EPS Creative Health Technology Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 3860)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

FINANCIAL HIGHLIGHTS

– Revenue of approximately HK$223.9 million was recorded for the Reporting Period;

– Loss after taxation for the Reporting Period amounted to approximately HK$2.6 million;

– Basic loss per share for the Reporting Period based on weighted average number of 522,177,419 ordinary shares of the Company was approximately 0.78 HK cent; and

– The Board does not recommend the payment of an interim dividend for the Reporting Period.

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of EPS Creative Health Technology Group Limited (the "**Company**") is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 September 2025 (the "**Reporting Period**") together with comparative unaudited figures for the corresponding period in 2024 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

		Six months ended 30 September	
		2025	2024
		HK$'000	*HK$'000*
	Notes	**(unaudited)**	(unaudited)
Revenue	*3*	**223,932**	346,878
Cost of sales		**(186,165)**	(297,327)
Gross profit		**37,767**	49,551
Other income and gains	*5*	**3,215**	29,731
Research and development expenses		**–**	(7,429)
Selling and distribution expenses		**(13,866)**	(20,187)
Administrative expenses		**(24,543)**	(27,618)
Finance costs		**(3,597)**	(4,746)
(Loss) profit before taxation	*8*	**(1,024)**	19,302
Income tax expense	*6*	**(1,538)**	(2,236)
(Loss) profit for the period		**(2,562)**	17,066
(Loss) profit for the period attributable to:			
Owners of the Company		**(4,073)**	14,684
Non-controlling interests		**1,511**	2,382
		(2,562)	17,066
(Loss) earnings per share			
Basic and diluted (HK cents)	*9*	**(0.78)**	2.83

	Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
(Loss) profit for the period	**(2,562)**	17,066
Other comprehensive income (expense) for the period		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	**1,848**	(1,059)
Other comprehensive income (expense) for the period	**1,848**	(1,059)
Total comprehensive (expense) income for the period	**(714)**	16,007
Total comprehensive (expense) income attributable to:		
Owners of the Company	**(2,831)**	10,539
Non-controlling interests	**2,117**	5,468
	(714)	16,007

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2025

	Notes	30 September 2025 HK$'000 (unaudited)	31 March 2025 HK$'000 (audited)
Non-current assets			
Property, plant and equipment		**4,732**	5,502
Right-of-use assets		**2,219**	3,576
Other financial assets		**260**	260
Goodwill		**19,805**	19,505
Intangible assets		**71,567**	75,207
Refundable rental deposits	*10*	**277**	1,038
		98,860	105,088
Current assets			
Inventories		**32,929**	16,648
Contract assets		**66**	46
Trade and other receivables	*10*	**94,560**	73,732
Other financial assets		**225**	–
Tax recoverable		**2,115**	1,644
Pledged bank deposit		**4,000**	4,000
Bank and cash balances		**118,704**	135,691
		252,599	231,761
Current liabilities			
Trade and other payables and accruals	*11*	**64,885**	31,800
Contract liabilities		**23,075**	10,669
Amount due to related parties		**54,609**	14,779
Amount due to non-controlling interests		**29,244**	10,084
Bank borrowings		**1,727**	2,897
Lease liabilities		**1,643**	2,617
Tax payable		**6,756**	7,376
		181,939	80,222
Net current assets		**70,660**	151,539
Total assets less current liabilities		**169,520**	256,627

	30 September 2025	31 March 2025
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Non-current liabilities		
Lease liabilities	**736**	1,168
Amount due to a related party	**–**	50,540
Amount due to non-controlling interests	**–**	29,987
Deferred tax liabilities	**11,809**	12,409
	12,545	94,104
NET ASSETS	**156,975**	162,523
Capital and reserves		
Share capital	**5,222**	5,222
Reserves	**107,797**	115,462
Equity attributable to the owners of the Company	**113,019**	120,684
Non-controlling interests	**43,956**	41,839
TOTAL EQUITY	**156,975**	162,523

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

1. BASIS OF PREPARATION

The condensed consolidated financial statements of EPS Creative Health Technology Group Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values.

Other than changes in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2025 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 March 2025.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on 1 April 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE

An analysis of the Group's revenue is as follows:

	Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Trading of apparel products		
– Womenswear	**63,767**	212,842
– Menswear	**13,092**	27,823
– Kidswear	**–**	4,316
	76,859	244,981
Trading of healthcare and medicated products	**96,812**	68,317
Provision of innovative research organisation ("**IRO**") and specialised contract research organisation ("**CRO**") services	**45,364**	28,489
Revenue from contracts with customers	**219,035**	341,787
Leasing of medical devices	**4,897**	5,091
Total	**223,932**	346,878
Timing of revenue recognition:		
Over time	**50,261**	34,602
A point in time	**173,671**	312,276
	223,932	346,878

4. SEGMENT INFORMATION

Operating segments are determined based on the Group's internal reports which are submitted to the chief executive officer, being the chief operating decision maker of the Group, for the purpose of performance assessment and resources allocation. This is also the basis upon which the Group is organised and managed.

The Group's reportable segments are therefore as follows:

(a) Trading of apparel products ("**Garment Business**")

(b) Trading of healthcare and medicated products and leasing of medical devices ("**Healthcare Products Business**")

(c) Provision of IRO and CRO services and In-house R&D Business ("**IRO with CRO and In-House R&D Business**")

4. SEGMENT INFORMATION (continued)

Segment revenues and results

The following is an analysis of the Group's revenue by reportable segments:

	Six months ended 30 September 2025			
	Garment Business *HK$'000* **(unaudited)**	**Healthcare Products Business** *HK$'000* **(unaudited)**	**IRO with CRO and In-house R&D Business** *HK$'000* **(unaudited)**	**Consolidated** *HK$'000* **(unaudited)**
Segment revenue	**76,859**	**101,709**	**45,364**	**223,932**
Segment profit (loss)	**(2,497)**	**6,911**	**925**	**5,339**
Unallocated amounts:				
Bank interest income				**67**
Unallocated corporate expenses				**(8,484)**
Unallocated corporate income				**2,070**
Finance costs on lease liabilities				**(16)**
Loss before taxation				**(1,024)**

	Six months ended 30 September 2024			
	Garment Business *HK$'000* (unaudited)	Healthcare Products Business *HK$'000* (unaudited)	IRO with CRO and In-house R&D Business *HK$'000* (unaudited)	Consolidated *HK$'000* (unaudited)
Segment revenue	244,981	73,408	28,489	346,878
Segment profit (loss)	4,237	5,306	(4,369)	5,174
Unallocated amounts:				
Bank interest income				724
Unallocated corporate expenses				(6,463)
Unallocated corporate income				20,041
Finance costs on lease liabilities				(174)
Profit before taxation				19,302

4. SEGMENT INFORMATION (continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

As at 30 September 2025 (unaudited)

	Garment Business *HK$'000*	**Healthcare Products Business** *HK$'000*	**IRO with CRO and In-House R&D Business** *HK$'000*	**Consolidated** *HK$'000*
Segment assets	**78,364**	**185,284**	**38,954**	**302,602**
Other assets				**48,857**
Consolidated assets				**351,459**
Segment liabilities	**28,255**	**50,033**	**34,650**	**112,938**
Other liabilities				**81,546**
Consolidated liabilities				**194,484**

As at 31 March 2025 (audited)

	Garment Business *HK$'000*	Healthcare Products Business *HK$'000*	IRO with CRO and In-House R&D Business *HK$'000*	Consolidated *HK$'000*
Segment assets	73,278	175,150	21,599	270,027
Other assets				66,822
Consolidated assets				336,849
Segment liabilities	20,662	77,618	21,465	119,745
Other liabilities				54,581
Consolidated liabilities				174,326

4. SEGMENT INFORMATION (continued)

Geographic information

The Group's operation of Garment Business, Healthcare Products Business and IRO with CRO and In-House R&D Business are located in Hong Kong, Japan and the PRC.

The Group's revenue from external customers and information about non-current assets by geographical location of the customers and assets, respectively, are set out below:

	Revenues from external customers Six months ended 30 September		**Non-current assets**	
			As at 30 September	As at 31 March
	2025	2024	**2025**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(unaudited)	(unaudited)	**(unaudited)**	(audited)
Hong Kong	**8,321**	16,470	**92,331**	96,486
Japan	**75,893**	88,592	**4,488**	5,478
Mainland China	**127,250**	81,592	**1,504**	1,826
Europe	**11,598**	73,988	**–**	–
United States	**576**	84,126	**–**	–
Other countries	**294**	2,110	**–**	–
	223,932	346,878	**98,323**	103,790

Note: Non-current assets exclude financial assets.

Revenue from major customers:

Revenue from customers individually contributed over 10% of the total revenue of the Group for both periods are as follows:

	Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Customer A (from Garment Business)	**–**	148,419
Customer B (from Garment Business)	**25,294**	N/A*

* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

5. OTHER INCOME AND GAINS

The following table sets out the Group's other income and gains:

	Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Interest income	**67**	724
Government grants	**–**	4,708
Sample sales income	**1,150**	819
Sundry income	**371**	3,644
Fair value gain on promissory note due to non-controlling interests	**743**	16,403
Fair value gain on financial assets at fair value through profit or loss	**229**	–
Gain on exchange difference, net	**655**	3,433
	3,215	29,731

6. INCOME TAX EXPENSE

The Group's income tax expense analysis is as follows:

	Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
The taxation comprises:		
Current tax:		
Hong Kong Profits Tax		
Charge for the period	**1,314**	3,213
PRC Enterprise Income Tax		
Charge for the period	**221**	16
Underprovision (overprovision) in respect of prior year	**5**	(191)
Japan Corporate Income Tax		
Charge for the period	**900**	168
Overprovision in respect of prior year	**(112)**	(183)
	2,328	3,023
Deferred tax credit for the period	**(790)**	(787)
Total income tax expense	**1,538**	2,236

6. INCOME TAX EXPENSE (continued)

Under the two-tiered profits tax regime, the first HK$2 million of assessable profits of the qualifying group entity will be taxed at 8.25% and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5% for both periods.

Under the Law of PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods.

Under the rule of Japan Corporate Income Tax, the tax rate of the Japan subsidiaries is 34.59% for both periods.

7. DIVIDEND

Final dividend in respect of the year ended 31 March 2025 of HK1.0 cent per ordinary share, in an aggregate amount of HK$5,221,774, was approved and paid during the Reporting Period. No dividend was proposed for the Reporting Period.

No dividends were paid, declared or proposed during the six months ended 30 September 2024.

The Board does not recommend any payment of interim dividend in respect of the current interim period.

8. (LOSS) PROFIT BEFORE TAXATION

	Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
(Loss) Profit before taxation is arrived at after charging:		
Staff costs (including Directors' remuneration):		
Salaries, wages and other benefits	**20,189**	25,320
Contributions to retirement benefit scheme	**726**	1,227
Share-based payment expense	**388**	–
	21,303	26,547
Depreciation of property, plant and equipment	**2,529**	1,078
Depreciation of right-of-use assets	**1,450**	1,048
Amortisation of intangible assets	**4,787**	4,771
Write-down of inventories (included in costs of sales)	**188**	1,304

9. (LOSS) EARNINGS PER SHARE

The calculation of the basic (loss) earnings per share is based on the following:

	Six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
(Loss) earnings:		
(Loss) earnings for the period attributable to owners of the Company for the purpose of basic (loss) earnings per share	**(4,073)**	14,684
	'000	*'000*
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share	**522,177**	519,632

Basic and diluted loss per share for the Reporting Period are the same since the potential shares from options are anti-dilutive.

No diluted earnings per share has been presented for the six months ended 30 September 2024 as there were no potential dilutive ordinary shares outstanding during the respective periods.

10. TRADE AND OTHER RECEIVABLES

	As at 30 September 2025 *HK$'000* (unaudited)	As at 31 March 2025 *HK$'000* (audited)
Trade debtors, net of loss allowance	**60,994**	29,984
Bills receivable	**518**	2,242
Deposits and other receivables	**19,440**	12,979
Prepayments	**13,885**	29,565
	94,837	74,770
Analysed for reporting purpose as:		
Current assets	**94,560**	73,732
Non-current assets	**277**	1,038
	94,837	74,770

The Group's credit terms on Garment Business and Healthcare Products Business generally range from 30 to 90 days, while allows an average credit period of 60 to 120 days to its customers of the provision of IRO and CRO services. Credit period of 180 days is granted to a customer for the IRO and CRO services with whom the Group has a good business relationship and who is in sound financial condition.

The following is an ageing analysis of trade debtors presented based on the invoice date at the end of the reporting periods:

	As at 30 September 2025 *HK$'000* (unaudited)	As at 31 March 2025 *HK$'000* (audited)
1 – 30 days	**34,308**	14,194
31 – 60 days	**20,526**	2,697
61 – 90 days	**5,790**	11,985
Over 90 days	**370**	1,108
	60,994	29,984

11. TRADE AND OTHER PAYABLES AND ACCRUALS

	As at 30 September 2025 *HK$'000* (unaudited)	As at 31 March 2025 *HK$'000* (audited)
Trade payables	**39,772**	17,451
Accrued staff costs	**1,529**	1,152
Accrued expenses	**17,427**	8,645
Other payables	**6,157**	4,552
	64,885	31,800

An ageing analysis of the trade payables presented based on the invoice dates as follow:

	As at 30 September 2025 *HK$'000* (unaudited)	As at 31 March 2025 *HK$'000* (audited)
1 – 30 days	**21,569**	5,590
31 – 60 days	**7,911**	1,303
61 – 90 days	**9,591**	5,313
Over 90 days	**701**	5,245
	39,772	17,451

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION

In pursuit of our vision to become a specialised trading company connecting Japan, China, and Asia through the healthcare industry as a Business Development Partner, our Group is currently engaged in three core business segments: the Healthcare and Medicated Products Business, the Innovative Research Organisation (IRO) Business with Specialised Contract Research Organisation (CRO) Services in China, and the Garment Business.

The Healthcare and Medicated Products Business encompasses two main areas: the Health and Medicated Food Distribution Business and the Laboratory Supply Distribution Business.

BUSINESS REVIEW

Healthcare and Medicated Products Business (the "HCP Business")

Health and medicated food distribution business:

In March 2023, we acquired 65% equity interest in R&E Corporation Limited ("**R&E**"). Through R&E and its subsidiaries, we have been engaged in the import and distribution of Japanese food products in the Chinese market.

Our strengths in this business lie in our ability to identify Japanese health and medicated food products with strong latent demand, as well as our extensive distribution network across the Chinese market.

During the Reporting Period, despite facing challenges including regulatory constraints and an economic slowdown in the market, we had an improvement in business performance as a result of our strategic initiatives such as the development of new sales channels which helped sustain our growth.

Laboratory supply distribution business:

In December 2022, we acquired 100% of the shares of EP Trading Co., Ltd. ("**EPTR**"). Through EPTR and its subsidiaries, we have long been engaged in the import and distribution of non-clinical research materials and equipment—primarily manufactured in the USA—to both the Japanese and Chinese markets.

Our key strength in this business lies in our extensive customer network, which covers nearly 100% of pharmaceutical companies and academic research institutions across Japan.

During the Reporting Period, despite facing headwinds from the continued depreciation of the Japanese yen against the U.S. dollar, the successful outcome of our large-scale projects and strong sales of a product for research having a high profit margin contributed to a notable improvement in our business performance.

IRO with CRO Service and In-house R&D Business

The Group has been aiming to provide one stop solution to academia, biotech-ventures and pharmaceutical companies in Japan and the People's Republic of China (the "**PRC**"), based on our knowledge and experiences of drug development support businesses that we have cultivated over many years in Japan and the PRC.

We have called it "IRO Business" (Innovative Research Organisation Business) which is quite a new business model to provide services for business development and commercialisation support including the entry of the PRC companies into the Japanese market and the entry of the biotech-ventures in Japan into the PRC.

The China-IRO business with CRO Service, which was acquired by the Group in September 2022, achieved certain improvement in terms of business performance by strategically narrowing down service areas and controlling costs, especially in CRO services.

Following completion of the disposal of the entire issued share capital of EPS Innovative Medicine (Hong Kong) Limited ("**EPS Innovative**") in March 2025, the Company has ceased to operate the In-house R&D Business.

Garment Business

The Group is engaged in the Garment Business, providing apparel supply chain management service for knitwear products. The Group provides one-stop apparel supply chain management solutions for its clients ranging from fashion trend analysis, product design and development, sourcing and procurement of materials, production management, quality control to logistics services. The Group does not possess its own labels. All the Group's knitwear products are manufactured in accordance with the specifications and requirements set out by the Group's clients in the sales orders, some designs of which are recommended or inspired by the Group. Since the Group does not own or operate any manufacturing operations, the Group outsources the whole manufacturing process to third-party manufacturers with manufacturing operations located in the PRC, Thailand and/or Cambodia.

In view of the uncertain international trade environment coupled with the challenges brought by the USA tariff policies, the Group's performance in the garment segment has been adversely affected.

Nevertheless, we are under no illusions that market remains highly unstable. In the second half of the year, we will continue to combat all challenges with a high sense of crisis, prudent cashflow management and strong financial discipline. We are actively strengthening and accelerating new market expansion, seizing growth opportunities in emerging and premium segments, and providing diversified localised solutions for our brand customers. With greater emphasis on product research and development, we will ensure rapid response to consumer needs across different regions while enhancing the Group's competitive advantages in the global fashion arena.

FINANCIAL REVIEW

Revenue from Healthcare and Medicated Products Business

Revenue derived from the Healthcare and Medicated Products Business (HCP Business) of the Group increased by approximately HK$28.3 million or 38.6% to approximately HK$101.7 million for the six months ended 30 September 2025 from approximately HK$73.4 million for the six months ended 30 September 2024. The increase in revenue mainly arose as a result of the realisation of expansion in sales. As for the sales in the health and medicated food distribution business, the development of new sales channels contributed to the increase in revenue. As for the sales in the laboratory supply distribution business, the successful outcome of large-scale projects largely contributed to the increase in revenue.

	Revenue Six months ended 30 September		Rate of Change
	2025	2024	
	HK$'000	*HK$'000*	%
Health and medicated food distribution business	**75,108**	51,700	45.3
Laboratory supply distribution business	**21,704**	16,617	30.6
Provision of leasing of medical devices services	**4,897**	5,091	(3.8)
Total	**101,709**	73,408	38.6

Revenue from IRO with CRO Service and In-house R&D Business

Revenue derived from the IRO with CRO Service and In-house R&D Business of the Group increased by approximately HK$16.9 million or 59.2% to HK$45.4 million for the six months ended 30 September 2025 from approximately HK$28.5 million for the six months ended 30 September 2024. The increase in revenue was mainly attributed to the ongoing efforts of the Group in optimising industry resources in the competitive PRC specialised CRO service business.

	Revenue Six months ended 30 September		Rate of
	2025	2024	Change
	HK$'000	*HK$'000*	*%*
IRO with CRO Service Business	**45,364**	21,557	110.4
In-house R&D	**–**	6,932	(100.0)
Total	**45,364**	28,489	59.2

Revenue from Garment Business

The Group's knitwear products are divided into three categories, namely womenswear products, menswear products and kidswear products. During the Reporting Period, the Group's revenue mainly derived from the sales of womenswear products, which accounted for approximately 83.0% (for the six months ended 30 September 2024: approximately 86.9%) of the Group's total revenue for the Reporting Period. The following table sets out a breakdown of the Group's revenue by product category for each of the two interim periods:

	Six months ended 30 September				Rate of
	2025		2024		Change
	HK'000	***%***	*HK'000*	*%*	*%*
Womenswear	**63,767**	**83.0**	212,842	86.9	(70.0)
Menswear	**13,092**	**17.0**	27,823	11.4	(52.9)
Kidswear	**–**	**–**	4,316	1.7	(100.0)
Total	**76,859**	**100.0**	244,981	100.0	(68.6)

During the Reporting Period, the sales volume of the Group amounted to approximately 0.6 million pieces (for the six months ended 30 September 2024: approximately 2.9 million pieces) of finished knitwear products. Set out below are the total sales quantity of each product category for each of the two interim periods:

	Six months ended 30 September				Rate of
	2025		2024		Change
	Pieces '000	*%*	*Pieces '000*	*%*	*%*
Womenswear	**490**	**86.9**	2,562	88.1	(80.9)
Menswear	**74**	**13.1**	266	9.1	(72.2)
Kidswear	**–**	**–**	81	2.8	(100.0)
Total	**564**	**100.0**	2,909	100.0	(80.6)

The selling price of each of the product category depends primarily on, among other things, (i) the complexity of the product design; (ii) the size of an order; (iii) the delivery schedule set out by customers; (iv) the costs of raw materials; and (v) the production costs as quoted by the third-party manufacturers. Accordingly, the selling price of the Group's products may differ considerably in different purchase orders by different customers. Set out below are the average selling prices per piece of finished product sold by the Group by product category for each of the two interim periods:

	Six months ended 30 September		
	2025 Average selling price ***(Note)***	2024 Average selling price *(Note)*	Rate of Change
	HK$	*HK$*	*%*
Womenswear	**130.1**	83.1	56.6
Menswear	**176.9**	104.6	69.1
Kidswear	**–**	53.3	–
Overall average selling price per piece	**136.3**	84.2	61.9

Note: The average selling price per piece represents the revenue for the period divided by the total sales quantity for the period.

The Group's revenue from the garment segment decreased by approximately 68.6%, or approximately HK$168.1 million, from approximately HK$245.0 million for the six months ended 30 September 2024 to approximately HK$76.9 million for the Reporting Period. The decrease in revenue was primarily attributable to the decrease in the overall sales volume of the major customers headquartered in the USA and Europe. In particular, the Group's top customer in this segment for the six months ended 30 September 2024 has ceased to place any orders with the Group during the Reporting Period.

Womenswear

During the Reporting Period, the Group's revenue from the garment segment mainly derived from the sales of womenswear products. Revenue derived from the sales of womenswear products decreased by approximately HK$149.0 million or 70.0%, from approximately HK$212.8 million for the six months ended 30 September 2024 to approximately HK$63.8 million for the Reporting Period. Such decrease was mainly attributable to the decrease in sales quantity from approximately 2.6 million pieces for the six months ended 30 September 2024 to approximately 0.5 million pieces for the Reporting Period, which outweighed the increase in average selling price per piece of womenswear products from approximately HK$83.1 for the six months ended 30 September 2024 to approximately HK$130.1 for the Reporting Period.

Menswear

The Group's revenue derived from the sales of menswear products decreased by approximately HK$14.7 million or 52.9% from approximately HK$27.8 million for the six months ended 30 September 2024 to approximately HK$13.1 million for the Reporting Period. Such decrease was mainly attributable to the decrease in sales quantity from approximately 0.3 million pieces for the six months ended 30 September 2024 to approximately 0.1 million pieces for the Reporting Period, which outweighed the increase in average selling price per piece of menswear products from approximately HK$104.6 for the six months ended 30 September 2024 to approximately HK$176.9 for the Reporting Period.

Kidswear

No revenue derived from the sales of kidswear products was recorded for the Reporting Period (for the six months ended 30 September 2024: approximately HK$4.3 million).

Gross profit and gross profit margins

Healthcare and Medicated Products Business (HCP Business)

The Group's gross profit in this business segment increased to approximately HK$19.2 million for the Reporting Period from approximately HK$15.5 million for the six months ended 30 September 2024, representing an increase of approximately 23.9%. The increase in gross profit mainly arose as a result of expansion in sales. As for the health and medicated food distribution business, the improved cost control contributed to the increase in the gross profit.

IRO with CRO Service and In-house R&D Business

The Group's gross profit decreased to approximately HK$3.0 million for the Reporting Period from approximately HK$5.6 million for the six months ended 30 September 2024. The decrease in gross profit was mainly attributable to the absence of gross profit contribution from the Japan-IRO business which was disposed of in October 2024.

Garment Business

The Group's gross profit decreased to approximately HK$15.5 million for the Reporting Period as compared to approximately HK$28.4 million for the six months ended 30 September 2024, representing a decrease of approximately 45.4%. The decrease in gross profit of the Group in this segment was primarily attributable to the decrease in the overall sales volume of the major customers headquartered in the USA and Europe as explained above. The Group's gross profit margin increased to approximately 20.2% for the Reporting Period from approximately 11.6% for the six months ended 30 September 2024. Such increase in the Group's gross profit margin was mainly attributable to the increase in average selling price of both womenswear and menswear.

Other income and gains

Other income and gains mainly consists of sample sales income, exchange gain and fair value gain on promissory note due to non-controlling interests. Other income and gains decreased by approximately HK$26.5 million for the Reporting Period to HK$3.2 million from approximately HK$29.7 million for the six months ended 30 September 2024. The decrease in other income and gains of the Group was mainly attributable to (i) a decrease in fair value gain on promissory note due to non-controlling interests; and (ii) a decrease in government grants during the Reporting Period.

Research and development expenses

Research and development expenses mainly consist of research and development cost and related administrative expenses in In-House R&D Business. The Group incurred research and development expenses of approximately HK$7.4 million for the six months ended 30 September 2024. Following completion of the disposal of the entire issued share capital of EPS Innovative in March 2025, the Company has ceased to operate the In-house R&D Business and hence did not incur any research and development expenses during the Reporting Period.

Selling and distribution expenses

Selling and distribution expenses mainly consist of advertising expenses, commission expenses, logistic expenses, sample costs and staff costs and benefits of merchandising staff. Selling and distribution expenses decreased to approximately HK$13.9 million for the Reporting Period from approximately HK$20.2 million for the six months ended 30 September 2024, representing a decrease of approximately 31.2%. Such decrease was mainly attributable to the overall decrease in the selling expenses incurred for the Garment Business.

Administrative expenses

Administrative expenses primarily consist of audit fees, legal and professional fees, overseas and local travelling and general administrative expenses. Administrative expenses decreased to approximately HK$24.5 million for the Reporting Period from approximately HK$27.6 million for the six months ended 30 September 2024, representing a decrease of approximately 11.2%. Such decrease was mainly attributable to the reduction of the general administrative expenses incurred for the Japan-IRO business which was disposed of in October 2024 and the decrease of legal and professional fees and audit fees during the Reporting Period.

Finance costs

Finance costs decreased to approximately HK$3.6 million for the Reporting Period from approximately HK$4.7 million for the six months ended 30 September 2024. Such decrease was mainly attributable to the decrease in the interest expense on factoring of trade receivables.

Total comprehensive (expense) income attributable to owners of the Company

Total comprehensive expense attributable to owners of the Company amounted to approximately HK$2.8 million for the Reporting Period as compared with the total comprehensive income attributable to owners of the Company of approximately HK$10.5 million for the six months ended 30 September 2024, representing a decrease of approximately HK$13.3 million. The turnaround from the total comprehensive income to expense attributable to owners of the Company was mainly attributable to (i) a decrease in fair value gain on promissory note due to non-controlling interests; (ii) a decrease in government grants; and (iii) a decrease in revenue and corresponding decrease in gross profit of the Group in the Garment Business during the Reporting Period.

BASIC (LOSS) EARNINGS PER SHARE

The Company's basic loss per share for the Reporting Period was approximately 0.78 HK cent, as compared with the basic earnings per share of approximately 2.83 HK cents for the six months ended 30 September 2024.

INTERIM DIVIDEND

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

LIQUIDITY AND FINANCIAL RESOURCES

During the Reporting Period, the Group's operations were generally financed through its internally generated cash flows and borrowings from banks. In the long term, the Group's operations will be funded by a combination of internally generated cash flows, bank borrowings and, if necessary, additional equity financing.

As at 30 September 2025 and 31 March 2025, the Group had net current assets of approximately HK$70.7 million and HK$151.5 million, respectively, including bank and cash balances of approximately HK$118.7 million and HK$135.7 million, respectively. The Group's current ratio increased from approximately 2.9 as at 31 March 2025 to approximately 1.4 as at 30 September 2025. Such decrease was mainly due to the increase in current assets by approximately 9.0% whilst current liabilities increased by approximately 126.8% as compared to the balances as at 31 March 2025. They were mainly attributable to the non-current liabilities, including amount due to a related party and amount due to non-controlling interests, which were due to be settled within twelve months after the Reporting Period, being reclassified as current liabilities.

Gearing ratio is calculated based on the total loans and borrowings (including bank borrowings due within one year and lease liabilities) divided by total equity at the respective reporting date. As at 30 September 2025 and 31 March 2025, the Group's gearing ratio was 0.03 and 0.04, respectively. The Group entered into two banking facility agreements with the amount in aggregate of up to approximately HK$26.5 million as at 30 September 2025 (as at 31 March 2025: approximately HK$7.8 million). The Group's rate of unutilised banking facilities was 93.6% as at 30 September 2025. With the existing available cash and cash equivalents, the Group has sufficient liquidity to satisfy its funding requirements, but the Group will continue to look for fund raising opportunities in order to further strengthen the Group financial cash position, if necessary.

TREASURY POLICIES

The Group adopts prudent treasury policies. The Group's credit risk is primarily attributable to its trade and other receivables. In order to minimise its credit risk, the management of the Group has delegated a team to perform ongoing credit evaluation of the financial conditions of the customers including but not limited to the determination of credit limits, credit approvals and other monitoring procedures to ensure that appropriate follow-up action(s) is/are taken to recover overdue debts and reduce the Group's exposure to credit risk. In addition, the Group reviews the recoverable amount of each individual debt at the end of the reporting period to ensure that adequate expected loss allowance is made. The Group generally grants an average credit period of 30 to 90 days to its customers. Most of these counterparties are either owners or sourcing agents of apparel retail brands based in Japan and the USA. The management of the Group considered that the credit risk on amounts due from these customers is insignificant after considering their historical settlement records, credit qualities and financial positions of the counterparties. In management of the liquidity risk, the Board closely monitors and maintains levels of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in the currency of Japanese yen ("**JPY**") and Renminbi ("**RMB**").

CAPITAL STRUCTURE

There was no change in the capital structure of the Company during the Reporting Period. The share capital of the Company only comprises ordinary shares.

As at 30 September 2025, the Company's issued share capital was approximately HK$5.2 million divided by 522,177,419 ordinary shares of HK$0.01 each.

ISSUE FOR CASH OF EQUITY SECURITIES OR SALE OF TREASURY SHARES

There was no equity fund raising activity nor was there any sale of treasury shares by the Company during the Reporting Period, and there were no proceeds brought forward from any issue of equity securities made in previous financial years.

MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES

During the Reporting Period, there were no material acquisitions or disposals of subsidiaries, associates or joint ventures by the Group.

SIGNIFICANT INVESTMENT

As at 30 September 2025, the Group did not hold any significant investment with a value of 5% or more of the Company's total assets.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group currently has no plan for material investments and capital assets.

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 30 September 2025 (as at 31 March 2025: Nil).

CAPITAL COMMITMENTS

The Group did not have material capital commitment as at 30 September 2025 (as at 31 March 2025: Nil).

FOREIGN EXCHANGE EXPOSURE

Certain trade and bills receivables, other receivables, bank and cash balances, trade and other payables are denominated in foreign currency of the respective group entities which are exposed to foreign currency risk. Although the Group's revenue and major expenses are mainly in US$, the functional currency of the Company is HK$, as HK$ is pegged to US$, the Group does not expect any significant movement in the US$/HK$ exchange rate. The Group has operations both in the PRC and Japan and the Group currently does not have a foreign currency hedging policy. However, the management of the Group monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure in relation to JPY and RMB should the need arise.

PLEDGE OF ASSETS

At the end of each of the below reporting periods, the following assets were pledged to banks to secure certain banking facilities granted to the Group:

	30 September 2025	31 March 2025
	HK$'000	*HK$'000*
Pledged bank deposit	**4,000**	4,000

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2025, the Group employed a total of 123 full-time employees (as at 30 September 2024: 139). The Group's staff costs included Directors' emoluments, salaries, other staff benefits and contributions to retirement schemes. For the six month periods ended 30 September 2025 and 2024, the Group's total staff costs (including Directors' emoluments) amounted to approximately HK$21.3 million and HK$26.5 million, respectively. Remuneration is determined with reference to market terms and the performance, qualification(s), experience, position and seniority of individual employee. In addition to the basic salary, year-end bonuses would be discretionarily offered to those employees with outstanding performance, in order to retain employees continuously contributing to the Group.

The remuneration committee of the Company reviews and determines the remuneration and compensation packages of the Directors and senior management of the Company with reference to their experience, responsibilities, workload, time devoted to the Group and performance of the Group. Share options may also be granted to the Directors and senior management under the share option scheme.

FUTURE PROSPECTS

Our future initiatives to "strengthening and expanding existing profit-generating business" include the following:

Health and medicated food distribution business

Although current market conditions remain challenging due to regulatory constraints and persistent economic slowdown in the market may be continued, in the medium term, we expect the market demand to shift from recovery to growth. In this context, we will continue to strengthen and expand this business based on our strengths in identifying Japanese health foods that have potential of high demand in the market and our extensive sales network.

Laboratory supply distribution business

Although we believe that the demand for our existing core products has matured and that significant growth is not expected in the future, we will expand this business by actively discovering new products and entering new areas in the market while firmly maintaining the business of these core products.

IRO with CRO Service Business

While we expect that demand for CRO services will increase, the competition in the market will continue in the future. We believe that the key to future growth is to optimise our own resources and strengthen cooperation with other companies to forge complementary relationship within the industry. In parallel with the enhancement of CRO services, we will also promote the IRO business to realise the provision of a wider range of services to biotech companies and pharmaceutical companies in the PRC and Japan.

Garment Business

Weak economy and trade war have cast uncertainty over the prospect of the fashion apparel market. The business environment will remain difficult. Therefore, the Group will maintain its prudent approach to business development and use its resources efficiently while trying to strengthen its existing customer base and to reach out to more prospective customers.

Looking ahead, the Group remains optimistic that with the easing of geopolitical tensions and policy uncertainties, the sales volume in the USA and Europe is expected to gradually recover in the second half of 2025.

OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Company is committed to establishing and maintaining good corporate governance practices and procedures. The Directors believe that good corporate governance provides a framework that is essential for effective management, successful business growth and a healthy corporate culture in return for the benefits of the Company's stakeholders as a whole.

The Board has adopted the provisions of the Corporate Governance Code (the "**CG Code**") as set out in Part 2 of Appendix C1 to the Listing Rules. The Directors will continue to review its corporate governance practices in order to enhance its corporate governance standards, to comply with the increasingly tightened regulatory requirements from time to time, and to meet the rising expectation of shareholders and other stakeholders of the Company.

During the Reporting Period, the Group has complied with all the code provisions of the CG Code, except for the deviation from the code provisions C.2.1 of the CG Code. According to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the Reporting Period, Mr. Washikita Kenichiro was the chairman of the Board and the chief executive officer of the Company. The Directors considered that vesting the roles of the chairman of the Board and the chief executive officer of the Company in Mr. Washikita Kenichiro was beneficial to the management and business development of the Group and would provide a strong and consistent leadership to the Group. The Board will continue to review and consider splitting the roles of the chairman of the Board and the chief executive officer at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules as its code of conduct for the Directors' securities transactions. Having made specific enquiry of all Directors by the Company, all Directors confirmed that they have complied with the required standard of dealings and the code of conduct concerning securities transactions by the Directors for the Reporting Period.

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares). As at 30 September 2025, the Company did not hold any treasury shares.

EVENT AFTER THE REPORTING PERIOD

There is no significant event subsequent to 30 September 2025 which would materially affect the Group's operations and financial performance.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") was established in compliance with Rules 3.21 to 3.23 of the Listing Rules and code provision D.3 of the CG Code. The main duties of the Audit Committee are to assist the Board in reviewing the Group's financial information, overseeing the Group's financial reporting system, risk management and internal control systems, reviewing and monitoring the effectiveness of the scope of audit and making recommendation to the Board on the appointment of external auditors.

The Audit Committee currently consists of three members, namely Mr. Chan Cheuk Ho (the Chairman of the Audit Committee) and Mr. Choi Koon Ming, both being independent non-executive Directors, and Mr. Uematsu Takahiro, a non-executive Director. The Audit Committee has reviewed the unaudited interim results of the Group for the Reporting Period before recommending it to the Board for approval.

By order of the Board
EPS Creative Health Technology Group Limited
Miyano Tsumoru
Executive Director

Hong Kong, 27 November 2025

As at the date of this announcement, the executive Directors are Mr. Washikita Kenichiro, Mr. Miyano Tsumoru, Mr. Narumi Shoichi, Mr. Chiu Chun Tak, Ms. Du Yao and Mr. Liang Fei; the non-executive Directors are Mr. Uematsu Takahiro and Mr. Yan Ping; and the independent non-executive Directors are Mr. Chan Cheuk Ho, Mr. Choi Koon Ming, Mr. Saito Hironobu and Ms. Zhang Cuiping.