



2025

INTERIM REPORT



龍翼航空
MAJESTIC DRAGON

龍翼航空科技控股有限公司
MAJESTIC DRAGON AEROTECH HOLDINGS LIMITED

(formerly known as State Energy Group International Assets Holdings Limited)

(Incorporated in Bermuda with limited liability)

(Stock Code : 918)

CONTENTS

1	Corporate Information
2	Management Commentary
3	Management Discussion and Analysis
11	Other Information
16	Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
18	Condensed Consolidated Statement of Financial Position
20	Condensed Consolidated Statement of Changes in Equity
21	Condensed Consolidated Statement of Cash Flows
22	Notes to the Condensed Consolidated Financial Statements

CORPORATE INFORMATION

DIRECTORS

Executive Directors:

Mr. Zhang Jinbing (*Chairman*)
Mr. Yang Zeyun (*Chief Executive Officer*)
Mr. Wang Yuelai
Mr. Wang Jian

Independent Non-executive Directors:

Ms. Choi Ka Ying
Ms. He Xiaodong
Mr. Jie Yinghan

COMPANY SECRETARY

Ms. Lee Eva

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL OFFICE

Unit 13, 5/F, Tower 1
Harbour Centre
1 Hok Cheung Street
Hung Hom, Kowloon
Hong Kong

AUDITOR

Global Link CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditors

PRINCIPAL BANKERS

Bank of Communications

SOLICITORS

Bermuda:
Conyers Dill & Pearman

Hong Kong:
WE Lawyers

SHARE REGISTRARS AND TRANSFER OFFICES

Bermuda:
Conyers Corporate Services (Bermuda) Limited
Clarendon House,
2 Church Street,
Hamilton HM11
Bermuda

Hong Kong:
Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

STOCK CODE

0918

MANAGEMENT COMMENTARY

The board (the “**Board**”) of directors (the “**Directors**”) of Majestic Dragon AeroTech Holdings Limited (the “**Company**”) presents the interim report and the unaudited condensed consolidated financial statements of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 September 2025, together with the comparative figures for the corresponding period in 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECT

During the six months ended 30 September 2025 (the “**Reporting Period**”), the Group is principally engaged in the wholesale of consumer products including timepieces and accessories (“**Watch Products**”) and garment and sportswear products (the “**Wholesale Business**”), the sale of unmanned aerial vehicles and related parts and provision of unmanned aerial training services (the “**Unmanned Aerial Vehicles Business**”) and property investment (the “**Property Investment Business**”).

WHOLESALE BUSINESS

The Group carries on the business of wholesale and trading of consumer products, including garment and sportswear products and Watch Products in Hong Kong and Mainland China, and the garment products sold in Mainland China are mainly then exported to Africa.

Mainland China’s economy expanded 4.8% year-to-year in Q3 2025, down from 5.2% in Q2 2025, marking its slowest pace since Q3 2024. While in line with market expectations, the GDP growth has lost momentum after a strong start to the year, pressured by U.S. trade tensions, a prolonged property slump, and soft consumer demand. September data showed retail sales in China rose at their slowest pace in a year despite ongoing consumer subsidy programs, while the jobless rate edged down but remained near August’s six-month high. China’s statistics bureau cautioned that risks and external headwinds persist, with the recovery’s foundation still fragile. Still, it said that 5.2% growth in the first nine months lays a “solid foundation” for meeting a full-year target of around 5%.

Retail sales in Hong Kong rose by 4.8% year-on-year in September 2025, the increase was mainly driven by sales declined at a softer pace for clothing, footwear and allied products (-7.2% vs -9.7% in March 2025), sales growth moderated for jewellery, watches, clocks and valuable gifts (4.9% vs -6.0% in March 2025), and other consumer goods (5.7% vs -17.9% in March 2025). On a monthly basis, retail activity edged up to 2.7% from 2.5% in August 2025.

During the Reporting Period, Mainland China and Hong Kong markets had shown an increase in revenue due to the above factors.

MANAGEMENT DISCUSSION AND ANALYSIS

UNMANNED AERIAL VEHICLES BUSINESS

The Group carries on the Unmanned Aerial Vehicles Business through Shandong Longyi Aviation Technology Co., Ltd (“**Longyi**”), a wholly owned subsidiary of the Company and its subsidiaries (“**Longyi Group**”).

Longyi Group is based at High-tech Zone, Jining City, Shandong Province, Shandong, the PRC. The Longyi Group is also recognised as a High and New Technology Enterprise (高新技術企業) (“**HNTE**”) in the PRC, Specialized and Sophisticated Small and Medium-sized Enterprise (“**SME**”) in Shandong Province (山東省專精特新企業) and National Technology-based SME (科技型中小企業).

Longyi Group has a wide range of product types and applications, and has developed a series of drone products with load capacities ranging from 20 kilograms to 600 kilograms, all of which have been applied in practice. Multiple models have demonstrated outstanding performance in industry applications, with superior performance, safety, and reliability, making important contributions to the development of industrial drones. The product application covers multiple fields such as emergency rescue, forest fire prevention, geographic information surveying, geological survey, disaster monitoring, meteorological detection, air traffic control, communication relay, power construction wiring, inspection, aerial photography, urban public safety, smart agriculture, and has received unanimous recognition and praise from customers.

During the Reporting Period, revenue in Unmanned Aerial Vehicles Business increased as compared with same period of 2024., supported by the introduction and implementation of low-altitude economy in the PRC. According to the recent report released by National Development and Reform Commission (NDRC) saying that the low-altitude economy is expected to become a trillion-dollar new economic race track, and predicted that the shortage of drone pilots will reach one million. As such, the Group believed that there will be more opportunities with the high technology business in Unmanned Aerial Vehicles in order to capture the prospective return on investment.

In December 2024, Longyi Group established two low-altitude economic education and training centres in Tonghua City and Jining City to provide drone technology education training, drone pilot license training services and also drone talent training and industry education for talents and youth. The centres are large-scale education and training centres providing training services to government departments, major universities and other enterprises with comprehensive solutions for education and training, and also work with partners to connect education chain, talent chain, industrial chain, and innovation chain around the low-altitude economy, and to cultivate an ecology of low-altitude economy and to increase the Group’s revenue in coming years.

PROPERTY INVESTMENT BUSINESS

As at 30 September 2025, the Group held six investment properties located in Mainland China and five investment properties (including three car parking spaces) located in Hong Kong for generating rental income purposes (the **“Investment Properties”**). As at 30 September 2025, five investment properties were leased out, and the remaining investment properties (including three car parking spaces) were vacant.

As at 30 September 2025, the value of the Investment Properties amounted to approximately HK\$88.3 million.

The Group intends to hold the properties for rental income purpose and to monitor the performance of the property markets in Hong Kong and the PRC and consider reorganising its property portfolio should suitable opportunities arise.

FINANCIAL REVIEW

REVENUE

The Group recorded revenue of approximately HK\$75.8 million for the Reporting Period, representing an increase of approximately HK\$57.7 million (318%) as compared to that of approximately HK\$18.1 million for the six months ended 30 September 2024 (the **“Previous Period”**).

Revenue derived from the Wholesale Business increased by approximately HK\$33.9 million (267 %) from approximately HK\$12.7 million for the Previous Period to approximately HK\$46.6 million for the Reporting Period.

Revenue derived from the Unmanned Aerial Vehicles Business was in the sum of approximately HK\$28.1 million for the Reporting Period, representing an increase of approximately HK\$23.8 million (553%) as compared to that of approximately HK\$4.3 million for the Previous Period.

Revenue derived from Property Investment Business was dropped by approximately HK\$0.1 million (9%) from approximately HK\$1.1 million for the Previous Period to approximately HK\$1.0million for the Reporting Period.

MANAGEMENT DISCUSSION AND ANALYSIS

GROSS PROFIT AND GROSS PROFIT MARGIN

The Group recorded a gross profit of approximately HK\$27.3 million, representing an increase of 363% as compared to approximately HK\$5.9 million for the Previous Period. The gross profit margin for the Reporting Period was 36%, as compared to the gross profit margin of 33% for the Previous Period, the increase in gross profit margin was mainly attributable from increase in revenue of high profit margin products in Unmanned Aerial Vehicles Business and increase in revenue in Wholesales Business.

The Group recorded a gross profit and gross profit margin of approximately HK\$10.2 million and 22% respectively in the Wholesale Business for the Reporting Period, representing an increase of 325% as compared to approximately HK\$2.4 million for the Previous Period. The increase was in line with the increase in revenue.

The Group recorded a gross profit and gross profit margin of approximately HK\$16.0 million and 57% respectively in respect of the Unmanned Aerial Vehicles Business for the Reporting period, representing an increase of 540% as compared to approximately HK\$2.5 million for the Previous Period. The increase was in line with the increase in revenue.

The Group recorded a gross profit of approximately HK\$1.0 million in respect of the Property Investment Business for the Reporting Period, representing a decrease of 9% as compared to approximately HK\$1.1 million for the Previous Period. The decrease was in line with the decrease in rental income.

SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses decreased by 15% from approximately HK\$6.7 million for the Previous Period to approximately HK\$5.7 million for the Reporting Period. The decrease was mainly due to decrease in selling and distribution expenses in Watch Products line under Wholesale Business, upon the termination of exclusive distribution rights bearing certain trademarks as disclosed in last fiscal year of annual report.

ADMINISTRATIVE EXPENSES

Administrative expense decreased by 18% from approximately HK\$15.7 million for the Previous Period to approximately HK\$12.8 million for the Reporting Period. The administrative expenses mainly represented depreciation of property, plant and equipment, depreciation of right-of-use assets, amortization of intangible assets, legal and professional fees, and staff costs including directors and corporate employees.

IMPAIRMENT LOSSES ON ASSETS

TRADE AND OTHER RECEIVABLES

Impairment losses under expected credit loss (“ECL”) model, net of reversal represented the net impairment losses on trade and other receivables, which decreased by 97% from reversal of approximately HK\$1.0 million for the Previous Period to reversal of approximately HK\$26,000 for the Reporting Period.

Analysis of trade and lease receivables and allowance for credit losses at 30 September 2025:

Exposure to credit risk by business segments	As at 30 September 2025		
	Trade receivables, gross <i>HK\$'000</i>	Allowance for credit losses <i>HK\$'000</i>	Trade receivables, net <i>HK\$'000</i>
<u>Low risk</u>			
Wholesale Business	75,772	(1,153)	74,619
Property Investment	635	—	635
Unmanned Aerial Vehicles Business	27,983	(3,328)	24,655
	-----	-----	-----
	104,390	(4,481)	99,909
	-----	-----	-----
<u>Loss</u>			
Wholesale Business	76,750	(76,750)	—
Property Investment	6,197	(6,197)	—
Unmanned Aerial Vehicles Business	—	—	—
	-----	-----	-----
	82,947	(82,947)	—
	-----	-----	-----
Total	187,337	(87,428)	99,909
	=====	=====	=====

In assessing the ECL of the Group's trade and lease receivables, a credit rating analysis of the underlying debtors was adopted by reviewing the historical observed default rates, external information published by external credit rating agency and subsequent settlement of the grouped debtors and are adjusted for the forward-looking information.

Trade and lease receivables under loss credit risk exposure were fully provided with impairment losses.

Trade receivables under low credit risk exposure, impairment losses of approximately HK\$4.5 million were provided, representing 4% of gross balance at 30 September 2025. Subsequently up to the date of this report, the Group received settlement approximately HK\$15.6 million, representing 15% of the gross balance as at 30 September 2025.

Based on the above assessment, the management considered the impairment losses on trade and lease receivables provided were sufficient.

MANAGEMENT DISCUSSION AND ANALYSIS

CHANGE IN FAIR VALUE ON INVESTMENT PROPERTIES

The fair value loss on investment properties of approximately HK\$4.0 million for the Reporting Period represented fair value adjustment of the Group's properties located in Hong Kong and the PRC as at 30 September 2025.

FINANCE COSTS

Finance costs decreased by 96% from approximately HK\$1.3 million for the Previous Period to approximately HK\$54,000 for the Reporting Period, attributable from decreased in proceeds from bank borrowings during the Reporting Period.

LIQUIDITY, FINANCIAL RESOURCES AND FINANCIAL RATIO

During the six months ended 30 September 2025, the Group financed its operations and investments mainly by internally generated funds and debt financing.

Cash Position

The Group had total cash and bank balances of approximately HK\$17.4 million as at 30 September 2025 (31 March 2025: approximately HK\$33.1 million).

Bank and other borrowings

As of 30 September 2025, bank borrowings of the Group amounted to approximately HK\$5.4 million (31 March 2025: other borrowings of approximately HK\$0.6 million). The bank and other borrowings are repayable within one year or on demand.

LEVERAGE

The ratio of current assets to current liabilities of the Group was approximately 2.2 as at 30 September 2025 compared to approximately 2.3 as at 31 March 2025. Decrease in current ratio was mainly due to the increase in bank borrowings. The Group's gearing ratio as at 30 September 2025 was 2.0% (31 March 2025: 0.2%), which is calculated based on the Group's bank and other borrowings of approximately HK\$5.4 million (31 March 2025: approximately HK\$0.6 million) and the Group's total equity of approximately HK\$271.0 million (31 March 2025: approximately HK\$261.7 million). The increase in gearing ratio was mainly due to the increase in bank borrowings.

INTERIM DIVIDENDS

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

RISK MANAGEMENT

The Group's principal financial instruments include trade receivables, deposits and other receivables, cash and cash equivalents, trade and other payables, other borrowings and lease liabilities. The Group also has various financial assets and financial liabilities arising from our business operations. The Group's financial instruments are mainly subject to foreign currency risk, credit risk and liquidity risk. The Group aims to minimise these risks and hence maximise investment returns.

Foreign currency risk

The monetary assets and liabilities and business transaction of the Group are mainly based on Hong Kong dollars ("HK\$"), Renminbi ("RMB") and United States dollars ("US\$"). In view of the stability of the exchange rate between these currencies, the directors do not consider that the Group was significantly exposed to foreign exchange risk for the six months ended 30 September 2025. The Group manages its foreign exchange risk by performing regular reviews of the Group's net foreign exchange exposures and to mitigate the impact on exchange rate fluctuations by entering into currency hedge arrangement, if necessary. During the six months ended 30 September 2025 and 2024, no forward foreign exchange or hedging contracts had been entered into by the Group. The Group will continue to evaluate the Group's foreign currency exposure and take actions as appropriate.

Credit risk

The Group's credit exposure generally arises from counterparty risk in the course of engaging in the Wholesale Business, the Unmanned Aerial Vehicles Business, and the Property Investment Business. As at 30 September 2025, trade receivables and trade payables of the Group were approximately HK\$99.9 million and HK\$63.4 million (31 March 2025: approximately HK\$60.9 million and approximately HK\$49.6 million), respectively. The Group has a policy in financial risk management to ensure settlement of all receivables and payables during the credit period.

Liquidity risk

Liquidity risk is the risk that funds will not meet liabilities as they fall due. This may arise from mismatches in amounts or time with regard to the maturity of financial assets and liabilities. The objectives of the Group's liquidity risk management are: (1) maintaining the liquidity to support Group's principal business; (2) projecting cash flows and timely monitoring cash and bank balance position; and (3) evaluating the level of current assets to maintain sufficient liquidity of the Group.

TREASURY POLICIES

As at 30 September 2025, bank borrowings of approximately HK\$5.4 million (31 March 2025: other borrowings of approximately HK\$0.6 million) were denominated in RMB (31 March 2025: HK\$). The Group's bank borrowings as at 30 September 2025 were subject to floating interest rates (31 March 2025: other borrowings were subject to fixed interest rate).

MANAGEMENT DISCUSSION AND ANALYSIS

Cash and cash equivalents held by the Group were mainly denominated in HK\$, US\$ and RMB. The Group currently does not have foreign currency and interest rate hedging policies. However, the management of the Group monitors the foreign exchange and interest rate exposure from time to time and will consider hedging significant foreign exchange and interest rate exposure if needed.

USE OF NET PROCEEDS FROM THE PLACING OF NEW SHARES

Reference is made to the announcement of the Company dated 14 August 2023, 15 August 2023 and 4 September 2023 relating to the placing of new ordinary shares of HK\$0.01 each (the “Share”) of the Company, the Company and the placing agent (the “Placing Agent”) entered into the placing agreement (the “Placing Agreement”), pursuant to which the Company agreed to appoint the Placing Agent, and the Placing Agent has agreed to act as placing agent for the purpose of procuring, as agent of the Company, placees (the “Placees”) for, or failing which on a best effort basis, a maximum of 185,678,193 placing shares (the “Placing Share(s)”) to not less than six Placees who and whose ultimate beneficial owners are third parties independent of the Company and its connected persons at the placing price of HK\$0.180 per Placing Share (the “Placing”), all conditions set out in the Placing Agreement have been fulfilled and completion of the Placing took place on 4 September 2023.

The net proceeds after deducted from professional fees and other related expenses (“Net Proceeds”) from the Placing were approximately HK\$32.60 million, on such basis, the net price of each Share under the Placing is approximately HK\$0.176.

The net proceeds applied by the Group during the period from the completion date up to 30 September 2025 are as follows:

	Planned use of proceeds HK\$'000	Actual use of proceeds HK\$'000	Unused amount HK\$'000	Expected timeline for utilising the remaining net proceeds (Note)
Existing operations	22,820	(22,820)	—	
Potential investment	6,520	—	6,520	End of 2026
General working capital	3,260	(3,260)	—	
Total	32,600	(26,080)	6,520	

Note: The expected timeline for utilising the remaining net proceeds is based on the best estimation of the Company taking into accounts, among others, prevailing and future market conditions and business development and needs, and therefore is subject to change.

Any net proceeds that were not applied immediately have been placed at the short-term deposits with licensed banks in order to generate higher returns.

OTHER INFORMATION

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES OR ASSOCIATED COMPANIES

The Group had no material acquisition and disposal of subsidiaries or associated companies during the Reporting Period.

OPERATING SEGMENT INFORMATION

Details of the operating segment information of the Group for the six months ended 30 September 2025 are set out in note 4 to the condensed consolidated financial statements attached to this interim report.

CAPITAL COMMITMENTS

The Group did not have any material capital commitment as at 30 September 2025.

CONTINGENT LIABILITIES AND LITIGATION

As at 30 September 2025, the Group had no other significant contingent liabilities or pending litigation.

STAFF AND REMUNERATION POLICIES

As at 30 September 2025, the Group had a total of 115 employees (31 March 2025: 125 employees). Total staff costs (including Directors' emoluments) for the six months ended 30 September 2025 amounted to approximately HK\$5.3 million (for the six months ended 30 September 2024: approximately HK\$5.6 million). Primary means of remuneration include contributory provident funds, insurance and standard medical benefits. The emoluments of the Directors are decided by the remuneration committee of the Company based on the Company's operating results, individual performance and comparable market statistics. The Group has also adopted an annual discretionary bonus scheme for management and staff subject to the performance of the Group and individual employees. As at 30 September 2025, the Group has no outstanding share options issued to the Directors and employees for the purpose of providing incentives or rewards to the eligible employees for their contribution to the Group.

SIGNIFICANT INVESTMENT

The Group had no significant investment during the six months ended 30 September 2025.

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

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

OTHER INFORMATION

SHARE OPTION SCHEME

A share option scheme (the “**Share Option Scheme**”) which became effective on 28 September 2016 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date. The maximum number of shares in respect of which options may be granted must not exceed 10% of the issued share capital of the Company as at the date of adoption of the Share Option Scheme. The offer of a grant may be accepted upon payment of a nominal consideration of HK\$1 per acceptance. The exercise period of the share options granted is determinable by the Board, and commences on a specified date and ends on a date which is not later than 10 years from the date of grant of the share options. The exercise price will be determined by the Board, but shall not be less than the highest of (i) the closing prices of the Company’s shares as stated in the daily quotation sheet of the Stock Exchange on the date of grant, which must be a trading day; (ii) the average closing prices of the Company’s shares as stated in the Stock Exchange’s daily quotation sheets for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company’s share.

No share options under the above scheme were granted nor exercised during the six months ended 30 September 2025 and no share options were outstanding as at 30 September 2025.

The remaining life of the Share Option Scheme as at the date of this report is approximately 10 months.

DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ASSOCIATED CORPORATIONS

As at 30 September 2025, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”) (Chapter 571 of the Laws of Hong Kong)) which were required to be notified to the Company and the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) pursuant to Divisions 7 and 8 of Part XV of the SFO or as recorded in the register maintained by the Company pursuant to section 352 of Part XV of the SFO, or as otherwise to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) contained in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”), were as follows:

(I) LONG POSITIONS IN THE SHARES OR UNDERLYING SHARES OF THE COMPANY

Name of Director or chief executive	Nature of interest	Number of issued shares held	Percentage of the issued share capital
Mr. Zhang Jinbing (“ Mr. Zhang ”)	Interest in controlled corporation (<i>Note 1</i>) Beneficial owner	527,238,938 (<i>Note 1</i>) 12,414,000	48.43%
Mr. Yang Zeyun (“ Mr. Yang ”)	Interest in controlled corporation (<i>Note 2</i>)	154,731,827	13.88%
Mr. Wang Yuelai (“ Mr. Wang ”)	Interest in controlled corporation (<i>Note 2</i>)	154,731,827	13.88%

Note:

- 1 These shares were held by Always Profit Development Limited ("**Always Profit**"). Always Profit was wholly-owned by Mr. Zhang. Hence, Mr. Zhang was deemed to be interested in 527,238,938 shares in the Company held by Always Profit pursuant to the SFO.
- 2 154,731,827 shares in the Company held by Golden Bold Holdings Limited. ("**Golden Bold**"). Mr. Wang beneficially owns 53.7% of issued share capital of Golden Bold and was deemed to be interested in the 154,731,827 shares in the Company held by Golden Bold pursuant to the SFO. Mr. Yang beneficially owns 26.10% of issued share capital of Golden Bold and is interested in approximately 3.62% of the shares in the Company.

(II) LONG POSITIONS IN THE SHARES OF THE COMPANY'S ASSOCIATED CORPORATIONS

Name of Director or chief executive	Name of associated corporation	Nature of interest	Number of issued shares held	Approximate percentage of the issued share capital of the associated corporation
Mr. Zhang	Always Profit	Beneficial owner (Note 1)	1	100.00%
Mr. Yang	Golden Bold	Beneficial owner (Note 2)	13,064	26.10%
Mr. Wang	Golden Bold	Beneficial owner (Note 2)	26,853	53.70%

Note:

1. Always Profit is a company incorporated in British Virgin Islands with limited liability which owned 527,238,938 shares of the Company (representing 47.32% of the issued share capital of the Company), and thus was the direct holding company of the Company.
2. Golden Bold is a company incorporated in British Virgin Island with limited liability which owned 154,731,827 shares of the Company (representing 13.88% of the issued share capital of the Company), and thus was the direct shareholder of the Company

Save as disclosed above, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or as recorded in the register maintained by the Company pursuant to section 352 of the SFO, or as otherwise to be notified to the Company and the Stock Exchange pursuant to the Model Code as at 30 September 2025.

Save as disclosed above, as at 30 September 2025, none of the Directors or chief executives was a director or employee of a company which had an interest or short position in the Shares or underlying shares of the Company in which disclosure to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO is required.

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTEREST

So far as is known to the Directors and the chief executives of the Company, as at 30 September 2025, the following persons (other than a Director or chief executive of the Company) had an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

LONG POSITIONS IN THE SHARES OR UNDERLYING SHARES OF THE COMPANY

Name of shareholder	Nature of interest	Number of issued shares of the Company held	Approximate percentage of the issued share capital of the Company
Always Profit	Beneficial owner	527,238,938	47.32%
Golden Bold	Beneficial owner	154,731,827	13.88%

Save as disclosed above, no other person (other than a Director or chief executive of the Company) had any interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO as at 30 September 2025.

CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions of the Corporate Governance Code as contained in Appendix 14 of the Listing Rules during the six months ended 30 September 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, the Company confirmed that all Directors complied with the required standards as set out in the Model Code during the six months ended 30 September 2025.

The Company has also established written guidelines for senior management and employees in certain functions in respect of their dealings in the securities of the Company for their strict compliance. The Company issued notices to all Directors, senior management and relevant employees reminding them to comply with the restriction on dealing of securities of the Company under the above code and guidelines 60 days prior to the publication of the annual results and 30 days prior to the publication of the interim results.

DIRECTOR'S INTERESTS IN COMPETING BUSINESS

During the Reporting Period and up to the date of this interim report, the Directors confirm that none of the controlling shareholders of the Company or the Directors and their respective close associates (as defined in the Listing Rules) is interested in any business which competes or is likely to compete, directly or indirectly, with the Group's business apart from the business operated by the Group.

AUDIT COMMITTEE

The principal responsibilities of the audit committee of the Company (the "**Audit Committee**") include reviewing and supervising of the Group's financial reporting process, risk management and internal control. The Audit Committee currently comprises of three independent non-executive directors, namely Ms. Choi Ka Ying (Chairman), Mr. Jie Yinghan and Ms. He Xiaodong.

REVIEW OF THE INTERIM FINANCIAL RESULTS

The interim financial results of the Group for the Reporting Period are unaudited but have been reviewed and approved by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements as well as the Listing Rules, and adequate disclosures have been made.

By Order of the Board
Majestic Dragon AeroTech Holdings Limited
Zhang Jinbing
Chairman
Hong Kong
25 November 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

		For the six months ended 30 September	
	Notes	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Revenue	4	75,764	18,143
Cost of sales		(48,460)	(12,211)
Gross profit		27,304	5,932
Other gains and losses	5	85	392
Other income	5	1,147	923
Selling and distribution expenses		(5,740)	(6,735)
Administrative expenses		(12,811)	(15,656)
Impairment losses under expected credit loss model, net of reversal		26	1,001
Fair value loss on investment properties	14	(4,026)	(1,071)
Operating profit (loss)		5,985	(15,214)
Finance costs	6	(54)	(1,334)
Profit (loss) before taxation	7	5,931	(16,548)
Income tax credit	9	591	143
PROFIT (LOSS) FOR THE PERIOD		6,522	(16,405)
Other comprehensive income (expense) for the period (net of tax)			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		2,558	2,522
Item that will not be reclassified to profit or loss:			
(Loss) gain on revaluation of land and building held for own use	12	(843)	279
Total comprehensive income (expense) for the period		8,237	(13,604)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

		For the six months ended 30 September	
	Notes	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Profit (loss) for the period attributable to:			
Owners of the Company		6,064	(16,405)
Non-controlling interests		458	—
		6,522	(16,405)
Total comprehensive income (expense) attributable to:			
Owners of the Company		7,779	(13,604)
Non-controlling interests		458	—
		8,237	(13,604)
Profit (loss) per share attributable to owners of the Company			
— Basic and diluted (HK cents)	10	0.54	(1.47)

The accompanying notes are an integral part of this condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

		30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
	Notes		
ASSETS			
Non-current assets			
Property, plant and equipment	12	32,541	33,001
Investment properties	13	88,346	91,807
Right-of-use assets	12	259	126
Goodwill	14	13,472	13,193
Other intangible assets	14	23,327	24,603
Prepayment for property, plant and equipment		4,121	2,285
Other receivables	15	1,583	—
		163,649	165,015
Current assets			
Inventories		69,959	67,564
Trade and other receivables	15	120,121	80,937
Tax recoverable		106	108
Financial assets at fair value through profit or loss		724	262
Bank balances and cash		17,400	33,065
		208,310	181,936
Total assets		371,959	346,951
Current liabilities			
Trade and other payables	17	78,024	68,156
Contract liabilities		2,656	1,383
Amount due to a director		10,534	10,534
Bank and other borrowings	18	5,403	600
Lease liabilities		259	128
		96,876	80,801
Net current assets		111,434	101,135
Total assets less current liabilities		275,083	266,150

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Notes	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
Non-current liabilities			
Rental deposits received	17	131	—
Deferred tax liabilities		3,934	4,446
		<hr/> 4,065	<hr/> 4,446
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Net assets		271,018	261,704
EQUITY			
Equity attributable to the owners of the Company			
Share capital	16	11,141	11,141
Reserves		258,342	250,563
		<hr/> 269,483	<hr/> 261,704
Non-controlling interests		1,535	—
		<hr/> 271,018	<hr/> 261,704
Total equity		<hr/> 271,018	<hr/> 261,704

The accompanying notes are an integral part of this condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2025

	Attributable to the owners of the Company										
	Share capital HK\$'000	Share premium HK\$'000	Revaluation reserve HK\$'000	Consolidation reserve HK\$'000	Translation reserve HK\$'000	Capital reserve HK\$'000	Contributed surplus reserve HK\$'000	Retained earnings/ (Accumulated losses) HK\$'000	Subtotal HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
Balance at 1 April 2024 (Audited)	11,141	262,845	9,654	2,214	(4,110)	10,254	93,718	(101,485)	284,231	—	284,231
Loss for the period	—	—	—	—	—	—	—	(16,405)	(16,405)	—	(16,405)
Other comprehensive income for the period	—	—	279	—	2,522	—	—	—	2,801	—	2,801
Total comprehensive income (expense) for the period	—	—	279	—	2,522	—	—	(16,405)	(13,604)	—	(13,604)
Balance at 30 September 2024 (Unaudited)	11,141	262,845	9,933	2,214	(1,588)	10,254	93,718	(117,890)	270,627	—	270,627
Balance at 1 April 2025 (Audited)	11,141	262,845	9,573	2,214	(5,260)	10,254	93,718	(122,781)	261,704	—	261,704
Profit for the period	—	—	—	—	—	—	—	6,064	6,064	458	6,522
Other comprehensive income (expense) for the period	—	—	(843)	—	2,558	—	—	—	1,715	—	1,715
Total comprehensive income (expense) for the period	—	—	(843)	—	2,558	—	—	6,064	7,779	458	8,237
<i>Transaction with owners in their capacity as owners:</i>											
Capital contribution to a subsidiary	—	—	—	—	—	—	—	—	—	1,077	1,077
Balance at 30 September 2025 (Unaudited)	11,141	262,845	8,730	2,214	(2,702)	10,254	93,718	(116,717)	269,483	1,535	271,018

The accompanying notes are an integral part of this condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2025

	For the six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Net cash flows (used in) generated from operating activities	(18,749)	1,396
Investing activities		
Bank interest received	7	38
Additions of property, plant and equipment	(1,721)	(897)
Prepayment of property, plant and equipment	(1,836)	—
Proceed from disposal of property, plant and equipment	—	1
Net cash flows used in investing activities	(3,550)	(858)
Financing activities		
Proceeds from bank borrowings	5,442	21,000
Repayment of bank and other borrowings	(600)	(24,290)
Interest paid	—	(1,156)
Repayment of lease liabilities	(135)	(453)
Proceeds from capital contribution of a subsidiary by non-controlling interests	1,077	—
Net cash flows generated from (used in) financing activities	5,784	(4,899)
Net decrease in cash and cash equivalents	(16,515)	(4,361)
Cash and cash equivalents at beginning of period	33,065	29,393
Effects of exchange rate changes, net	850	275
Cash and cash equivalents at end of period	17,400	25,307
Analysis of the balances of cash and cash equivalents		
Bank balances and cash	17,400	25,307

The accompanying notes are an integral part of this condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

1. GENERAL INFORMATION

Majestic Dragon AeroTech Holdings Limited (the “**Company**”) is incorporated in Bermuda as an exempted company with limited liability and its shares (the “**Share**”) are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The address of its registered office is Unit 13, 5th Floor, Tower 1, Harbour Centre, 1 Hok Cheung Street, Hung Hom, Kowloon, Hong Kong.

The principal activities of the Company and its subsidiaries (the “**Group**”) are wholesale of consumer products including timepieces and accessories and garment and sportswear products, the sale of unmanned aerial vehicles and related parts, provision of unmanned aerial training services and property investment.

The condensed consolidated financial statements were approved for issue by the board of directors of the Company (the “**Board**”) on 25 November 2025.

The condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”) unless otherwise stated.

2. BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 September 2025 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange.

The accounting policies adopted in preparation of the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 March 2025, except for the adoption of amendments to the standards effective as of 1 April 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

The adoption of amendments to the standards

Several amendments apply for the first time during the six months ended 30 September 2025, but do not have an impact on the condensed consolidated financial statements of the Group. Details of any changes in accounting policies are set out in Note 3.

The condensed consolidated 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.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

3. ACCOUNTING POLICIES

The HKICPA has issued the following amendments to HKFRS that is first effective for the current accounting period of the Group:

Amendments to HKAS 21

Lack of Exchangeability

None of the above developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this interim financial report. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the wholesale of consumer products including timepieces and accessories ("**Watch Products**") and garment and sportswear products, property investment and sales of unmanned aerial vehicles and related parts. Revenue mainly represents the consideration of goods sold, rental income received and receivable and marketing services provided. An analysis of revenue is as follows:

Analysis of revenue

		For the six months ended 30 September	
		2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15			
– at point in time basis			
Sales of garment products	43,694	—	
Sales of Watch Products	2,954	12,727	
Sales of unmanned aerial vehicles and related parts	20,237	4,312	
	66,885	17,039	
– over time basis			
Provision of unmanned aircraft training services	7,840	—	
	7,840	—	
Revenue from other sources			
Rental income	1,039	1,104	
	75,764	18,143	

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Analysis of revenue (Continued)

For the six months ended 30 September 2025 and 2024, the Group operates mainly in Hong Kong and Mainland China and in the following business segments:

- i. Wholesale business: Wholesale of consumer products including timepieces and accessories and garment products to both local and overseas customers
The Group satisfies its performance obligation upon delivery of the goods sold to the customers
- ii. Property investment: Investing and letting of properties
- iii. Unmanned aerial vehicles business: Sales of unmanned aerial vehicles and related parts and provision of unmanned aircraft training services

Segment profit or loss represents the profit or loss from each segment without allocation of corporate income, central administrative costs, finance costs and professional expenses which are for corporate use purpose.

Segment assets consist primarily of property, plant and equipment, investment properties, right-of-use assets, goodwill, other intangible assets, inventories, financial assets at fair value through profit or loss, bank balances and cash, tax recoverables, trade receivables, deposits, prepayments and other receivables. They exclude assets used for corporate functions.

Segment liabilities consist primarily of trade payables, other payables and accrued charges, contract liabilities, bank and other borrowings, rental deposit received and lease liabilities. They exclude tax payable, deferred tax liabilities and liabilities used for corporate functions.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

The following tables present revenue and profit information for the Group's operating segments for the six months ended 30 September 2025 and 2024, respectively.

	For the six months ended 30 September 2025 (unaudited)			
	Wholesale business HK\$'000	Property investment HK\$'000	Unmanned aerial vehicle business HK\$'000	Total HK\$'000
Revenue	46,648	1,039	28,077	75,764
Segment operating profit (loss)	10,387	(3,446)	1,707	8,648
Unallocated corporate income				1,147
Unallocated corporate expenses				(3,810)
Operating profit				5,985
Finance costs				(54)
Profit before taxation				5,931
Income tax credit				591
Profit for the period				6,522

	For the six months ended 30 September 2024 (unaudited)			
	Wholesale business HK\$'000	Property investment HK\$'000	Unmanned aerial vehicle business HK\$'000	Total HK\$'000
Revenue	12,727	1,104	4,312	18,143
Segment operating loss	(4,296)	(954)	(7,751)	(13,001)
Unallocated corporate income				923
Unallocated corporate expenses				(3,136)
Operating loss				(15,214)
Finance costs				(1,334)
Loss before taxation				(16,548)
Income tax credit				143
Loss for the period				(16,405)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

The following table presents asset and liability information for the Group's operating segments as at 30 September 2025 and 31 March 2025, respectively:

As at 30 September 2025 (Unaudited)				
	Wholesale business HK\$'000	Property investment HK\$'000	Unmanned aerial vehicle business HK\$'000	Total HK\$'000
Segment assets	141,183	89,136	91,029	321,348
Unallocated assets				50,611
Total assets				371,959
Segment liabilities	64,635	273	18,306	83,214
Unallocated liabilities				13,793
Deferred tax liabilities				3,934
Total liabilities				100,941

As at 31 March 2025 (Audited)				
	Wholesale business HK\$'000	Property investment HK\$'000	Unmanned aerial vehicle business HK\$'000	Total HK\$'000
Segment assets	122,142	91,962	79,015	293,119
Unallocated assets				53,832
Total assets				346,951
Segment liabilities	19,467	269	46,526	66,262
Unallocated liabilities				14,539
Deferred tax liabilities				4,446
Total liabilities				85,247

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

4. REVENUE AND SEGMENT INFORMATION (CONTINUED)

By geographical segments:

	Revenue For the six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Africa	36,532	—
Hong Kong	10,827	2,622
Mainland China	28,405	11,712
Taiwan	—	3,809
	75,764	18,143

5. OTHER GAINS AND LOSSES AND OTHER INCOME

	For the six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Other gains and losses		
Increase (decrease) in fair value of financial assets at fair value through profit or loss	462	(67)
Gain on disposal of property, plant and equipment	—	1
Net exchange (loss) gain	(377)	458
	85	392
Other income		
Bank interest income	7	38
Interest income from loans to third parties	159	695
Government grants	827	—
Sundry income	154	190
	1,147	923

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

6. FINANCE COSTS

	For the six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Interest on bank and other borrowings	52	1,312
Interest on lease liabilities	2	22
	54	1,334

7. PROFIT (LOSS) BEFORE TAXATION

Profit (loss) before taxation is stated after charging the following:

	For the six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Cost of inventories sold	48,227	12,069
Depreciation of property, plant and equipment	1,405	962
Depreciation of right-of-use-assets	130	435
Amortisation of other intangible asset	1,809	2,986
Legal and professional fees	533	681
Staff costs, including directors' emoluments (Note 8)	5,338	5,640

8. STAFF COSTS

	For the six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Salaries, wages and other benefits (including directors' emoluments)	4,493	4,878
Retirement benefit costs	845	762
	5,338	5,640

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

9. INCOME TAX CREDIT

The subsidiary of the Company incorporated in Hong Kong is a qualifying entity under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of the other group entities in Hong Kong are taxed at a flat rate of 16.5%.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries, except for Shandong Longyi Aviation Technology Co., Ltd (“**Longyi**”), is 25% for both periods.

Longyi, a wholly-owned subsidiary of the Company, was qualified as a “High and New Technology Enterprise” (“**HNTE**”) since 2017 and renewed its qualification in November 2023. It is subject to a reduced preferential EIT rate of 15% from 2017 to 2026 according to the applicable tax preference applicable to the HNTE.

The amount of taxation credited to the condensed consolidated statement of profit or loss and other comprehensive income represents:

	For the six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Current tax		
– Hong Kong Profits Tax	—	—
– PRC Enterprise Income Tax	—	—
Underprovision in respect of prior years:		
– Hong Kong Profits Tax	—	(91)
– PRC Enterprise Income Tax	—	(4)
Deferred tax	591	238
	591	143

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

10. EARNING (LOSS) PER SHARE

The calculation of the basic and diluted earning (loss) per share is based on the following data:

	For the six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Earning (loss) attributable to owners of the Company	6,064	(16,405)
	Number of shares	
	'000	'000
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	1,114,069	1,114,069

11. INTERIM DIVIDEND

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

12. PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

During the six months ended 30 September 2025, the Group acquired plant and equipment of approximately HK\$1,721,000 (2024: approximately HK\$879,000).

During the six months ended 30 September 2025, the Group entered into one (2024: one) new lease agreements with additions of approximately HK\$261,000 in right-of-use assets (2024: approximately HK\$965,000).

The valuation of a land and building held for own use carried at fair value was updated at 30 September 2025 by the directors of the Company using the same valuation techniques as were used by the Group's independent valuer when carrying out at 31 March 2025 valuations.

As a result of the update, a loss of approximately HK\$843,000 (2024: gain of approximately HK\$279,000) has been recognised in other comprehensive income for the period in respect of land and buildings held for own use.

13. INVESTMENT PROPERTIES

	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
At the beginning of the period/year	91,807	95,858
Changes in fair value included in profit or loss for the period/year	(4,026)	(3,782)
Exchange adjustment	565	(269)
At the end of the period/year	88,346	91,807

The valuation of investment properties carried at fair value were updated at 30 September 2025 by the directors of the Company using the same valuation techniques as were used by the Group's independent valuer when carrying out at 31 March 2025 valuations.

As a result of the update, a net loss of approximately HK\$4,026,000 (2024: net loss of approximately HK\$1,071,000) has been recognised in profit or loss for the period in respect of investment properties.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

14. GOODWILL AND OTHER INTANGIBLE ASSETS

	Goodwill	Other intangible assets		
		Distribution right	Technical know-how	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Net book amount at 1 April 2024 (Audited)	14,035	3,877	28,432	32,309
Impairment loss recognised in profit or loss	(696)	(1,551)	—	(1,551)
Amortisation charge for the period	—	(2,326)	(3,644)	(5,970)
Exchange adjustment	(146)	—	(185)	(185)
Net book amount at 31 March 2025 (Audited)	13,193	—	24,603	24,603
Amortisation charge for the period	—	—	(1,809)	(1,809)
Exchange adjustment	279	—	533	533
Net book amount at 30 September 2025 (Unaudited)	13,472	—	23,327	23,327
At 30 September 2025 (Unaudited)				
Cost	13,472	8,142	31,111	39,253
Accumulated amortisation and impairment	—	(8,142)	(7,784)	(15,926)
Net book amount	13,472	—	23,327	23,327
At 31 March 2025 (Audited)				
Cost	13,889	8,142	30,466	38,608
Accumulated amortisation and impairment	(696)	(8,142)	(5,863)	(14,005)
Net book amount	13,193	—	24,603	24,603

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

15. TRADE AND OTHER RECEIVABLES

	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
Trade receivables		
– Contracts with customers	180,505	142,030
– Lease receivables	6,832	6,310
Less: Allowance for credit losses	(87,428)	(87,442)
Trade receivables, net	99,909	60,898
Deposits paid to suppliers	8,950	9,772
Other receivables, net	8,353	7,153
Prepayments	3,664	2,428
Rental, utility and sundry deposits	828	686
	21,795	20,039
Total trade and other receivables	121,704	80,937
Less: current portion	120,121	80,937
Non-current portion	1,583	—

At the end of the reporting period, the ageing analysis of trade receivables and lease receivables based on the invoice date and net of allowance for credit losses, is as follows:

	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
0-30 days	22,649	17,177
31-60 days	1,439	6,162
61-180 days	38,392	32,365
181-365 days	35,280	3,419
Over 1 year	2,149	1,775
	99,909	60,898

The trade receivables were denominated in United States Dollars (“US\$”), HK\$ and Renminbi (“RMB”) (31 March 2025: US\$, HK\$, RMB and Taiwan New dollars).

The majority of the Group’s sales to overseas customers are generally on open account of 120 to 150 days (31 March 2025: 120 to 150 days) from the date of invoice. The credit period granted to local customers is 30 to 90 days (31 March 2025: 30 to 90 days).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

16. SHARE CAPITAL

	Number of shares	Ordinary shares HK\$'000
Authorised:		
At 31 March 2025, 1 April 2025 and 30 September 2025		
Ordinary shares of HK\$0.01 each	30,000,000,000	300,000
Issued and fully paid:		
At 31 March 2024, 31 March 2025, 1 April 2025 (<i>Audited</i>) and 30 September 2025	1,114,069,159	11,141

17. TRADE AND OTHER PAYABLES

	30 September 2025 (<i>Unaudited</i>) HK\$'000	31 March 2025 (<i>Audited</i>) HK\$'000
Trade payables	63,396	49,562
Deposits received	273	269
Accrued expenses	4,218	4,425
Other tax payable	34	11
Other payables	10,234	13,889
Total trade and other payables	78,155	68,156
Less: Current portion	78,024	68,156
Non-current portion	131	—

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

17. TRADE AND OTHER PAYABLES (CONTINUED)

At the end of the reporting period, the ageing analysis of trade payables based on the invoice date is as follows:

	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
0-30 days	1,736	11,710
31-90 days	10,896	3,335
91-180 days	24,249	14,459
Over 180 days	26,515	20,058
	63,396	49,562

All trade payables were mainly denominated in HK\$, US\$, and RMB (31 March 2025: HK\$, US\$, and RMB).

For purchases from overseas suppliers, trade payables are normally settled on terms of 30 to 60 days (31 March 2025: 30 to 60 days) from the date of bill of lading. For purchases from local suppliers, the credit period was 30 days (31 March 2025: 30 days).

18. BANK AND OTHER BORROWINGS

	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
Variable rate and secured bank borrowings, repayable within one year	5,403	—
Fixed rate and unsecured other borrowings, repayable within one year	—	600
	5,403	600

At 30 September 2025, the variable-rate bank borrowings are denominated in RMB carry interests at 1-year Loan Prime Rate per annum published by the National Interbank Funding Center under the authorization of the People's Bank of China. The bank borrowings were secured and guaranteed by personal guarantee from Mr. Wang Yuelai ("Mr. Wang"), Mr. Yang Zeyun ("Mr. Yang") and his associate, Mr. Wang and Mr. Yang are the executive directors of the Company.

At 31 March 2025, the other borrowings were denominated in HK\$ carry interest at fixed rate of 5.25% per annum.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

19. CAPITAL COMMITMENTS

At 30 September 2025, the Group has no material capital commitments (31 March 2025: HK\$2,023,000).

20. RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

	Six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Salaries and other short-term employee benefits	861	831
Post-employment benefits	22	21
	883	852