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上善黃金國際控股有限公司
SHANGSHAN GOLD INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1939)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

FINANCIAL HIGHLIGHTS

- The unaudited consolidated revenue of the Group for the six months ended 30 September 2026 amounted to approximately HK$48.4 million, decreased by approximately 36.7% as compared with the same period in 2025 (six months ended 30 September 2025: approximately HK$76.5 million).
- The unaudited consolidated loss attributable to the owners of the Company for the six months ended 30 September 2026 amounted to approximately HK$2.5 million (six months ended 30 September 2025: profit attributable to the owners of the Company of approximately HK$427,000).
- For the six months ended 30 September 2026, the basic and diluted loss per share were HK0.49 cents (six months ended 30 September 2025: earnings per share were HK0.09 cents).
- The Board has resolved not to declare interim dividend for the six months ended 30 September 2026 (six months ended 30 September 2025: Nil).

The board (the "**Board**") of directors (the "**Directors**") of Shangshan Gold International Holdings Limited (the "**Company**") is pleased to present the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 September 2026 (the "**Reporting Period**") together with the comparative figures for the corresponding period in 2025.

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

		Unaudited Six months ended 30 September	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
Revenue	5	**48,382**	76,474
Cost of services	8	**(1,775)**	(5,888)
Cost of sales of goods	8	**(24,284)**	(36,852)
Gross profit		**22,323**	33,734
Other losses — net	6	**(180)**	(33)
Other income	7	**256**	391
Selling and distribution expenses	8	**(8,794)**	(13,131)
Administrative expenses	8	**(15,970)**	(17,183)
Operating (loss)/profit		**(2,365)**	3,778
Finance income	9	**397**	49
Finance costs	9	**(277)**	(357)
Share of result of an associate		**—**	(408)
(Loss)/profit before income tax		**(2,245)**	3,062
Income tax expense	10	**(239)**	(2,397)
(Loss)/profit for the period		**(2,484)**	665
(Loss)/profit attributable to:			
Owners of the Company		**(2,515)**	427
Non-controlling interests		**31**	238
		(2,484)	665
(Losses)/earnings per share for (loss)/profit attributable to owners of the Company			
Basic and diluted (HK cents)	11	**HK(0.49) cents**	HK0.09 cents

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

	Unaudited Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
(Loss)/profit for the period	**(2,484)**	665
Other comprehensive profit:		
Item that may be reclassified subsequently to profit or loss		
Exchange differences on translating foreign operations	**1,047**	736
Total other comprehensive profit for the period, net of tax	**1,047**	736
Total comprehensive (loss)/profit for the period	**(1,437)**	1,401
Total comprehensive (loss)/profit for the period attributable to:		
Owners of the Company	**(1,514)**	1,105
Non-controlling interests	**77**	296
	(1,437)	1,401

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2026

	Notes	**Unaudited 30 September 2026** ***HK$'000***	Audited 31 March 2026 *HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**4,731**	4,297
Right-of-use assets		**3,102**	4,612
Intangible assets		**383**	468
Deferred income tax assets		**1,900**	1,876
Deposits and prepayments	14	**795**	1,784
		10,911	13,307
Current assets			
Inventories		**138,478**	132,449
Trade and other receivables	13	**121,573**	164,649
Deposits and prepayments	14	**48,530**	39,383
Pledged bank deposits		**4,000**	4,000
Cash and cash equivalents		**95,306**	96,257
		407,887	436,738
Total assets		**418,798**	449,775
EQUITY			
Equity attributable to owners of the Company			
Share capital	15	**260,533**	260,533
Reserves		**24,972**	26,486
		285,505	287,019
Non-controlling interests		**3,248**	3,171
Total Equity		**288,753**	290,190

	Notes	**Unaudited 30 September 2026** ***HK$'000***	Audited 31 March 2026 *HK$'000*
LIABILITIES			
Non-current liabilities			
Other payable	17	**1,200**	1,200
Lease liabilities		**—**	1,560
Borrowings	16	**12,785**	14,974
Deferred income tax liabilities		**1,910**	1,879
		15,895	19,613
Current liabilities			
Trade and other payables and accruals	17	**98,162**	121,780
Lease liabilities		**3,817**	5,384
Borrowings	16	**12,171**	12,798
Current income tax liabilities		**—**	10
		114,150	139,972
Total liabilities		**130,045**	159,585
Total equity and liabilities		**418,798**	449,775

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

Shangshan Gold International Holdings Limited (the "**Company**") is a limited liability company incorporated in Hong Kong. The address of the Company's registered office is Unit 05, 14/F, Wayson Commercial Building, 28 Connaught Road West, Sheung Wan, Hong Kong.

The Company is an investment holding company. The Company's subsidiaries principally engage in the provision of auction and related services as well as artwork sales in Hong Kong and Japan and operation of gold and gold related business in Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis. The unaudited condensed consolidated financial statements are presented in Hong Kong Dollars ("**HK$**"), which is the functional currency of the Company, and all values are rounded to the nearest thousands ("**HK$'000**"), unless otherwise stated and have been approved for issue by the Board on 27 November 2026.

2 BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 September 2026 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**"). The interim condensed consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2026, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**").

The financial information relating to the financial year ended 31 March 2026 that is included in the interim condensed consolidated financial information for the six months ended 30 September 2026 as comparative information does not constitute the Company's annual consolidated financial statements for that financial year but is derived from those financial statements. The annual consolidated financial statements for the year ended 31 March 2026 are available from the Company's registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 30 June 2026.

The unaudited condensed consolidated financial statements have not been audited by the Company's auditors, but have been reviewed by the Company's audit committee (the "**Audit Committee**").

3 ACCOUNTING POLICIES

The accounting policies adopted are consistent with those set out in the audited consolidated financial statements for the year ended 31 March 2026, except for the adoption of the following amendments issued by the HKICPA, which became effective for the six months ended 30 September 2026.

HKFRS 9 and HKFRS 7 Amendments	Classification and Measurement of Financial Instruments
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11
HKFRS 9 and HKFRS 7 Amendments	Contracts Referencing Nature-dependent Electricity
HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37 Amendments	Disclosures about Uncertainties in the Financial Statements

The adoption of these amendments has not had any significant effect on the results reported and the financial position of the Group.

The following new standards, amendments and amendments to interpretation which have been published but are not yet effective, have not been early adopted in the condensed consolidated interim financial information. These are effective for the Group's accounting periods beginning on or after 1 April 2027.

HKFRS 18	Presentation and Disclosure in Financial Statements[(1)]
HKFRS 19	Subsidiaries without Public Accountability: Disclosures[(1)]
HKFRS 19 Amendments	Subsidiaries without Public Accountability: Disclosures[(1)]
HKAS 21 Amendments	Translation to a Hyperinflationary Presentation Currency[(1)]
Hong Kong Interpretation 5 Amendments	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause[(2)]
HKFRS 10 and HKAS 28 Amendments	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[(3)]

(1) effective for accounting periods beginning on or after 1 January 2027

(2) Hong Kong Interpretation 5 Amendments has incorporated the references to HKFRS 18 which is effective for annual reporting periods beginning on or after 1 January 2027

(3) no mandatory effective date is determined yet but early application is permitted

The Group is in the process of making an assessment of the impact of these new HKFRS Accounting Standards (HKFRSs), amendments and amendments to interpretation upon initial application.

4 ESTIMATES

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances.

In preparing the interim condensed and assumption information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were similar to those that were applied to the consolidated financial statements for the year ended 31 March 2026.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. Write-downs of inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the period in which such estimate has been changed. Management reassesses these estimates at each reporting date.

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

5 REVENUE AND SEGMENT INFORMATION

The chief operating decision-maker ("**CODM**") has been identified as the executive directors of the Group that make strategic decisions. The CODM assesses the performance of the operating segments based on a measure of gross profit for the purpose of allocating resources.

The management has identified three operating segments based on the types of revenues, namely (i) operation of art auction and related business; (ii) artwork sales; and (iii) operation of gold and gold related business.

The segment information provided to the CODM for current period and comparative figures are as follows:

	Unaudited For the six months ended 30 September 2026			
	Operation of art auction and related business *HK$'000*	**Artwork sales** *HK$'000*	**Operation of gold and gold related business** *HK$'000*	**Total** *HK$'000*
Segment revenue from external customers	**18,722**	**23,791**	**5,869**	**48,382**
Costs of service/sales	**(1,775)**	**(20,967)**	**(3,317)**	**(26,059)**
Segment results	**16,947**	**2,824**	**2,552**	**22,323**
Other losses — net				**(180)**
Other income				**256**
Selling and distribution expenses				**(8,794)**
Administrative expenses				**(15,970)**
Operating loss				**(2,365)**
Finance income — net				**120**
Loss before income tax				**(2,245)**
Income tax expense				**(239)**
Loss for the period				**(2,484)**

	Unaudited For the six months ended 30 September 2025			
	Operation of art auction and related business *HK$'000*	Artwork sales *HK$'000*	Operation of gold and gold related business *HK$'000*	Total *HK$'000*
Segment revenue from external customers	38,741	37,518	215	76,474
Costs of service/sales	(5,888)	(36,648)	(204)	(42,740)
Segment results	32,853	870	11	33,734
Other losses — net				(33)
Other income				391
Selling and distribution expenses				(13,131)
Administrative expenses				(17,183)
Operating profit				3,778
Share of result of an associate accounted for using the equity method				(408)
Finance costs — net				(308)
Profit before income tax				3,062
Income tax expense				(2,397)
Profit for the period				665

Revenue

	Unaudited Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
Revenue from art auction and related business	**18,722**	38,741
Artwork sales	**23,791**	37,518
Operation for gold and gold related business	**5,869**	215
	48,382	76,474

All customers individually accounted for less than 10% of the Group's revenue during the six months ended 30 September 2026 (30 September 2025: same).

All revenues of the Group are recognized at a point in time.

Revenue from external customers, by geographical area, is as follows:

	Unaudited Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
Hong Kong	**25,399**	42,838
Japan	**22,984**	33,636
	48,382	76,474

Information on segment assets and segment liabilities of the Group are not reviewed by CODM for the purpose of resource allocation and performance assessment nor otherwise regularly provided to the CODM. As a result, no analysis of segment assets and segment liabilities is presented.

Non-current assets, other than deferred income tax assets, by geographical area are as follows:

	Unaudited 30 September 2026	Audited 31 March 2026
	HK$'000	*HK$'000*
Hong Kong	**578**	1,110
Japan	**8,433**	10,051
Total	**9,011**	11,161

6 OTHER LOSSES — NET

	Unaudited Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
Exchange loss	**180**	33

7 OTHER INCOME

Other income mainly represented bidding deposits forfeited and penalties from the buyers and miscellaneous handling fees charged to customers during the Reporting Period (30 September 2025: bidding deposits forfeited and penalties from the buyers and miscellaneous handling fees charged to customers).

8 (LOSS)/PROFIT BEFORE INCOME TAX

	Unaudited Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
Cost of inventories sold	**24,284**	36,852
Rental and setup costs for auction and preview exhibition venues	**1,648**	2,647
Expenses relating to short term lease	**1,828**	1,590
Employee benefit expenses	**9,311**	7,788
Equity-settled share-based payment	**—**	609
Depreciation of property, plant and equipment	**474**	653
Depreciation of right-of-use assets	**1,141**	1,608
Amortization of intangible assets	**12**	164

9 FINANCE INCOME/(COSTS) — NET

	Unaudited Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
Finance income:		
Interest income on bank deposits	**—**	49
Interest income from consignor advance	**397**	—
	397	49
Finance costs:		
Interest expense on lease liabilities	**(103)**	(151)
Interest expense on bank and other borrowings	**(174)**	(266)
	(277)	(357)
Finance income/(costs) — net	**120**	(308)

10 INCOME TAX EXPENSE

The amount of income tax charged to the interim condensed consolidated income statements represent:

	Unaudited Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
Current income tax		
— Hong Kong	**—**	—
— Japan	**239**	2,397
— Taiwan	**—**	—
Total current income tax	**239**	2,397
Deferred income tax	**—**	—
Income tax expense	**239**	2,397

(a) Hong Kong profit tax

Hong Kong profits tax is calculated at 16.5% for the six months ended 30 September 2026 and 30 September 2025.

No Hong Kong profits tax was provided for the six months ended 30 September 2026 and 30 September 2025 as the Group did not derive any estimated assessable profits.

(b) Japan corporate income tax

Japan corporate income tax has been calculated on the estimated assessable profit for the six months ended 30 September 2026 and 30 September 2025 at the rates of taxations prevailing in Japan in which the Group operates. The Group is subject to national corporate income tax in Japan which results in effective statutory income tax rates of approximately 33% for the six months ended 30 September 2026 and 30 September 2025.

(c) Taiwan income tax

Taiwan income tax is calculated at 20% of the estimated assessable profits for the six months ended 30 September 2026 and 30 September 2025.

(d) PRC Enterprise income tax (EIT)

Under the EIT Law of the PRC and Implementation Regulation of the EIT Law, the tax rate of the subsidiaries in Chinese Mainland is 25.0% for the six months ended 30 September 2026 and 30 September 2025.

According to the announcement of the State Administration of Taxation on Issues Relating to Tax Relief Policy to further support Small Low-profit Enterprises and Individual Business, the EIT rate applicable to small-scale enterprises that meet certain conditions including the assessable profits not more than RMB3,000,000, shall be reduced to 20%, i.e. effective tax rate at 5%.

11 (LOSSES)/EARNINGS PER SHARE

Basic

Basic (losses)/earnings per share is calculated by dividing the (losses)/profits attributable to the Company's owners by the weighted average number of ordinary shares in issue during the six months ended 30 September 2026 and 30 September 2025.

	Unaudited Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
(Loss)/profit attributable to the owners of the Company *(HK$'000)*	**(2,515)**	427
Weighted average number of ordinary shares in issue *('000)*	**511,800**	500,000
Basic (losses)/earnings per share *(HK cents)*	**HK(0.49) cents**	HK0.09 cents

Diluted

Diluted loss per share for the six months ended 30 September 2026 was the same as basic loss per share because there was no potential ordinary shares for the Reporting Period (30 September 2025: was same as basic earnings per share because there was no potential ordinary shares for the Reporting Period).

12 DIVIDEND

No dividends have been paid or proposed during the six months ended 30 September 2026, nor has any dividend been proposed since the end of the reporting period (six months ended 30 September 2025: Nil).

13 TRADE AND OTHER RECEIVABLES

	Unaudited As at 30 September 2026	Audited As at 31 March 2026
	HK$'000	*HK$'000*
Trade receivables	**10,307**	13,917
Less: loss allowances	**(4,662)**	(4,634)
Trade receivables — net	**5,645**	9,283
Other receivables		
— Receivables from buyers in respect of auction and related business *(Note 1)*	**57,532**	92,472
— Consignor advances *(Note 2)*	**51,855**	48,275
— Input value-added tax recoverable	**1,282**	697
— Consideration receivables *(Note 3)*	**—**	4,200
— Others	**5,259**	9,722
Trade and other receivables	**121,573**	164,649

As at 30 September 2026 and 31 March 2026, the fair value of trade and other receivables of the Group were approximately the same as their carrying amounts.

(1) Other receivables from buyers in respect of auction and related business represent the purchase price of the auction articles receivable on behalf of sellers and due for settlement within 7 days of recognition according to the terms of the contracts with the buyers.

(2) Included in other receivables are advances of approximately HK$51,855,000 made to certain consignors as at 30 September 2026 (31 March 2026: HK$48,275,000) upon consignment of auction articles to the Group. As at 30 September 2026, these advances bore interest at 0% to 18% per annum (31 March 2026: interest at 0% to 12% per annum).

(3) Consideration receivables represented the cash considerations arised from the repurchase of 34% of the entire issued shares in Mou Chun Tong.

The Group grants credit period of 7 days for commission receivables and 30 days for receivables from artwork sales. The ageing analysis of trade receivables based on invoice date, before allowance for ECL of trade receivables, as at 30 September 2026 and 31 March 2026, was as follows:

	Unaudited As at 30 September 2026	Audited As at 31 March 2026
	HK$'000	*HK$'000*
Within 30 days	**3,083**	5,870
1 to 3 months	**42**	1,576
3 to 6 months	**238**	131
6 to 12 months	**1,659**	1,915
Over 1 year	**5,285**	4,425
	10,307	13,917

The Group does not hold any collateral as security over these debtors as at 30 September 2026 and 31 March 2026.

14 DEPOSITS AND PREPAYMENTS

	Unaudited As at 30 September 2026	Audited As at 31 March 2026
	HK$'000	*HK$'000*
Current portion:		
Prepayments to sellers for auctioned artwork	**—**	167
Deposits and prepayments	**48,530**	39,216
	48,530	39,383
Non-current portion:		
Rental and other deposits	**795**	1,784
	49,325	41,167

As at 30 September 2026 and 31 March 2026, the fair value of deposits of the Group approximates their carrying amounts.

As at 30 September 2026, deposits and prepayment represented the prepayment for purchase of goods related to the gold business of HK$41,420,000 (31 March 2026: HK$34,190,000).

15 SHARE CAPITAL

Ordinary Shares	**Number of Shares**	**Share capital** ***HK$'000***
Issued and fully paid:		
At 30 September 2026 (unaudited) and 31 March 2026 (audited)	**511,880,000**	**260,533**

16 BORROWINGS

	Unaudited As at 30 September 2026 ***HK$'000***	Audited As at 31 March 2026 *HK$'000*
Bank borrowings *(Note (a))*	**24,956**	27,772
Secured	**4,321**	4,744
Unsecured	**20,635**	23,028
	24,956	27,772

	Unaudited As at 30 September 2026 *HK$'000*	Audited As at 31 March 2026 *HK$'000*
The carrying amounts of the above borrowings are repayable:		
Within one year	**12,171**	12,798
With a period of more than one year but not exceeding two years	**4,235**	4,768
With a period of more than two years but not exceeding five years	**8,550**	10,206
With a period of more than five years	**—**	—
	24,956	27,772
Less: Amounts due within one year shown under current liabilities	**(12,171)**	(12,798)
Amounts shown under non-current liabilities	**12,785**	14,974

The Group's borrowings are denominated in the following currencies:

	Unaudited As at 30 September 2026 *HK$'000*	Audited As at 31 March 2026 *HK$'000*
JPY	**24,956**	27,772

Notes:

(a) Bank borrowings

(i) The unsecured fixed-rate bank borrowing of approximately HK$4,214,000 (31 March 2026: HK$4,235,000) as at 30 September 2026 is repayable on 2030 and bearing interest at 0.9% per annum. It was guaranteed by personal guarantee of Mr. Ando, a former director of the Company.

(ii) The secured fixed-rate bank borrowing of approximately HK$4,321,000 (31 March 2026: HK$4,744,000) as at 30 September 2026 is repayable on 2031 and bearing interest at 0.9% per annum. It was secured by property of Mr. Ando and Mrs. Ando, former directors of the Company.

(iii) The unsecured fixed-rate bank borrowings with principal amount of approximately HK$19,133,000, equivalent to JPY 390,000,000, (31 March 2026: HK$19,133,000, equivalent to JPY 390,000,000) were received from Japanese bank in which interest were subsidised by Japanese government with lower than market rate and the carrying amounts of approximately HK$9,083,000 (31 March 2026: HK$10,753,000) as at 30 September 2026 are repayable in full on year 2030. The prevailing market interest rates for equivalent bank borrowings of 1.11% to 1.91%. The difference of between the gross proceeds and the fair value of the bank borrowings are the benefit derived from the interest-free bank borrowings and are recognised as government grant under other income.

(iv) The unsecured variable-rate bank borrowings of approximately HK$7,338,000 (31 March 2026: HK$8,040,000) is repayable within one year and bearing interest at 0.35% to 0.45% per annum over 1-month benchmark interest rate.

17 TRADE AND OTHER PAYABLES AND ACCRUALS

	Unaudited As at 30 September 2026	Audited As at 31 March 2026
	HK$'000	*HK$'000*
Trade payables	**—**	203
Payables to sellers in respect of auction and related business	**72,302**	107,076
Deposits received	**1,472**	3,300
Other payables and accruals	**25,588**	10,658
Contract liabilities	**—**	1,743
	99,362	124,549
Less: Non-current portion:		
Other payables	**(1,200)**	(1,200)
Current portion	**98,162**	121,780

An aging analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	Unaudited As at 30 September 2026	Audited As at 31 March 2026
	HK$'000	*HK$'000*
Over 180 days	—	203

Upon completing the auction, the Group is required to remit the hammer price amounts for artworks sold to sellers upon receiving the corresponding amounts from the buyer and such payables are classified as "payables to sellers in respect of auction and related business". These unpaid balances as at period end are unsecured and are usually paid within 35 days upon receiving the hammer price amount.

As at 30 September 2026 and 31 March 2026, all deposits received, other payables and accruals of the Group were noninterest bearing, and their fair value approximate to their carrying amounts due to their short maturities.

As at 30 September 2026 and 31 March 2026, the other payable classified as non-current liabilities, which represented the Group's obligation to pay the reinstatement costs to the landlords of the offices in Hong Kong and Japan and was expected to be settled at the end of the leases.

The contract liabilities primarily relate to the advanced received from customers for sales of products.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Art auction and related business

We are a well-recognised auction house of Chinese and Japanese artworks in Hong Kong and Japan. We specialise in auctioneering a wide variety of artworks with emphasis on Chinese and Japanese artworks, including Chinese paintings and calligraphies, Chinese antiques and Japanese and Chinese teawares. With over ten years of operating experience in the Chinese and Japanese art auction industry, we have grown into a well-recognised and trusted auction brand in Hong Kong and Japan, through our "Tokyo Chuo Auction" brand. By offering appealing auction artworks and quality auction services, we have successfully gained recognition from our customers and established our market position, brand name and competitiveness. We take pride in being an auction house with the ability to explore and introduce the historical and cultural significance as well as the commercial value of each artwork.

Over the past year, the Group took appropriate actions to improve our operations through different ways, including but not limited to, (i) adopting and utilising professional as well as history-focused and culture-oriented marketing techniques along with quality services to maximise the transaction prices of our auctioned artworks; (ii) further strengthening our market position and market share in the Chinese and Japanese art auction market in Hong Kong and Japan, and enhancing our brand recognition and awareness; (iii) diversifying our business scope by venturing into the field of contemporary artwork and fine & rare whisky and moutai; (iv) recruiting high calibre managers and experts and attracting, motivating and retaining quality employees to strengthen both the management and operating teams with a view to support sustainable growth; and (v) targeting to expand business footprint to other potential markets with an aim to establish and enhance brand image and brand influence in other major Asian cities and the global market.

Operation of gold and gold related business

During the period under review, Hong Kong Shangshan Technology Development Co., Limited, a wholly-owned subsidiary of the Company had the right to use smart terminals for, including but not limited to, production, sales and operation of the smart terminals which, comprise an intelligent recycling machine and a self-service vending machine. The intelligent recycling machine will melt, refine, test, appraise, and pay the customers the appraised value of the gold after deduction of the service fees, with no human intervention required throughout the process. The self-service vending machine enables instant purchase and collection of the gold and gold products. The smart terminal offers customers a self-service ordering system and a convenient, efficient one-stop physical gold trading experience. The Group plans to prioritise market expansion by establishing flagship stores, standard outlets and franchised outlets in mainly East Asia, Southeast Asia and the Middle East.

The direct-operated flagship stores will be established in selected landmark commercial locations and besides carrying the smart terminals, such outlets will feature dedicated areas for displaying gold products and contemporary art collectibles, as well as auction promotional materials. There will also be professional staff at such flagship stores to promote the Group's gold products and services, contemporary art collectibles sales and auction services. The revenue of the direct-operated flagship stores will primarily derive from the gold recycling service fees, gold product sales and contemporary art collectibles sales. The direct-operated standard outlets and franchised outlets will be situated in high-footfall commercial areas with relatively smaller floor space to carry the smart terminals. The Group's revenue for direct-operated standard outlets will mainly derive from gold recycling service fees and gold product sales, while the Group will generate revenue from franchised outlets primarily through smart terminal sales, equipment system maintenance fees, and business revenue sharing from gold recycling and gold product sales conducted by the franchisees.

In particular, the target market of the Group's auction business has primarily been affluent persons whom collect antique goldware, exquisite jewelry, and contemporary sculptures and artworks, as such, such target market is likely to also be interested in the Group's gold business as well due to the collectible and valuable nature of both the auction collectibles and gold and gold products. Therefore, existing customers of the Group may also be interested in the gold and gold products offered by the Group and likewise, the future customers of the new gold business of the Group may become interested in certain auction collectibles, especially the contemporary art collectibles, and auction events offered by the Group. The shared interests of the existing customers of the Group and the future customers of the new gold business of the Group in valuable collectibles are likely to synergise and expand the target market of the Group.

REVENUE

During the Reporting Period, the revenue of the Group was approximately HK$48.4 million (six months ended 30 September 2025: approximately HK$76.5 million), which represents an decrease of approximately HK$28.1 million or approximately 36.7% as compared to the same period in 2025. Such decrease in revenue for the Reporting Period was mainly due to (i) decrease in revenue from art auction and related business of approximately HK$18.7 million (six months ended 30 September 2025: HK$38.8 million), (ii) the decrease in revenue from the artwork sales of approximately HK$23.8 million (six months ended 30 September 2025: HK$37.5 million), and (iii) increase in revenue from gold and gold related business of approximately HK$5.9 million (six months ended 30 September 2025: HK$0.2 million) recognised for the Reporting Period. Such decrease in revenue from art auction and related business for the Reporting Period was mainly due to boost sales by launching a 15th anniversary sales promotion in Japan for the six months ended 30 September 2025.

GROSS PROFIT

During the Reporting Period, gross profit of the Group decreased by approximately 33.8% to approximately HK$22.3 million (six months ended 30 September 2025: approximately HK$33.7 million) as compared to the same period in 2025. Such decrease in gross profit was in line with the decrease in revenue from art auction and related business and artwork sales. Meanwhile, the gross profit margin increase to approximately 46.1% for the Reporting Period from approximately 44.1% recorded for the same period in 2025, which remained stable as compared with the same period in last year.

OTHER LOSSES

Other losses of approximately HK$180,000 represented by exchange loss during the Reporting Period (six months ended 30 September 2025: HK$33,000).

OTHER INCOME

Other income of approximately HK$256,000 mainly represented by the bidding deposits forfeited and penalties from the buyers and miscellaneous handling fee charged to customers during the Reporting Period (six months ended 30 September 2025: bidding deposits forfeited and penalties from the buyers and miscellaneous handling fee charged to customers of approximately HK$391,000).

SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses consist primarily of employee benefit expenses paid to the sales and marketing staffs, advertising and promotion expenses, consultancy fee paid, transportation costs, travelling expenses and entertainment and business hospitality expenses. During the Reporting Period, selling and distribution expenses amounted to

approximately HK$8.8 million (six months ended 30 September 2025: approximately HK$13.1 million). Such decrease was in line with the decrease in revenue for the Reporting Period.

ADMINISTRATIVE EXPENSES

Administrative expenses mainly represent the employee benefit expenses, travelling expenses, rental expenses and depreciation. During the Reporting Period, the administrative expenses of the Group decreased by approximately 7.0% to approximately HK$16.0 million (six months ended 30 September 2025: approximately HK$17.2 million), which remained stable as compared with the same period in last year.

FINANCE INCOME/(COSTS) — NET

The Group recorded finance income of approximately HK$397,000 (six months ended 30 September 2025: approximately HK$49,000) and finance costs of approximately HK$277,000 (six months ended 30 September 2025: approximately HK$357,000) during the Reporting Period. Finance income mainly represents interest income from bank deposit and interest income from certain consignor advance, and finance costs mainly represent interest expenses on bank and other borrowings and lease liabilities of the Group.

INCOME TAX EXPENSES

Profits tax has been provided for our companies in both Hong Kong and Japan at the applicable rates on the estimated assessable profits. Income tax charged for the Reporting Period included the current tax charged of approximately HK$239,000 (six months ended 30 September 2025: the current tax charged of approximately HK$2.4 million).

LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY

During the Reporting Period, the Company recorded a loss attributable to owners of the Company of approximately HK$2.5 million (six months ended 30 September 2025: profit attributable to the owners of the Company of approximately HK$427,000), which was mainly due to the decrease in revenue from art auction and related business and artwork sales for the Reporting Period.

CONSIGNORS ADVANCE

For the consignor advances as at 30 September 2026, the total principal amount was approximately HK$61.1 million (31 March 2026: HK$67.9 million) and the total outstanding principal was approximately HK$51.9 million (31 March 2026: HK$48.3 million), two of the consignor advances were granted with interest rate of 1% to 18% per annum and the rest of the advances was granted at nil interest rate (31 March 2026: two of the consignor advances were granted with interest rate of 1% to 12% per annum and the rest of the advances was granted at nil interest rate). During the Reporting Period,

the consignor advances were granted to 25 consignors and all of them were either corporate or individual art collectors. The consignor advance was only granted to the consignors after the collateral (which is the consigned artwork) has been obtained by the Group and the consigned artwork should be proposed to sell in subsequent auctions, which was mutually agreed by consignors and the Group (normally within one year). To the best of the knowledge, information and belief of the Directors, all the consignors and their ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company.

As at 30 September 2026, the outstanding amount of consignor advances due from the largest consignor and five largest consignors accounted for approximately 28.9% and 64.5% of the total outstanding amount of consignor advances of the Group respectively (31 March 2026: the largest consignor and five largest consignors accounted for approximately 12.6% and 35.0% respectively).

In order to attract appealing artworks from artwork providers with long-term relationship and good credit history, during the six months ended 30 September 2026 and 2025, the Company has provided certain consignors with consignor advances carrying interest accruing on such consignor advances at nil or low interest rates. Under the consignment arrangement, the relevant consignor advances with interests payable (if any) shall be deducted from sales proceeds of the consigned artwork after receiving full payment of the purchase price from the auction, or in case the Company failed to sell the consigned artwork at the auction, the consigned artwork shall be returned to the consignor after obtaining full repayment of the consignor advances with accrued interest (if any) from the relevant artwork provider. The business of the Group heavily relies on the artworks provided by these artwork providers and therefore the provision of such advance is for the benefit of the Group's business and not merely for the purpose of earning interest income.

When determining the grant of consignor advances, the Group would initially assess the background of the artwork and the consignors by the taking into factors including (i) obtaining personal information of the consignor and conduct available public search on the background of the consignor when necessary; (ii) the proposed value of the artwork and collateral offered by the consignor; (iii) the length of business relationship between the Group and the consignor; and (iv) the creditability of the consignor based on the credit history of the consignor.

When determining any impairment made in respect of the consignor advances, the management assessed the expected losses individually by estimation based on general economic conditions of the consignor advance provided and the value of relevant consigned artwork and conditions at the reporting date. Since the fair value amounts of the consigned artwork were higher than the carrying amounts of consigner advance as at 30 September 2026, no impairments were recorded.

FINANCIAL POSITION AND LIQUIDITY

The Group generally finances its operations with internally generated resources, banking facilities and net proceeds from the listing. As at 30 September 2026, the Group had current assets of approximately HK$407.9 million (as at 31 March 2026: approximately HK$436.7 million) while the Group's cash and cash equivalents amounted to approximately HK$95.3 million (as at 31 March 2026: approximately HK$96.3 million).

As at 30 September 2026, the Group has interest-bearing bank borrowings of approximately HK$25.0 million (as at 31 March 2026: approximately HK$27.8 million) and of which approximately HK$12.2 million (as at 31 March 2026: approximately HK$12.8 million) was repayable within one year.

As at 30 September 2026 and 31 March 2026, the Group did not have other borrowings.

As at 30 September 2026, the Group's gearing ratio was calculated on the basis of the amount of interest-bearing borrowings less cash and cash equivalents divided by shareholders' equity and the Group was in net cash position (as at 31 March 2026: net cash position).

CAPITAL COMMITMENTS

As at 30 September 2026, the Group had no any material capital commitment (as at 31 March 2026: Nil). As at the date of this announcement, the Group had no plan for material investment or capital assets.

CONTINGENT LIABILITIES AND GUARANTEES

As at 30 September 2026, the Group did not provide any guarantees for any third party and had no significant contingent liabilities (as at 31 March 2026: Nil).

SIGNIFICANT INVESTMENTS/MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

The Group did not hold any material investments, nor did the Group make any material acquisition and disposal of subsidiaries or associated companies of the Company during the Reporting Period.

TREASURY POLICIES

The Group adopted a prudent strategy towards the treasury and funding policies, and attached high importance to the risk control and transactions directly related to the Group's principal business. Funds, primarily denominated in Japanese Yen and Hong Kong Dollar, are normally placed with banks in short or medium term deposits for working capital of the Group.

DIVIDEND

The directors of the Company do not recommend the payment of an interim dividend for the Reporting Period.

CAPITAL STRUCTURE AND FOREIGN CURRENCY EXPOSURE

During the Reporting Period, the Group's operation was mainly financed by funds generated from its operation, borrowings and net proceeds from the listing. As at 30 September 2026, the borrowings were mainly denominated in Japanese Yen and Hong Kong dollars, while the cash and cash equivalents held by the Group were mainly denominated in Japanese Yen and Hong Kong dollars. All of the Group's borrowings were floating rate borrowings and were pledged by bank deposits of approximately HK$4.0 million to secure general bank facilities during the Reporting Period. The Group's revenue is mainly denominated in Japanese Yen and Hong Kong dollars, while its costs and expenses are mainly denominated in Japanese Yen and Hong Kong dollars. As the majority portion of the Group's assets, liabilities, revenues and payments during the Reporting Period were denominated in either Japanese Yen or Hong Kong dollars, and in view of the prevailing macro-economic environment, the Group may be exposed to the foreign exchange rate risk. The Group will closely monitor the volatility of foreign exchange rate and apply the appropriate hedging strategy as and when appropriate.

CHARGE ON ASSETS

As at 30 September 2026, bank deposits amounting to HK$4.0 million (as at 31 March 2026: HK$4.0 million) was pledged to a bank to secure general banking facilities granted to the Group.

Other than the aforesaid pledged bank deposits, there was no other charge on assets of the Group as at 30 September 2026 (as at 31 March 2026: Nil).

EMPLOYEES AND EMOLUMENT POLICY

As at 30 September 2026, the Group had 20, 14, 1 and 8 full-time staff based in Japan, Hong Kong, Taiwan and the PRC respectively. The Group regularly reviews compensation and benefit policies according to industry benchmark as well as individual performance of employees. Other fringe benefits, mandatory provident fund and share options are provided to retain loyal employees with the aim to form a professional staff and management team that can bring the Group to different levels of success.

The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' base salaries. The Group also made contributions to provident funds, elderly insurance, medical insurance, unemployment insurance and work-related injury insurance in accordance with applicable laws and regulations in Japan, Taiwan and the PRC respectively.

EVENTS AFTER THE REPORTING PERIOD

There is no event that will have material impact on the Group from the end of the Reporting Period to the date of this announcement.

PROSPECTS

In the future, the Group aims at maintaining stable growth and development, and continuously uphold its principle of sourcing excellent artworks with good provenance to explore and collect more valuable artworks for art enthusiasts in the artwork auction market. The Group will aim at keeping stable growth and development, and continuously uphold its principle of sourcing excellent artworks for art enthusiasts in the artwork auction market. The Group will constantly enrich the categories of auction lots to fulfill the diversified preferences of the collectors. At the same time, the Group also intends to accelerate its global market presence and build a synergistic "Gold + Auction" dual-business ecosystem through further development and a closed-loop business structure, aligning with the Group's global structure. The Company aims to enrich its business portfolio, reduce reliance on a single business and enhance risk resistance by commencing gold and intelligent equipment-related business, leverage the development opportunities in the gold market and seek to cultivate new profit growth point.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange during the Reporting Period.

CORPORATE GOVERNANCE

The Board has adopted the code provisions of the Corporate Governance Code (the "**CG Code**") set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with the code provisions set out in the CG Code during the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules. After specific enquiry made by the Company, all of the Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct of the Company governing Directors' securities transactions during the Reporting Period.

AUDIT COMMITTEE

The Company has established an audit committee which comprises three independent non-executive Directors, namely, Mr. Leung Ting Yuk, Professor He Jia and Ms. Liu Qin. Mr. Leung Ting Yuk is the chairman of the audit committee. The audit committee of the Company has reviewed and discussed with the management of the Group on the unaudited interim condensed consolidated financial information of the Group for the Reporting Period, including the accounting principles and practices adopted by the Group, and discussed financial related matters. The audit committee has no disagreement with the accounting treatment adopted by the Company in the unaudited interim condensed consolidated financial information of the Group for the Reporting Period.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the website of the Stock Exchange at www.hkex.com.hk and on the website of the Company at www.chuo-auction.com.hk. The interim report of the Company for the Reporting Period will be despatched to the shareholders of the Company and published on the aforementioned websites in due course in accordance with the Listing Rules.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my sincere gratitude to the shareholders of the Company, business partners and clients of the Group for their immense support and to the Group's management and staff for their dedication and commitment. I look forward to creating a successful year of 2026 with you all.

By order of the Board of
Shangshan Gold International Holdings Limited
Mr. HOU Xiang
Chairman

Hong Kong, 27 November 2026

As at the date of this announcement, the executive Directors are Mr. Hou Xiang (Chairman), Mr. Chan Yu and Mr. Tian Zhichao; and the independent non-executive Directors are Professor He Jia, Mr. Leung Ting Yuk, Ms. Liu Qin, Mr. Matthew Jonathan Clearfield, Mr. Ma Chenshan and Mr. Tian Fanjiang.