

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## HERALD HOLDINGS LIMITED

興利集團有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code : 00114)

### INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

#### RESULTS

The Board of Directors (the “Board”) of Herald Holdings Limited (the “Company”) presents the unaudited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 September 2025, together with the comparative figures for the corresponding period in 2024, as follows:

#### Consolidated statement of profit or loss – Unaudited

*For the six months ended 30 September 2025*

		Six months ended 30 September	
	Note	2025 HK\$'000	2024 HK\$'000
<b>Revenue</b>	3	<b>425,046</b>	392,170
Cost of sales		<u>(299,965)</u>	<u>(277,181)</u>
<b>Gross profit</b>		<b>125,081</b>	114,989
Other revenue		7,856	8,572
Other net income		32,719	8,271
Selling expenses		(8,358)	(7,092)
Administrative expenses		<u>(101,553)</u>	<u>(94,257)</u>
<b>Profit from operations</b>		<b>55,745</b>	30,483
Finance cost	4(a)	<u>(50)</u>	<u>(124)</u>
<b>Profit before taxation</b>	4	<b>55,695</b>	30,359
Income tax	5	<u>(11,437)</u>	<u>(2,577)</u>
<b>Profit for the period</b>		<u><b>44,258</b></u>	<u>27,782</u>

**Consolidated statement of profit or loss – Unaudited (Continued)***For the six months ended 30 September 2025*

		<b>Six months ended 30 September</b>	
	<i>Note</i>	<b>2025</b>	2024
		<b>HK\$'000</b>	HK\$'000
<b>Attributable to:</b>			
Equity shareholders of the Company		<b>44,236</b>	27,189
Non-controlling interests		<u><b>22</b></u>	<u>593</u>
<b>Profit for the period</b>		<u><b>44,258</b></u>	<u>27,782</u>
<b>Earnings per share</b>	7		
Basic (HK cents)		<u><b>7.32</b></u>	<u>4.50</u>
Diluted (HK cents)		<u><b>7.32</b></u>	<u>4.50</u>

Details of dividends payable to equity shareholders of the Company are set out in note 6.

**Consolidated statement of profit or loss and other comprehensive income - Unaudited**  
*For the six months ended 30 September 2025*

	<b>Six months ended 30 September</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Profit for the period</b>	<u>44,258</u>	<u>27,782</u>
<b>Other comprehensive income for the period</b>		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements of subsidiaries outside Hong Kong (no tax effect)	<u>8,980</u>	<u>9,863</u>
<b>Total comprehensive income for the period</b>	<u>53,238</u>	<u>37,645</u>
<b>Attributable to:</b>		
Equity shareholders of the Company	53,084	36,794
Non-controlling interests	<u>154</u>	<u>851</u>
<b>Total comprehensive income for the period</b>	<u>53,238</u>	<u>37,645</u>

# Consolidated statement of financial position - Unaudited

At 30 September 2025

	<i>Note</i>	As at 30 September 2025 HK\$'000	As at 31 March 2025 HK\$'000
<b>Non-current assets</b>			
Investment properties	8	81,758	80,383
Other property, plant and equipment	8	135,242	141,530
		217,000	221,913
Intangible assets		902	920
Other financial assets		3,500	3,500
Deferred tax assets		2,781	4,145
		224,183	230,478
<b>Current assets</b>			
Trading securities		105,022	92,056
Inventories		119,413	118,355
Trade and other receivables	9	219,762	112,732
Pledged bank balances		9,038	7,096
Cash and cash equivalents		238,726	266,105
		691,961	596,344
<b>Current liabilities</b>			
Trade and other payables and contract liabilities	10	202,623	176,239
Lease liabilities		1,562	2,813
Current tax payable		39,619	28,909
Dividends payable to equity shareholders of the Company		18,135	-
		261,939	207,961
<b>Net current assets</b>		430,022	388,383
<b>Total assets less current liabilities</b>		654,205	618,861

**Consolidated statement of financial position – Unaudited (Continued)***At 30 September 2025*

	As at 30 September 2025 HK\$'000	As at 31 March 2025 HK\$'000
<b>Non-current liabilities</b>		
Lease liabilities	978	975
Deferred tax liabilities	25,278	25,032
Provision for long service payments	2,806	2,814
	<u>29,062</u>	<u>28,821</u>
<b>NET ASSETS</b>	<u>625,143</u>	<u>590,040</u>
<b>CAPITAL AND RESERVES</b>		
Share capital	47,150	47,150
Reserves	564,826	529,877
<b>Total equity attributable to equity shareholders of the Company</b>	611,976	577,027
<b>Non-controlling interests</b>	13,167	13,013
<b>TOTAL EQUITY</b>	<u>625,143</u>	<u>590,040</u>

**NOTES:****1. BASIS OF PREPARATION**

The interim financial results have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), including compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). It was authorised for issue on 27 November 2025.

The interim financial results have been prepared in accordance with the same accounting policies adopted in the 2024/2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025/2026 annual financial statements. Details of these changes in accounting policies are set out in note 2.

The preparation of the interim financial results in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The interim financial results are unaudited, but have been reviewed by the Company’s audit committee.

The financial information relating to the financial year ended 31 March 2025 that is included in the interim financial results as comparative information does not constitute the Company’s statutory financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 March 2025 are available from the Company’s registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 30 June 2025.

## **2. CHANGES IN ACCOUNTING POLICIES**

The HKICPA has issued several amendments to HKFRS Accounting Standards that are first effective for the current accounting period of the Group.

None of the developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

## **3. REVENUE AND SEGMENT REPORTING**

The Group manages its businesses by divisions, which are organised by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following five reportable segments. No operating segments have been aggregated to form the following reportable segments.

Toys	: The manufacture, sale and distribution of toy products.
Computer Products	: The manufacture and sale of computer products.
Timepieces	: The sale and distribution of clocks, watches, and electronic and gift products.
Investments	: The investment in debt and equity securities, managed funds and other financial assets.
Others	: The leasing of properties to group companies and third parties to generate rental income and to gain from the appreciation in the properties' values in the long term.

**(a) Disaggregation of revenue**

Disaggregation of revenue from contracts with customers by major product lines and geographical location of customers is as follows:

	<b>Six months ended 30 September</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Revenue from sales of goods within the scope of HKFRS 15</b>		
Disaggregated by major product lines		
- Toys	277,899	227,268
- Computer Products	36,432	60,419
- Timepieces	110,715	104,483
	<u>425,046</u>	<u>392,170</u>

	<b>Six months ended 30 September</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Disaggregated by geographical location of customers		
- Hong Kong (place of domicile)	<u>29,045</u>	<u>33,249</u>
- North America	217,279	189,599
- United Kingdom	59,755	55,249
- Europe (excluding United Kingdom)	44,774	31,550
- Asia (excluding Chinese Mainland and Hong Kong)	19,057	16,349
- Chinese Mainland	45,854	47,735
- Others	9,282	18,439
	<u>396,001</u>	<u>358,921</u>
	<u>425,046</u>	<u>392,170</u>

**(b) Information about profit or loss, assets and liabilities**

Disaggregation of revenue and information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 September 2025 and 2024 is set out below.

	Six months ended 30 September 2025					
	Toys HK\$'000	Computer Products HK\$'000	Timepieces HK\$'000	Investments HK\$'000	Others HK\$'000	Total HK\$'000
Revenue from external customer	277,899	36,432	110,715	-	-	425,046
Inter-segment revenue	-	-	-	-	1,627	1,627
Reportable segment revenue	277,899	36,432	110,715	-	1,627	426,673
Reportable segment profit/(loss)	20,868	(4,713)	6,817	14,866	22,231	60,069

  

	As at 30 September 2025					
	Toys HK\$'000	Computer Products HK\$'000	Timepieces HK\$'000	Investments HK\$'000	Others HK\$'000	Total HK\$'000
Reportable segment assets	350,081	107,956	159,579	117,560	149,616	884,792
Reportable segment liabilities	146,324	20,689	32,237	-	3,123	202,373

Note: During the six months ended 30 September 2025, 2 pieces of lands together with the buildings thereon in Shanghai under Others segment were disposed of and a pre-tax gain on disposal of HK\$21,343,000 (2024: HK\$Nil) was recognised and included in segment results above.

Six months ended 30 September 2024						
	Toys HK\$'000	Computer Products HK\$'000	Timepieces HK\$'000	Investments HK\$'000	Others HK\$'000	Total HK\$'000
Revenue from external customer	227,268	60,419	104,483	-	-	392,170
Inter-segment revenue	-	-	-	-	1,627	1,627
Reportable segment revenue	227,268	60,419	104,483	-	1,627	393,797
Reportable segment profit	15,454	2,506	6,964	12,284	107	37,315

As at 31 March 2025						
	Toys HK\$'000	Computer Products HK\$'000	Timepieces HK\$'000	Investments HK\$'000	Others HK\$'000	Total HK\$'000
Reportable segment assets	312,581	108,992	144,018	102,652	124,137	792,380
Reportable segment liabilities	129,415	17,178	26,227	-	1,777	174,597

**(c) Reconciliations of reportable segment revenue, profit, assets and liabilities**

	<b>Six months ended 30 September</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Revenue</b>		
Reportable segment revenue	426,673	393,797
Elimination of inter-segment revenue	(1,627)	(1,627)
Consolidated revenue	<u>425,046</u>	<u>392,170</u>

	<b>Six months ended 30 September</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Profit</b>		
Reportable segment profit	60,069	37,315
Unallocated corporate expenses	(4,374)	(6,956)
Consolidated profit before taxation	<u>55,695</u>	<u>30,359</u>

	<b>At 30 September</b>	<b>At 31 March</b>
	<b>2025</b>	<b>2025</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Assets</b>		
Reportable segment assets	884,792	792,380
Deferred tax assets	2,781	4,145
Unallocated corporate assets	28,571	30,297
Consolidated total assets	<u>916,144</u>	<u>826,822</u>

	<b>At 30 September</b>	<b>At 31 March</b>
	<b>2025</b>	<b>2025</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Liabilities</b>		
Reportable segment liabilities	202,373	174,597
Current tax payable	39,619	28,909
Deferred tax liabilities	25,278	25,032
Dividends payable to equity shareholders of the Company	18,135	-
Unallocated corporate liabilities	5,596	8,244
Consolidated total liabilities	<u>291,001</u>	<u>236,782</u>

#### 4. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
<b>(a) Finance cost</b>		
Interest on lease liabilities	<u>50</u>	<u>124</u>
<b>(b) Other items</b>		
Depreciation		
- owned property, plant and equipment	6,349	7,328
- right-of-use assets	4,988	5,270
Net (gain)/loss on disposal of other property, plant and equipment (note 4 (b)(i))	(21,682)	238
Net realised and unrealised gains on trading securities	(12,966)	(9,938)
Net foreign exchange losses	1,935	1,668
Staff costs	164,371	146,435
Impairment loss on trade debtors	217	1,007
Interest income from deposits with banks	(2,437)	(2,513)
Rental income	(2,497)	(2,552)
Dividend income	<u>(1,901)</u>	<u>(2,347)</u>

- (i) During the period ended 30 September 2025, the Group recognised a one-off pre-tax gain of HK\$21,343,000 on disposal of 2 pieces of lands together with the buildings thereon in Shanghai (the "Disposal") after deducting estimated stamp duty, value added taxes, surcharges and professional fees. The Land Appreciation Tax and Corporate Income Tax in relation to the Disposal are estimated to be HK\$6,402,000, where both of which were recognised as income tax expenses as set out in note 5.

#### 5. INCOME TAX

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Current tax - Hong Kong Profits Tax	2,510	318
Current tax - Outside Hong Kong (note 4 (b)(i))	7,511	404
Deferred tax	<u>1,416</u>	<u>1,855</u>
	<u>11,437</u>	<u>2,577</u>

The provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2024: 16.5%) to the six months ended 30 September 2025, except for a subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax regime.

Taxation for subsidiaries outside Hong Kong is charged at the appropriate current rates of taxation ruling in the relevant tax jurisdictions.

## 6. DIVIDENDS

### (a) Dividends payable to equity shareholders attributable to the interim period

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Interim dividend declared and payable after the interim period of HK3 cents (2024: HK3 cents) per share	<u>18,135</u>	<u>18,135</u>

The interim dividend has not been recognised as a liability at the end of the reporting period.

### (b) Dividends payable to equity shareholders attributable to the previous financial year, approved but not yet paid during the interim period

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Final dividend in respect of the previous financial year, approved but not yet paid during the interim period of HK3 cents (2024: HK3 cents) per share	<u>18,135</u>	<u>18,135</u>

## 7. EARNINGS PER SHARE

### (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of HK\$44,236,000 (2024: HK\$27,189,000) and the weighted average number of shares of 604,491,000 (2024: 604,491,000) in issue during the period.

### (b) Diluted earnings per share

There were no dilutive potential shares in existence during the period ended 30 September 2025, and therefore the diluted earnings per share is the same as the basic earnings per share.

Diluted earnings per share for the period ended 30 September 2024 was the same as the basic earnings per share as the share options outstanding during the period had an anti-dilutive effect on the basic earnings per share.

## 8. INVESTMENT PROPERTIES AND OTHER PROPERTY, PLANT AND EQUIPMENT

### (a) Right-of-use assets

During the period ended 30 September 2025, the Group entered into several new lease agreements and therefore recognised the additions to right-of-use assets of HK\$495,000 (2024: HK\$Nil).

During the period ended 30 September 2025, the Group recognised a one-off pre-tax gain of HK\$21,343,000 on disposal of 2 pieces of lands together with the buildings thereon in Shanghai with nil net book value. No other item of right-of-use assets were disposed of during the period ended 30 September 2025.

Items of right-of-use assets with a net book value of HK\$5,228,000 were written off during the period ended 30 September 2024, resulting in a net gain on early termination of leases of HK\$182,000.

### (b) Acquisitions and disposal of owned assets

During the period ended 30 September 2025, the Group acquired items of other property, plant and equipment with an aggregate cost of HK\$3,407,000 (2024: HK\$299,000).

Items of other property, plant and equipment with a net book value of HK\$85,000 (2024: HK\$904,000) were disposed of during the period ended 30 September 2025, resulting in a net gain on disposal of HK\$339,000 (2024: net loss of HK\$238,000).

## 9. TRADE AND OTHER RECEIVABLES

Included in trade and other receivables are trade debtors and bills receivable (net of loss allowance) with the following ageing analysis as of the end of the reporting period:

	At 30 September 2025 HK\$'000	At 31 March 2025 HK\$'000
<b>By date of invoice</b>		
Within 3 months	201,271	99,964
4 to 6 months	5,844	576
7 to 12 months	302	859
Trade debtors and bills receivable, net of loss allowance	207,417	101,399
Deposits, prepayments and other receivables	12,345	11,333
	<u>219,762</u>	<u>112,732</u>

The credit terms given to the customers vary and are generally based on the financial strengths of individual customers. Trade debtors and bills receivable are normally due within 90 days from the date of billing. All of the trade and other receivables are expected to be recovered or recognised as expenses within one year.

## 10. TRADE AND OTHER PAYABLES AND CONTRACT LIABILITIES

Included in trade and other payables and contract liabilities are trade creditors and bills payable with the following ageing analysis as of the end of the reporting period:

	At 30 September 2025 HK\$'000	At 31 March 2025 HK\$'000
<b>By date of invoice</b>		
Within 1 month	10,669	11,641
Over 1 month but within 3 months	7,762	3,182
Over 3 months	-	186
Trade creditors and bills payable	18,431	15,009
Accruals and other payables	175,630	153,274
Contract liabilities – forward sale deposits	8,562	7,956
	<u>202,623</u>	<u>176,239</u>

All of the trade and other payables and contract liabilities are expected to be settled or recognised as income within one year.

## 11. NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

- (a) Subsequent to the end of the reporting period, the directors proposed an interim dividend. Further details are disclosed in note 6.
- (b) On 30 October 2025, an indirect wholly-owned subsidiary of the Company entered into a preliminary agreement to acquire a property in Hong Kong at a consideration of HK\$81,500,000. Details refer to the Company announcement on 30 October 2025.

## BUSINESS REVIEW

The Group's revenue for the six months ended 30 September 2025 amounted to HK\$425 million which was 8% up from HK\$392 million in the corresponding period last year. The Group reported a net profit attributable to the equity shareholders of HK\$44.2 million for the period under review, up from HK\$27.2 million a year earlier, and such increase was mainly attributable to a one-off gain after tax of approximately HK\$14.9 million arising from the disposal of two pieces of lands together with the buildings thereon in Shanghai ("Disposal"). Details of the Disposal are set out in the Company's announcement dated 28 April 2025. Further analysis of the operating results is set out in the following paragraphs.

During the period under review, accelerated orders were placed by the customers in anticipation of the escalating tariffs. As a result, the revenue for the six months ended 30 September 2025 of the Toys Division increased by 22% to HK\$278 million from HK\$227 million last year, and the operating profit increased to HK\$20.9 million, up from HK\$15.5 million a year earlier.

The revenue of the Computer Products Division declined by 40% to HK\$36 million from HK\$60 million last year, which was mainly attributable to the weak demand in the smart connected devices. The division recorded an operating loss of HK\$4.7 million for the six months ended 30 September 2025 as compared to an operating profit of HK\$2.5 million in the year-ago period.

With the growing demand for the licensed brand watches, the half-yearly revenue of the Timepieces Division increased by 7% to HK\$111 million from HK\$104 million a year earlier. Nevertheless, the change in product mix resulted in a slight decrease in gross margin, and the division's operating profit for the first half of the financial year was HK\$6.8 million, a slight decrease from HK\$7.0 million in the previous year's period.

The Group recorded net realised and unrealised profits on trading securities of HK\$13.0 million for the period under review (2024: HK\$9.9 million). At 30 September 2025, the Group's trading securities increased to HK\$105 million from HK\$92 million as at the beginning of the financial year.

## **PROSPECTS AND GENERAL OUTLOOK**

For the Toys and Computer Products Divisions, with the uncertainties and pressures arising from the ongoing geopolitical tensions, as well as intensified price competition within the industry, the management has some concerns about their performance in the second half of the financial year. On the other hand, the management expects the business of the Timepieces Division would be stable and sustain a positive result for the full financial year.

## **LIQUIDITY, FINANCIAL RESOURCES AND FUNDING**

The Group continues to maintain its sound financial health. At 30 September 2025, the Group's cash balances, including pledged bank balances, aggregated to HK\$248 million (at 31 March 2025: HK\$273 million).

At the end of September 2025, the Group's current assets amounted to HK\$692 million (at 31 March 2025: HK\$596 million) which included inventories of HK\$119 million (at 31 March 2025: HK\$118 million), trade and other receivables of HK\$220 million (at 31 March 2025: HK\$113 million) and trading securities of HK\$105 million (at 31 March 2025: HK\$92 million).

At 30 September 2025, the Group's current liabilities amounted to HK\$262 million (at 31 March 2025: HK\$208 million). Certain trading securities and bank deposits amounting to HK\$113 million (at 31 March 2025: HK\$98 million), along with certain properties with a carrying amount of HK\$38 million (at 31 March 2025: HK\$40 million), were pledged to banks to secure banking facilities granted to the Group.

The Group monitors its capital structure on the basis of gearing ratio, which is calculated as a percentage of total liabilities over total assets. The gearing ratio of the Group as at 30 September 2025 was 32% (at 31 March 2025: 29%). At 30 September 2025, the Group's working capital ratio, an indicator of liquidity represented by a ratio between the current assets and the current liabilities, was 2.64 as compared to 2.87 at 31 March 2025. The quick ratio, another ratio that gauges the short-term liquidity and measured by trade debtors and bills receivable and cash and cash equivalents over current liabilities, decreased to 1.70 from 1.77 at 31 March 2025.

## **CONTINGENT LIABILITIES**

As at 30 September 2025, the Group did not have any significant contingent liabilities.

## **FOREIGN EXCHANGE EXPOSURE**

The Group is exposed to foreign exchange risks primarily through sales and purchases that are denominated in a foreign currency, such as Renminbi, United States Dollars and Pound Sterling. Management monitors the Group's exposure to currency risk and will consider hedging significant foreign currency exposure should the need arises.

## **DIVIDEND**

The Directors have declared an interim dividend of HK3 cents per share (2024: HK3 cents). The total amount of dividend payment of HK\$18 million (2024: HK\$18 million) was based on the total number of shares in issue as at 26 November 2025, being the latest practicable date prior to the announcement of the interim results. The dividend will be paid on Thursday, 15 January 2026 to shareholders registered in the Register of Members on Tuesday, 6 January 2026.

## **CLOSURE OF REGISTER OF MEMBERS**

The record date for entitlement to the interim dividend is Tuesday, 6 January 2026. For determining the entitlement to the interim dividend, the Register of Members of the Company will be closed from Monday, 5 January 2026 to Tuesday, 6 January 2026, both days inclusive, during which period no transfer of shares will be effected. In order to be qualified for the interim dividend, shareholders should ensure that all transfers of shares, accompanied by the relevant share certificates, are lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 2 January 2026.

## **EMPLOYEES**

As at 30 September 2025, the number of employees of the Group was 124 (2024: 122) in Hong Kong, 2,469 (2024: 2,128) in Mainland China and 31 (2024: 32) in Europe. Total staff costs for the period under review amounted to HK\$164,371,000 (2024: HK\$146,435,000). The Group ensures that its employees' remuneration packages are competitive. Employees are rewarded based on their performance and experience and the prevailing industry practice.

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

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

## **AUDIT COMMITTEE**

The audit committee reports to the board of directors and currently comprises three independent non-executive directors, namely Dr Ng Tze-Kin, David, being the chairman, Mr Lie-A-Cheong Tai-Chong, David and Ms Wong Sau-Ling. The audit committee meets with the Group's senior management and external auditors regularly to discuss audit matters. The audit committee also reviews the effectiveness of the risk management and internal control systems. The interim results of the Group have been reviewed by the audit committee of the Company.

## REMUNERATION COMMITTEE

The remuneration committee comprises two independent non-executive directors, namely Dr Ng Tze-Kin, David, being the chairman, and Ms Wong Sau-Ling and one executive director, namely Mr Lai Man-Pun. The terms of reference of the remuneration committee have been included on the Company's website.

## NOMINATION COMMITTEE

The nomination committee consists of two executive directors, namely Mr Robert Dorfman, being the chairman, and Mr Gershon Dorfman and three independent non-executive directors, namely Mr Lie-A-Cheong Tai-Chong, David, Dr Ng Tze-Kin, David and Ms Wong Sau-Ling. The primary roles of the nomination committee are to determine the policy for the nomination of directors, to review the structure, size and composition of the Board and to make recommendations to the Board on the appointment or re-appointment of directors.

## CORPORATE GOVERNANCE

The Company has complied throughout the six months ended 30 September 2025 with the code provisions of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

## MODEL CODE

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standards of the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules. Having made specific enquiry of the Company's directors, all directors confirmed that they have complied with the required standards set out in the Model Code and the Company's code of conduct regarding directors' securities transactions.

## PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the Stock Exchange's website ([www.hkex.com.hk](http://www.hkex.com.hk)) and the Company's website ([www.heraldgroup.com.hk](http://www.heraldgroup.com.hk)). The interim report of the Company for the six months ended 30 September 2025 containing all the information required by the Listing Rules will be dispatched to the shareholders and published on the same websites in due course.

By order of the Board  
**Robert Dorfman**  
*Chairman*

Hong Kong, 27 November 2025

*As at the date of this announcement, the Board of Directors of the Company comprises the following directors:*

*Executive Directors:*

*Mr Robert Dorfman*

*Mr Lai Man-Pun ACG, HKACG, CPA*

*Dr Cheung Tsang-Kay, Stan PhD, Hon LLD, Hon DBA, JP*

*Mr Gershon Dorfman*

*Independent Non-executive Directors:*

*Mr Lie-A-Cheong Tai-Chong, David SBS, OM, JP*

*Dr Ng Tze-Kin, David EdD, CA(AUST.), FCPA*

*Ms Wong Sau-Ling FCPA*

*\*For identification purpose only*