>	<u>89</u>
		<u>2,345</u>	<u>(2,332)</u>
Earnings/(loss) per share attributable to owners of the Company			
– Basic and diluted	9	<u>HK1.44 cents</u>	<u>(HK1.30 cents)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	2025 HK\$'000	2024 HK\$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	10	10,180	12,824
Goodwill	11	5,702	9,433
Intangible assets		599	875
		<u>16,481</u>	<u>23,132</u>
Current assets			
Inventories		2,288	2,405
Trade and other receivables	12	9,509	8,900
Cash and cash equivalents		15,034	33,565
		<u>26,831</u>	<u>44,870</u>
Current liabilities			
Trade and other payables	13	10,528	11,674
Lease liabilities		5,158	6,842
Current tax liabilities		467	490
		<u>16,153</u>	<u>19,006</u>
Net current assets		<u>10,678</u>	<u>25,864</u>
Total assets less current liabilities		<u>27,159</u>	<u>48,996</u>
Non-current liabilities			
Lease liabilities		3,445	8,128
Deferred tax liabilities		41	113
Long service payment obligations		1,068	336
		<u>4,554</u>	<u>8,577</u>
Net assets		<u><u>22,605</u></u>	<u><u>40,419</u></u>
EQUITY			
Share capital		1,840	1,840
Reserves		20,695	38,458
Equity attributable to owners of the Company		<u>22,535</u>	<u>40,298</u>
Non-controlling interests		<u>70</u>	<u>121</u>
Total equity		<u><u>22,605</u></u>	<u><u>40,419</u></u>

NOTES

For the year ended 30 June 2025

1. GENERAL INFORMATION

Hang Sang (Siu Po) International Holding Company Limited (the “**Company**”) was incorporated in the Cayman Islands on 8 October 2015 as an exempted company with limited liability. The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is Block C, 5/F., Gee Hing Chang Industrial Building, No. 16 Cheung Yue Street, Cheung Sha Wan, Kowloon, Hong Kong. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 18 May 2016.

In the opinion of directors, the parent and ultimate holding company of the Company is Jolly Atom Limited, a company incorporated in the British Virgin Islands (the “**BVI**”) and is beneficially owned by Mr Lu Xiaoma (collectively referred to as the “**Controlling Shareholder**”). The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in manufacturing and sale of apparel labels and packaging printing products, sale and distribution of food, daily necessities and utility products, restaurant operation and sales of E-cigarette products in New Zealand.

The consolidated financial statements are presented in thousands of Hong Kong dollars (“**HK\$’000**”), which is also the functional currency of the Company and its subsidiaries, unless otherwise stated.

2. BASIS OF PREPARATION

The annual consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), which collective term includes all applicable individual HKFRS accounting standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations (“**HKFRS Accounting Standards**”) and the accounting principles generally accepted in Hong Kong.

The consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and include the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”).

The material accounting policies that have been used in the preparation of the consolidated financial statements have been consistently applied to all the years presented unless otherwise stated. The adoption of new and amended HKFRS Accounting Standards and changes in accounting policies and the impacts on the Group’s consolidated financial statements, if any, are disclosed in note 3.

3. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS AND CHANGES IN ACCOUNTING POLICIES

Amended HKFRS Accounting Standards that are effective for annual periods beginning on 1 July 2024

In the current year, the Group has applied for the first time the following amended HKFRS Accounting Standards as issued by the HKICPA, which are relevant to the Group’s operations and effective for the Group’s consolidated financial statements for the annual period beginning on 1 July 2024:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The adoption of the amended HKFRS Accounting Standards had no material impact on how the results and financial position of the Group for the current and prior periods have been prepared and presented.

Issued but not yet effective HKFRS Accounting Standards

At the date of authorisation of the consolidated financial statements, certain new and amended HKFRS Accounting Standards have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 18	Presentation and Disclosure in Financial Statements ³
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKAS 21	Lack of exchangeability ¹
Amendments to HKFRS Accounting Standards	Annual improvement to HKFRS Accounting Standards – Volume 11 ²
Amendment to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ³

¹ Effective for annual periods beginning on or after 1 January 2025

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

⁴ Effective date not yet determined

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. Information on new and amended HKFRS Accounting Standards that are expected to have impact on the Group's accounting policies is provided below. Other new and amended HKFRS Accounting Standards are not expected to have a material impact on the Group's consolidated financial statements.

HKFRS 18 “Presentation and Disclosure in Financial Statements” and related amendments to Hong Kong Interpretation 5 (“HKFRS 18”)

HKFRS 18 aims to give users of financial statements more transparent and comparable information about an entity's financial performance. It will replace HKAS 1 “Presentation of Financial Statements” but carries over many requirements from that HKAS which will remain unchanged. In addition, there are three sets of new requirements relating to the structure of the consolidated statement of profit or loss, management-defined performance measures and the aggregation and disaggregation of financial information. While HKFRS 18 will not change recognition criteria or measurement basis, it might have a significant impact on presenting information in the financial statements, in particular the consolidated statement of profit or loss and other comprehensive income. The Group are currently assessing any impacts as well as data readiness before developing a more detailed implementation plan.

The HKICPA issued HKFRS 18 and amendments to the other HKFRS Accounting Standards, effective for annual reporting periods beginning on or after 1 January 2027 and must be applied retrospectively with specific transition provisions.

4. REVENUE AND SEGMENT INFORMATION

Revenue

The Group's revenue and operating profit are generated from (a) manufacturing and sale of apparel labels and packaging printing products; (b) sale and distribution of food, daily necessities and utility products; (c) catering services; and (d) sale of E-cigarette in New Zealand, net of any trade discounts. Revenue are generally recognised at a point in time when the customers obtain control of the promised goods or services in the contract.

The amount of revenue recognised is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Sale of apparel labels and packaging printing products	56,027	48,299
Sale of food, daily necessities and utility products	21,715	15,901
Revenue from catering services	16,375	5,828
Sale of E-cigarette	1,035	–
	<u>95,152</u>	<u>70,028</u>

Segment information

The chief operating decision maker is the Board of the Company. During the year ended 30 June 2025, the Group sets up of a subsidiary that is engaged in sales of E-cigarette products in New Zealand. As a result, the basis of segmentation is changed and the Group has identified the following reportable segments:

- (a) Printing – manufacturing and sales of apparel labels and packaging printing products
- (b) Food and daily necessities – sale and distribution of food, daily necessities and utility products
- (c) Restaurant operation – revenue from catering services.
- (d) E-cigarette – sale of E-cigarette products

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments other than unallocated corporate expenses.

All assets are allocated to reportable segments other than unallocated head office and corporate assets; and all liabilities are allocated to reportable segments other than unallocated head office and corporate liabilities.

The following is an analysis of the Group's revenue, results, assets and liabilities by reportable segments:

2025

	Printing HK\$'000	Food and daily necessities HK\$'000	Restaurant operation HK\$'000	E-cigarette HK\$'000	Total HK\$'000
Revenue					
– From external customers	<u>56,027</u>	<u>21,715</u>	<u>16,375</u>	<u>1,035</u>	<u>95,152</u>
Reportable segment revenue	<u>56,027</u>	<u>21,715</u>	<u>16,375</u>	<u>1,035</u>	<u>95,152</u>
Reportable segment profit/(loss)	<u>8,610</u>	<u>9</u>	<u>203</u>	<u>(1,313)</u>	<u>7,509</u>
Interest income	464	5	2	–	471
Depreciation					
– owned property, plant and equipment	(294)	(448)	(547)	–	(1,289)
– right-of-use assets	(2,440)	(256)	(1,304)	–	(4,000)
Amortisation					
– intangible asset	–	–	(276)	–	(276)
Finance costs	(584)	(12)	(351)	–	(947)
Gain on lease modification	35	–	–	–	35
Reversal of write down of slow-moving inventories	3	–	–	–	3
Reversal of impairment loss on trade receivables, net	207	(2)	(7)	(2)	196
Impairment loss on goodwill	–	–	(3,731)	–	(3,731)
Fair value change on contingent consideration payable	<u>–</u>	<u>–</u>	<u>880</u>	<u>–</u>	<u>880</u>
Reportable segment assets	42,257	6,921	17,127	1,667	67,972
Additions to non-current segment assets during the year	4,856	514	37	–	5,407
Reportable segment liabilities	<u>(48,554)</u>	<u>(10,947)</u>	<u>(16,619)</u>	<u>(2,788)</u>	<u>(78,908)</u>

Reconciliation of reportable segment results, assets and liabilities:

	2025 <i>HK\$'000</i>
Profit	
Reportable segment profit	7,509
Unallocated corporate expenses, net	<u>(4,241)</u>
Consolidated profit before income tax	<u><u>3,268</u></u>
Assets	
Reportable segment assets	67,972
Unallocated head office and corporate assets	35,424
Eliminated upon consolidation	<u>(60,084)</u>
Consolidated total assets	<u><u>43,312</u></u>
Liabilities	
Reportable segment liabilities	(78,908)
Unallocated head office and corporate liabilities	(1,883)
Eliminated upon consolidation	<u>60,084</u>
Consolidated total liabilities	<u><u>(20,707)</u></u>

	Printing <i>HK\$'000</i>	Food and daily necessities <i>HK\$'000</i>	Restaurant operation <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue				
– From external customers	48,299	15,901	5,828	70,028
– From other segment	14	–	–	14
Reportable segment revenue	48,313	15,901	5,828	70,042
Reportable segment (loss)/profit	(760)	(905)	1,088	(577)
Interest income	963	5	–	968
Depreciation				
– owned property, plant and equipment	(1,279)	(454)	(181)	(1,914)
– right-of-use assets	(7,031)	(255)	(435)	(7,721)
Amortisation				
– intangible asset	–	–	(92)	(92)
Finance costs	(497)	(24)	(136)	(657)
Gain on lease modification	13	–	–	13
Reversal of write down of slow-moving inventories	196	–	–	196
Reportable segment assets	51,281	4,989	19,452	75,722
Additions to non-current assets during the year	8,293	288	17,029	25,610
Reportable segment liabilities	(65,495)	(9,038)	(8,675)	(83,208)

Reconciliation of reportable segment revenue, results, assets and liabilities:

	2024 HK\$'000
Revenue	
Reportable segment revenue	70,042
Elimination of inter-segment revenue	(14)
Consolidated revenue	70,028
Loss	
Reportable segment loss	(577)
Unallocated corporate expenses, net	(1,827)
Consolidated loss before income tax	(2,404)
Assets	
Reportable segment assets	75,722
Unallocated head office and corporate assets	58,695
Eliminated upon consolidation	(66,415)
Consolidated total assets	68,002
Liabilities	
Reportable segment liabilities	(83,208)
Unallocated head office and corporate liabilities	(10,790)
Eliminated upon consolidation	66,415
Consolidated total liabilities	(27,583)

Geographical information

The following table sets out information about the geographical location of the Group's revenue. The geographical location of revenue is based on the location in which the customer is located.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong (place of domicile)	50,962	30,256
New Zealand	1,035	–
South Korea	9,354	8,940
Vietnam	10,957	9,943
United States	3,680	3,581
Taiwan	5,059	5,462
China	3,399	4,224
Indonesia	2,661	2,041
India	1,724	1,138
Bangladesh	4,549	2,460
Macau	256	318
El Salvador	68	397
Jordan	456	239
Others	992	1,029
	<u>95,152</u>	<u>70,028</u>

The property, plant and equipment, intangible assets and goodwill of the Group ("specified non-current assets") are all located in Hong Kong.

Major customers

There is no single external customer contributed more than 10% of the total revenue to the Group's revenue for the years ended 30 June 2025 and 2024.

5. OTHER INCOME, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Fair value change on contingent consideration payable	880	–
Gain on disposal of property, plant and equipment	18	4,410
Interest income	475	978
Net exchange gain	107	63
Gain on lease modification	35	13
Others	255	183
	<u>1,770</u>	<u>5,647</u>

6. PROFIT/(LOSS) BEFORE INCOME TAX

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

	2025 HK\$'000	2024 HK\$'000
(a) Staff costs (including directors' remuneration) (note (i))		
Salaries, allowances and other benefits (note (ii))	28,394	24,034
Contributions to defined contribution retirement plans	964	899
	<u>29,358</u>	<u>24,933</u>
(b) Finance costs		
Interest on lease liabilities	947	657
	<u>947</u>	<u>657</u>
(c) Other items		
Depreciation (note (i)):		
– owned property, plant and equipment	1,289	1,914
– right-of-use assets	4,000	7,721
Amortisation of:		
– intangible assets	276	92
	<u>5,565</u>	<u>9,727</u>
Auditor's remuneration	980	840
Cost of inventories recognised as an expense, (note (i)) including:	58,773	49,359
– Reversal of write down of slow-moving inventories	(3)	(196)
Reversal of impairment loss on trade receivables, net	(196)	–
Fair value change on contingent consideration payable	(880)	–
Gain on lease modification	(35)	(13)
Gain on disposal of property, plant and equipment	(18)	(4,410)
Lease charges on short-term leases (note (i))	255	234
Variable lease payments (note (i))	529	293
Marketing services fee	3,703	4,033
Subcontracting charges (note (i))	3,683	2,934
	<u>3,683</u>	<u>2,934</u>

Note:

- (i) For the year ended 30 June 2025, cost of inventories includes HK\$14,247,000 (2024: HK\$11,560,000) relating to staff costs, HK\$2,077,000 (2024: HK\$5,886,000) relating to depreciation, HK\$3,683,000 (2024: HK\$2,934,000) relating to subcontracting charges and HK\$529,000 (2024: HK\$293,000) relating to variable lease charges, which amounts are also included in the respective total amounts disclosed separately above for each of these types of expenses.
- (ii) For the year ended 30 June 2025, the directors' quarters are recognised as lease liabilities and corresponding right-of-use asset. Upon resignation of the directors on 16 June 2025, the leases were early terminated and the corresponding lease liabilities and right-of-use asset were derecognised. The depreciation and lease payments in respect of the relevant right-of-use asset and lease liabilities amounted to HK\$1,783,000 (2024: HK\$1,812,000) and HK\$1,885,000 (2024: HK\$1,920,000), respectively.

7. INCOME TAX EXPENSES/(CREDIT)

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

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

Hong Kong Profits Tax had been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits for the year, except for a subsidiary of the Group which was a qualifying corporation under the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of qualifying entities are taxed at 8.25%, and the profits above HK\$2,000,000 are taxed at 16.5%.

Taxation in the consolidated statement of profit or loss and other comprehensive income represents:

	2025 HK\$'000	2024 HK\$'000
Hong Kong Profit Tax		
– Current tax	486	98
– Over-provision of prior years	(38)	–
	448	98
Deferred tax		
– Current year	(72)	(196)
Total income tax expenses/(credit)	376	(98)

8. DIVIDENDS

	2025 HK\$'000	2024 HK\$'000
Special dividend of HK\$0.108 per ordinary share	19,872	–

The directors do not recommend the payment of any interim and final dividend for the years ended 30 June 2025 and 2024.

9. EARNINGS/(LOSS) PER SHARE

The calculation of basic and diluted earnings/(loss) per share is based on the profit attributable to equity owners of the Company of HK\$2,656,000 (2024: loss of HK\$2,395,000) and the weighted average of 184,000,000 (2024: 184,000,000) ordinary shares in issue during the year.

Diluted earnings/(loss) per share for the years ended 30 June 2025 and 2024 equate the basic earnings/(loss) per share as the Group had no potential dilutive ordinary shares in issue during the years ended 30 June 2025 and 2024.

10. PROPERTY, PLANT AND EQUIPMENT

There were no additions to right-of-use assets included in property, plant and equipment during the year ended 30 June 2025 (2024: Nil). The Group entered into lease modification contracts with amounting to approximately HK\$4,152,000 (2024: HK\$7,581,000) with lessors to revise the terms of the tenancy agreements. As the lease modification does not add the right to use one or more underlying assets, it is not accounted for as a separate lease.

During the year ended 30 June 2025, a lease with right-of-use assets of HK\$2,761,000, net of accumulated depreciation of HK\$8,147,000 was early terminated (2024: Nil). The corresponding lease liabilities at the date of early termination is amounting to HK\$2,796,000.

For the year ended 30 June 2024, despite ongoing geopolitical and economic tensions between China and the United States, the Group's printing customers continued to place orders proactively, driven by an improved global economic outlook. However, the Group still recorded operating losses. As a result, the management conducted an impairment review together with the assistance of an independent valuer, and assessed the recoverable amounts of non-financial assets from the cash-generating unit of printing segment (the "**Printing CGU**") and the cash-generating unit of food and daily necessities segment (the "**Food CGU**") which refer to the current market situation and estimated cash flows of the Group as basis. The recoverable amounts of such assets were determined based on value-in-use calculations. Key inputs to the determination of the recoverable amounts of the Printing CGU and Food CGU include revenue growth rates and discount rates.

The CGUs were tested for impairment as there were indications that the assets' carrying amount may not be recoverable. The revenue growth rates and pre-tax discount rate used to determine the recoverable amounts of Printing CGU are ranging from 2.2% to 3.9% and approximately 20%, respectively. As the recoverable amounts of such assets in the Printing CGU were higher than their carrying amounts, no impairment losses was recognised during the year ended 30 June 2024. The Food CGU was also separately assessed and no impairment loss was recognised on property, plant and equipment (including right-of-use assets) as at 30 June 2024. For the year ended 30 June 2025, no indicator of further impairment and/or reversal of impairment is identified, and therefore, no impairment loss was recognised on property, plant and equipment (including right-of-use assets) for the year ended 30 June 2025.

As at 30 June 2025 and 2024, included in the net carrying amount of property, plant and equipment are right-of-use assets as follows:

	Carrying amount		Depreciation		Impairment	
	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Office equipment	398	654	256	489	–	–
Leased properties	6,209	8,562	3,744	7,232	–	–
	<u>6,607</u>	<u>9,216</u>	<u>4,000</u>	<u>7,721</u>	<u>–</u>	<u>–</u>

11. GOODWILL

The Group's goodwill arose from business combinations in connection with the acquisition of Sky Honor Holdings Limited ("Sky Honor") in 2024. The net carrying amount of goodwill can be analysed as follows:

	<i>HK\$'000</i>
Cost	
At 1 July 2023	–
Acquisition of a subsidiary	9,433
	<u>9,433</u>
At 30 June 2024, 1 July 2024 and 30 June 2025	<u>9,433</u>
Accumulated impairment	
At 1 July 2023, 30 June 2024 and 1 July 2024	–
Impairment loss recognised during the year	3,731
	<u>3,731</u>
At 30 June 2025	<u>3,731</u>
Net book value at 30 June 2025	5,702
Net book value at 30 June 2024	<u>9,433</u>

The carrying amount of goodwill, net of any impairment loss, is allocated to the cash-generating unit of restaurant operation.

12. TRADE AND OTHER RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables (note (a))	6,788	7,839
Less: loss allowance (note (b))	<u>(66)</u>	<u>(1,403)</u>
	<u>6,722</u>	6,436
Deposits, prepayments and other receivables		
Deposits (note (c))	2,061	2,109
Other receivables	51	27
Prepayments	<u>675</u>	<u>328</u>
	<u>2,787</u>	2,464
	<u>9,509</u>	<u>8,900</u>

(a) Trade receivables

The Group allows credit periods ranging from 0 to 2 months to its customers derived from sales of apparel labels and packaging printing products and sale of E-cigarette, whereas credit periods ranging from 0 to 1 month to its customers from sale and distribution of food, daily necessities and utility products. Revenue from customers are on cash or credit card settlement from catering services.

The Group usually reaches an agreement on the term of each payment with the customer by taking into account of factors such as, among other things, the credit history of the customer, its liquidity position and the Group's working capital needs, which varies on a case-by-case basis that requires the judgement and experience of the management.

For online distribution of food, daily necessities and utility products, receipts in advance are required before the relevant goods are delivered.

The ageing analysis of trade receivables, based on the invoice date, net of loss allowance, is as follows:

	2025 HK\$'000	2024 HK\$'000
Within 3 months	6,529	5,911
Over 3 months but within 6 months	179	525
Over 6 months but within 1 year	14	–
	6,722	6,436

(b) Loss allowance of trade receivables

The movement in the loss allowance of trade receivables is as follows:

	2025 HK\$'000	2024 HK\$'000
Balance at 1 July	1,403	1,403
Reversal of loss allowance during the year	(224)	–
Loss allowance recognised during the year	28	–
Written off during the year	(1,141)	–
	66	1,403

(c) Deposits

The amounts mainly represent rental and utilities deposits paid.

13. TRADE AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	2,965	2,699
Marketing services fee payables	901	630
Receipts in advance	832	1,374
Accruals and other payables	5,600	5,861
Contingent consideration payable	230	1,110
	<u>10,528</u>	<u>11,674</u>

Payment terms granted by suppliers ranged from 1 to 3 months from the invoice date of the relevant purchases except for E-cigarette segment which advance payment is required.

The following is an ageing analysis of trade payables, based on invoice date, at the end of the reporting period:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 3 months	<u>2,965</u>	<u>2,699</u>

14. COMMITMENTS

Lease commitments

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 1 year	<u>–</u>	<u>19</u>

As at 30 June 2025 and 2024, the Group leases a property which is qualified to be accounted for under short-term lease exemption under HKFRS 16 “Leases”.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Due to increment of revenue from all of the Group's operating business segments, the Group recorded revenue of approximately HK\$95.2 million for the year ended 30 June 2025 ("FY2025") representing an increase of approximately 35.9% as compared with the year ended 30 June 2024 ("FY2024"). The Group's gross profit margin increased to approximately 38.2% for FY2025 (for FY2024: 29.5%). Profit and total comprehensive income for the FY2025 was approximately HK\$2.3 million (FY2024: loss and total comprehensive expense approximately HK\$2.3 million).

Printing

The revenue of business segment for manufacturing and sale of apparel labels and packaging printing products increased by approximately 16.0% to approximately HK\$56.0 million. Increase in revenue during the period was resulted from increase of sales orders from customers. Gross profit margin for manufacturing and sale of apparel labels and packaging printing products increased by approximately 16.5 percentage points (from 33.4% for FY2024 to 49.9% for FY2025). It was the fruitful results of control of overhead costs in cost of sales during 2024 and 2025.

Food and daily necessities

The revenue generated by the business segment for the sales and distribution of food, daily necessities, and utility products increased by approximately 36.6% to approximately HK\$21.7 million. This growth was attributed to the expand of product range and growth of customer base. Gross profit margin for sales and distribution of food, daily necessities, and utility products dropped by approximately 0.9 percentage points (from 25.3% for FY2024 to 24.4% for FY2025) due to selling of lower margin items and stay competitive in the market.

Restaurant operation

As disclosed in announcement dated 7 February 2024, the Group acquired 91% equity interest of a company which engaged in operation of a café by serving gourmet coffee and variety of menu with western and Japanese style food in Hong Kong (the "Café Shop"). The acquisition was completed on 29 February 2024. During the FY2025, the Café Shop contributed revenue of approximately HK\$16.4 million. The gross profit margin of restaurant operation was around 24.4% for the FY2025. Through operation of the Café Shop, the Group is able to obtain direct market information from customers, which enhance the Group's business of the sales and distribution of food products.

E-cigarette

The Group started assessment of business feasibility of E-cigarette business in third quarter of 2024. After multifaceted discussions and explorations as well as on-site visit with potential suppliers and customers, a wholly owned subsidiary, Alpha Six Three Limited (“**Alpha Six Three**”) was established in September 2024 and a branch was set up by Alpha Six Three in November 2024 in New Zealand for carrying out sale and distribution of E-cigarette business. Sale of E-cigarette commenced in February 2025 in New Zealand. During the FY2025, the Alpha Six Three contributed revenue of approximately HK\$1.0 million. The gross profit margin of E-cigarette business was around 18.1% for the FY2025.

OUTLOOK

Increased global economic uncertainties and the escalation of trade conflicts have consistently affected the global market. As a result, the retail sector, particularly the apparel market, has experienced significant disruptions, leading to fluctuations in demand for apparel labels and packaging printing products. In response to these challenging market conditions, the Group will prioritize enhancing sales efforts, improving production quality, strengthening internal controls, and implementing strengthening cost control measures to effectively navigate this difficult global environment.

To diversify and strengthen its business foundation, the Group expanded its operations into the sales and distribution of food, daily necessities, and utility products in March 2021, followed by the initiation of restaurant operations in March 2024. These business segments, which cater to essential daily needs with consistent market demand, are expected to provide stable cash flow for the Group.

As part of its strategy to diversify into consumer products, the Company commenced the assessment of commercial opportunities in the third quarter of 2024. Subsequently, the Group launched a new business segment focused on the sale and distribution of e-cigarettes in New Zealand in November 2024. The Group will continue to explore for any suitable and appropriate business opportunities.

FINANCIAL REVIEW

Revenue

There was an increase in overall revenue for FY2025 as compared to that for FY2024. The business segment for manufacturing and sale of apparel labels and packaging printing products increased by approximately HK\$7.7 million or 16.0% from approximately HK\$48.3 million to approximately HK\$56.0 million which as mainly result from increase of sales orders by customers. For the business segment for the sales and distribution of food, daily necessities and utility products increased by approximately HK\$5.8 million or 36.6% from approximately HK\$15.9 million to approximately HK\$21.7 million due to the fact that this segment accumulated customer base. The revenue generated by the new business segment of restaurant operation contributed approximately HK\$16.4 million since the segment consolidated into the Group’s financial statements since the completion date of acquisition. The revenue generated by the other new business segment of E-cigarette operation contributed approximately HK\$1.0 million since the sale of this segment commenced in February 2025 in New Zealand.

Cost of sales and gross profit

Cost of sales over the total revenue of the Group for FY2025 was approximately 61.8%. While comparing with approximately 70.5% for FY2024, there was decrease of approximately 8.7 percentage points. Such decrease was mainly attributable to addition of a new segments and improved pricing and operational efficiency in existing segments.

As a result, the gross profit margin for FY2025 increase by approximately 8.7 percentage points to approximately 38.2% (FY2024: 29.5%), and the gross profit for FY2025 increased to approximately HK\$36.4 million (FY2024: HK\$20.7 million).

Other income

Other income for FY2025 primarily comprises fair value change on contingent consideration payable and interest income. Decrease in other income was mainly due to one-off gain on disposal of property, plant and equipment in FY2024.

Selling expenses

Selling expenses primarily consist of freight charges, transportation and marketing service fee. Selling expenses increased by approximately HK\$0.4 million to approximately HK\$6.1 million for FY2025. Such increase was mainly caused by increase in freight charges and sales commission paid due to sales increased.

Administrative and other operating expenses

Administrative and other operating expenses primarily comprise salaries, utilities, professional fee, depreciation and other miscellaneous administrative expenses. There was an increase in these expenses of approximately HK\$2.0 million, increasing from approximately HK\$22.3 million to approximately HK\$24.3 million for FY2025. The increase in administrative and other operating expenses was primarily due to increase in salaries and professional fees resulting from new segments consolidated into the Group.

Profit/(loss) and total comprehensive income/(expense)

The Group recorded profit and total comprehensive income of approximately HK\$2.3 million for FY2025 as compared to loss and total comprehensive expense of approximately HK\$2.3 million for FY2024. The major factors contributing to this change were primarily the increase in profit from the manufacturing and sale of apparel labels and packaging printing products segment.

Liquidity and Financial Information

As at 30 June 2025, the total amount of cash and cash equivalents of the Group was approximately HK\$15.0 million, representing a decrease of approximately HK\$18.5 million as compared with that as at 30 June 2024. Such decrease was mainly caused by the payment of a special dividend of approximately HK\$19.9 million during the year. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time. There was no bank and other borrowings as at 30 June 2025 and 2024.

As at 30 June 2025, the Group maintains prudence and stable ratios as the current ratio (current assets/current liabilities): 1.66 times (as at 30 June 2024: 2.36 times); the quick ratio ((current assets – inventories)/current liabilities): 1.52 times (as at 30 June 2024: 2.23 times).

Treasury Policies

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the year. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Capital Structure

The shares of the Company were listed on the Stock Exchange on 18 May 2016. There has been no change in the capital structure of the Company since that date.

Share option

A share option scheme was adopted on 26 April 2016, there was no share options granted during FY2025. And there was no outstanding share options granted as at 30 June 2025.

Commitments

The contractual commitment of the Group was related to rental and the lease of property. Commitments were shown under note 14 of this announcement.

Pledge of assets

As at 30 June 2025, the Group had not pledged any assets (FY2024: HK\$Nil).

Exposure to foreign exchange risk

The Group mainly carries out its transactions in United States dollars (“USD”) and Hong Kong dollars (“HK\$”) and majority of its bank balances, trade and other receivables and trade and other payables are denominated in USD and HK\$. As HK\$ is pegged to USD, the management of the Group does not expect any significant movements in the USD/HK\$ exchange rate and considers the Group is not exposed to significant currency risk.

The Group does not hedge its foreign currency risks with USD as the rate of exchange between HK\$ and USD is controlled within a tight range. Consistent changes in foreign exchange rates would have an impact on consolidated financial statements. The management of the Group will closely monitor the changes of the rate of exchange and government policies from time to time.

Material contingent liabilities

The Group is not aware of any material contingent liabilities as at 30 June 2025.

EVENTS AFTER REPORTING DATE

There were no material subsequent events occurred after FY2025 and up to the date of this announcement.

EMPLOYEES AND EMOLUMENT POLICIES

As at 30 June 2025, the Group had 71 full time management, administrative and operation staff in Hong Kong (as at 30 June 2024: 67). There is no significant change in the Group's emolument policies. On top of basic salaries, bonuses may be paid by reference to the Group's performance as well as individual's performance. Other staff benefits, such as contributions to Mandatory Provident Fund retirement benefits scheme, medical insurance and other relevant insurance for employees who are employed by the Group.

CORPORATE GOVERNANCE

The Board considers that good corporate governance of the Company is crucial to safeguard the interests of the shareholders of the Company and to enhance the performance of the Group. The Board and management of the Company are committed to enhancing corporate governance standard, in compliance with all relevant provisions as set out in the Corporate Governance Code and Corporate Governance Report (the “**Code**”) as stated in Appendix C1 to the Listing Rules. During the year, the Company has complied with the relevant provisions of the Code (“**Code Provisions**”), save for the deviations disclosed below.

Code provision C.2.1 of the Code provides that the roles of the chairman and chief executive officer should be separated and should not be performed by the same individual. Mr Fung Man Wai Samson was the chairman and chief executive officer of the Company before his resignation of such positions with effect from 16 June 2025. The Board believes that vesting the roles of both chairman and chief executive officer in the same person had the benefit of ensuring consistent leadership within the Group and enabled effective and efficient overall strategic planning for the Group. Following the resignation of Mr Fung Man Wai Samson as the chairman and chief executive officer and the appointment of Mr Lu Xiaoma as chairman and Ms Xin Yue Jasmine Geffner as chief executive officer with effect from 16 June 2025, the Company has complied with the Code provision C.2.1.

Rules 3.10(1) and 3.10A of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) provide that the board of directors of a listed issuer must include at least three independent non-executive directors and these independent non-executive directors must represent at least one-third of the board. Rule 3.21 of the Listing Rules provides that the Audit Committee shall comprise at least three members. Rules 3.25 and 3.27A of the Listing Rules provide that the Remuneration Committee and the Nomination Committee must comprise a majority of independent non-executive directors.

Following the resignation of Dr Loke Yu as the independent non-executive director with effect from 15 March 2025, the company has failed to comply with the requirements as set out in Rules 3.10(1), 3.10A, 3.21, 3.25 and 3.27A of the Listing Rules. Upon the appointment of Mr Ye Changqing, Ms Pickett Heidi Verrill and Mr Huang Walter as independent non-executive Directors with effect from 13 June 2025, Company has re-complied with the relevant requirements under Rules 3.10(1), 3.10A, 3.21, 3.25 and 3.27A of the Listing Rules.

The Board will continue to review and further improve the Company’s corporate governance practices and standards, so as to ensure that its business activities and decision-making processes are regulated in a proper and prudent manner.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. Having made specific enquiries of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code during FY2025.

AUDIT COMMITTEE

The audit committee comprises of three independent non-executive Directors, namely Mr YE Changqing, Ms PICKETT Heidi Verrill and Mr HUANG Walter. It is principally responsible for reviewing the accounting principles and practices adopted by the Group, as well as discussing and reviewing with the management the internal control, systems of risk management, auditing and financial reporting matters of the Group. The audit committee has reviewed the annual results of the Group for FY2025.

SCOPE OF WORK OF THE AUDITOR

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for FY2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, Grant Thornton Hong Kong Limited (the “**Auditor**”), to the amounts set out in the Group’s draft consolidated financial statements for FY2025. The work performed by the Auditor in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by the Auditor on the preliminary announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

MANDATORY UNCONDITIONAL CASH OFFER AND RESTORATION OF PUBLIC FLOAT

Reference is made to (a) the composite document dated 26 May 2025 (the “**Composite Document**”) jointly issued by Wade Investment SPC Ltd (acting for and on behalf of Wade Investment SP1) (the “**Offeror**”) and Hang Sang (Siu Po) International Holding Company Limited (the “**Company**”) in relation to a mandatory unconditional cash offer (the “**Offer**”) for all the issued shares of the Company not already owned and/or agreed to be acquired by the Offeror and parties acting in concert with it; and (b) the Company's announcements dated 16 June 2025 and 20 June 2025.

Immediately following the close of the Offer on 16 June 2025, the public float of the Company was reduced to approximately 24.992%, which was below the minimum requirement of 25% as prescribed under Rule 8.08(1)(a) of the Listing Rules.

Following the close of the Offer, the Company applied to The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) for a temporary waiver from strict compliance with Rule 8.08(1)(a). The Stock Exchange granted the waiver (the “**Waiver**”) for the period from 16 June 2025 to 27 June 2025 (both days inclusive) subject to the condition that the Waiver (including its details and rationale) be disclosed through the publication of the announcement dated 20 June 2025.

To rectify the shortfall in the public float of the Company, the Offeror disposed of an aggregate of 14,000 Shares on-market on 20 June 2025. As a result, the number of Shares held by the public was restored to 46,000,000, representing 25% of the total issued share capital of the Company, thereby complying with Rule 8.08(1)(a) of the Listing Rules.

SPECIAL AND FINAL DIVIDEND

The Board has recommended a special dividend of HK\$0.108 per ordinary share for FY2025, which was paid to Shareholders on 14 May 2025.

The Board does not recommend the payment of a final dividend for FY2025.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the identity of the shareholders entitled to attend and vote at the 2025 annual general meeting of the Company on 5 December 2025, the register of members of the Company will be closed from Monday, 1 December 2025 to Friday, 5 December 2025, both days inclusive, during which period no transfer of shares will be registered. All transfers of shares accompanied by the relevant certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration not later than 4:00 p.m. on Friday, 28 November 2025.

PUBLICATION OF THE ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement will be published on the website of the Stock Exchange at www.hkex.com.hk and the Company's website at www.hangsangpress.com. The 2025 Annual Report will be despatched to the shareholders and published on the aforesaid websites in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my sincere thanks to our loyal shareholders, suppliers and customers for their continuous support to the Group. I would also like to extend my gratitude and appreciation to our management and all staff for their hard work and dedication throughout the year.

By order of the Board
Hang Sang (Siu Po) International Holding Company Limited
Xin Yue Jasmine Geffner
Executive Director and Chief Executive Officer

Hong Kong, 26 September 2025

As at the date of this announcement, the executive Directors of the Company are Mr Lu Xiaoma and Ms Xin Yue Jasmine Geffner and the independent non-executive Directors of the Company are Mr Ye Changqing, Ms Pickett Heidi Verrill and Mr Huang Walter.