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INTERNATIONAL BUSINESS SETTLEMENT HOLDINGS LIMITED

國際商業結算控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00147)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

The board of directors (the “Board” or the “Directors”) of International Business Settlement Holdings Limited (the “Company”) is pleased to announce 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 “period” or “reporting period”), together with the comparative figures, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Six months ended 30 September	
		2025	2024
	Notes	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Revenue	3	38,396	106,862
Cost of sales and services		<u>(35,331)</u>	<u>(93,089)</u>
Gross profit		3,065	13,773
Other income, gains and losses	5	7,955	5,179
Administrative and other expenses		(59,420)	(11,264)
Share of loss of an associate		(5,669)	(2,659)
Impairment loss of property, plant and equipment		(8,593)	—
Impairment loss on properties held for sale		(22,595)	(31,103)
Finance costs	6	<u>(28,107)</u>	<u>(28,353)</u>
Loss before taxation		(113,364)	(54,427)
Income tax credit (expense)	7	<u>1,096</u>	<u>(11,002)</u>
Loss for the period	8	<u>(112,268)</u>	<u>(65,429)</u>

		Six months ended	
		30 September	
		2025	2024
Note		HK\$'000	HK\$'000
		(unaudited)	(unaudited)
Other comprehensive income (expense) for the period			
<i>Item that will not be reclassified subsequently to profit or loss:</i>			
	Share of other comprehensive income of an associate	1,808	–
<i>Item that may be reclassified subsequently to profit or loss:</i>			
	Exchange differences arising on translation of financial statements of foreign operations	(5,786)	(3,655)
	Other comprehensive expense for the period, net of income tax	(3,978)	(3,655)
	Total comprehensive expense for the period	(116,246)	(69,084)
Loss for the period attributable to:			
	– Owners of the Company	(72,913)	(47,750)
	– Non-controlling interests	(39,355)	(17,679)
		(112,268)	(65,429)
Total comprehensive expense attributable to:			
	– Owners of the Company	(75,833)	(50,527)
	– Non-controlling interests	(40,413)	(18,557)
		(116,246)	(69,084)
Loss per share			
	Basic and diluted (<i>HK cents</i>)	10 (0.36)	(0.24)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		30 September 2025	31 March 2025
	Notes	HK\$'000 (unaudited)	HK\$'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment		205,438	178,737
Goodwill		2,228	2,228
Interest in an associate		99,890	103,751
Deferred tax assets		63,804	61,599
Amount due from an associate		32,578	31,744
		<u>403,938</u>	<u>378,059</u>
CURRENT ASSETS			
Digital assets	12	16,220	—
Loan receivables	11	—	—
Properties held for sale	13	790,818	809,717
Trade and other receivables	14	47,215	41,933
Factoring receivables	15	—	—
Derivative financial asset		15,975	—
Restricted bank deposits		660	648
Bank balances and cash		727,609	315,413
		<u>1,598,497</u>	<u>1,167,711</u>
CURRENT LIABILITIES			
Trade and other payables	16	790,905	751,459
Borrowings	17	529,559	531,038
Amounts due to non-controlling interests		82,165	51,254
Amount due to ultimate holding company		1,599	1,612
Tax liabilities		32,269	31,706
Contract liabilities	18	10,155	5,956
Lease liabilities		1,726	2,864
		<u>1,448,378</u>	<u>1,375,889</u>

	30 September 2025 <i>HK\$'000</i> (unaudited)	31 March 2025 <i>HK\$'000</i> (audited)
NET CURRENT ASSETS (LIABILITIES)	<u>150,119</u>	<u>(208,178)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>554,057</u>	<u>169,881</u>
NON-CURRENT LIABILITIES		
Lease liabilities	<u>89</u>	<u>486</u>
NET ASSETS	<u><u>553,968</u></u>	<u><u>169,395</u></u>
CAPITAL AND RESERVES		
Share capital	23,101	20,319
Reserves	<u>704,863</u>	<u>282,659</u>
Equity attributable to owners of the Company	727,964	302,978
Non-controlling interests	<u>(173,996)</u>	<u>(133,583)</u>
TOTAL EQUITY	<u><u>553,968</u></u>	<u><u>169,395</u></u>

1. BASIS OF PREPARATION

These condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”), issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

These condensed consolidated financial statements have been prepared with the same accounting policies adopted in the 2024/2025 annual consolidated financial statements, except for those that relate to amendments to HKFRS Accounting Standards effective for the first time for periods beginning on or after 1 April 2025. Details of any changes in accounting policies are set out in note 2.

The preparation of these condensed consolidated financial statements in compliance with HKAS 34 requires the use of certain judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

These condensed consolidated financial statements are presented in Hong Kong Dollars (“HK\$”), unless otherwise stated. These condensed consolidated financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024/2025 annual consolidated financial statements. These condensed consolidated financial statements and notes do not include all of the information required for a complete set of financial statements prepared in accordance with the HKFRS Accounting Standards and should be read in conjunction with the 2024/2025 annual consolidated financial statements.

2. CHANGES IN HKFRS ACCOUNTING STANDARDS

In the current period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group’s annual period beginning 1 April 2025:

Amendments to HKAS 21

Lack of Exchangeability

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

3. REVENUE

The principal activities of the Group are (1) property development; (2) hotel business; (3) property management; (4) computer equipment business; and (5) cryptocurrency-related business. Further details regarding the Group's principal activities are disclosed in note 4.

During the period ended 30 September 2025, the Group commenced a new business segment focused on cryptocurrency-related activities.

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

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Revenue from contracts with customers		
Sales of properties	10,861	–
Provision of property management services	26,882	–
Cryptocurrency-related business	653	–
	<u>38,396</u>	<u>–</u>
Revenue from computer equipment business		
– Leasing and relevant services of computer equipment	–	75,780
– Trading of computer equipment	–	31,082
	<u>–</u>	<u>106,862</u>
	<u><u>38,396</u></u>	<u><u>106,862</u></u>
	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Timing of revenue recognition		
Goods transferred at a point in time	11,514	31,082
Services transferred over time	26,882	75,780
	<u>38,396</u>	<u>106,862</u>

4. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by different business lines. In a manner consistent with the way in which information is reported internally to the Group's executive directors, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and performance assessment, the Group has identified the following reportable segments.

Property development	–	Developing and selling of commercial and residential properties and car parking spaces, including undertaking of primary land development activities, in the PRC.
Hotel business	–	Hotel development and provision of hotel management services in the PRC.
Property management	–	Provision of property management services in the PRC.
Computer equipment business	–	Providing encrypted distributed storage space in Hong Kong through leasing of servers and rendering ancillary services and trading of computer equipment.
Cryptocurrency-related business	–	The Group engaged in the provision of storage and transaction verification services within cryptocurrency network and received cryptocurrency reward as consideration for these services.

Following the newly set up segment of cryptocurrency-related business during the period ended 30 September 2025, the CODM considered that the property development segment, hotel business segment, property management segment, computer equipment business segment and cryptocurrency-related business segment are the main businesses lines and reportable operating segments of the Group.

(a) Segment revenue and results

Six months ended 30 September 2025 (unaudited)

	Property development <i>HK\$'000</i>	Hotel business <i>HK\$'000</i>	Property management <i>HK\$'000</i>	Computer equipment business <i>HK\$'000</i>	Cryptocurrency- related business <i>HK\$'000</i>	Total <i>HK\$'000</i>
REVENUE						
External sales and segment revenue	<u>10,861</u>	<u>-</u>	<u>26,882</u>	<u>-</u>	<u>653</u>	<u>38,396</u>
Segment loss	(59,027)	-	(1,626)	(39,957)	(424)	(101,034)
Unallocated corporate expenses, net						(16,993)
Bank interest income						<u>4,663</u>
Loss before taxation						<u>(113,364)</u>

Six months ended 30 September 2024 (unaudited)

	Property development <i>HK\$'000</i>	Hotel business <i>HK\$'000</i>	Computer equipment business <i>HK\$'000</i>	Total <i>HK\$'000</i>
REVENUE				
External sales and segment revenue	<u>-</u>	<u>-</u>	<u>106,862</u>	<u>106,862</u>
Segment (loss) profit	(59,250)	-	13,524	(45,726)
Unallocated corporate expenses, net				(15,325)
Bank interest income				<u>6,624</u>
Loss before taxation				<u>(54,427)</u>

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies.

Segment results represent the results from each segment without allocation of central administration costs including directors' emoluments, unallocated other income and unallocated other losses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

(b) Segment assets and liabilities

	30 September 2025 <i>HK\$'000</i> (unaudited)	31 March 2025 <i>HK\$'000</i> (audited)
<i>Segment assets</i>		
Property development	857,821	835,441
Hotel business	134,386	180,696
Property management	7,782	6,780
Computer equipment business	15,667	50,800
Cryptocurrency-related business	105,270	—
Total segment assets	1,120,926	1,073,717
Unallocated assets		
Bank balances and cash	726,139	312,610
Other assets	155,370	159,443
Total unallocated assets	881,509	472,053
Consolidated total assets	2,002,435	1,545,770
<i>Segment liabilities</i>		
Property development	(1,220,088)	(1,181,795)
Hotel business	(126,734)	(124,521)
Property management	(4,332)	(6,944)
Computer equipment business	(1,645)	(4,928)
Cryptocurrency-related business	(37,787)	—
Total segment liabilities	(1,390,586)	(1,318,188)
Unallocated liabilities		
Other liabilities	(57,881)	(58,187)
Consolidated total liabilities	(1,448,467)	(1,376,375)

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than certain bank balances and cash and assets not attributable to respective segments; and
- all liabilities are allocated to operating segments other than liabilities not attributable to respective segments.

(c) **Other segment information**

The following table provides an analysis of the Group's revenue from external customers and non-current assets other than interest in an associate, deferred tax assets and amount due from an associate ("Specified non-current assets").

	Revenue from external customers (by customer location) Six months ended		Specified non-current assets (by physical location)	
	30 September 2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)	30 September 2025 HK\$'000 (unaudited)	31 March 2025 HK\$'000 (audited)
Hong Kong	–	106,862	1,508	37,708
PRC (domicile)	37,743	–	137,158	143,257
Other countries	653	–	69,000	–
	<u>38,396</u>	<u>106,862</u>	<u>207,666</u>	<u>180,965</u>

5. **OTHER INCOME, GAINS AND LOSSES**

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Bank interest income	4,663	6,624
Loan interest income from an associate	453	442
Fair value gain on derivative financial asset	379	–
Exchange loss, net	(107)	(65)
Reversal of impairment loss (impairment loss) on trade receivables, net	2,942	(1,366)
Impairment loss on other receivables, net	(438)	(805)
Others	63	349
	<u>7,955</u>	<u>5,179</u>

6. FINANCE COSTS

	Six months ended 30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Interest on		
– borrowings	27,992	28,043
– lease liabilities	115	310
	<u>28,107</u>	<u>28,353</u>

7. INCOME TAX (CREDIT) EXPENSE

	Six months ended 30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Current tax in PRC		
Enterprise Income Tax (“EIT”)	229	–
Deferred tax		
(Credit) Charge for the period	<u>(1,325)</u>	<u>11,002</u>
	<u>(1,096)</u>	<u>11,002</u>

No provision for Hong Kong Profits Tax has been made for both interim periods as the Group does not derive assessable profits from Hong Kong.

The PRC EIT is calculated based on the applicable tax rate on assessable profits, if applicable. The applicable EIT rate for the Group’s PRC subsidiaries during both interim periods is 25%.

No deferred tax asset has been recognised in respect of certain unused tax losses due to the unpredictability of future profit streams. The deductible temporary differences can be carried forward indefinitely except for certain tax losses from PRC subsidiaries which will be expired in the coming few years. No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

The Group is required to prepay EIT in accordance with the relevant PRC tax rules in respect of pre-sale of property development projects. As at 30 September 2025, there were no prepaid EIT in respect of contract liabilities (unaudited) (31 March 2025: nil (audited)).

8. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging:

	Six months ended 30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Directors' emoluments	1,480	1,480
Other staff salaries, wages and allowances	18,780	5,451
Other staff retirement benefit scheme contributions	1,822	157
	<u>22,082</u>	<u>7,088</u>
Total staff costs	<u>22,082</u>	<u>7,088</u>
Cost of inventories recognised as expenses	10,529	29,602
Depreciation of property, plant and equipment	36,519	54,140
	<u>36,519</u>	<u>54,140</u>

9. DIVIDEND

No dividend was paid, declared or proposed during the reporting period. The Board has resolved not to declare any interim dividend for the reporting period (2024: nil).

10. LOSS PER SHARE

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Loss		
Loss for the period attributable to owners of the Company		
for the purposes of basic loss per share	<u>(72,913)</u>	<u>(47,750)</u>
	Six months ended 30 September	
	2025	2024
	(unaudited)	(unaudited)
Number of shares		
Weighted average number of ordinary shares in issue	<u>20,319,072,320</u>	<u>20,319,072,320</u>

	Six months ended 30 September	
	2025	2024
	(unaudited)	(unaudited)
Basic loss per share (<i>HK cents</i>)	<u>(0.36)</u>	<u>(0.24)</u>

Diluted loss per share is the same as the basic loss per share as there were no dilutive potential ordinary shares in issue for both periods.

11. LOAN RECEIVABLES

	30 September	31 March
	2025	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(audited)
Loan receivables	126,848	124,633
Interest receivables	<u>6,630</u>	<u>6,515</u>
	133,478	131,148
Less: Loss allowance (<i>Note (b)</i>)		
Stage 3	<u>(133,478)</u>	<u>(131,148)</u>
Carrying amount of loan receivables	<u>—</u>	<u>—</u>

As at 30 September 2025 and 31 March 2025, all loan receivables were secured by collaterals.

The customers are obliged to settle the amounts according to the terms set out in relevant contracts. Interest rates are offered based on the assessment of a number of factors including the borrowers' creditworthiness and repayment ability, collaterals as well as the general economic trends. The Group's loan principals charged interests at rate approximately 6% to 15% (31 March 2025: 6% to 15%) per annum.

The Group's management considers that the fair values of loan receivables are not materially different from their carrying amounts.

(a) Ageing analysis

Ageing analysis of loan receivables based on the loan drawdown date and before loss allowance, at the end of reporting period is as follows:

	30 September 2025 HK\$'000 (unaudited)	31 March 2025 HK\$'000 (audited)
Over 5 years	<u>133,478</u>	<u>131,148</u>

Ageing analysis of loan receivables based on the due date and before loss allowance, at the end of the reporting period is as follows:

	30 September 2025 HK\$'000 (unaudited)	31 March 2025 HK\$'000 (audited)
Over 4 years	<u>133,478</u>	<u>131,148</u>

(b) Movement in impairment losses

Loss allowance for loan receivables during the period was recognised as follows:

	Stage 3 Lifetime ECL credit impaired HK\$'000
At 31 March 2025 (audited)	131,148
Exchange adjustments	<u>2,330</u>
At 30 September 2025 (unaudited)	<u>133,478</u>

For the period ended 30 September 2025, no increase of loss allowance was charged to profit or loss as impairment.

The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

12. DIGITAL ASSETS

	30 September 2025 <i>HK\$'000</i> (unaudited)	31 March 2025 <i>HK\$'000</i> (audited)
Digital assets:		
Held in own wallets of the Group	<u>16,220</u>	<u>—</u>
Represented by:		
Bitcoin	<u>16,220</u>	<u>—</u>

Digital assets mainly represent stablecoins held in a third party's digital assets trading platform (connect to the internet). Digital asset is held mainly for the purposes of trading in the ordinary course of the Group. Digital asset is stated at the lower of cost and net realisable value.

13. PROPERTIES HELD FOR SALE

	30 September 2025 <i>HK\$'000</i> (unaudited)	31 March 2025 <i>HK\$'000</i> (audited)
Completed properties held for sale	<u>790,818</u>	<u>809,717</u>

The management of the Group had engaged an independent qualified professional valuer to carry out valuation on the properties held for sale by market comparison approach. An impairment loss on completed properties held for sale of HK\$22,595,000 has been recognised for the period ended 30 September 2025 (unaudited) (for the period ended 30 September 2024: HK\$31,103,000 (unaudited)).

14. TRADE AND OTHER RECEIVABLES

	30 September 2025 <i>HK\$'000</i> (unaudited)	31 March 2025 <i>HK\$'000</i> (audited)
Trade receivables	143,668	146,611
Less: Loss allowance	<u>(143,441)</u>	<u>(146,383)</u>
	227	228
Prepayments	<u>3,192</u>	<u>2,589</u>
Other receivables		
Other deposits	11,842	9,232
Other receivables	<u>38,447</u>	<u>35,907</u>
	50,289	45,139
Less: Loss allowance	<u>(6,493)</u>	<u>(6,023)</u>
	<u>43,796</u>	<u>39,116</u>
	<u><u>47,215</u></u>	<u><u>41,933</u></u>

The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

(a) Ageing analysis of trade receivables

The ageing analysis of trade receivables after loss allowance of the Group, presented based on the date of delivery of goods and services to the customers, at the end of the reporting period is as follows:

	30 September	31 March
	2025	2025
	HK\$'000	HK\$'000
	(unaudited)	(audited)
1 – 2 years	227	228

(b) Movement in impairment loss of trade receivables

Movement in loss allowance of trade receivables of the Group during the period/year are as follows:

	30 September	31 March
	2025	2025
	HK\$'000	HK\$'000
	(unaudited)	(audited)
At the beginning of the period/year	146,383	320
(Reversal of impairment loss)/impairment loss recognised in profit or loss	(2,942)	146,063
At the end of the period/year	143,441	146,383

The balances of other deposits and other receivables are not past due. The Group's management considers that the credit risk associated with these receivables is minimal but a general provision for impairment loss is provided for as in the aforesaid.

15. FACTORING RECEIVABLES

	30 September 2025 <i>HK\$'000</i> (unaudited)	31 March 2025 <i>HK\$'000</i> (audited)
Factoring receivables	63,298	62,193
Interest receivables	<u>2,273</u>	<u>2,233</u>
	65,571	64,426
Less: Loss allowance (<i>Note (b)</i>) Stage 3	<u>(65,571)</u>	<u>(64,426)</u>
Carrying amount of factoring receivables	<u><u>—</u></u>	<u><u>—</u></u>

As at 30 September 2025, all factoring receivables were secured by accounts receivables of the debtors with interest rate of 6.5% (31 March 2025: 6.5%) per annum. The Group has recourse right on the debts in the event of default. However, the collaterals are not permitted to be sold or re-pledged by the Group.

(a) Ageing analysis

Ageing analysis of factoring receivables based on the loan drawdown date and before loss allowance at the end of reporting period is as follows:

	30 September 2025 <i>HK\$'000</i> (unaudited)	31 March 2025 <i>HK\$'000</i> (audited)
Over 5 years	<u><u>65,571</u></u>	<u><u>64,426</u></u>

Ageing analysis of factoring receivables based on the due date and before loss allowance, at the end of the reporting period is as follows:

	30 September 2025 <i>HK\$'000</i> (unaudited)	31 March 2025 <i>HK\$'000</i> (audited)
Over 4 years	<u><u>65,571</u></u>	<u><u>64,426</u></u>

(b) Movement in impairment losses

Loss allowance for factoring receivables during the period was recognised as follows:

	Stage 3 Lifetime ECL credit impaired HK\$'000
At 31 March 2025 (audited)	64,426
Exchange adjustments	1,145
	<hr/>
At 30 September 2025 (unaudited)	65,571
	<hr/> <hr/>

The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

16. TRADE AND OTHER PAYABLES

	30 September 2025 HK\$'000 (unaudited)	31 March 2025 HK\$'000 (audited)
Trade payable (<i>Note</i>)	12,461	5,266
Accrued construction costs to contractors	153,587	154,933
Interest payables	320,294	290,079
Other payables	82,640	83,079
Other tax payables	221,923	218,102
	<hr/>	<hr/>
	790,905	751,459
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Note:

The following is an ageing analysis of the Group's trade payable, presented based on the date of materials and services received, at the end of the reporting period:

	30 September 2025 <i>HK\$'000</i> (Unaudited)	31 March 2025 <i>HK\$'000</i> (Audited)
0-90 days	12,400	5,258
91-180 days	53	—
181-365 days	—	—
Over 365 days	8	8
	<u>12,461</u>	<u>5,266</u>

17. BORROWINGS

	30 September 2025 <i>HK\$'000</i> (unaudited)	31 March 2025 <i>HK\$'000</i> (audited)
Borrowings, secured (<i>Note (a)</i>)	126,734	124,521
Borrowings, unsecured (<i>Note (b)</i>)	402,825	406,517
	<u>529,559</u>	<u>531,038</u>
Carrying amount of borrowings repayable:		
Within one year	529,559	531,038
More than one year, but not exceeding two years	—	—
	<u>529,559</u>	<u>531,038</u>
Less: amount shown under current liabilities	<u>(529,559)</u>	<u>(531,038)</u>
Amounts shown under non-current liabilities	<u>—</u>	<u>—</u>

All borrowings are fixed-rate borrowings and were denominated in RMB during both periods.

The ranges of effective interest rates on the Group's fixed-rate borrowings are as follows:

	30 September 2025 HK\$'000 (unaudited)	31 March 2025 HK\$'000 (audited)
Effective interest rates	3% – 18%	3% – 18%

Notes:

- (a) The followings show the carrying amounts of certain assets pledged to secure the borrowings provided to the Group:

	Carrying amounts of assets pledged HK\$'000
At 30 September 2025 (unaudited)	
Property, plant and equipment	66,732
At 31 March 2025 (audited)	
Property, plant and equipment	65,567

As at 30 September 2025, hotel rooms under construction in progress (included in property, plant and equipment) of HK\$66,732,000 (unaudited) (31 March 2025: HK\$65,567,000 (audited)) are pledged as security for one of the Group's borrowings of HK\$126,734,000 (unaudited) (31 March 2025: HK\$124,521,000 (audited)) at a fixed rate of 6.5% per annum.

- (b) As at 30 September 2025, the Group's unsecured borrowings represent:
- (i) Unsecured borrowings of HK\$7,465,000 (unaudited) (31 March 2025: HK\$7,335,000 (audited)) provided by independent third parties with interest at a fixed rate of 18% per annum;
 - (ii) Unsecured borrowings of HK\$21,827,000 (unaudited) (31 March 2025: HK\$21,446,000 (audited)) provided by Radiant Path Global Limited, a related party of non-controlling owner of the Company's subsidiary, with interest at a fixed rate of 3% per annum; and
 - (iii) Unsecured borrowings of HK\$373,533,000 (unaudited) (31 March 2025: HK\$377,736,000 (audited)) provided by 廣西正和實業集團有限公司 (Guangxi Zhenghe Industrial Co., Ltd*), the former related party of Liuzhou Zhenghe with interest at a fixed rate of 12% per annum.

18. CONTRACT LIABILITIES

Considerations in respect of properties sold are received in accordance with the terms of the related sales and purchase agreements, certain portion are received on or before the date of delivery of the properties to customers which is recorded as contract liabilities.

	30 September 2025 <i>HK\$'000</i> (unaudited)	31 March 2025 <i>HK\$'000</i> (audited)
Contract liabilities arising from property development business	<u>10,155</u>	<u>5,956</u>
		<i>HK\$'000</i>
At 31 March 2025 (audited)		5,956
Additions		4,073
Exchange adjustments		<u>126</u>
At 30 September 2025 (unaudited)		<u>10,155</u>

As at 30 September 2025, the amount of sales deposits received expected to be recognised as revenue after one year is nil (31 March 2025: nil).

19. CONTINGENT LIABILITIES

	30 September 2025 <i>HK\$'000</i> (unaudited)	31 March 2025 <i>HK\$'000</i> (audited)
Guarantees given to banks for mortgage facilities granted to purchasers of the Group's properties	<u>457,689</u>	<u>449,670</u>

The Group had provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchaser to banks, the Group is then entitled to take over the legal title of the related properties. The guarantee period commences from the dates of grant of the relevant mortgage loans and ends after the buyer obtained the individual property ownership certificate.

The Group's management, with its assessment of the current and outlook of the market, perceives that the possibility of default in mortgage loans by home buyers is remote and, in the event of default, the liabilities caused to the Group will be minimal as the loss will be adequately mitigated by the proceeds recovered from the sales of the repossessed properties. Accordingly, no provision is made in the accounts for the guarantees.

MANAGEMENT DISCUSSION AND ANALYSIS

Overall results

Key performance indicator (Financial Ratio)

		Six months ended	
		30 September	
	Notes	2025	2024
Revenue (HK\$'000)		38,396	106,862
Gross profit margin (%)	(i)	7.98%	12.89%
Loss for the period (HK\$'000)		112,268	65,429
Loss per share (HK cents)		0.36	0.24
		30 September	31 March
		2025	2025
Current ratio		1.10	0.85
Gearing ratio		1.11	3.45
Net asset value per share (HK cents)	(ii)	2.40	0.83

Notes:

- (i) Gross profit margin is calculated as gross profit divided by revenue and multiplying the resulting value by 100%.
- (ii) Net asset value per share is calculated based on the number of 23,101,402,320 ordinary shares issued as at 30 September 2025 (31 March 2025: 20,319,072,320 ordinary shares).

The Group's revenue for the reporting period is approximately HK\$38,396,000, compared to HK\$106,862,000 in 2024 represented a decrease of 64.07%. In current reporting period, the revenue is primarily derived from property-related activities while the revenue from the corresponding period in 2024 was generated from leasing and trading of computer equipment business. The Group generated HK\$10,861,000 from property sales, HK\$26,882,000 from the provision of property management services, a new business line launched early in the year, and HK\$653,000 from cryptocurrency-related business, another new business line launched in late September 2025. As the performance of leasing computer equipment business is highly related to the price of Filecoin, the prolonged decline of the price of Filecoin resulted an unfavour market for this business and no contribution was recorded for the current period.

An overall gross profit of approximately HK\$3,065,000 (2024: HK\$13,773,000) and a gross profit margin of 7.98% (2024: 12.89%) were recorded for the current period. The gross profit for the current period has decreased because the majority of revenue now comes from the property management segment, which has a lower gross profit margin when compared to the leasing of computer equipment segment. In previous period, leasing of computer equipment contributed a higher-margin portion of revenue, but there has been no revenue from this segment in the current period. As a result, the overall gross profit margin has declined due to the shift in revenue composition.

The Group incurred substantial losses of approximately HK\$112,268,000 for the reporting period (2024: HK\$65,429,000). The loss was primarily attributable to absence of contribution of revenue generated from the leasing and trading of computer equipment business which help to absorbed the direct cost of services comprised mainly rental expenses of data centers amounted to HK\$8,029,000 and depreciation of the computer equipment amounted to HK\$34,941,000. These direct cost of services were regarded as administrative and other expenses for the current period.

The basic and diluted loss per share was approximately 0.36 HK cent for the reporting period (2024: 0.24 HK cent).

Review of operations and prospect

Liuzhou Zhenghe (property development and hotel business segment)

Zhenghe City is a mix-used complex project located at No. 102, Xinliu Avenue, Liudong New District, Liuzhou, Guangxi Zhuang Autonomous Region, the PRC, which offers a wide range of properties, including villas, townhouses, commercial buildings, office buildings, hotels and high-rise apartments developed by Liuzhou Zhenghe.

Zhenghe City comprises two phases with Phase I providing a stack of residential and commercial properties with gross floor area of approximately 485,000 square meters. Phase II will provide another stack of residential and commercial properties with a total gross floor area of approximately 513,000 square meters. The construction work of both Phase I and Phase II are substantially completed. The Group owned 100% interest in properties held for development and properties held for sale in both Phase I and Phase II.

(a) Detail area of the properties under development and completed properties are as follows:

	Site area	Approximate gross floor area	Saleable area remaining unsold (Note 2)	Properties held for self- operating/ own use
	(sq.m)	(sq.m)	(sq.m)	(sq.m)
Phase I:				
Zone A	76,000	97,000	12,000	—
Zone B	94,000	130,000	10,000	—
Zone C	61,000	258,000	98,000	—
	<u>231,000</u>	<u>485,000</u>	<u>120,000</u>	<u>—</u>
Phase II:				
Zone D	71,000	191,000	44,000	—
Zone E	30,000	140,000	78,000	31,000
Zone F	41,000	182,000	35,000	—
	<u>142,000</u>	<u>513,000</u>	<u>157,000</u>	<u>31,000</u>
Total:	<u><u>373,000</u></u>	<u><u>998,000</u></u>	<u><u>277,000</u></u>	<u><u>31,000</u></u>

Note 1: The number of square meters (“sq.m”) are rounded to nearest thousand for illustrative purpose only.

Note 2: Representing the saleable gross floor area of completed properties that were unsold as at 30 September 2025.

(b) The progress of each phase in Zhenghe City are shown as follows:

	Property type	Status
Phase I:		
Zone A	Villas and high-rise apartment buildings with retail outlets, farmers market and car parking spaces	The construction works were completed and most of the residential units were sold in the past financial years. Farmers market and car parking spaces attached, with a total saleable area of approximately 12,000 square meters are held for sale.
Zone B	Villas and high-rise apartment buildings with retail outlets and car parking spaces	The construction works were completed and most of the residential units were sold in the past financial years. Remaining unsold saleable area are retail outlets and car parking spaces with approximately 10,000 square meters are held for sale.
Zone C	Residential and commercial complexes and studio/office buildings with retail outlets and car parking spaces	There are 7 blocks of residential and commercial complexes and 3 blocks of studio/office buildings in this zone. The construction works of these buildings were completed.

Property type		Status
		Most of the units were sold and approximately 15,000 square meters of unsold saleable area associated with this studio/office building remain available for sale as at 30 September 2025.
		Besides, retail outlets and car parking spaces attached to these buildings with saleable area of approximately 83,000 square meters in this zone are also held for sale.
Phase II:		
Zone D1	Villas	The construction works of the villas in this zone were completed and sold to the customers and revenue was recognised in the past financial years.
Zone D1	High-rise apartment buildings with retail outlets and car parking spaces	There are 5 blocks of high-rise apartment buildings in this zone.

	Property type	Status
		<p>The construction works of these 5 blocks of high-rise apartment buildings were completed and most of the units were sold in the past financial years.</p> <p>Car parking spaces and few remaining retail shops with a total saleable area of approximately 44,000 square meters in this zone are held for sale.</p>
Zone D2	Villas	<p>The construction works of 36 villas are completed and were sold in the past financial years.</p>
Zone E	<p>Hotel and high-rise apartment buildings with retail outlets and car parking spaces</p>	<p>The construction works of high-rise apartment buildings were completed and most of the units were sold in the past financial years. Retail outlets and car parking spaces attached to this apartment building with a saleable area of approximately 24,000 and 54,000 square meters respectively are held for sale.</p>

	Property type	Status
		<p>The substantial construction works of the hotel building were completed and the pre-sale permit was granted. The acceptance certificate of completion is expected to be obtained in due course, subject to the completion of all statutory requirements and the approval process by the relevant authorities. The Group intends to operate the hotel directly instead of holding it for sale. Therefore, constructing area of approximately 31,000 square meters of the hotel building are recorded in property, plant, and equipment.</p>
Zone F	Residential and commercial complexes with retail outlets and car parking spaces	<p>There are 6 blocks of residential and commercial complexes in this zone.</p> <p>The construction works of 6 blocks of residential and commercial complexes were completed and most of the units together with the attached retail outlets were sold in the past financial years.</p> <p>Remaining unsold saleable area mainly included retail outlets and car parking spaces attached to this complex with a saleable area of approximately 8,000 and 27,000 square meters respectively.</p>

- (i) For property development segment in Liuzhou Zhenghe, an area of approximately 2,000 square meters was sold during the period (2024: nil). A segment revenue of approximately HK\$10,861,000 (2024:nil) was recorded for the current period and a gross profit of HK\$332,000 was generated.

A segment loss of approximately HK\$59,027,000 was recorded for the reporting period (2024: HK\$59,250,000). Segment loss recorded was mainly due to (i) impairment loss on properties held for sale amounted to HK\$22,595,000 as a result of the poor property market conditions in the PRC; and (ii) finance costs of HK\$28,107,000 cannot be capitalized and charged as expense during the period as most of the building construction works in Liuzhou Zhenghe were completed.

An external expert was engaged to help to assess the fair value of the properties development project as at 30 September 2025. For those properties which had completed the construction work and were held for sale, a market comparison method by making reference to comparable sales transactions as available in the relevant market was used. For those properties still under construction, the value was derived by using a market comparison method with the assumption that the construction works of the properties would have been completed at the date of valuation and have taken into account the construction costs expected and costs that will be expended to complete the development. An impairment loss amounted to HK\$22,595,000 is recognized for completed properties held for sale for the period ended 30 September 2025 as the net realisable value is lower than carrying amount.

Liuzhou Zhenghe will proceed with the development of the remaining hotel building in Zone E, Phase II of Zhenghe City. In response to the ongoing challenges in the PRC real estate sector, the Group will maintain a prudent and conservative strategy for its property business to ensure sustainable progress. To support this strategy, the Company will actively drive sales of existing property inventory to bolster liquidity, while maintaining a disciplined, selective approach to pursuing new development opportunities.

- (ii) The hotel business is located in Zone E1 of Zhenghe City with gross floor area of approximately 31,000 square meters. The substantial construction works of the hotel building were completed but acceptance certificate of completion has not yet been obtained. In 2018, the Group entered into a franchising agreement with a well-known international hotel franchisee to operate the hotel under the franchising requested standards, however the franchise agreement was lapsed as the acceptance certificate of completion was not granted within the stipulated contract period. No revenue will be generated until commencement of operation of the hotel. An external expert was engaged to assess the fair value of the hotel building as at 30 September 2025. An impairment loss of HK\$8,593,000 was recognized for the period ended 30 September 2025 as the net realizable value fell below the carrying amount due to unfavorable conditions in the real estate market in the PRC.

Property management business

The Group is primarily engaged in property development. After spent several years in the property development sector in the PRC, the Group has been actively exploring opportunities to broaden its business scope by tapping into other property related activities.

During the last financial year, the Group established a joint venture in Hong Kong, with the Group holding a 51% interest and an independent third party, possessing over ten years of experience in property management in the PRC and extensive sector contacts, holding the remaining 49%. Through this joint venture, the Group acquired 100% equity interests of a PRC company, 居住主題公園(福州)物業管理有限公司 (Residential Theme Park (Fuzhou) Property Management Co., Ltd.*), which engages in property management business in PRC and manage an estate with gross floor area of 492,000 square meters of residential space and 19,000 square meters of commercial space in Fuzhou.

The Board believes that this acquisition provides the Group with a strategic opportunity to leverage its property development expertise to expand into property management in the PRC. This will enable the Group to diversify its revenue streams and achieve stable and sustainable long-term growth, thereby enhancing shareholder value.

Following the acquisition, the Group continues to explore the business opportunity in property management business in the PRC. With the help to the joint venture partner, the Group obtained various property management service contracts through subcontracting arrangements. As of 30 September 2025, the Group has obtained management rights over multiple property estates in Fuzhou and Lanzhou, with a total gross floor area under management of 1,970,000 square meters of residential space and 77,000 square meters of commercial space, through these subcontracting arrangements.

Revenue generated from the new property management segment in the current period has shown steady growth, amounting to approximately HK\$26,882,000, with a minimal segment loss of HK\$1,626,000. The property management business has made satisfactory progress since its inception in early 2025. As at 30 September 2025, the total gross floor area managed by the Group was 2,462,000 square meters of residential space and 96,000 square meters of commercial space in Fuzhou and Lanzhou. Going forward, the Group intends to allocate additional resources to expand this segment and secure more property management service contracts, aiming to provide a stable and sustainable revenue stream.

Cryptocurrency-related business

The Group believes that the emerging Fintech industry is one of the innovative factors that would improve the delivery of global financial services in the future. The Group continues to explore different potential opportunities in the Fintech sector, including but not limited to Fintech-related upstream and downstream services, infrastructure projects in connection with Fintech.

In view of Hong Kong government actively supports the development of Fintech in Hong Kong with its goal of creating a top crypto hub, the Group decided to tap into the cryptocurrency industry in 2025. Such move synchronize with our vision to explore business opportunity in the emerging Fintech industry.

On 8 August 2025, the Group announced to formed a joint venture to develop its cryptocurrency-related business. The joint venture will generate revenue and profits through various strategies, including but not limit to cryptocurrencies mining, trading of cryptocurrencies, renting out hash power by joining mining pools and trading of mining hardware.

On 19 September 2025, the Group announced its first step in its development in cryptocurrency business. Agreements to purchase 1,863 high-performance HASH supercomputing servers were executed with Bitmain Group, a group principally engaged in the sale and distribution of cryptocurrency mining hardware and related equipment, alongside the provision of comprehensive cryptocurrency mining hosting solutions. Each server delivers a minimum hash rate of 358T and consumes 5,370W of power, representing a strategic investment to maximize mining efficiency and operational scale. The total consideration for these servers amounted to approximately US\$10.9 million (approximately HK\$84.9 million), with payment options including cash, Bitcoin pledge, or a combination thereof. These servers are deployed in data centers located in the United States and Paraguay, leveraging competitive energy costs and advanced infrastructure to ensure stable and efficient mining operations. The Group has also entered into managed hosting agreements with Bitmain Group, ensuring secure and reliable asset custody, with mining outputs directed to the Group's designated wallet and trust accounts.

The Group decided to settle the aforesaid acquisition consideration by Bitcoin pledge. The Group purchased Bitcoin from the open market and transfer to Bitmain Group for payment with an option to redeem the same amount of Bitcoin with the same reference price in a designated period. As the Group believes that cryptocurrencies, as means of preserving value, are backed up by strong public open-source architecture, and therefore have the potential to resist inflation in the long run and appreciate the value stored and have long-term value, such arrangement let the Group enjoys the benefit of possible appreciation of Bitcoin in the future.

In order to support the expansion of the cryptocurrency business, the Group successfully raised additional capital of approximately HK\$500.3 million through placement of shares on 30 September 2025. According to our business plan, approximately 90% of these proceeds (approximately HK\$450.0 million) will be allocated to supporting in cryptocurrency-related business.

In addition to direct hardware investment in the cryptocurrency mining business, in November 2025, the Group diversify its mining operation into cloud mining. The cloud mining arrangements provides an alternative business strategy to the Group in eliminating the need for large upfront capital investments in mining hardware, infrastructure, and maintenance, converting substantial capital expenditures into more manageable operating expenses. This arrangement thereby reduces operational complexities and risk exposure related to hardware failures, energy management, and technical challenges. Most importantly, it provides greater flexibility and scalability, allowing the Group to adjust its mining involvement without the constraints of fixed assets. The Group's approach integrates both direct hardware procurement and cloud-based solutions, enabling rapid adaptation to market changes and technological advancements.

For the current period, as the mining activities of the Group only commenced a few days before 30 September 2025, only minimal output generated. Only approximately 0.736 Bitcoin was mined up to 30 September 2025 and recognised correspondence revenue of approximately HK\$653,000. The segment loss for the current period is approximately HK\$424,000 which attributed mainly to salaries expenses and hosting service fees for mining equipment.

Looking ahead, the Group will continue to monitor the evolving regulatory landscape and technological advancements in the Fintech industry. In addition to expansion in the cryptocurrency-related business, the Group plans to explore new opportunities in different area, including but not limit to artificial intelligence, asset tokenization, stablecoin applications and decentralized finance (DeFi), to further diversify its business and enhance long-term shareholder value. The Group remains committed to robust governance, transparent reporting, and proactive risk management in all aspects of its cryptocurrency-related activities, with ongoing disclosures of financial performance and asset holdings to ensure investor confidence.

Leasing and trading of computer equipment

In 2022, the Group launched a business leasing data storage equipment to customers who provide virtual storage space for end-users in exchange for Filecoin, as well as trading data storage equipment. The leasing business continued to expand in 2023. The income and cash-flow generation capacity of the customers is highly related to the price of Filecoins. The price of Filecoin fell from approximately US\$20.28 per Filecoin in April 2022 to around US\$2.75 per Filecoin on 31 March 2025. This significant and prolonged decline materially weakened the customers' ability to generate cash flow and repay their outstanding rental.

From December 2024 onwards, customers decided not to renew their leasing agreements in view of the prolonged downward trend of the price of Filecoin. The Group had issued formal demand letters to customers for the outstanding rentals and requested the customers to provide financial statements or management accounts to assess their financial ability but the customers resisted to provide. The Company eventually engaged legal advisers to issue letters to pursue recovery. The Group will continue to explore ways to recover the outstanding rentals from the customers, and will also seek new leasing customers for the computer equipment.

In view of the long outstanding rentals with limited recovery and termination of leasing agreements without renewal, a professional valuer was engaged to assess the necessary impairment as of 31 March 2025. The outstanding rental receivables as at 31 March 2025 was HK\$146,383,000 and full provision has been made.

Although all the leasing agreements have not been renewed, the Company still has regular contact with the customers to request for payment of outstanding rentals. The Company consistently issued formal demand letters to the customers, outlining the overdue amounts and requesting settlement within a specified timeframe. The Company is also in discussion with the customers to explore payment method and schedules that would be feasible for the customers to settle the outstanding rental amounts and at the same time reasonable for the Company. After the termination of the leasing agreements, the Group did not continue to conduct business dealings with counterparties whose receivables remained overdue.

During the current period, approximately HK\$2,942,000 was recovered from one customer and it undertook that it will settle the unpaid rental, which result in the reversal of the previously recognised impairment loss. Up to the date of this announcement, approximately HK\$3,678,000 had been recovered. An agreement has been reached with another customer that approximately 1.2 million pieces of Filecoins held by that customer are jointly custody by the Company and that customer. That customer undertook to sell the Filecoins when the price rebounds and the proceed will be used to settle the unpaid rental. The outstanding rental as at the date of this result announcement due from these two customers amounts to HK\$29,065,000 and HK\$113,643,000 respectively.

The Company has taken active efficient and sufficient measures to recover outstanding rentals and safeguard its assets. These measures include issuing formal demand letters to both customers, conducting regular meetings to follow up on repayments, and recovering certain amounts from customers to date. The Company has also closely monitored the concrete repayment actions taken by customers. Based on these efforts, the Board is satisfied that appropriate recovery steps have been implemented.

For the current period, the Group has not generated any rental income from equipment leasing, as compared to HK\$106,862,000 in 2024, as all contracts were terminated in late 2024. In view of the low market price of Filecoin, it has been challenging to attract new customers to lease our equipment.

The segment recorded a loss of HK\$39,957,000 for the current period, compared to a profit of HK\$13,524,000 in 2024. The loss for the current period was primarily attributable to contractual obligations for data centre rental fees amounted to HK\$8,029,000 and depreciation of the computer equipment amounted to HK\$34,941,000 and was partially offset by a reversal of impairment loss of HK\$2,942,000 related to receivables settled during the current period.

At this moment, in view of the low market price of the Filecoin, the Group will not deploy additional resources to this segment. The Group will try our best to attract new customers through adjustment on rental package to absorb the heavy maintenance costs of the storage equipment. The Group will closely monitor the market and explore different opportunities for the development of this segment which is the most appropriate for the Group from time to time.

Other operations

Contact lens business in Fuzhou

The Group partially disposed of its equity interest in contact lens business in Fuzhou in 2023 and became a 34% associated company. The loss shared by the Group for the current period amounted to HK\$5,669,000 (2024: HK\$2,659,000). To support the operation of the associate, the Group entered into a counter-guarantee agreement to provide counter-guarantee security over its 34% equity interest and related rights in the associated company in favor of the major shareholder, who is a guarantor under a credit facility granted to support the repayment obligations of the associate under the facility.

Financing Business

The Group adopted a prudent and careful strategy to operate its financing business and no new loan has been lent during the current period. Although all long overdue loans have been fully impaired in the previous years, we kept arranging staff to visit the pledged plantation site in Shanghai regularly and performed stock take of the collaterals to make sure the collaterals are in good condition. We will continue to monitor the situation and explore any possible actions to recover the loans.

Update on the progress of the proposed new projects

Termination on Digital logistics services business

In March 2024, the Group planned to set up a joint venture in Fuzhou to operate a logistic platform to provide digital logistic services. Due to restrictions on foreign investments in this business operation under the PRC laws, a variable interest entity (VIE) structure arrangement was proposed. In view of the prolonged application process for the relevant license and the major operation terms cannot be reached and concluded among the joint venture partners, a termination agreement was mutually agreed upon and executed by all parties in September 2025. According to the termination agreement, neither party holds any responsibilities or liability toward the others. No payment of capital had been made by the Group.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 29 August 2025, the Company entered into subscription agreements pursuant to which the Company has conditionally agreed to allot and issue and the subscribers have conditionally agreed to subscribe for 2,782,330,000 new shares in aggregate at the subscription price of HK\$0.18 per share in accordance with the terms and conditions of the subscription agreement (the “Subscription”). The Subscription Shares were allotted and issued under the general mandate granted. The completion of the Subscription took place on 30 September 2025. The net proceeds received by the Company from the Subscription after deducting related fees and expenses were approximately HK\$500.3 million, which intends to apply for general working capital and capturing potential investment opportunities which may arise in the near future to explore cryptocurrency investments and opportunities in Web 3.0. Details of the Subscription were set out in the announcements of the Company dated 29 August 2025, 11 September 2025 and 30 September 2025.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

Save as disclosed herein, there was no material acquisitions and disposal of subsidiaries and associated companies during the reporting period.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Except for the implementation plans disclosed in the section headed “Management Discussion and Analysis” of this announcement, the Group did not have other plans for material investments or capital assets as at 30 September 2025.

EVENTS AFTER REPORTING DATE

On 15 October 2025, a total of 2,000,000,000 share options being grant by the Company under 2023 Share Option Scheme to certain employees and directors, allowing subscription for shares at an exercise price of HK\$0.274 per share. These options, which represent approximately 8.66% of the Company’s total issued shares, vest one year after the grant date and can be exercised within 10 years. The options granted to Directors form part of their remuneration and are exempt from certain shareholder approvals under the Listing Rules. This transaction aligns with the company’s goals to attract and retain talent and motivate employees without increasing operating costs. For details, please refer to announcement published by the Company dated 15 October 2025.

In October 2025, the Company continued its strategic investment in cryptocurrencies by acquiring additional Bitcoins through open market. The Company acquired Bitcoin from the open market in aggregate consideration of HK\$200 million in October and November 2025, funded by the Group's internal resources, to further support the growing fintech and cryptocurrency segment. On 10 November 2025, the Group entered into a Cloud Hashrate Service Agreement with Sharpening Technology Limited, an independent third party, to procure cloud mining services of 1 EHs for duration of 365 days at US\$15 million, with consideration paid in Bitcoin. The Company believes these transactions diversify treasury holdings, support its mining operations and enhance shareholder value. For details, please refer to announcements published by the Company dated 16 October 2025, 31 October 2025 and 10 November 2025.

On 22 October 2025, the Company's 70% owned subsidiary, entered into a non-legally binding letter of intent to acquire 100% equity interest in SAI US INC, a US-based company operating a 5MW Bitcoin mining data center. The proposed acquisition consideration is estimated to be US\$1,000,000 and subject to negotiation based on valuations of the mining facility and other assets. This potential acquisition aligns with the Group's strategic plan to expand its cryptocurrency mining operations and diversify business streams in the Fintech sector. For details, please refer to announcements published by the Company dated 22 October 2025.

Save as disclosed herein, there are no material subsequent events undertaken by the Group after the reporting period.

FINANCIAL REVIEW

Finance position, liquidity and gearing

As at 30 September 2025, the total assets and liabilities of the Group were at approximately HK\$2,002,435,000 (31 March 2025: HK\$1,545,770,000) and approximately HK\$1,448,467,000 (31 March 2025: HK\$1,376,375,000) respectively. The Group recorded a total equity of approximately HK\$553,968,000 as at 30 September 2025 (31 March 2025: HK\$169,395,000).

The Group recorded net current assets of approximately HK\$150,119,000 as at 30 September 2025 (31 March 2025: net current liabilities of approximately HK\$208,178,000). The bank balances and cash as at 30 September 2025 was approximately HK\$727,609,000 (31 March 2025: HK\$315,413,000), of which most were denominated in Hong Kong dollars, US dollars and Renminbi.

The Group's current ratio (defined as current assets divided by current liabilities) was 1.10 (31 March 2025: 0.85).

As at 30 September 2025, the Group had total borrowings amounting to approximately HK\$613,323,000 (31 March 2025: HK\$583,904,000), with 95% denominated in Renminbi and all borrowings due within one year. The breakdown is as follows:

- (i) Secured borrowings amounting to approximately HK\$126,734,000 (31 March 2025: HK\$124,521,000) with fixed interest rate of 6.5%;
- (ii) Unsecured borrowings amounted to approximately HK\$402,825,000 (31 March 2025: HK\$406,517,000) with fixed interest rate ranges from 3% to 18%; and
- (iii) Interest free loan due to non-controlling interests and ultimate holding company amounting to approximately HK\$82,165,000 (31 March 2025: HK\$51,254,000), and HK\$1,599,000 (31 March 2025: HK\$1,612,000) respectively.

The gearing ratio, as a ratio of total borrowings to total equity, as at 30 September 2025 was 1.11 (31 March 2025: 3.45).

Financial resources

During the period, the Group's operations continued to be mainly financed by internal resources, borrowings as well as proceeds raised from equity financing exercise in December 2016 and subscription of new shares on 30 September 2025. The management believes that the Group will generate its liquidity from business operations and will consider making use of further equity financing when necessary.

Capital structure

As at 30 September 2025, the total issued share capital of the Company was HK\$23,101,402 (31 March 2025: HK\$20,319,072) which is divided into 23,101,402,320 (31 March 2025: 20,319,072,320) shares of ordinary shares of the Company.

Charges on assets

As at 30 September 2025, certain property, plant and equipment with carrying amount of approximately HK\$66,732,000 (31 March 2025: HK\$65,567,000) were pledged to secure certain borrowings granted to the Group.

Contingent liabilities

The Group had provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is any default of the mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchaser to banks, the Group is then entitled to take over the legal title of the related properties. The guarantee period commences from the dates of granting the relevant mortgage loans and ends after the buyer obtains the individual property ownership certificate. As at 30 September 2025, the guarantee given to banks for the above-mentioned mortgage facilities amounted to approximately HK\$457,689,000 (31 March 2025: HK\$449,670,000).

Foreign exchange exposure

As part of the Group's assets and liabilities are denominated in Renminbi, US dollars and Hong Kong dollars, in order to minimise the foreign exchange risk, the Group aims to utilise the fund for transactions that are denominated in the same currency.

INTERIM DIVIDEND

The Board has resolved not to declare any dividend for period ended 30 September 2025 (2024: nil).

EMPLOYMENT AND REMUNERATION POLICY

As at 30 September 2025, the Group had approximately 460 employees (2024: 70). The employees' salaries are reviewed and adjusted annually based on their performance and experience. The Group's employee benefits include performance bonus, medical insurance, share options, mandatory provident fund scheme, local municipal government retirement scheme and education subsidy to encourage continuous professional development of staff.

MODEL CODE FOR DIRECTOR'S DEALING IN SECURITIES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Having made specific enquiry of all Directors, the Company received confirmation from all of the Directors that they had complied with the required standard set out in the Model Code and its code of conduct regarding Directors' securities transactions throughout the reporting period.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S SHARES

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company's securities during the reporting period.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix C1 of the Listing Rules throughout period except for certain deviations as specified and explained below with considered reasons for such deviations.

- (a) In accordance with the code provision C.2.1, the role of Chairman and Chief Executive Officer ("CEO") should not be performed by the same individual. However, the Company did not officially appoint a Chairman or a CEO during the period. The responsibilities of the Chairman and daily management of the Group's business is handled by the executive Directors collectively and supported by a team of senior management, which is in turn supported by staff with relevant expertise and experience.

The Board considers that this arrangement allows for contributions from all executive Directors with different expertise and is beneficial to the continuity of the Company's policies and strategies and the interest of the shareholders of the Company as a whole. Depending on the future development of the business of the Company, the Board will review the existing structure and consider the issue of nominating appropriate candidate to fill up the role of Chairman and CEO.

- (b) Code provision F.2.2 stipulates that the Chairman should attend the annual general meeting. The Company does not at present have any officer with the title Chairman. However, one of the Directors presents at the annual general meeting held on 15 September 2025 was elected as chairman thereof to ensure an effective communication with the shareholders thereat.
- (c) Code provision C.6.3 stipulates that the company secretary should report to the Chairman and/or the CEO. As the Company did not officially appoint a Chairman or a CEO, the company secretary reported to the executive Directors during the period.

Save as those mentioned above, in the opinion of the Directors, the Company complied with the code provisions of the CG Code during the period.

AUDIT COMMITTEE

As at the date of this announcement, the Audit Committee of the Company comprised of three independent non-executive Directors, namely, Mr. Yap Yung (the chairman), Ms. Chen Lanran and Mr. Wong Kin Ping, all of whom possess extensive experience in financial and general management. The primary duties of the Audit Committee are to manage the relationship between the Company and its external auditor and monitor the audit scope and the process, to review and supervise the financial reporting process, internal control system and risk management and to provide advice and comments to the Board.

The Group's unaudited interim financial information for the six months ended 30 September 2025 has been reviewed by the Audit Committee. Based on this review and discussions with the management, the Audit Committee was satisfied that the unaudited interim financial information of the Group was prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the current reporting period with adequate disclosures.

REVIEW OF INTERIM RESULTS

At the request of the Audit Committee, the auditors of the Company, Rongcheng (Hong Kong) CPA Limited (formerly known as CL Partners CPA Limited), had carried out a review of the unaudited interim financial information for the period in accordance with Hong Kong Standard on Review Engagement 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. Based on their review, our auditor confirmed that nothing had come to their attention that caused them to believe that the interim financial information was not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.147hk.com respectively. The interim report containing all information required by the Listing Rules will be dispatched to the Company's shareholders and available on the above websites in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express our appreciation to the continuous support of our shareholders and hard work and dedication of all our staff over the period.

By Order of the Board
International Business Settlement Holdings Limited
Yuen Leong
Executive Director

Hong Kong, 28 November 2025

As at the date hereof, the Board comprises Mr. Yuen Leong and Mr. Chan Siu Tat as executive Directors; Mr. Liu Yu as non-executive Director; and Mr. Yap Yung, Ms. Chen Lanran and Mr. Wong Kin Ping as independent non-executive Directors.

* *The English name is for identification purpose only*