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New Century Group Hong Kong Limited

新世紀集團香港有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 234)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

The board of directors (the “Board”) of New Century Group Hong Kong Limited (the “Company”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2025.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2025

		2025	2024
		(Unaudited)	(Unaudited)
	<i>Notes</i>	HK\$'000	HK\$'000
REVENUE	5	36,926	48,697
Other income	5	7,454	8,852
Administrative and operating expenses		(20,278)	(21,025)
Fair value losses on investment properties		(21,500)	(14,600)
Provision for impairment losses on loan and interest receivables and repossessed assets, net		(14,869)	(16,666)
Finance costs		(4)	—
PROFIT/(LOSS) BEFORE TAX	6	(12,271)	5,258
Income tax expense	7	(1,805)	(2,876)

* For identification purpose only

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
(continued)

For the six months ended 30 September 2025

		2025	2024
		(Unaudited)	(Unaudited)
	<i>Note</i>	HK\$'000	HK\$'000
PROFIT/(LOSS) FOR THE PERIOD		(14,076)	2,382
Attributable to:			
Owners of the Company		(18,716)	(4,247)
Non-controlling interests		4,640	6,629
		(14,076)	2,382
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	8		
Basic			
– For loss for the period		HK(0.32) cent	HK(0.07) cent
Diluted			
– For loss for the period		HK(0.32) cent	HK(0.07) cent

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2025

	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
PROFIT/(LOSS) FOR THE PERIOD	(14,076)	2,382
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	8,711	9,036
Other comprehensive income/(loss) that will not be reclassified to profit or loss in subsequent periods:		
Change in fair value of an equity investment designated at fair value through other comprehensive income	256	(487)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	8,967	8,549
TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE PERIOD	(5,109)	10,931
Attributable to:		
Owners of the Company	(9,749)	4,302
Non-controlling interests	4,640	6,629
	(5,109)	10,931

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 September 2025

		30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
	Notes		
NON-CURRENT ASSETS			
Property, plant and equipment		105,704	108,348
Investment properties		472,220	485,560
Equity investment designated at fair value through other comprehensive income		3,690	3,434
Prepayments and other receivables		437	453
Loan receivables	9	58,039	71,446
Deferred tax assets		6,268	7,534
Total non-current assets		646,358	676,775
CURRENT ASSETS			
Lease receivables		1,271	1,057
Amounts due from security brokers		3,259	13,583
Loan and interest receivables	9	423,756	505,892
Repossessed assets	10	50,990	88,249
Prepayments, deposits and other receivables		9,356	9,993
Equity investments at fair value through profit or loss		23,728	11,424
Cash and cash equivalents		830,723	682,206
Total current assets		1,343,083	1,312,404
CURRENT LIABILITIES			
Accruals, other payables and deposits received		13,741	8,576
Lease liabilities		85	83
Tax payable		3,313	3,318
Due to the intermediate holding company		160,000	80,000
Total current liabilities		177,139	91,977

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

30 September 2025

	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
NET CURRENT ASSETS	<u>1,165,944</u>	<u>1,220,427</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>1,812,302</u>	<u>1,897,202</u>
NON-CURRENT LIABILITIES		
Deposits received	900	1,209
Deferred tax liabilities	16,770	16,209
Lease liabilities	<u>30</u>	<u>73</u>
Total non-current liabilities	<u>17,700</u>	<u>17,491</u>
Net assets	<u><u>1,794,602</u></u>	<u><u>1,879,711</u></u>
EQUITY		
Equity attributable to owners of the Company		
Issued capital	14,451	14,451
Reserves	<u>1,481,739</u>	<u>1,491,488</u>
	1,496,190	1,505,939
Non-controlling interests	<u>298,412</u>	<u>373,772</u>
Total equity	<u><u>1,794,602</u></u>	<u><u>1,879,711</u></u>

Notes:

1. CORPORATE AND GROUP INFORMATION

The interim condensed consolidated financial statements of New Century Group Hong Kong Limited (the “Company”) and its subsidiaries (hereinafter referred to as the “Group”) for the six months ended 30 September 2025 were authorised for issue in accordance with a resolution of the directors on 26 November 2025.

The Company is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The principal activities of the Company comprise investment holding and securities trading. The principal activities of its subsidiaries comprise money lending and property investment.

The Company is a subsidiary of New Century Investment Pacific Limited, a company incorporated in the British Virgin Islands. New Century Investment Pacific Limited is an indirect wholly owned subsidiary of Huang Group (BVI) Limited, a company incorporated in the British Virgin Islands. In the opinion of the directors, Huang Group (BVI) Limited, which is beneficially and wholly owned by a discretionary trust, is the ultimate holding company of the Company.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 September 2025 is unaudited and has been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 *Interim Financial Reporting* as issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 March 2025.

The interim condensed consolidated financial information is presented in Hong Kong dollars and all values are rounded to the nearest thousand (“HK\$’000”), except when otherwise stated.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group’s annual consolidated financial statements for the year ended 31 March 2025, except for the adoption of the following amended HKFRS Accounting Standard for the first time for the current period’s financial information.

Amendments to HKAS 21

Lack of Exchangeability

The adoption of the above amended HKFRS Accounting Standard has had no significant financial effect on the interim condensed consolidated financial information of the Group.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their businesses and has three reportable operating segments as follows:

- (a) the money lending segment engages in the provision of mortgage loans and unsecured personal loans;
- (b) the property investment segment invests in prime office space and commercial shops for their rental income potential; and
- (c) the securities trading segment engages in the trading of marketable securities for short-term investment purposes.

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

Intersegment revenue are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

	Money lending		Property investment		Securities trading		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue								
Revenue from external customers	26,815	37,513	8,147	6,831	1,964	4,353	36,926	48,697
Intersegment revenue	-	-	1,260	1,260	-	-	1,260	1,260
Other income	15	352	-	565	17	41	32	958
Total segment revenue and other income	26,830	37,865	9,407	8,656	1,981	4,394	38,218	50,915
<i>Reconciliation:</i>								
Elimination of intersegment revenue							(1,260)	(1,260)
Total revenue and other income							36,958	49,655
Segment results	7,852	15,980	(15,175)	(9,233)	1,981	4,394	(5,342)	11,141
<i>Reconciliation:</i>								
Bank interest income							7,221	7,893
Corporate and other unallocated income							201	1
Corporate and other unallocated expenses							(14,351)	(13,777)
Profit/(loss) before tax							(12,271)	5,258

5. REVENUE AND OTHER INCOME

Revenue represents interest income from mortgage loans and unsecured personal loans, gross rental income from investment properties, net fair value gains on equity investments at fair value through profit or loss and dividend income from equity investments at fair value through profit or loss during the period.

An analysis of revenue and other income is as follows:

	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Revenue		
Interest income from mortgage loans and unsecured personal loans	26,815	37,513
Gross rental income from investment properties	8,147	6,831
Fair value gains on equity investments at fair value through profit or loss, net	1,466	3,261
Dividend income from equity investments at fair value through profit or loss	498	1,092
	<u>36,926</u>	<u>48,697</u>
Total	<u>36,926</u>	<u>48,697</u>
Other income		
Bank interest income	7,221	7,893
Dividend income from an equity investment designated at fair value through other comprehensive income	200	–
Forfeiture of rental deposits from a tenant	–	565
Recovery of loan and interest receivables previously written off	8	331
Others	25	63
	<u>7,454</u>	<u>8,852</u>
Total	<u>7,454</u>	<u>8,852</u>

6. PROFIT/(LOSS) BEFORE TAX

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

	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Depreciation	2,644	2,629
Employee benefit expense (including directors' remuneration)	9,983	10,177
Fair value losses on investment properties	21,500	14,600
Provision for impairment losses on loan and interest receivables and repossessed assets, net	14,869	16,666
	<u>48,996</u>	<u>44,072</u>

7. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group has available tax losses brought forward from prior years to offset the assessable profits generated during the period. In the prior period, Hong Kong profits tax had been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong, except for one subsidiary of the Group which was a qualifying entity under the two-tiered profits tax rates regime, of which the first HK\$2,000,000 of assessable profits of this subsidiary were taxed at 8.25% and the remaining assessable profits were taxed at 16.5%. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Current – Hong Kong		
Charge for the period	–	4,276
Current – Elsewhere		
Charge for the period	124	80
Overprovision in prior periods	(146)	(112)
Deferred	<u>1,827</u>	<u>(1,368)</u>
Total tax charge for the period	<u><u>1,805</u></u>	<u><u>2,876</u></u>

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amounts is based on the loss for the period attributable to ordinary equity holders of the Company, and the number of ordinary shares of 5,780,368,705 (2024: 5,780,368,705) in issue during the period.

The Group had no potentially dilutive ordinary shares in issue during the six months ended 30 September 2025 and 2024.

The calculation of the basic and diluted loss per share is based on:

	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Loss		
Loss attributable to ordinary equity holders of the Company, used in the basic and diluted loss per share calculation	<u><u>(18,716)</u></u>	<u><u>(4,247)</u></u>
	2025 (Unaudited)	2024 (Unaudited)
Shares		
Number of ordinary shares in issue during the period, used in the basic and diluted loss per share calculation	<u><u>5,780,368,705</u></u>	<u><u>5,780,368,705</u></u>

9. LOAN AND INTEREST RECEIVABLES

	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
Loan and interest receivables		
Mortgage loans	499,411	581,676
Unsecured personal loans	7,634	10,339
Total	507,045	592,015
Less: Provision for impairment losses on loan and interest receivables	(25,250)	(14,677)
Loan and interest receivables, net of provision	481,795	577,338
Less: Non-current portion	(58,039)	(71,446)
Current portion	423,756	505,892

A maturity profile of the loan and interest receivables as at the end of each reporting period, based on the maturity date, net of provision, is as follows:

	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
Current	423,756	505,892
Over 1 year and within 5 years	26,656	29,930
Over 5 years	31,383	41,516
Total	481,795	577,338

10. REPOSSESSED ASSETS

Repossessed assets represent credit-impaired loan and interest receivables and their related reimbursable expenses for which the Group has acquired the sole and exclusive right and privilege to hold, use, occupy and enjoy (including the right to sell and rent) the collateral assets through court proceedings upon default of the related loan borrowers. The nature and carrying value of repossessed assets held as at the end of each reporting period are summarised as follows:

	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
Repossessed assets represented by the rights to the following collateral:		
– commercial properties	21,048	14,132
– residential properties	22,690	77,390
– industrial properties	42,941	42,941
Total	86,679	134,463
Less: Provision for impairment losses on repossessed assets	(35,689)	(46,214)
Repossessed assets, net of provision	50,990	88,249

MANAGEMENT DISCUSSION AND ANALYSIS

During the six months ended 30 September 2025 (the “Period”), New Century Group Hong Kong Limited (the “Company”) and its subsidiaries (the “Group”) continued to principally engage in the businesses of money lending, property investment and securities trading.

With rising corporate insolvencies, increased loan default rates in the financial market, high office vacancy rates, falling rents, significant declines in property valuations as well as restricted market liquidity and refinancing options for certain property developers, the overall operating environment in Hong Kong remained challenging. These factors heightened credit risks, contributing to financial sector pressures throughout ongoing economic uncertainties. In response, the Group prudently tightened credit policies within its money lending business by lowering loan-to-value ratios and enhancing borrower assessments to protect portfolio quality and manage risk amid market volatility. As a result, this led to a significant shrinkage of the Group’s loan portfolio, prompting the Group to place surplus working capital into time deposits.

Despite some recovery noted in the retail market during the Period, overall consumption in Hong Kong remained relatively subdued. This reflects a persistent shift in consumer spending patterns, with significant growth in online shopping and continued expenditure migration to the Greater Bay Area. These trends constrained foot traffic and leasing demand in local commercial properties, contributing to fair value losses recorded in the Group’s commercial property portfolio in Hong Kong. Nonetheless, the Group’s strategic leasing efforts have successfully achieved high occupancy and delivered rental growth, effectively easing the impact and positioning the property portfolio for gradual recovery in line with evolving market conditions.

The Group’s securities portfolio remained relatively stable, except for an increase in its stock holdings towards the end of the Period. Compared to the same period last year, the securities trading segment’s profit decreased, mainly attributable to lower fair value gains and a drop in dividend income, associated with a smaller monthly average securities portfolio size. Despite these factors, the securities trading business continued to contribute to the Group’s recurring revenue, demonstrating disciplined risk management in a dynamic market environment. The Group’s securities portfolio strategy remains focused on managing these multifaceted factors, maintaining a prudent approach to the challenges and opportunities in the current market landscape.

For the Period, the Group recorded an increase in loss attributable to owners, primarily driven by higher fair value losses on its investment properties and reduced interest income from the decline in its loan portfolio in the money lending business. These adverse impacts were partially offset by stringent cost control on operating expenses. The Group continues to emphasise risk management and operational efficiency to adapt to the changing market environment.

Financial Review

Revenue

During the Period, the Group's revenue decreased by 24.2% to HK\$36,926,000 (2024: HK\$48,697,000), comprising interest income of HK\$26,815,000 (2024: HK\$37,513,000) from money lending, rental income of HK\$8,147,000 (2024: HK\$6,831,000) from investment properties, fair value gains of HK\$1,466,000 (2024: HK\$3,261,000) on listed equity investments, along with dividend income of HK\$498,000 (2024: HK\$1,092,000) from listed equity investments. The Group's revenue dropped by HK\$11,771,000, mainly due to decreases in interest income from money lending, fair value gains on listed equity investments and dividend income from listed equity investments. This decline in revenue was partially offset by an increase in rental income from investment properties.

Other Income

Other income amounted to HK\$7,454,000 for the Period (2024: HK\$8,852,000). This mainly consisted of bank interest income of HK\$7,221,000 (2024: HK\$7,893,000), dividend income of HK\$200,000 (2024: Nil) from an equity investment in the China Club, an elegant, members-only club mainly providing fine dining with Chinese classic cuisine in Hong Kong, and recovery of loan and interest receivables of HK\$8,000 (2024: HK\$331,000) previously written off. During the same period last year, a one-off forfeiture of rental deposits totalling HK\$565,000 was received from a tenant of shop units at Dundas Square, Mongkok.

Administrative and Operating Expenses

The Group's administrative and operating expenses decreased by 3.6% to HK\$20,278,000 for the Period (2024: HK\$21,025,000). These expenses mainly consisted of employee benefit expenses (including directors' remuneration), depreciation of property, plant and equipment, agency commission, advertising and promotion expenses, auditor's remuneration, building management fees, and other administrative expenses. The decrease in administrative and operating expenses by HK\$747,000 was mainly attributable to reduced agency commission and advertising and promotion expenses.

Fair Value Losses on Investment Properties

The Group's investment properties consist of prime office space and commercial retail units in Hong Kong and Singapore. The Group recorded fair value losses of HK\$21,500,000 for the Period (2024: HK\$14,600,000), attributable to fair value losses on the Group's investment properties in Hong Kong.

Provision for Impairment Losses on Loan and Interest Receivables and Repossessed Assets, Net

The Group recorded a provision for impairment losses of HK\$14,869,000, net, on loan and interest receivables and repossessed assets for the Period, a decrease of 10.8% compared to HK\$16,666,000 in the same period last year. The decrease in impairment losses was mainly due to reduction in the size of the loan portfolio.

Loss Attributable to Owners of the Company

The loss attributable to owners of the Company increased by 340.7% to HK\$18,716,000 for the Period (2024: HK\$4,247,000). Such increase in loss was mainly attributable to (i) a decrease in profit from the money lending business due to the decline in the Group's loan portfolio following adoption of the tighter lending measures for all loan applications; (ii) an increase in fair value losses on the Group's investment properties in Hong Kong, primarily attributable to commercial retail units; and (iii) a decrease in fair value gains and dividend income from listed equity investments.

Business Review

Money Lending

The Group's money lending business is conducted through ETC Finance Limited ("ETC"), an indirect non-wholly owned subsidiary of the Company, holding a licence for conducting money lending activities under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). This business focuses on providing secured loans to high-quality customers through a stringent loan approval process and continuous monitoring of the loan portfolio. In response to economic uncertainties and property market challenges, the Group implemented stricter control measures during the Period. These measures include adopting lower loan-to-value ratios and conducting more detailed customer quality assessments to safeguard the quality of the loan portfolio and mitigate credit risk. As at 30 September 2025, the Group's gross loan receivables decreased by 14.8% to HK\$496,215,000 (31 March 2025: HK\$582,458,000). Interest income from money lending business decreased by 28.5% to HK\$26,815,000 (2024: HK\$37,513,000), which comprised HK\$25,856,000 (2024: HK\$36,165,000) from mortgage loans and HK\$959,000 (2024: HK\$1,348,000) from unsecured personal loans.

During the Period, the Group granted 9 mortgage loans (2024: 16) secured by first legal charge against various types of real estate located in Hong Kong, including residential, commercial and industrial properties as well as car parking spaces, to individuals and corporations. The total loan principal advance was HK\$26,100,000 (2024: HK\$143,450,000), ranging from HK\$500,000 to HK\$8,700,000 per loan (2024: HK\$400,000 to HK\$45,000,000 per loan), with interest rates ranging from 9.0% to 11.5% per annum (2024: 9.5% to 11.0% per annum) and maturities between 12 and 60 months (2024: between 12 and 120 months).

The Group also provides a small portion of unsecured personal loans to individuals who are mainly owners of real estate assets under the Home Ownership Scheme and the Tenant Purchase Scheme as well as private residential properties. During the Period, the Group granted 2 unsecured personal loans (2024: 4) with a total principal amount of HK\$800,000 (2024: HK\$2,600,000), each with a principal amount of HK\$400,000 (2024: ranging from HK\$200,000 to HK\$1,000,000 per loan) with interest rates ranging from 21.0% to 23.0% per annum (2024: 20.0% to 22.0% per annum) and maturities of 48 months (2024: between 36 and 120 months).

The Group's loan and interest receivables (after provision for impairment losses) decreased by 16.5% to HK\$481,795,000 as at 30 September 2025 (31 March 2025: HK\$577,338,000). As at 30 September 2025, there were 82 mortgage loan customers (31 March 2025: 93) with loan and interest receivables of HK\$474,657,000 (31 March 2025: HK\$568,258,000) and 15 unsecured personal loan customers (31 March 2025: 21) with loan and interest receivables of HK\$7,138,000 (31 March 2025: HK\$9,080,000), representing 98.5% (31 March 2025: 98.4%) and 1.5% (31 March 2025: 1.6%) of the total loan and interest receivables (after provision for impairment losses), respectively.

In terms of the Group's loan and interest receivables of HK\$481,795,000 (after provision for impairment losses) as at 30 September 2025 (31 March 2025: HK\$577,338,000), the loan and interest receivables from the largest customer and the five largest customers accounted for 12.1% (31 March 2025: 9.9%) and 38.2% (31 March 2025: 33.7%), respectively.

The Group actively manages credit-impaired loans by taking prompt legal action for any defaulted loans overdue by 60 days or more and obtaining repossession as well as legal rights to rent and sell the collateral. As at 30 September 2025, the gross carrying amount of repossessed assets decreased by 35.5% to HK\$86,679,000 (31 March 2025: HK\$134,463,000), involving 12 loan cases (31 March 2025: 16).

At the end of the reporting period, the provision for impairment losses on loan and interest receivables was assessed by an independent professionally qualified valuer using the expected credit loss ("ECL") model in accordance with Hong Kong Financial Reporting Standard 9. The ECL measurement incorporates factors such as the probability of default, loss given default, historical delinquency, collateral values and forward-looking economic indicators. For assessment of the provision for impairment losses on repossessed assets, the estimated market values were determined based on actual transaction prices from provisional sale and purchase agreements or on valuations performed by an independent professionally qualified valuer. Due to the increase in the gross amount of credit-impaired loans under Stage 3 of the ECL model, the provision for impairment losses on loan and interest receivables increased to HK\$25,250,000 as at 30 September 2025 (31 March 2025: HK\$14,677,000). In view of the decrease in the gross amount of repossessed assets, the provision for impairment losses on repossessed assets reduced to HK\$35,689,000 as at 30 September 2025 (31 March 2025: HK\$46,214,000). During the Period, the impairment losses on loan and interest receivables and repossessed assets, net, amounted to HK\$14,869,000, which represented a 10.8% decrease from HK\$16,666,000 in the same period last year.

Amid economic uncertainties and tightened credit risk control, the money lending segment's profit decreased by 50.9% to HK\$7,852,000 for the Period (2024: HK\$15,980,000), mainly due to reduced interest income resulting from the decline in the overall loan portfolio.

Property Investment

The Group's investment properties consist of prime office space and commercial retail units in Hong Kong and Singapore. Over recent periods, the property market has faced persistent headwinds such as evolving tenant preferences, structural changes in retail consumption patterns as well as fluctuating demand across both office and retail sectors. To address these ongoing challenges, the Group has maintained active asset management strategies to preserve the resilience of its portfolio.

The Group's revenue from the property investment segment increased by 19.3% to HK\$8,147,000 for the Period (2024: HK\$6,831,000). In Hong Kong, rental income increased by 15.9% to HK\$6,663,000 (2024: HK\$5,748,000), which was mainly due to the net effect of (i) full occupancy of commercial retail units at Dundas Square, Mongkok during the Period (2024: a brief vacancy due to an early move-out by a tenant in June 2024); (ii) increases in monthly rents charged to tenants of commercial retail units at Kwai Chung Plaza, Kwai Chung upon tenancy renewals; and (iii) a rent concession granted to the tenant of a commercial retail unit at Chi Fu Building, Mongkok starting from June 2024. In Singapore, rental income increased by 37.0% to HK\$1,484,000 (2024: HK\$1,083,000), driven by higher occupancy of shop units and increased monthly rents upon tenancy renewals. As a result, the overall average occupancy rate increased to 98.5% (2024: 89.0%) and the overall average annual rental yield increased to 3.5% (2024: 2.5%).

At the end of each reporting period, the Group's investment properties are valued by independent professionally qualified valuers. The fair value of the Group's investment properties decreased by 2.7% to HK\$472,220,000 as at 30 September 2025 (31 March 2025: HK\$485,560,000), which comprised HK\$267,200,000 (31 March 2025: HK\$288,700,000) and HK\$205,020,000 (31 March 2025: HK\$196,860,000) for investment properties in Hong Kong and Singapore, respectively. The Group recorded fair value losses of HK\$21,500,000 on investment properties in Hong Kong (2024: HK\$14,600,000). The fair value of Singapore investment properties as at 30 September 2025 and 31 March 2025 remained at S\$34,000,000.

In view of the increased fair value losses on the investment properties in Hong Kong, the property investment segment's loss increased by 64.4% to HK\$15,175,000 for the Period (2024: HK\$9,233,000) despite an increase in the Group's rental income.

Securities Trading

The Group's securities trading segment primarily invests in blue-chip stocks in the Hong Kong stock market and recorded a decrease in profit of 54.9% to HK\$1,981,000 for the Period (2024: HK\$4,394,000). The decrease in profit was mainly attributable to a decrease in fair value gains on equity investments at fair value through profit or loss ("FVTPL") to HK\$1,466,000 (2024: HK\$3,261,000) and a decrease in dividend income from equity investments at FVTPL to HK\$498,000 (2024: HK\$1,092,000) associated with a smaller monthly average securities portfolio size as compared to the same period last year. In view of the Group increased its stock holdings towards the end of the Period, as at 30 September 2025, the Group's equity investments at FVTPL increased to HK\$23,728,000 (31 March 2025: HK\$11,424,000), which were measured at market value. No individual equity investment at FVTPL held by the Group exceeded 5% of the Group's net asset value. The details of the Group's equity investments at FVTPL as at 30 September 2025 were as follows:

Name of stock listed on the stock exchange of Hong Kong (Stock Code)	Number of shares held	Percentage of shareholding held	Investment cost HK\$'000	Market value HK\$'000	Percentage to net assets value of the Group
CK Hutchison Holdings Limited (0001)	40,000	0.0010	1,679	2,048	0.12
Henderson Land Development Company Limited (0012)	100,000	0.0021	2,578	2,740	0.15
Sun Hung Kai Properties Limited (0016)	20,000	0.0007	1,566	1,863	0.10
Link Real Estate Investment Trust (0823)	200,000	0.0077	8,102	8,000	0.45
China Construction Bank Corporation (0939)	200,000	0.0001	1,226	1,494	0.08
China Mobile Limited (0941)	20,000	0.0001	1,459	1,687	0.09
CK Asset Holdings Limited (1113)	55,000	0.0016	1,769	2,074	0.12
Ping An Insurance (Group) Company of China, Ltd. (2318)	40,000	0.0005	1,982	2,122	0.12
Bank of China Limited (3988)	400,000	0.0005	1,606	1,700	0.09
		Total	<u>21,967</u>	<u>23,728</u>	<u>1.32</u>

Contingent Liabilities

As at 30 September 2025, the Company had an outstanding guarantee of HK\$70,000,000 (31 March 2025: HK\$70,000,000) given to a bank to secure general credit facility for a subsidiary. No credit facility was utilised by that subsidiary from such guarantee as at 30 September 2025 (31 March 2025: Nil).

Pledge of Assets

As at 30 September 2025, the Group's self-occupied office units and a car park unit at Shun Tak Centre with an aggregate net book value of HK\$101,635,000 (31 March 2025: HK\$103,983,000) and listed equity investments with a fair value of HK\$23,728,000 (31 March 2025: HK\$11,424,000) were pledged to a bank and security brokers for aggregate loan facilities of HK\$87,844,000 (31 March 2025: HK\$78,620,000) granted to the Group.

As at 30 September 2025, the Group did not utilise any loan facility (31 March 2025: Nil).

Liquidity and Financial Resources

The Group maintained a healthy financial condition. As at 30 September 2025, the Group had net current assets of HK\$1,165,944,000 (31 March 2025: HK\$1,220,427,000) and equity attributable to owners of the Company of HK\$1,496,190,000 (31 March 2025: HK\$1,505,939,000).

As at 30 September 2025, the Group's aggregate cash and cash equivalents, including time deposits, increased to HK\$830,723,000 (31 March 2025: HK\$682,206,000). This increase was supported by a reduction in the loan portfolio following the Group's adoption of the tighter lending measures. The cash and cash equivalents, including time deposits of HK\$718,481,000 (31 March 2025: HK\$651,899,000), were held predominantly in Hong Kong dollar, Singapore dollar and United States dollar.

Following the declaration of a dividend of HK\$200,000,000 (2024: Nil) on 25 September 2025 by ETC, the amount due from the Group to an intermediate holding company was HK\$160,000,000 as at 30 September 2025 (31 March 2025: HK\$80,000,000). ETC is 60% owned by Able Sincere Limited, a wholly-owned subsidiary of the Company, and 40% owned by Huang Worldwide Holding Limited ("HWHL"). HWHL is both a minority shareholder of ETC and an intermediate holding company of the Company.

Subsequent to the reporting period, the dividend was fully paid by ETC on 31 October 2025. The remaining balance of HK\$80,000,000 due to the intermediate holding company is unsecured, interest-free and repayable on demand.

Stringent cost control measures have already been implemented to monitor day-to-day administrative and operating expenses. The management will continue to closely review the Group's financial resources in a cautious manner and explore opportunities for potential financing and equity funding from financial institutions. Taking into consideration the Group's current financial resources, the directors believe that the Group will have adequate funds for its continuing operations and development.

Gearing Ratio

The Group's gearing ratio, calculated as total indebtedness divided by equity attributable to owners of the Company, was 10.7% as at 30 September 2025 (31 March 2025: 5.3%). Total indebtedness represents the amount due to an intermediate holding company and lease liabilities.

Principal Risks and Uncertainties

Market Risk

The Group's business performance is closely tied to the economic conditions and property market dynamics in Hong Kong. Potential economic downturns or deterioration in the property sector could impact property transactions, which in turn could limit the growth of the mortgage loan portfolio. In addition, a drop in property prices will cause declining collateral values for the mortgage loans and, in turn, increase the risk of impairment losses. To mitigate these risks, the Group will closely monitor the property market trends and collateral valuations affecting its mortgage loan portfolio and repossessed assets. This proactive approach allows the Group to promptly identify market fluctuations and implement appropriate risk mitigation strategies from time to time.

Credit Risk

The Group mainly focuses on entering into loan and/or lease transactions with high-quality customers and obtaining sufficient collateral and/or deposits as a means of mitigating the risk of financial loss from defaults. Before entering into these transactions, whether new or renewals, the Group will conduct due diligence, including but not limited to identity checks, credit reports and legal searches on the customers, together with land searches and latest valuations on the mortgaged properties, if applicable.

The Group has loan committees of different levels comprising directors and senior management to approve and grant different loan products with various loan-to-value ratios and loan amount requirements. The Group continuously monitors the property market and the collateral value of the underlying mortgage loan portfolio to proactively manage risks. Through the audit committee of the Company, the Group has conducted a regular review on the internal control system and identified no significant areas of concern that could affect the operation of the money lending business.

The Group closely monitors whether customers make timely repayments and liaises with them for settlement if there is late repayment. The Group will take legal action, when necessary, as a means to recover the debts in default. In addition, the Group assesses the recoverability of each debt, including but not limited to lease receivables, loan and interest receivables, and repossessed assets, to identify potential bad debts early. At the end of each reporting period, adequate provisions for impairment losses are made for these credit risk based on estimates from the ECL model and market value of repossessed assets.

Equity Price Risk

The Group is exposed to equity price risk through its investments in securities, which are listed on the stock exchange of Hong Kong and are valued at quoted market prices at the end of the reporting period. The management manages this exposure by monitoring price movements and changes in market conditions that may affect the value of the securities and will consider taking appropriate actions to minimise the risk.

Foreign Currency Risk

Most of the Group's revenue and costs were denominated in Hong Kong dollar and Singapore dollar. The Group's cash and cash equivalents were held predominately in Hong Kong dollar, Singapore dollar and United States dollar. The Group currently does not have a foreign currency hedging policy. However, the management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should that need arise.

Employees and Remuneration

As at 30 September 2025, the Group had a total of 31 staff (31 March 2025: 32), including executive directors but excluding independent non-executive directors. The employee benefit expense (including directors' emoluments) was HK\$9,983,000 for the Period (2024: HK\$10,177,000). Remuneration packages for staff and directors are periodically reviewed according to market conditions as well as individual and the Group's performance. Benefit plans maintained by the Group include salary increments, a mandatory provident fund scheme, medical insurance and discretionary bonuses. The Group offers occupational training in the form of external seminars to its staff and has a subsidy plan to enhance their knowledge and skills for performing their job duties.

Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries and Associates

The Group did not have any significant investments held, nor any material acquisitions or disposals of subsidiaries and associates during the Period.

Prospects

In a world marked by rapid change and uncertainty, the Group remains committed to resilience and strategic agility to unlock new opportunities.

In the money lending segment, the Group will continue to emphasise disciplined credit risk management to enhance operational efficiency and maintain asset quality. The property investment portfolio, covering Hong Kong and Singapore, provides a balanced and stable foundation. Singapore properties offer relative fair value stability amid broader market fluctuations while Hong Kong assets experience evolving market dynamics. The securities trading business remains exposed to market volatility, with the Group adopting a prudent and selective investment strategy aimed at managing risks while capturing potential opportunities.

Throughout all business segments, stringent cost control and operational efficiency are prioritised to safeguard profitability and strengthen financial resilience. The Group focuses on optimising performance within its core markets and businesses to foster sustainable growth and deliver long-term value to shareholders.

INTERIM DIVIDEND

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

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 September 2025, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

CORPORATE GOVERNANCE

The Company has complied with all the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 September 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of all directors of the Company, all of them confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 September 2025.

REVIEW OF INTERIM RESULTS

The unaudited interim results for the six months ended 30 September 2025 have been reviewed by Ernst & Young, the Group's auditor, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as issued by the Hong Kong Institute of Certified Public Accountants. The Board, through the audit committee, has also conducted a review of the internal control and the interim report for the six months ended 30 September 2025.

By order of the Board
New Century Group Hong Kong Limited
Ng Wee Keat
Chairman

Hong Kong, 26 November 2025

As at the date of this announcement, the Board comprises Mr. Ng Wee Keat (Chairman), Ms. Sio Ion Kuan (Deputy Chairman), Ms. Ng Siew Lang, Linda (Chief Operating Officer), Ms. Lilian Ng, Ms. Chen Ka Chee, Mr. Yu Wai Man and Ms. Huang Si Teng as executive directors and Mr. Cheung Chun Kwok, Mr. Kwan Kai Kin, Kenneth, Mr. Ho Yau Ming and Mr. Wong Steve Cheuk Hung as independent non-executive directors.