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衍生集團(國際)控股有限公司

Hin Sang Group (International) Holding Co. Ltd.

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6893)

ANNOUNCEMENT ON INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

FINANCIAL HIGHLIGHTS

	Six months ended 30 September		
	2026	2025	Change
	HK$'000	*HK$'000*	*%*
Revenue	**54,976**	49,857	10.3
Gross profit	**39,257**	34,004	15.4
Loss for the period	**(4,891)**	(9,841)	(50.3)
Other comprehensive expense for the period	**(12,620)**	(3,494)	
Loss per share – Basic and diluted *(HK cents)*	**(0.43)**	(0.88)	

RESULTS

The Board announces the unaudited condensed consolidated interim results of the Group for the Period together with the comparative figures for the previous period as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2026

		Six months ended 30 September	
		2026	2025
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
Revenue	*3*	**54,976**	49,857
Cost of sales		**(15,719)**	(15,853)
Gross profit		**39,257**	34,004
Other income	*5*	**1,452**	1,144
Other gains and losses, net	*6*	**(3,130)**	(1,346)
Selling and distribution expenses		**(6,450)**	(5,713)
Administrative and other operating expenses		**(28,435)**	(30,442)
Finance costs	*7*	**(7,564)**	(7,488)
Loss before tax		**(4,870)**	(9,841)
Income tax expense	*8*	**(21)**	-
Loss for the period	*9*	**(4,891)**	(9,841)
Other comprehensive (expense)/income			
Item that will not be reclassified to profit or loss:			
Fair value loss on financial assets at fair value through other comprehensive income		**(13,060)**	(5,268)
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		**440**	1,774
Other comprehensive expense for the period		**(12,620)**	(3,494)
Total comprehensive expense for the period		**(17,511)**	(13,335)

	Notes	Six months ended 30 September 2026 (Unaudited) HK$'000	2025 (Unaudited) HK$'000
Loss for the period attributable to:			
– Owners of the Company		**(4,657)**	(9,607)
– Non-controlling interests		**(234)**	(234)
		(4,891)	(9,841)
Total comprehensive expense for the period attributable to:			
– Owners of the Company		**(17,324)**	(13,506)
– Non-controlling interests		**(187)**	171
		(17,511)	(13,335)
Loss per share	*11*		
Basic (HK cents)		**(0.43)**	(0.88)
Diluted (HK cents)		**(0.43)**	(0.88)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2026

	Notes	**As at 30 September 2026 (Unaudited) HK$'000**	As at 31 March 2026 (Audited) HK$'000
Non-current assets			
Property, plant and equipment		**265,582**	263,276
Right-of-use assets		**180,155**	181,816
Investment properties		**11,627**	11,256
Financial assets at fair value through profit or loss		**6,975**	6,975
Financial assets at fair value through other comprehensive income	*12*	**10,199**	23,259
		474,538	486,582
Current assets			
Inventories		**8,145**	10,166
Trade and other receivables	*13*	**16,316**	12,433
Financial assets at fair value through profit or loss		**2,089**	5,919
Bank balances and cash		**17,917**	15,889
		44,467	44,407
Total assets		**519,005**	530,989

	Notes	As at 30 September 2026 (Unaudited) HK$'000	As at 31 March 2026 (Audited) HK$'000
Current liabilities			
Trade and other payables	*14*	**31,307**	37,136
Contract liabilities		**21,001**	18,260
Bank and other borrowings		**273,446**	286,453
Amount due to a shareholder		**23,938**	-
Lease liabilities		**299**	328
		349,991	342,177
Net current liabilities		**(305,524)**	(297,770)
Total assets less current liabilities		**169,014**	188,812
Non-current liabilities			
Bank and other borrowings		**70,806**	73,365
Lease liabilities		**1,241**	969
		72,047	74,334
Net assets		**96,967**	114,478
Capital and reserves			
Share capital		**109,180**	109,180
Reserves		**(13,429)**	3,895
Equity attributable to owners of the Company		**95,751**	113,075
Non-controlling interests		**1,216**	1,403
Total equity		**96,967**	114,478

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2026

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Listing Rules and Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

These unaudited condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2026.

2. MATERIAL ACCOUNTING POLICIES

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

Other than changes in accounting policies resulting from application of amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2026 are the same as those presented in the Group's annual financial statements for the year ended 31 March 2026.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which is mandatory effective for the annual period beginning on or after 1 April 2026 for the preparation of the Group's condensed consolidated financial statements.

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature – dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

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

3. REVENUE FROM CONTRACTS WITH CUSTOMERS

Disaggregation of revenue

	For the six months ended 30 September 2026 (unaudited)				
	Product Development Segment HK$'000	Brand Development and Management Segment HK$'000	Trading of Goods Segment HK$'000	Healthcare Segment HK$'000	Total HK$'000
Type of goods and services					
Sales of healthcare products	**54,750**	**-**	**8**	**-**	**54,758**
Sales of personal care products	**-**	**142**	**-**	**-**	**142**
Sales of household products	**31**	**-**	**-**	**-**	**31**
Healthcare service	**-**	**-**	**-**	**45**	**45**
Total	**54,781**	**142**	**8**	**45**	**54,976**
Geographical markets					
Hong Kong, China	**32,506**	**142**	**-**	**-**	**32,648**
Mainland China	**22,275**	**-**	**8**	**45**	**22,328**
Total	**54,781**	**142**	**8**	**45**	**54,976**
Timing of revenue recognition					
A point of time	**54,781**	**142**	**8**	**45**	**54,976**

	For the six months ended 30 September 2025 (unaudited)				
	Product Development Segment HK$'000	Brand Development and Management Segment HK$'000	Trading of Goods Segment HK$'000	Healthcare Segment HK$'000	Total HK$'000
Type of goods and services					
Sales of healthcare products	47,511	-	1,400	-	48,911
Sales of personal care products	61	491	-	-	552
Sales of household products	127	-	-	-	127
Healthcare service	-	-	-	267	267
Total	47,699	491	1,400	267	49,857
Geographical markets					
Hong Kong, China	29,280	491	-	-	29,771
Mainland China	18,419	-	1,400	267	20,086
Total	47,699	491	1,400	267	49,857
Timing of revenue recognition					
A point of time	47,699	491	1,400	267	49,857

4. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results by reportable and operating segment.

Six months ended 30 September 2026 (unaudited)

	Product Development Segment *HK$'000*	Brand Development and Management Segment *HK$'000*	Trading of Goods Segment *HK$'000*	Healthcare Segment *HK$'000*	Total *HK$'000*
Revenue					
External sales	**54,781**	**142**	**8**	**45**	**54,976**
Segment profit/(loss)	**9,407**	**113**	**(465)**	**(216)**	**8,839**
Interest income					**1**
Loss arising on financial assets measured at fair value through profit or loss					**(2,260)**
Loss on disposal of financial assets measured at fair value through profit or loss					**(964)**
Unallocated expenses					**(2,943)**
Finance costs					**(7,564)**
Loss before tax					**(4,891)**

Six months ended 30 September 2025 (unaudited)

	Product Development Segment *HK$'000*	Brand Development and Management Segment *HK$'000*	Trading of Goods Segment *HK$'000*	Healthcare Segment *HK$'000*	Total *HK$'000*
Revenue					
External sales	47,699	491	1,400	267	49,857
Segment profit/(loss)	2,349	81	(405)	(389)	1,636
Interest income					3
Loss arising on financial assets measured at fair value through profit or loss					(1,316)
Unallocated expenses					(2,676)
Finance costs					(7,488)
Loss before tax					(9,841)

5. OTHER INCOME

	Six months ended 30 September	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Interest income on bank deposits	**1**	3
Rental income	**226**	153
Government grants	**585**	916
Cultural tourism	**212**	-
Others	**428**	72
	1,452	1,144

6. OTHER GAINS AND LOSSES, NET

	Six months ended 30 September	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Loss on fair value change of financial assets at fair value through profit or loss	**(2,260)**	(1,316)
Loss on disposal of financial assets at fair value through profit or loss	**(964)**	-
Loss on disposal of fixed assets	**(14)**	-
Net foreign exchange gain/(loss)	**108**	(30)
	(3,130)	(1,346)

7. FINANCE COSTS

	Six months ended 30 September	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Interest expense on bank borrowings	**5,527**	5,729
Interest expense on other borrowings	**2,002**	1,715
Interest expense on lease liabilities	**35**	44
	7,564	7,488

8. INCOME TAX EXPENSE

	Six months ended 30 September	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Current tax:		
Hong Kong Profits Tax	**-**	-
PRC Enterprise Income Tax	**21**	-
	21	-

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "**Bill**") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. 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 group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the period, unless preferential rate is applicable.

9. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging:

	Six months ended 30 September	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Depreciation of property, plant and equipment	**5,540**	6,118
Depreciation of right-of-use assets	**3,597**	3,471

10. DIVIDENDS

No dividends were paid, declared or proposed during the interim period (2025: Nil). The Directors have determined that no dividend will be paid in respect of the interim period (2025: Nil).

11. LOSS PER SHARE

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

	Six months ended 30 September	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Loss		
Loss for the purpose of basic and diluted loss per share (Loss for the period attributable to owners of the Company)	**(4,657)**	(9,607)

	Six months ended 30 September	
	2026	2025
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	**1,091,796,000**	1,091,796,000

The computation of diluted loss per share for the six months ended 30 September 2026 and 2025 does not assume the exercise of the Company's share options since their assumed exercise had anti-dilutive effect on the diluted loss per share.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	As at 30 September 2026 (Unaudited) HK$'000	As at 31 March 2026 (Audited) HK$'000
Equity securities listed in Hong Kong	**10,199**	23,259

13. TRADE AND OTHER RECEIVABLES

	As at 30 September 2026 (Unaudited) HK$'000	As at 31 March 2026 (Audited) HK$'000
Trade receivables	**14,034**	10,210
Less: Allowance for credit losses	**(2,610)**	(2,608)
	11,424	7,602
Prepayments to suppliers	**2,798**	1,969
Prepayments for other expenses	**1,326**	1,841
Deposits and other receivables	**768**	1,021
	16,316	12,433

The Group generally allows credit period ranging from 0 to 75 days. No interest is charged on overdue receivables.

The following is an aging analysis of the Group's trade receivables net of allowance for credit losses at the end of the reporting period, presented based on invoice date:

	As at 30 September 2026 (Unaudited) HK$'000	As at 31 March 2026 (Audited) HK$'000
0−30 days	**6,609**	4,177
31−60 days	**1,536**	2,162
61−90 days	**1,094**	1,192
91−365 days	**2,185**	71
	11,424	7,602

14. TRADE AND OTHER PAYABLES

	As at 30 September 2026 (Unaudited) HK$'000	As at 31 March 2026 (Audited) HK$'000
Trade payables	**5,420**	6,359
Accruals and other payables	**25,887**	30,777
	31,307	37,136

The following is an aging analysis of the Group's trade payables at the end of the reporting period, presented based on invoice date:

	As at 30 September 2026 (Unaudited) HK$'000	As at 31 March 2026 (Audited) HK$'000
0−30 days	**208**	1,354
31−60 days	**1,223**	776
61−90 days	**791**	599
Over 90 days	**3,198**	3,630
	5,420	6,359

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

The Group is principally engaged in the marketing, selling and manufacturing of healthcare products primarily targeting children, among which "Hin Sang (衍生)" is a long-established reputable brand. The Group continues to expand its e-commerce business through various popular and influential online and mobile platforms in order to keep pace with consumer trends and seize business opportunities. In addition, the Group trades in personal care products of reputable brands, to leverage existing resources to increase profits. Furthermore, the Group is developing its business in Chinese medical healthcare as well as diagnosis and treatment services projects.

For the Period, the Group's revenue was approximately HK$55.0 million, representing an increase of approximately 10.3% as compared to the revenue of approximately HK$49.9 million for the same period in 2025. The Group has four business segments which are classified according to their ownership, licensing rights and services rendered. During the Period, the Product Development Segment, which engages in the sale of the Group's own branded products, remained the largest business segment of the Group and contributed approximately 99.6% (2025: approximately 95.7%) of the Group's revenue.

The Group's business operations are based in both Hong Kong and Mainland China. Revenue generated from the Hong Kong market for the Period recorded approximately HK$32.6 million (2025: approximately HK$29.8 million), representing approximately 59.4% of the total revenue for the Period (2025: approximately 59.7%). On the other hand, revenue generated from the Mainland China market for the Period recorded approximately HK$22.3 million (2025: approximately HK$20.1 million), representing approximately 40.6% of the total revenue for the Period (2025: approximately 40.3%). The increase in the revenue generated from the Mainland China market was mainly due to the increase in sales for our products under the Product Development Segment.

Product Development Segment

In the Product Development Segment, the Group develops and sells healthcare products, personal care products and household products under its own brand names, which are mainly "Hin Sang (衍生)", "Tai Wo Tong (太和堂)", "Care Plus (私+呵護)", "King's Antiseptic (殺菌王)", "Weverse (營漢方)" and "Yabune (神之傳)". The Group launched the "Hin Sang (衍生)" brand in 2004, mainly for health supplements. In 2012, the Group launched "Tai Wo Tong (太和堂)" mainly for the Group's proprietary Chinese medicine category. To further capitalise on its brand equity and penetrate untapped markets, the Group intends to develop and launch high-demand new products.

The revenue of this segment was approximately HK$54.8 million for the Period, representing an increase of approximately 14.8% as compared to the segment revenue of approximately HK$47.7 million for the same period in 2025. Such increase was mainly due to the increase in sales through e-commerce platform. The segment's profit and profit margin for the Period were approximately HK$9.4 million and 17.2% respectively, representing an increase of approximately HK$7.1 million and 300.1% respectively for the same period in 2025.

Brand Development and Management Segment

Since 1999, the Group has been a trusted partner for various brand proprietors of personal care products mainly in the Hong Kong market. The Group offers one-stop solutions for marketing, sales and distribution, logistics and delivery services for their branded products under exclusive distribution agreements with each of the brand proprietors. The Group has a track record of successfully managing and developing a number of brands for its clients, who are primarily manufacturers and owners of the products.

The revenue of this segment was approximately HK$142,000 for the Period, representing a decrease of approximately 71.1% as compared to the segment revenue of approximately HK$491,000 for the same period in 2025. Such decrease was mainly due to the decrease in demand from customers during the Period. The revenue of this segment contributed approximately 0.3% of the total revenue of the Group for the Period (2025: approximately 1%). The segment's profit and profit margin for the Period were approximately HK$113,000 and 79.6% respectively, as compared to the profit and profit margin of approximately HK$81,000 and 16.5% respectively for the same period in 2025.

Trading of Goods Segment

The revenue of this segment was approximately HK$8,000 for the Period, representing a decrease of approximately 99.4% as compared to the segment revenue of approximately HK$1.4 million for the same period in 2025. Such decrease was mainly due to the Group's strategy to focus on the Product Development Segment during the Period in order to enhance the brand image of its own branded products.

Healthcare Segment

The Healthcare segment provides various types of healthcare-related services and products in Mainland China to mothers and children. The Group has established clinics to provide medical treatment and consultation by experienced Chinese physicians specialising in Chinese medical healthcare.

The revenue of this segment was approximately HK$45,000 (2025: approximately HK$267,000) for the Period. The segment loss for the Period was approximately HK$216,000 (2025: approximately HK$389,000).

HUMAN RESOURCES

The Group had a total of 140 staff as at 30 September 2026 (31 March 2026: 198). The remuneration of the employees consists of fixed salary, individual sales commission and year-end discretionary performance bonus. The Group has devised an assessment system for its employees and the Group uses the assessment result for salary review and promotion decisions. All of the employees undergo a performance appraisal once a year. Such appraisal provides the Group with an opportunity to assess each employee's strengths and areas for improvement, and facilitate the Group to provide necessary training and career development opportunities accordingly. A Share Option Scheme was adopted in September 2014 to recognise and acknowledge those employees who have made a contribution to the Group, which was expired on 15 October 2024 and no new share option scheme has been adopted as at the date of this report. Pursuant to applicable laws and regulations, the Group has participated in relevant defined contribution retirement schemes administered by responsible government authorities in the PRC for its employees there and provided a mandatory provident fund scheme to employees in Hong Kong.

PROSPECTS

The Group is confident that the Hong Kong market can continue to provide a stable platform for its business growth and expansion. The Group continues its efforts in new product development to enrich its health supplement portfolio and enhance its brand image as a health supplement specialist. The Group ensures that only those products with high sales volume potential are retained in the product portfolio.

At the same time, the Group will also focus on the development of the Mainland China market, especially the children's health supplement market. The Group believes that this market will benefit greatly from the implementation of China's "Three-child" policy. To seize this opportunity, the Group will continue to expand its distribution network by recruiting additional distributors and devoting more resources to promoting its corporate image to expand its customer base.

The Group has prudently outlined the following strategies for its future business development with the aim of creating value for the Shareholders:

(a) To continue enhancing brand recognition of the Group's own brands

The Group has developed the "Hin Sang (衍生)" brand into a well-recognised brand in Hong Kong through effective, targeted and well-positioned advertising programs that emphasise product safety and quality.

The Group continued to focus on and implement its brand strategies of multi-channel marketing and diverse product portfolios. The Group adopted a market-driven research and product development strategy to meet evolving customer demands and needs while achieving rapid growth. Our new product launches aim to meet the needs and preferences of different age groups and markets and to broaden the Group's product portfolio and customer base. The Group's new product development initiative for the coming year will focus on the development of more products in the mother and children health supplement segment in Hong Kong and Mainland China.

(b) To expand the manufacturing arm of the Group

As part of the Group's plan to enhance the production efficiency of its own branded products and to capture future opportunities, the Group has developed a production plant for health supplements in Yunfu City of the Guangdong Province, the PRC. This facility has enabled the Group to manufacture health supplement products in-house, rather than outsourcing them to an external Original Equipment Manufacturer ("**OEM**"). This initiative aims to reduce production costs, increase operational efficiency and productivity, and ensure stricter quality control of the Group's own branded healthcare products. This facility is a long-term investment that will help the Group seize future opportunities in the health supplements market.

(c) To expand e-commerce for own-branded products

The Group will continue to develop and upgrade its e-commerce platform, which focuses on online sales of products under "Hin Sang (衍生)", enabling customers, particularly customers in Mainland China, to place orders online and enjoy home delivery services.

Recognising the significant growth of e-commerce, the Group has implemented a marketing strategy to enhance brand influence, cultivate customer loyalty and expand its market share in the healthcare products industry. The Group has established a presence on popular e-commerce and social media platforms such as Xiaohongshu (小紅書), Douyin (抖音), Kuaishou (快手), Tmall (天貓), JD.com (京東) and Pinduoduo (拼多多). To further expand its online sales network, the Group has partnered with influential key opinion leaders (KOLs) in e-commerce livestreaming. The Group will continue to introduce high-quality health supplements on these platforms while remaining innovative in its marketing approach to keep pace with consumer trends and reach a wider audience.

FINANCIAL REVIEW

Revenue

The Group's revenue was approximately HK$55.0 million for the Period as compared to the revenue of approximately HK$49.9 million for the same period in 2025, representing an increase of approximately 10.3%. Such increase was mainly due to the increase in its sales of products under the Product Development Segment.

During the Period, the revenue generated from the Product Development Segment increased by approximately HK$7.1 million, representing an increase of approximately 14.8% as compared to the same period in 2025, which was mainly due to the increase in sales through e-commerce platform.

Cost of Sales

The Group's cost of sales decreased by approximately 0.8% from approximately HK$15.9 million for the six months ended 30 September 2025 to approximately HK$15.7 million for the Period. The decrease was primarily due to enhanced cost containment measures implemented by the Group.

Gross Profit and Gross Profit Margin

The Group's gross profit increased by approximately 15.4% from approximately HK$34.0 million for the six months ended 30 September 2025 to approximately HK$39.3 million for the Period. The gross profit margin for the Period increased from approximately 68.2% for the six months ended 30 September 2025 to approximately 71.4% for the Period. During the Period, the Group achieved improved operating efficiency, with gross profit growing at a faster pace than revenue.

Other Income

The Group's other income increased by approximately 26.9% from approximately HK$1.1 million for the six months ended 30 September 2025 to approximately HK$1.5 million for the Period, which was mainly attributable to the cultural tourism income of approximately HK$212,000 for the six months ended 30 September 2026 and no such income in the same period in 2025.

Other Gains and Losses, net

The Group other losses were approximately HK$3.1 million for the Period, representing an increase of approximately HK$1.8 million for the six months ended 30 September 2025. The change was mainly attributable to the fair value change of financial assets at fair value through profit or loss from the loss of approximately HK$1.3 million for the six months ended 30 September 2025 to the loss of approximately HK$2.3 million for the Period.

Selling and Distribution Expenses

The selling and distribution expenses increased by approximately 12.9% from approximately HK$5.7 million for the six months ended 30 September 2025 to approximately HK$6.5 million for the Period. Such increase was mainly attributable to the increase in advertising and promotion expenses, as compared to the same period in 2025.

Administrative and Other Operating Expenses

The administrative and other operating expenses decreased by approximately 6.6% from approximately HK$30.4 million for the six months ended 30 September 2025 to approximately HK$28.4 million for the Period, which was mainly attributable to the decrease in staff cost and legal fee.

Taxation

The Group recorded an income tax expense of HK$21,000 for the six months ended 30 September 2026, compared to nil for the same period in 2025.

Loss for the Period

During the Period, the Group recorded a net loss of approximately HK$4.9 million, as compared to a net loss of approximately HK$9.8 million for the six months ended 30 September 2025.

Other Comprehensive Income/(Expense)

The other comprehensive expense was approximately HK$12.6 million for the Period, representing an increase of approximately HK$9.1 million for the six months ended 30 September 2025. The Group recorded a fair value loss on financial assets at fair value through other comprehensive income of approximately HK$13.1 million for the Period, as compared to a fair value loss on financial assets at fair value through other comprehensive income of approximately HK$5.3 million for the six months ended 30 September 2025.

Financial assets at Fair Value through Other Comprehensive Income

During the Period, the Group held certain investments for medium to long term purpose, and it represented investment in two listed equity securities which are stated at fair value.

The first listed equity security represents 2,375,300 shares in Fullshare (stock code: 607). Fullshare is principally engaged in property, tourism, investment and financial services, healthcare and education and new energy businesses. As at 30 September 2026, the carrying amount of these shares amounted to approximately HK$618,000 (as at 31 March 2026: approximately HK$3.3 million), with the fair value loss of approximately HK$2.7 million being recognised as other comprehensive expense for the Period, and these shares represented approximately 0.4% of the issued ordinary shares of Fullshare as at 30 September 2026. The carrying amount of these shares represented approximately 0.1% of the total assets of the Group as at 30 September 2026.

The second listed equity security represents 45,411,600 shares in Nanjing Sinolife United Company Limited ("**Nanjing Sinolife**") (stock code: 3332). Nanjing Sinolife is principally engaged in the manufacturing and sale of nutritional supplements and the trading of packaged health food products in the PRC, Australia and New Zealand. As at 30 September 2026, the carrying amount of these shares amounted to approximately HK$9.6 million (as at 31 March 2026: approximately HK$20.0 million), with the fair value loss of approximately HK$10.4 million being recognised as other comprehensive expense for the Period. These shares represented approximately 4.8% of the total issued ordinary shares of Nanjing Sinolife respectively as at 30 September 2026. The carrying amount of these shares represented approximately 1.8% of the total assets of the Group as at 30 September 2026.

The fair value of these securities as at the date of this report was approximately HK$7.4 million.

Inventories

The Group's inventories decreased by approximately 19.9% from approximately HK$10.2 million as at 31 March 2026 to approximately HK$8.1 million as at 30 September 2026, which was primarily due to the decrease in finished goods.

Trade Receivables

The Group's trade receivables increased by approximately 50.3% from approximately HK$7.6 million as at 31 March 2026 to approximately HK$11.4 million as at 30 September 2026.

Trade Payables

The Group's trade payables decreased by approximately 14.8% from approximately HK$6.4 million as at 31 March 2026 to approximately HK$5.4 million as at 30 September 2026.

Amount due to a shareholder

The amount due to a shareholder is interest-free and has no fixed terms of repayment.

Liquidity, Gearing Ratio and Capital Structure

The Group's bank balances and cash were mainly denominated in HKD and RMB. The bank balances increased from approximately HK$15.9 million as at 31 March 2026 to approximately HK$17.9 million as at 30 September 2026.

The Group's borrowings were denominated in HKD, RMB and USD. As at 30 September 2026, bank borrowings which bore floating interest rates and fixed rates of approximately HK$223.9 million and HK$67.3 million respectively (as at 31 March 2026: approximately HK$239.7 million and HK$67.2 million respectively) and other borrowings which bore floating interest rates and fixed rates of approximately HK$5.2 million and HK$47.8 million respectively (as at 31 March 2026: approximately HK$5.4 million and HK$47.5 million respectively). The maturity profile of the bank borrowings was as follows:

	As at 30 September 2026 (Unaudited) ***HK$000***	As at 31 March 2026 (Audited) *HK$000*
Within 1 year	**273,446**	286,453
More than 1 year, but not more than 2 years	**44,757**	28,733
More than 2 years, but not more than 5 years	**16,642**	28,082
More than 5 years	**9,407**	16,550

The gearing ratio (total debts divided by total equity) as at 30 September 2026 was 3.6 (as at 31 March 2026: 3.1). The current ratio (total current assets divided by total current liabilities) as at 30 September 2026 was 0.1 (as at 31 March 2026: 0.1).

At 30 September 2026 and 31 March 2026, bank borrowings with an aggregate carrying amounts of approximately HK$67.2 million and HK$64.8 million respectively are subject to the relevant covenants which are primary related to the assets-liabilities ratio of the respective PRC subsidiaries, in which the Group has not maintained the relevant ratio on or before the end of the reporting periods and classified the related loan balances as current liabilities (within 1 year). As at the date of this report, the lending bank has not made any demand for immediate repayment of the above loans under the loan facilities.

Foreign Exchange Exposure

The business transactions, assets and liabilities and bank borrowings of the Group are mainly denominated in HKD and RMB. In view of the prevailing macro-economic environment, the Group may be exposed to the foreign exchange rate risks. The Group has not entered into any instrument to hedge against foreign exchange risk exposure during the Period. Nevertheless, the Group will closely monitor the volatility of foreign exchange rate and apply appropriate hedging strategy if and when necessary.

Contingent Liabilities

As at 30 September 2026, the Directors were not aware of any significant events that would have resulted in material contingent liabilities (as at 31 March 2026: Nil).

Charges on the Group's Assets

As at 30 September 2026, the carrying value of the assets of the Group that were pledged to secure the Group's borrowings was approximately HK$422.0 million (as at 31 March 2026: approximately HK$424.1 million).

Capital Commitments

As at 30 September 2026, the Group did not have any capital commitment in respect of the acquisition of property, plant and equipment (as at 31 March 2026: Nil).

Financial Management and Policy

The Group continues to adopt prudent financing and treasury policies. The Group's entire financing and treasury activities are centrally managed and controlled. Implementation of the Group's related policies is made under collective but extensive considerations on liquidity risk, financing cost and exchange rate risk. The executive Directors, with the assistance of the Group's financial controller, are responsible for identifying, reviewing, evaluating and analysing the investment opportunities of the Group. The executive Directors also regularly monitor the cash position and funding requirements of the Group.

Interim Dividend

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

Material Acquisition and Disposals and Significant Investments

The Board announces that on 11 September 2026, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Provisional Agreement with the Purchaser, pursuant to which the Vendor agreed to sell and the Purchaser agreed to purchase the Property for a cash consideration of HK$98,000,000.

The Property comprises Workshops 1–19 on the fifth floor of Block A of Shatin Industrial Centre, including the flat roofs adjoining Workshops 3 and 4, and Car Parking Space No. L45 on the second floor of Block A, at Nos. 5–7 Yuen Shun Circuit, Shatin, New Territories, Hong Kong.

The Group had no significant investment held with a value of 5% or more of the Company's total assets for the Period.

OTHER INFORMATION

PURCHASE, SALE OR REDEMPTION OF SHARES

During the Period, neither the Company nor any of its subsidiaries had purchased, sold and redeemed any of the Shares.

CORPORATE GOVERNANCE

Corporate Governance Practice

The Board and senior management of the Company strive to maintain a high standard of corporate governance, formulate sound corporate governance practice for improvement of accountability and transparency in operations, and to strengthen the internal control system from time to time so as to ensure the expectations of the Shareholders are met.

Save for the below deviation, the Company has adopted and complied with all the code provisions of the Corporate Governance Code (the "**CG Code**") as set forth in Appendix C1 to the Listing Rules as its corporate governance code of practices.

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Ms. Kwan Lai Man is both the chairman and the co-chief executive officer of the Company. In view of the fact that Ms. Kwan Lai Man is one of the co-founders of the Group and has been operating and managing the Group effectively since 1996, the Board believes that it is in the best interest of the Group to have Ms. Kwan taking up both roles for effective management and business development with her profound knowledge and experience in the industry. The Board therefore considers that the deviation from the CG Code provision C.2.1 is reasonably justified under such circumstances.

Model Code of Securities Transactions by Directors

The Company has adopted the Model Code. The Company has made specific enquiries with all Directors and all Directors confirmed that they had complied with the standards required by the Model Code during the Period.

REVIEW OF INTERIM RESULTS

This unaudited condensed consolidated interim financial information of the Group for the Period, which is contained in this interim report, has been reviewed by the Audit Committee.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the website of the Stock Exchange at "www.hkexnews.hk" and on the website of the Company at "www.hinsanggroup.com". The interim report of the Company for the six months ended 30 September 2026 will be published on the above websites and despatched to the Shareholders by December 2026 according to the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms and expressions shall have the meanings set out below.

"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors
"Brand Development and Management Segment"	the business segment in which the Group purchases primarily personal care products from the brand proprietors and manages and develops the brand of such products
"Company"	Hin Sang Group (International) Holding Co. Limited (衍生集團（國際）控股有限公司), an exempted company incorporated with limited liability in the Cayman Islands on 28 October 2010
"Director(s)"	the director(s) of the Company
"Fullshare"	Fullshare Holdings Limited (豐盛控股有限公司), a company incorporated in the Cayman Islands with limited liability whose issued shares are listed on the Stock Exchange (stock code: 607)
"Group"	the Company and its subsidiaries
"Healthcare Segment"	the business segment in which the Group engages in providing Chinese medical healthcare related services which targets for mothers and children in the Mainland China
"HK$" or "HKD"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Period"	the six months ended 30 September 2026
"PRC"	the People's Republic of China

"Product Development Segment"	the business segment in which the Group develops own personal care products, health supplements and household products including but not limited to own brands product "Hin Sang (衍生)", "Tai Wo Tong (太和堂)", "Care Plus (私+呵護)" and "King's Antiseptic (殺菌王)", Weverse (營漢方)" and "Yabune (神之傳)"
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) with a nominal value of HK$0.1 each in the share capital of the Company
"Shareholder(s)"	holders of the Share(s)
"Share Option Scheme"	the share option scheme adopted by the Company on 25 September 2014
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Trading of Goods Segment"	the business segment in which the Group engages in trading and distributing skin care products, personal care products and household products purchased from various authorised dealers and independent traders or directly from suppliers
"USD"	United States Dollars, the lawful currency of the United States

By Order of the Board
Hin Sang Group (International) Holding Co. Ltd.
Kwan Lai Man
Chairman

Hong Kong, 26 November 2026

As at the date of this announcement, the executive Directors are Ms. Kwan Lai Man, Mr. Ma Chi Wai, Vincent (alias: Ma Chun Wai, Steven) and Ms. Pang Tsz Yan; the non-executive Director is Ms. Tian Shanshan; and the independent non-executive Directors are Mr. Lau Chi Kit, Mr. Lee Luk Shiu and Dr. Tang Sing Hing, Kenny.