Travel Expert (Asia) Enterprises Limited
專業旅運(亞洲)企業有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1235)

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

FINANCIAL HIGHLIGHTS

- Total customer sales proceeds from continuing operations for the period was HK$296.7 million, representing a decrease of 4.5% from HK$310.6 million for the corresponding period last year.
- Revenue from continuing operations for the period was HK$148.0 million, representing an increase of 29.3% from HK$114.5 million for the corresponding period last year.
- The loss from continuing operations for the period attributable to owners of the Company was HK$0.4 million (2024: profit from continuing operations attributable to owners of the Company HK$3.0 million).
- Loss per share attributable to owners of the Company from continuing operations for the period was HK0.1 cents (2024: Earnings per share attributable to owners of the Company from continuing operations HK0.6 cents).
- The Board has resolved not to declare an interim dividend for the six months ended 30 September 2025 (2024: Nil).

INTERIM RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Travel Expert (Asia) Enterprises Limited (the "**Company**") presents the unaudited condensed consolidated results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 September 2025 together with comparative figures for the corresponding period in 2024.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 30 September 2025

	Notes	Six months ended 30 September **2025** **(unaudited)** ***HK$'000***	2024 (unaudited) *HK$'000*
Continuing operations			
Revenue	*4*	**148,026**	114,490
Cost of sales		**(105,110)**	(72,439)
Gross profit		**42,916**	42,051
Other income and gains	*4*	**3,903**	3,647
Selling and distribution costs		**(28,236)**	(25,195)
Administrative and other operating expenses		**(18,802)**	(17,064)
Fair value gain/(loss) on financial assets at fair value through profit or loss		**139**	(72)
(Loss)/profit from operations	*5*	**(80)**	3,367
Finance costs	*6*	**(322)**	(408)
(Loss)/profit before income tax		**(402)**	2,959
Income tax expense	*7*	**–**	–
(Loss)/profit for the period from continuing operations		**(402)**	2,959
Discontinued operation			
Loss for the period from discontinued operation		**–**	(478)
(Loss)/profit for the period		**(402)**	2,481
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**(169)**	–
Other comprehensive income for the period		**(169)**	–
Total comprehensive income for the period		**(571)**	2,481

	Notes	Six months ended 30 September 2025 (unaudited) HK$'000	2024 (unaudited) HK$'000
(Loss)/profit for the period attributable to:			
Owners of the Company			
– Continuing operations		**(402)**	2,959
– Discontinued operation		**–**	(478)
(Loss)/profit for the period attributable to owners of the Company		**(402)**	2,481
Non-controlling interests			
– Continuing operations		**–**	–
– Discontinued operation		**–**	–
Loss for the period attributable to non-controlling interests		**–**	–
		(402)	2,481
Total comprehensive income for the period attributable to:			
Owners of the Company		**(571)**	2,481
Non-controlling interests		**–**	–
		(571)	2,481
(Loss)/earnings per share attributable to owners of the Company	*8*		
– Basic			
– Continuing operations		**HK (0.1) cents**	HK 0.6 cents
– Discontinued operation		**Nil**	HK (0.1) cents
– Diluted			
– Continuing operations		**HK (0.1) cents**	HK 0.6 cents
– Discontinued operation		**Nil**	HK (0.1) cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2025

	Notes	30 September 2025 (unaudited) HK$'000	31 March 2025 (audited) HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	*10*	**11,175**	12,236
Intangible assets		**1,512**	1,953
Prepayments and deposits		**3,990**	3,592
Deferred tax asset		**2,287**	2,287
		18,964	20,068
Current assets			
Inventories		**967**	1,040
Trade receivables	*11*	**5,381**	5,543
Prepayments, deposits and other receivables		**18,561**	25,390
Pledged deposits		**17,955**	19,160
Cash and cash equivalents		**135,878**	90,654
		178,742	141,787
Current liabilities			
Trade payables	*12*	**25,035**	25,832
Accrued charges and other payables		**12,602**	8,402
Contract liabilities		**88,930**	50,694
Tax payables		**27**	39
Lease liabilities		**7,063**	7,063
Provisions		**877**	725
		134,534	92,755
Net current assets		**44,208**	49,032
Total assets less current liabilities		**63,172**	69,100

	Notes	**30 September 2025 (unaudited) *HK$'000***	31 March 2025 (audited) *HK$'000*
Non-current liabilities			
Lease liabilities		**2,124**	3,660
Provisions		**525**	267
		2,649	3,927
Net assets		**60,523**	65,173
EQUITY			
Equity attributable to owners of the Company			
Share capital	*13*	**5,099**	5,099
Reserves		**55,424**	59,904
		60,523	65,003
Non-controlling interests		**–**	170
Total equity		**60,523**	65,173

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2025

1. GENERAL INFORMATION

Travel Expert (Asia) Enterprises Limited (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company and its subsidiaries (the "**Group**") is located at 5/F., Overseas Trust Bank Building, No. 160 Gloucester Road, Wanchai, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are provision of services relating to sales of travel related products, sales of package tours and food and beverage.

The condensed consolidated interim financial statements for the six months ended 30 September 2025 were approved and authorised for issue by the board of directors on 27 November 2025.

2. BASIS OF PREPARATION

These condensed consolidated interim financial statements for the six months ended 30 September 2025 have been prepared in accordance with the Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

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

3. ACCOUNTING POLICIES

The accounting policies and methods of computation that have been used in the preparation of the condensed consolidated interim financial statements are consistent with those used in the financial statements for the year ended 31 March 2025, except for the adoption of the new and amended HKFRS Accounting Standards issued by HKICPA that are effective for the first time for annual periods beginning on 1 April 2025.

During the interim period, the Group has adopted all the new and amended HKFRS Accounting Standards which are first effective for the reporting period and relevant to the Group. The adoption of these new and amended HKFRS Accounting Standards did not have any material impact on the Group's accounting policies and the Directors considered that the changes are not material to the Group's results of operations or financial position.

4. REVENUE, OTHER INCOME AND GAINS, AND SEGMENT INFORMATION

The Group's principal activities are provision of services relating to sales of travel related products, sales of package tours and food and beverage. An analysis of the Group's revenue from principal activities, other income and gains is as follows:

	Six months ended 30 September	
	2025	2024
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Revenue from contracts with customers within the scope of HKFRS 15:		
Continuing operations		
Provision of services relating to sales of travel related products *(note (a))*	**23,877**	30,454
Sales of package tours *(note (a))*	**124,149**	84,036
	148,026	114,490
Discontinued operation		
Sales of food and beverage *(note (a))*	**–**	2,700
	148,026	117,190
Other income and gains		
Continuing operations		
Interest income on deposits in banks and financial institutions measured at amortised cost	**851**	1,613
Sponsorship and joint advertising income	**436**	585
Government grants *(note (b))*	**–**	144
Dividend income from listed securities	**22**	–
Exchange gain	**1,791**	–
Sundry income	**803**	1,305
	3,903	3,647
Discontinued operation		
Sundry income	**–**	–
	3,903	3,647
Total revenue, other income and gains	**151,929**	120,837

Notes:

(a) Customer sales proceeds received/receivable during the period

	Six months ended 30 September 2025 (unaudited) *HK$'000*	2024 (unaudited) *HK$'000*
Continuing operations		
Gross sales proceeds related to provision of services relating to sales of travel related products*	**172,513**	226,582
Sales of package tours	**124,149**	84,036
	296,662	310,618
Discontinued operation		
Sales of food and beverage	**–**	2,700
Total customer sales proceeds	**296,662**	313,318

* The Group's gross sales proceeds from provision of services relating to sales of travel related products, includes the air tickets, hotel accommodation and other travel related products, are considered as cash collected and receivable on behalf of a principal as an agent. The gross sales proceeds from these sales, which do not represent revenue, represent the price at which products have been sold inclusive of service fees. The related service income is recorded by the Group on net basis.

(b) Government grants

During the six months ended 30 September 2024, approximately HK$144,000 of government grants relating to one-off subsidy for the purpose of giving immediate financial support and cash incentives for travel agents are included in profit of loss.

Segment information

The executive directors have identified the Group's operating segments as follows. These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results.

For the year ended 31 March 2025, the Group reorganised its internal reporting structure which resulted in changes to the composition of its reportable segments. An operating segment regarding the food and beverage business was discontinued in last financial year, therefore, the related segment information is reported as discontinued operation. In addition, other operating segments include operation of treasury activities in prior years. The Group has reclassified the treasury activities segment to unallocated operation in last financial year due to the change in market trend and operational perspective as considered by the executive directors of the Company. Prior year segment disclosures have been represented to conform with the current year's presentation.

	Continuing operations		**Discontinued operation**			
	Travel related business Six months ended 30 September		**Food and beverage business Six months ended 30 September**		**Total Six months ended 30 September**	
	2025 (unaudited) *HK$'000*	2024 (unaudited) *HK$'000* (Re-presented)	**2025 (unaudited) *HK$'000***	2024 (unaudited) *HK$'000* (Re-presented)	**2025 (unaudited) *HK$'000***	2024 (unaudited) *HK$'000* (Re-presented)
Revenue from external customers	**148,026**	114,490	**–**	2,700	**148,026**	117,190
Inter-segment revenue	**–**	–	**–**	148	**–**	148
Reconciliation	**148,026**	114,490	**–**	2,848	**148,026**	117,338
Elimination of inter-segment revenue	**–**	–	**–**	(148)	**–**	(148)
Reportable segment revenue	**148,026**	114,490	**–**	2,700	**148,026**	117,190
Reportable segment profit/(loss)	**2,767**	2,730	**–**	(478)	**2,767**	2,252
Interest income	**41**	73	**–**	–	**41**	73
Finance costs	**(238)**	(275)	**–**	(3)	**(238)**	(278)
Amortisation of intangible assets	**(441)**	(156)	**–**	–	**(441)**	(156)
Depreciation of property, plant and equipment	**(3,295)**	(2,990)	**–**	(125)	**(3,295)**	(3,115)

	Continuing operations		**Discontinued operation**			
	Travel related business		**Food and beverage business**		**Total**	
	At 30 September 2025 (unaudited) *HK$'000*	At 31 March 2025 (audited) *HK$'000*	**At 30 September 2025 (unaudited) *HK$'000***	At 31 March 2025 (audited) *HK$'000*	**At 30 September 2025 (unaudited) *HK$'000***	At 31 March 2025 (audited) *HK$'000*
Reportable segment assets	**97,595**	86,259	**–**	–	**97,595**	86,259
Additions to non-current segment assets during the period/year	**4,225**	2,510	**–**	–	**4,225**	2,510
Reportable segment liabilities	**134,218**	92,722	**–**	–	**134,218**	92,722

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the condensed consolidated interim financial statements as follows:

	Continuing operations		**Discontinued operation**		**Total**	
	Six months ended 30 September		**Six months ended 30 September**		**Six months ended 30 September**	
	2025	2024	**2025**	2024	**2025**	2024
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
		(Re-presented)		(Re-presented)		(Re-presented)
Reportable segment revenue	**148,026**	114,490	**–**	2,700	**148,026**	117,190
Group revenue	**148,026**	114,490	**–**	2,700	**148,026**	117,190
Reportable segment profit/(loss)	**2,767**	2,730	**–**	(478)	**2,767**	2,252
Unallocated interest income					**810**	1,540
Other corporate income					**1,370**	–
Other corporate expenses					**(5,348)**	(1,311)
Segment loss included in discontinued operation					**–**	478
(Loss)/profit before income tax and discontinued operation					**(402)**	2,959

	At 30 September 2025	At 31 March 2025
	(unaudited)	(audited)
	HK$'000	*HK$'000*
Reportable segment assets	**97,595**	86,259
Corporate assets	**97,824**	73,309
Deferred tax asset	**2,287**	2,287
Group assets	**197,706**	161,855
Reportable segment liabilities	**134,218**	92,722
Corporate liabilities	**2,938**	3,921
Tax payables	**27**	39
Group liabilities	**137,183**	96,682

The Group's revenue from external customers and its non-current assets (excluded those relating to financial instruments and deferred tax asset) are all divided into the following geographical locations:

	Revenue from external customers							
	Continuing operations		Discontinued operation		Total		Non-current assets	
			Six months ended 30 September				At 30 September	At 31 March
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2025
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(audited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong (domicile)	**148,026**	114,490	**–**	2,700	**148,026**	117,190	**12,687**	14,189
The PRC excluding Hong Kong	**–**	–	**–**	–	**–**	–	**2,519**	1,405
	148,026	114,490	**–**	2,700	**148,026**	117,190	**15,206**	15,594

The geographical location of the non-current assets is based on the physical location of the asset. The place of domicile is determined by referring to the place which the Group regards as its hometown, has the majority of operations and center of management.

Most of the revenue of the Group are derived from Hong Kong. The Group has a large number of customers, and no significant revenue was derived from specific external customers for the periods.

5. (LOSS)/PROFIT FROM OPERATIONS

	Six months ended 30 September	
	2025	2024
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Continuing operations		
(Loss)/profit from operations is arrived at after (crediting)/charging:		
Depreciation of property, plant and equipment:		
– Owned property, plant and equipment*	**606**	675
– Properties and office equipment leased for own use**	**3,877**	3,533
	4,483	4,208
Loss on disposal of:		
– Owned property, plant and equipment	**1**	73
Amortisation of intangible assets	**441**	156
Net foreign exchange (gain)/loss	**(1,791)**	301
Short term leases expenses	**67**	56
Variable lease payments not included in the measurement of lease liabilities	**30**	–
Staff costs (including directors' remuneration)		
– Salaries and other benefits	**27,592**	24,112
– Retirement scheme contribution	**1,133**	1,440
– Share-based payments	**–**	90
	28,725	25,642

* Depreciation expenses of owned property, plant and equipment have been included in:

– selling and distribution costs of approximately HK$219,000 for the six months ended 30 September 2025 (2024: HK$374,000); and

– administrative and other operating expenses of approximately HK$387,000 for the six months ended 30 September 2025 (2024: HK$301,000).

** Depreciation expenses of properties and office equipment leased for own use have been included in:

– selling and distribution costs of approximately HK$3,064,000 for the six months ended 30 September 2025 (2024: HK$2,616,000); and

– administrative and other operating expenses of approximately HK$813,000 for the six months ended 30 September 2025 (2024: HK$917,000).

	Six months ended 30 September	
	2025	2024
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Discontinued operation		
Loss from operation is arrived at after charging:		
Depreciation of property, plant and equipment:		
– Properties leased for own use	**–**	125
Variable lease payments not included in the measurement of lease liabilities	**–**	68
Staff costs (including directors' remuneration)		
– Salaries and other benefits	**–**	961
– Retirement scheme contribution	**–**	39
	–	1,000

6. FINANCE COSTS

	Six months ended 30 September	
	2025	2024
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Continuing operations		
Interest on lease liabilities	**322**	408
Discontinued operation		
Interest on lease liabilities	**–**	3
	322	411

7. INCOME TAX EXPENSE

	Six months ended 30 September	
	2025	2024
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Continuing operations		
Current tax – Hong Kong		
Tax for the period	**–**	–
Discontinued operation		
Current tax – Hong Kong		
Tax for the period	**–**	–
	–	–

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the "**BVI**"), the Group is not subject to any taxation under the jurisdiction of the Cayman Islands and the BVI during the six months ended 30 September 2025 and 2024 respectively.

8. (LOSS)/EARNINGS PER SHARE

The calculation of the basic (loss)/earnings per share is based on the loss from continuing operations for the period attributable to owners of the Company of approximately HK$402,000 (six months ended 30 September 2024: profit HK$2,959,000) and the weighted average number of ordinary shares in issue of 509,859,000 (six months ended 30 September 2024: 509,859,000) during the period.

The calculation of the basic loss per share is based on the loss from discontinued operation for the period attributable to owners of the Company of nil (six months ended 30 September 2024: HK$478,000) and the weighted average number of ordinary shares in issue of 509,859,000 (six months ended 30 September 2024: 509,859,000) during the period.

The computation of diluted (loss)/earnings per share does not assume the exercise of the Company's share options for six months ended 30 September 2025 and 2024 as the adjusted exercise price of the Company's share options was higher than the average market price for shares during the periods when those options are outstanding.

9. INTERIM DIVIDEND

The Directors has resolved not to declare an interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: Nil).

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2025, the Group incurred capital expenditures of approximately HK$470,000 (six months ended 30 September 2024: HK$471,000) in leasehold improvements, approximately HK$320,000 (six months ended 30 September 2024: HK$382,000) in office equipment and approximately HK$25,000 (six months ended 30 September 2024: HK$7,000) in furniture and fixtures.

During the six months ended 30 September 2025, right-of-use assets included within properties newly leased for own use amounted to approximately HK$2,608,000 has been recognised (six months ended 30 September 2024: nil) and no lease modifications resulted from extension of leases has been recognised (six months ended 30 September 2024: HK$804,000).

11. TRADE RECEIVABLES

The ageing analysis of trade receivables, based on the invoice dates, net of impairment, is as follows:

	30 September 2025 (unaudited) ***HK$'000***	31 March 2025 (audited) *HK$'000*
0 - 30 days	**3,557**	4,352
31 - 90 days	**1,581**	999
Over 90 days	**243**	192
	5,381	5,543

The Group has a policy of allowing customers credit periods within 90 days. Overdue balances are reviewed regularly by the Group's management.

12. TRADE PAYABLES

The Group is granted by its suppliers for credit periods normally within 30 days. The ageing analysis of trade payables, based on the invoice dates, is as follows:

	30 September 2025 (unaudited) ***HK$'000***	31 March 2025 (audited) *HK$'000*
0 - 30 days	**19,819**	20,139
31 - 90 days	**4,164**	3,218
Over 90 days	**1,052**	2,475
	25,035	25,832

13. SHARE CAPITAL

	30 September 2025		31 March 2025	
	Number of shares (unaudited)	**Amount (unaudited)**	Number of shares (audited)	Amount (audited)
	'000	***HK$'000***	*'000*	*HK$'000*
Authorised:				
Ordinary shares of HK$0.01 each				
At 1 April 2024, 31 March 2025, 1 April 2025 and 30 September 2025	**2,000,000**	**20,000**	2,000,000	20,000
Issued and fully paid:				
Ordinary shares of HK$0.01 each				
At 1 April 2024, 31 March 2025, 1 April 2025 and 30 September 2025	**509,859**	**5,099**	509,859	5,099

INTERIM DIVIDEND

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

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The principal activities of the Group comprise sales of travel related products and package tours. The sales of travel related products is operated through the brand "**Travel Expert**". The sales of package tours comprises high-end long haul tours (operated through the brand "**Premium Holidays**") and mass-market package tours (operated through the brand "**Travel Expert Tour**").

The sales of package tours demonstrated strong performance for the six months ended 30 September 2025 (the "**Period**"). Revenue from sales of package tours comprises high-end long haul tours, mass-market package tours and cruise tour. Premium Holidays occupies a premier position within the luxury travel segment. The Group keeps expanding the scale of premium long-haul routing by launching unique cruise experiences and high-end rail journeys to destinations such as North America, Europe, Africa and Arctic region. By providing customers with exceptional opportunities to explore diverse cultures and natural scenery, the Group aim to sustain strong business growth, enhance our competitiveness and strengthen our position in the high-margin, long-haul travel market. Apart from the high-end market, Travel Expert Tour offered mass-market package tours options across Mainland China and Asia to cater the growing travel demand. Our strategic expansion was supported by the strong advertising campaign, featuring television promotion "Journey to Well-Being"（養生之旅）which contributed to the strong growth in our mass-market package tours segment. In addition, the Group strategically expanded its retail network by opening two new flagship stores in well-known shopping mall in Causeway Bay and Tsim Sha Tsui respectively, under the brand Premium Holidays, to support its rapid sales growth and enhance customer accessibility. Furthermore, we have enhanced our call center operations at the head office to strengthen our capacity to serve customers and improve service quality. The enhancements to our sales platform were benefit in effectively managing the increasing demand of package tours.

The revenue of the sales of package tours increased by 47.7% to approximately HK$124.1 million for the Period (six months ended 30 September 2024: HK$84.0 million). Gross profit amounted to approximately HK$19.0 million (six months ended 30 September 2024: HK$11.6 million), representing an increase of 64.2%.

The sales of travel related products is the other focus of the Group. Revenue from sales of travel related products primarily represents air tickets, hotel accommodations, packages, cruise, public transportation tickets, theme park tickets and travel insurances. During the Period, the overall revenue from travel products experienced a decline. This was primarily attributable to intense market competition coupled with a downturn in travel demand to Japan following earthquake alerts, caused the decline in sales of travel products, including air tickets, hotel accommodations and packages. Following the rumors of earthquake in Japan, the travel preference was shifted rapidly from Japan to Mainland China, which is the fierce market. The Group immediately captured the market changes and offered low introductory price to achieve the rapid penetration in the fiercely competitive market, resulted in a lower gross profit. In response, the Group keep increasing its focus on higher-margin products, namely cruise and tailor-made tours, to partially compensate the decline in overall sales of travel related products. The Group continues put efforts on online trading platform, www.texpert.com, functions as the key promotion and sales channel for the sales of travel related products. During the Period, the Group enhance the usage of Artificial Intelligence (AI) to manage initial customer inquiries. This initiative has successfully improved our operational efficiency and contributed significant improvement in our customer engagement rates and the effectiveness of our outreach.

The revenue of the sales of travel related products amounted to approximately HK$23.9 million (six months ended 30 September 2024: HK$30.5 million), representing a decrease of 21.6%.

In addition to the ordinary travel business segment, our investment activities using the Group's surplus funds allocated under the approved investment cap. During the Period, the business recorded a fair value gain on financial assets at fair value through profit or loss of approximately HK$139,000 (2024: loss of approximately HK$72,000). We will continue to closely monitor the market situation and make investment decisions prudently in order to help the Group to better utilize its surplus fund and contributed to its bottom line.

FINANCIAL REVIEW

Other Income and Gains

Total other income and gains from continuing operations increased by approximately HK$0.3 million from approximately HK$3.6 million for the six months ended 30 September 2024 to approximately HK$3.9 million for the Period.

Selling and Distribution Costs

For the Period, selling and distribution costs from continuing operations amounted to approximately HK$28.2 million, representing an increase of 11.9% from approximately HK$25.2 million for the corresponding period last year.

The increase of selling and distribution costs was mainly due to the increase in the number of point of sale to support the overall sales growth. During the Period, the opening of two new branches in high-traffic retails districts led to the increase in rental expenses, renovation and other shop-related expenses. In addition, the expansion of our retail network required additional frontline headcounts, resulting in higher commission and salary costs.

The Group committed to adopt a prudent financial management, and focused on maintaining a reasonable selling and distribution costs level. The Group will also adopt other measures to maintain both the competitiveness and cost effectiveness of its branch network in accordance with market conditions.

Administrative and Other Operating Expenses

For the Period, administrative and other operating expenses from continuing operations amounted to approximately HK$18.8 million, representing an increase of 9.9% from approximately HK$17.1 million for the corresponding period last year, which was mainly due to the increase in staff costs for back office support.

The Group maintained one back office location in Hong Kong and one in Shenzhen. During the Period, the Group strategically invested in the back-office support system upgrades to enhance the overall effectiveness of the support functions, resulted in an increased in system consultancy fees. In addition, supplementary back office staffs were recruited to facilitate the system implementation and enhance the support for the Group's expansion.

With our efforts, we managed to maintain the overall administrative and other operating expenses at a reasonable level by implementing cost-management measures and adopting cash preservation strategy to retain financial strength. The Group will continue to adopt strict cost control measures on administrative and other operating expenses, better allocate back-office resources and streamline and integrate existing workflows.

Finance Costs

Finance costs from continuing operations for the Period was approximately HK$322,000, which was related to the interest on lease liabilities (2024: HK$408,000).

Liquidity, Financial Resources and Capital Resources

The Group generally finances its liquidity requirements through internally generated resources and will only finance with available banking facilities whenever necessary. For the Period, the Group had an operating cash inflow of approximately HK$53.4 million (six months ended 30 September 2024: approximately HK$36.3 million) and the net assets value as at 30 September 2025 was approximately HK$60.5 million (as at 31 March 2025: approximately HK$65.2 million). The Group had total cash and cash equivalents of approximately HK$135.9 million as at 30 September 2025 (as at 31 March 2025: approximately HK$90.7 million).

As at 30 September 2025, the Group did not have any outstanding bank borrowing (as at 31 March 2025: Nil).

As at 30 September 2025, the gearing ratio of the Group was nil (as at 31 March 2025: nil). The gearing ratio is calculated by dividing the Group's interest-bearing borrowing by Group's total equity as at the end of the respective financial period and multiplied by 100%. As at 31 March 2025 and 30 September 2025, the Group had no interest-bearing bank borrowings.

Significant Investments Held

During the Period, there was no significant investment held by the Group.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Save as those disclosed under the section headed "MANAGEMENT DISCUSSION AND ANALYSIS", there was no material acquisition or disposal of subsidiaries, associates or joint ventures of the Group for the Period.

Contingent Liabilities

The Group did not have any contingent liabilities as at 30 September 2025.

Capital Commitments and Other Commitments

As at 30 September 2025, the Group had no commitments in respect of capital expenditure were contracted but not provided for the acquisition of property, plant and equipment (as at 31 March 2025: approximately HK$948,000).

Pledge of Assets

As at 30 September 2025, the Group's bank deposits of approximately HK$18.0 million (as at 31 March 2025: approximately HK$19.2 million) were pledged to banks to secure banking facilities granted to the Group.

Foreign Exchange Risks and Treasury Policies

The Group has foreign currency exposures that mainly arise from the balance of assets and liabilities in currencies other than in Hong Kong dollar, the Group's functional currency. The Group's policy requires the management to monitor the Group's foreign exchange exposure by closely monitoring the movement of foreign currency rates. The management may purchase foreign currency at spot rate, when and where appropriate for the purpose of meeting the Group's future payment obligation in foreign currency. With the extension of investment scope, the Group may use more financial tools such as foreign exchange forward contracts and currency futures etc. to manage the foreign exchange risks. For the Period, the Group recorded exchange gain of approximately HK$1.8 million (2024: exchange loss of approximately HK$301,000).

Human Resources and Employee's Remuneration

As at 30 September 2025, the Group had a total workforce of 183 (as at 31 March 2025: 166), of which about 65.0% were frontline staff. Employees' remuneration packages are determined with reference to the market information and individual performance and will be reviewed on a regular basis. Other benefits include contributions to mandatory provident fund and medical insurance coverage. In addition, the Group has adopted a share option scheme (the "**Share Option Scheme**") on 6 September 2011 to recognize the contributions of our staff and to provide them with incentives to stay with the Group. Share options were granted to certain eligible persons and Directors of the Company. The Share Option Scheme was expired on 29 September 2021 and the options granted prior to the expiration remain valid for exercise. The remuneration policy will be reviewed by the Board from time to time. Emoluments of Directors are determined by the Remuneration Committee after considering the Group's operating results, individual performance and comparing with market conditions.

OUTLOOK

The Group expects there will have a continuous growth in travel demand. As the global economy will continue to be challenging with heightened geopolitical tensions and China-US relations, the management will remain cautiously optimistic and impose prudent business policy in order to lead the Group through challenges ahead.

The Group will take steps to enhance our competitiveness and resilience to cope with unexpected headwinds. The Group remains steadfast on initiatives to improve operational efficiency in optimizing staff structure and strengthening our resources. We will continue to enhance customer service and product mix to meet customer preferences and the latest market trends, and will proactively take effective measures to expand our business channels. We remain committed to allocate resources in exploring a wide range of in-depth and diversified experiential travel products. In addition, we will launch a new brand Travel Expert Tour offering high-value, mass-market tour packages to broaden our customer base and diversify our revenue streams. Besides, the Group will strengthen promotion activities and make use of popular social media platforms and digital channels to enhance brand image and awareness. To broaden the sources of income, we will continue to explore development opportunities to expand our business.

The Group is confident that with our dedicated staff members and management team as well as continuous enhancement in services and products, we are well positioned to overcome the challenges ahead and maintain the leading market position so as to create long-term value for shareholders.

EVENT AFTER THE PERIOD

There are no material events affecting the Group which have occurred since the end of the Period and up to the date of this announcement.

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

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

CORPORATE GOVERNANCE

During the Period, the Company has complied with all the code provisions set out in the Corporate Governance Code in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

REVIEW OF INTERIM RESULTS

The Audit Committee has reviewed and discussed with the management the interim results for the Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" set out in Appendix C3 of the Listing Rules ("**Model Code**") as the code of conduct regarding securities transactions by the Directors.

Having made specific enquiry of all Directors, all of them confirmed that they have complied with the required standard set out in the Model Code during the Period.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement of the Group for the Period is published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.tegroup.com.hk. The interim report will be published on the same websites and dispatched to shareholders in due course.

By order of the Board
Travel Expert (Asia) Enterprises Limited
Ko Wai Ming, Daniel
Chairman

Hong Kong, 27 November 2025

As at the date of this announcement, the Executive Directors of the Company are Mr. Ko Wai Ming, Daniel, Ms. Cheng Hang Fan and Mr. Ko Chun Wang, Kelvin; and the Independent Non-executive Directors of the Company are Mr. Chau Kwok Wing, Kelvin, Mr. Mak King Sau and Mr. Tse Kam Tim.