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XINHUA NEWS MEDIA HOLDINGS LIMITED
新華通訊頻媒控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 309)

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

RESULTS

The board (the "Board") of directors (the "Directors") of Xinhua News Media Holdings Limited (the "Company") announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 September 2026. These condensed consolidated interim financial statements have not been audited, but have been reviewed by the audit committee of the Company (the "Audit Committee").

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2026

		For the six months ended 30 September	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue	5	**165,267**	181,188
Other income and gains	6	**713**	712
Staff costs		**(123,364)**	(127,498)
Depreciation and amortisation		**(1,769)**	(2,775)
Impairment losses recognised on the trade receivables		**–**	(8)
Impairment loss recognised on the other receivables		**–**	(24)
Gain on fair value changes at financial assets at fair value through profit or loss		**–**	311
Other operating expenses		**(47,447)**	(58,433)
Finance costs	8	**(544)**	(114)

	Notes	For the six months ended 30 September	
		2026	2025
		HK$'000	*HK$'000*
		(Unaudited)	(Unaudited)
Loss before income tax	7	**(7,144)**	(6,641)
Income tax expenses	9	**–**	–
Loss for the period		**(7,144)**	(6,641)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of subsidiaries, net of tax		**52**	95
Total comprehensive loss for the period		**(7,092)**	(6,546)
Loss for the period attributable to:			
Owners of the Company		**(6,898)**	(6,426)
Non-controlling interests		**(246)**	(215)
		(7,144)	(6,641)
Total comprehensive loss for the period attributable to:			
Owners of the Company		**(6,862)**	(6,351)
Non-controlling interests		**(230)**	(195)
		(7,092)	(6,546)
		HK$	*HK$* (restated)
Loss per share attributable to the owners of the Company			
– Basic and diluted	10	**(0.1355)**	(0.1331)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2026

	Notes	**30 September 2026** ***HK$'000*** **(Unaudited)**	31 March 2026 *HK$'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	11	**5,277**	6,177
Right-of-use assets	12	**2,116**	2,807
Total non-current assets		**7,393**	8,984
Current assets			
Inventories		**630**	475
Trade receivables	13	**46,415**	63,538
Prepayments, deposits and other receivables	14	**10,284**	11,442
Pledged time deposits	15	**7,117**	7,292
Cash and bank balances		**64,667**	50,258
Total current assets		**129,113**	133,005
Total assets		**136,506**	141,989
LIABILITIES			
Current liabilities			
Trade payables	16	**13,282**	12,305
Other payables and accruals	17	**46,779**	50,947
Promissory notes payable	18	**3,000**	3,000
Amount due to a related company		**1,055**	1,055
Lease liabilities	12	**1,322**	1,380
Loans from shareholders		**800**	–
Loans from directors		**440**	861
Total current liabilities		**66,678**	69,548
Net current assets		**62,435**	63,457
Total assets less current liabilities		**69,828**	72,441

	Note	**30 September 2026** ***HK$'000*** **(Unaudited)**	31 March 2026 *HK$'000* (Audited)
Non-current liabilities			
Lease liabilities	12	**878**	1,448
Total non-current liabilities		**878**	1,448
NET ASSETS		**68,950**	70,993
EQUITY			
Equity attributable to owners of the Company			
Share capital		**20,841**	19,311
Reserves		**48,615**	51,958
		69,456	71,269
Non-controlling interests		**(506)**	(276)
TOTAL EQUITY		**68,950**	70,993

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

For the six months ended 30 September 2026

1. CORPORATE INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The registered office address of the Company is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The principal place of business of the Company is located at Unit 3710, 37/F, Cosco Tower, 183 Queen's Road Central, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

During the interim period, the Group was principally engaged in the provision of cleaning and related services, the provision of waste treatment service and the provision of advertising media service.

The unaudited interim condensed consolidated financial statements are presented in Hong Kong dollars ("HK$") and all values are rounded to the nearest thousand ("HK$'000"), unless otherwise stated.

2. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 September 2026 has been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure provisions to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 March 2026.

3. CHANGES IN ACCOUNTING POLICIES

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 are mandatorily effective for the Group's annual period beginning on 1 April 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7 Classification and Measurement of Financial Instruments

Amendments to HKFRS 9 and HKFRS 7 Contracts Referencing Nature-dependent Electricity

Amendments to HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37 Disclosures about Uncertainties in the Financial Statements

Annual Improvements to HKFRS Accounting Standards – Volume 11 Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7

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

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

(a) the cleaning and related services segment engages in the provision of cleaning and related services for office buildings, public areas and residential areas;

(b) the advertising media business segment engages in the provision of media strategy, planning and management, product launching and selling, brand building, event marketing as well as developing and operating advertising media; and

(c) the waste treatment business segment engages in the provision of organic waste treatment and sale of byproducts produced.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment result, which is a measure of adjusted loss before income tax. The adjusted loss before income tax is measured consistently with the Group's loss before income tax except that interest income, government subsidies, dividend income and gain or loss on fair value changes on financial assets at fair value through profit or loss, share option expenses, finance costs and unallocated head office and corporate expenses are excluded from such measurement.

Segment liabilities exclude loans from directors as these liabilities are managed on a group basis. There are no inter-segment revenue and transfers between the segments for both years.

The following is an analysis of the Group's revenue and results by reportable segments:

	For the six months ended 30 September 2026			
	Cleaning and related services	**Advertising media business**	**Waste treatment**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Segment revenue:				
Service income from external customers recognised over time	**165,267**	**–**	**–**	**165,267**
Segment results	**969**	**(31)**	**(814)**	**124**
Reconciliation:				
Unallocated other incomes and gains				**260**
Interest income				**317**
Unallocated expenses				**(7,301)**
Finance costs				**(544)**
Loss before income tax				**(7,144)**
Income tax				**–**
Loss for the period				**(7,144)**
Other segment information:				
Capital expenditure	**106**	**–**	**–**	**106**
Depreciation and amortisation	**1,211**	**–**	**558**	**1,769**

The following is an analysis of the Group's assets and liabilities by reportable segments:

	Cleaning and related services	**Advertising media business**	**Waste treatment**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
As at 30 September 2026				
Segment assets	**124,279**	**8,509**	**3,718**	**136,506**
Total assets				**136,506**
Segment liabilities	**39,761**	**24,046**	**2,509**	**66,316**
Reconciliation:				
Loans from shareholders				**800**
Loans from directors				**440**
Total liabilities				**67,556**

The following is an analysis of the Group's revenue and results by reportable segments:

	For the six months ended 30 September 2025			
	Cleaning and related services *HK$'000* (Unaudited)	Advertising media business *HK$'000* (Unaudited)	Waste treatment *HK$'000* (Unaudited)	Total *HK$'000* (Unaudited)
Segment revenue:				
Service income from external customers recognised over time	181,188	–	–	181,188
Segment results	500	(628)	(709)	(837)
Reconciliation:				
Unallocated other incomes and gains				24
Interest income				212
Unallocated expenses				(5,926)
Finance costs				(114)
Loss before income tax				(6,641)
Income tax				–
Loss for the period				(6,641)
Other segment information:				
Capital expenditure	5,354	–	–	5,354
Depreciation and amortisation	2,146	108	521	2,775

The following is an analysis of the Group's assets and liabilities by reportable segments:

	Cleaning and related services *HK$'000* (Audited)	Advertising media business *HK$'000* (Audited)	Waste treatment *HK$'000* (Audited)	Total *HK$'000* (Audited)
As at 31 March 2026				
Segment assets	129,290	8,514	4,185	141,989
Total assets				141,989
Segment liabilities	42,192	25,685	2,258	70,135
Reconciliation:				
Loans from directors				861
Total liabilities				70,996

Geographical information

	Revenue from external customers For the six months ended 30 September		Non-current assets As at	As at
	2026	2025	**30 September 2026**	31 March 2026
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Audited)
Hong Kong	**165,267**	181,188	**4,408**	5,546
The People's Republic of China (the "PRC")	**–**	–	**2,985**	3,438
	165,267	181,188	**7,393**	8,984

The revenue and non-current assets information above are based on the location of the customers and that of the assets, respectively.

5. REVENUE

Group's revenue represents the net invoiced value of services rendered. An analysis of the Group's revenue is as follows:

	For the six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Cleaning and related service fee income	**165,267**	181,188

6. OTHER INCOME AND GAINS

	For the six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest income	**317**	212
Management fee income	**–**	30
Government subsidies *(Note 1)*	**260**	24
Gain on disposal of subsidiaries	**–**	218
Net gain/(loss) on disposals of property, plant and equipment	**26**	(4)
Gain on lease termination	**–**	19
Reversal of impairment loss on other receivables	**31**	–
Sundry income	**79**	213
	713	712

Note:

1. These represented subsidies received by the Group under the Technology Voucher Programme for the six months ended 30 September 2026 (2025: the Reimbursement of Maternity Leave Pay Scheme). There was no unfulfilled conditions and other contingencies attaching to the government subsidies that had been recognised.

7. LOSS BEFORE INCOME TAX

The Group's loss before income tax is arrived at after charging/(crediting):

	For the six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Employee benefit expenses (including directors' remuneration):		
Wages, salaries and other benefits	**117,186**	121,220
Contribution to defined contribution pension plans *(Note 1)*	**5,358**	5,465
Defined benefit plan obligation	**64**	(513)
Provision for untaken paid leave	**756**	1,326
Total staff costs	**123,364**	127,498
Cost of services rendered *(Note 2)*	**158,435**	171,876
Depreciation on property, plant and equipment	**1,078**	1,146
Depreciation on right-of-use assets	**691**	1,629
Impairment loss on trade receivables, net	**–**	8
(Reversal of impairment loss)/impairment loss on other receivables, net	**(31)**	24
Net (gain)/loss on disposals of property, plant and equipment	**(26)**	4
Loss on write-off of property, plant and equipment	**22**	10

Notes:

1. There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions during the period and there was zero balance available at the end of reporting period for future use.

2. The cost of services rendered includes employee benefit expenses of approximately HK$116,546,000 (six months ended 30 September 2025: approximately HK$122,118,000) incurred in the provision of services which has been included in the employee benefit expenses above.

8. FINANCE COSTS

	For the six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Leases interest	**85**	114
Interest on other loan	**459**	–
	544	114

9. INCOME TAX EXPENSES

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands or the British Virgin Islands.

Pursuant to the relevant tax law of the Hong Kong Special Administrative Region, the provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (six months ended 30 September 2025: 16.5%) to the six months ended 30 September 2026, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime. For this subsidiary, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2025.

Subsidiaries of the Group located in the PRC are subject to the PRC Enterprise Income Tax at a rate of 25% (six months ended 30 September 2025: 25%) on their assessable profits.

10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic loss per share

The calculation of the basic loss per share is based on the loss for the period attributable to owners of the Company of approximately HK$6,898,000 (six months ended 30 September 2025: approximately loss of HK$6,426,000), and the weighted average number of ordinary shares of 50,910,351 (six months ended 30 September 2025: 48,276,744, as restated) in issue during the interim period.

Diluted loss per share

The diluted loss per share is the same as the basic loss per share for the six months ended 30 September 2026 and 2025 because the Company's share options outstanding during these periods were anti-dilutive.

11. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2026, the Group acquired items of property, plant and equipment with aggregate cost of approximately HK$106,000 (six months ended 30 September 2025: approximately HK$1,209,000). Items of property, plant and equipment with aggregate carrying amount of approximately HK$32,000 were written off and disposed during the six months ended 30 September 2026 (six months ended 30 September 2025: approximately HK$244,000), resulting in a net gain on write-off and disposal of property, plant and equipment of approximately HK$4,000 (six months ended 30 September 2025: net loss on write-off and disposal of property, plant and equipment of approximately HK$14,000).

12. LEASES AND RIGHT-OF-USE ASSETS

During the six months ended 30 September 2026, the Group did not enter into any new lease agreements in respect of renting buildings, and no lease liabilities or right-of-use assets were recognised (six months ended 30 September 2025: HK$4,145,000).

13. TRADE RECEIVABLES

The aged analysis of trade receivables, based on the invoice dates and net of loss allowance at the end of the reporting period, is as follows:

	30 September 2026	31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within 30 days	**42,533**	29,280
31 to 60 days	**205**	24,368
61 to 90 days	**3,084**	7,708
91 to 120 days	**513**	2,050
Over 120 days	**80**	132
	46,415	63,538

14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	30 September 2026	31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Prepayments	**2,945**	2,143
Deposits	**899**	2,877
Other receivables	**560**	524
Amount due from a related company, gross	**6,896**	6,945
Less: Impairment loss recognised on other receivables	**(1,016)**	(1,047)
	10,284	11,442

15. PLEDGED TIME DEPOSITS

At the end of the reporting period, the Group's banking facilities amounting to HK$7,000,000 (31 March 2026: HK$7,000,000), of which HK$168,000 (31 March 2026: HK$2,215,000) had been utilised as at the end of the reporting period, are secured by the pledge of certain of the Group's time deposits amounting to approximately HK$7,117,000 (31 March 2026: approximately HK$7,292,000).

16. TRADE PAYABLES

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

	30 September 2026	31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within 30 days	**12,509**	6,795
31 to 60 days	**–**	5,399
61 to 90 days	**660**	–
Over 90 days	**113**	111
	13,282	12,305

The trade payables are non-interest-bearing and are normally settled on 30-day terms.

17. OTHER PAYABLES AND ACCRUALS

	30 September 2026	31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Other payables	**18,442**	20,015
Provisions and accruals *(Note a)*	**28,337**	30,932
	46,779	50,947

Note a: Provisions and accruals mainly represent the accrued staff costs incurred in the Group.

18. PROMISSORY NOTES PAYABLE

During the prior year ended 31 March 2021, the Company issued three promissory notes to an investor in the aggregate principal sum of HK$3,000,000 and bearing interest at 8% per annum. The promissory notes should be repayable in full by 31 January 2023 but the expiry date has been extended to 31 January 2024 and further extended to 31 January 2025 by the Company and the investor. In January 2025, the Group was unable to repay the promissory notes payable which was due for payment in accordance with the respective loan agreement. The suspension of payment of principal and interest of promissory notes payable constitute a default of payment. The default promissory notes payable amounted to HK$3,000,000 is presented under current liabilities in the Group's condensed consolidated statement of financial position as at 30 September 2026. No remedies in respect of the defaults have been agreed with the notes holders up to the date of this announcement.

19. DIVIDEND

The Directors do not declare the payment of any interim dividend for the six months ended 30 September 2026 (six months ended 30 September 2025: Nil).

20. DISPOSAL OF SUBSIDIARIES

On 27 June 2025, the Group entered into a sale and purchase agreement with an independent third party for the disposal of two group entities, namely Precise Vision International Limited and Utter Enlightenment International Limited along with their respective subsidiaries. The sub-consolidated financial information for these entities is presented below:

	27 June 2025 *HK$'000*
Net assets disposed of:	
Property, plant and equipment	227
Trade receivables	–
Prepayments, deposits and other receivables	3,807
Cash and bank balances	11
Trade payables	(613)
Other payables and accruals	(16,068)
Subtotal	(12,636)
Exchange fluctuation reserve	(349)
Amounts due with intra-group companies	13,067
Gain on disposal of subsidiaries	218
Total consideration	300
Satisfied by:	
Cash	300

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

	27 June 2025 *HK$'000*
Cash consideration	300
Cash and bank balances disposed of	(11)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	289

21. CONTINGENT LIABILITIES

At the end of the reporting period, the Group had contingent liabilities as follows:

(a) The Group has executed performance guarantees to the extent of an aggregate amount of approximately HK$168,000 (31 March 2026: approximately HK$2,215,000) in respect of certain services provided to various customers by the Group; and

(b) During the ordinary course of its business, the Group may from time to time be involved in litigation concerning personal injuries sustained by its employees or third party claimants. The Group maintains insurance cover and, in the opinion of the Directors, based on current evidence, any such existing claims should be adequately covered by the insurance as at 30 September 2026 and 31 March 2026.

EXTRACT FROM REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

The following is an extract of the independent auditor's review report on the Group's interim financial information for the six months ended 30 September 2026:

BASIS FOR DISCLAIMER OF CONCLUSION

The directors of the Company were unable to access the supporting documents of the accounting books and records of certain subsidiaries, namely, Heng Qin Hetong Cultural Communication Company Limited and Fujian Yu Sheng Da Supply Chain Management Company Limited (hereinafter collectively referred to as the "Sub-Group") (the "Inaccessible Accounting Supporting"). As a result of the above, we were unable to obtain sufficient appropriate evidences to review the consolidated statement of profit or loss and other comprehensive income of the Sub-Group in accordance with HKFRS Accounting Standards. Since the consolidated financial statements of the Sub-Group form part of the interim condensed consolidated financial statements of the Group, the inability to perform sufficient review procedures on the Inaccessible Accounting Supporting resulted in limitation on our review of the interim condensed consolidated financial statements of the Group. As disclosed in note 24, during the year ended 31 March 2026, the Sub-Group had been disposed to the independent third party.

We were unable to determine whether any adjustments might have been found to be necessary in respect of the elements making up the condensed consolidated profit or loss and other comprehensive income, and the related disclosures in the interim condensed consolidated financial statements of the Group.

DISCLAIMER OF CONCLUSION

We do not express a conclusion on the interim condensed consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Conclusion section of our report, we have not been able to obtain sufficient appropriate evidence to provide a basis for a review conclusion on these condensed consolidated statements. In all other respects, in our conclusion, the interim condensed consolidated financial statements have been properly prepared in accordance with HKAS 34.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the six months ended 30 September 2026 (the "Period"), the Group's revenue decreased by approximately 8.8% to HK$165,267,000 (six months ended 30 September 2025: HK$181,188,000). The Group recorded a loss attributable to owners of the Company of approximately HK$6,898,000 (six months ended 30 September 2025: HK$6,426,000).

The Group continued to focus on three principal business segments: (i) cleaning and related services; (ii) advertising media business; and (iii) waste treatment business.

During the reporting period, the operating environment for the cleaning services industry remained challenging, shaped by ongoing macroeconomic headwinds and intensifying market competition. Geopolitical tensions in the Middle East drove volatility in the energy markets, resulting in elevated oil prices and sustained inflationary pressures. Consequently, the Group faced rising operational expenses, particularly in labour, transportation and logistics.

Competition for cleaning contracts remained fierce. To defend their market share amid a cautious economic climate, several industry peers adopted aggressive pricing strategies during tender exercises, exerting significant downward pressure on contract margins. Despite these margin pressures, the Group maintained a disciplined bidding approach, prioritizing service quality, client retention, and sustainable profitability over short-term volume growth.

To mitigate rising labour costs and persistent manpower shortages in the local service sector, the Group actively utilized the Government's Supplemental Labour Optimization Scheme ("GSLOS"). The strategic integration of imported labour has begun to stabilize our frontline workforce, alleviate recruitment bottlenecks, and optimize overall labour expenditure. Moving forward, the Group will continue to leverage this scheme alongside operational automation and strict cost-control measures to enhance efficiency and safeguard margins across our current portfolio.

The advertising media business continued to face challenges from industry shifts towards digital platforms and evolving marketing demands. At the same time, the advertising media segment is disrupted by the availability of Artificial Intelligence ("AI") tools. Such disruption has led to cost reductions, with a growing number of clients opting to employ internal staff for their advertising and social media management needs. The Group maintained a cautious approach while exploring adaptation strategies.

Cleaning and Related Services

This segment remained the Group's sole revenue contributor, generating all external revenue of HK$165,267,000 (2025: HK$181,188,000). Despite the period-on-period revenue decline, the segment delivered a markedly improved result of approximately HK$969,000 (2025: HK$500,000). The improvement was mainly attributable to tighter cost control, lower staff costs and reduced other operating expenses, which more than offset the softer top-line performance.

Advertising Media Business

The advertising media segment recorded a minimal segment loss of approximately HK$31,000 (2025: loss of HK$628,000). The business remained subdued amid ongoing industry digitalisation and competitive pressures. The Group continued to adopt a cautious and cost-disciplined approach.

Waste Treatment Business

The waste treatment segment reported a segment loss of approximately HK$814,000 (2025: loss of HK$709,000). The Group continues to monitor this investment and evaluate strategic options.

FINANCIAL REVIEW

Revenue

Revenue for the Period amounted to HK$165,267,000, representing a decrease of approximately 8.8% compared with HK$181,188,000 in the corresponding period of 2025. The decline was primarily driven by lower service volumes in the cleaning segment.

Other Income and Gains

Other income and gains remained broadly stable at HK$713,000 (2025: HK$712,000). Higher interest income and government subsidies under the Technology Voucher Programme (2025: the Reimbursement of Maternity Leave Pay Scheme) were largely offset by the absence of one-off gains recorded in the prior period.

Operating Expenses

Staff costs decreased to HK$123,364,000 (2025: HK$127,498,000), reflecting tighter workforce management. Other operating expenses fell significantly to HK$47,447,000 (2025: HK$58,433,000). Cost of services rendered was HK$158,435,000 (2025: HK$171,876,000).

Loss for the Period

The Group recorded a loss before income tax of HK$7,144,000 (2025: HK$6,641,000) and a loss for the Period of HK$7,144,000 (2025: HK$6,641,000). Although the cleaning segment returned to a solid profit, higher unallocated corporate expenses resulted in a slightly wider overall loss.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2026, the Group's cash and bank balances stood at HK$64,667,000 (31 March 2026: HK$50,258,000). Cash and cash equivalents (including short-term time deposits) increased to HK$64,667,000, supported by positive operating cash inflow of approximately HK$13,962,000 during the Period.

Net current assets were HK$62,435,000 (31 March 2026: HK$63,457,000). Net assets decreased to HK$68,950,000 (31 March 2026: HK$70,993,000), mainly reflecting the loss incurred during the Period. Equity attributable to owners of the Company was HK$69,456,000 (31 March 2026: HK$71,269,000).

Interest-bearing liabilities primarily comprised lease liabilities of HK$2,200,000. Other interest-free liabilities include loans from shareholders, loans from directors and amount due to a related company of HK$800,000, HK$440,000 and HK$1,055,000 respectively. The promissory notes of HK$3,000,000 continued to be classified as current liabilities following the earlier default; no remedies had been agreed with the note holders as at the date of this announcement.

Banking facilities of HK$7,000,000 remained available, secured by pledged time deposits of approximately HK$7,117,000. Only a small portion had been utilised as at 30 September 2026.

At the beginning of the reporting period on 1 April 2026, the Company's issued capital was HK$19.3 million and the number of its issued ordinary shares was 1,931,069,796 shares of HK$0.01 each.

On 6 May 2026, the Company and a subscriber (the "Subscriber") have entered into a subscription agreement (the "Subscription Agreement"), pursuant to which the Company has conditionally agreed to allot and issue, under general mandate, and the Subscriber has conditional agreed to subscribe for the 153,000,000 subscription shares at the subscription price of approximately HK$0.033 per Subscription Share. The Subscription money payable by the Subscriber of approximately HK$5.0 million under the Subscription Agreement shall be satisfied by way of off-setting against the principal amount and the interest of the debt confirmation agreement of HK$5,049,000 payable by the Company to the Subscriber. All the conditions as set out in the Subscription Agreement have been fulfilled and completion took place on 27 May 2026 (the "Share Subscription").

On 17 May 2026, the Board proposes to implement the Share Consolidation on the basis that every forty (40) issued and unissued Shares of par value of HK$0.01 each be consolidated into one (1) consolidated share (the "Consolidated Share" or "Consolidated Shares") of HK$0.40 each.

On 22 June 2026, an extraordinary general meeting ("EGM") has taken place and the proposed ordinary resolution of share consolidation on the basis that every forty (40) issued shares of par value of HK$0.01 each existing then be consolidated into one (1) Consolidated Share of HK$0.40 each, was duly passed by the Shareholders at the EGM by way of poll. The Share Consolidation has become effective on Wednesday, 24 June 2026. Dealing in the Consolidated Shares has commenced at 9:00 a.m. on Wednesday, 24 June 2026. Please refer to the Circular published on 26 May 2026 for the details, including the trading arrangement, the Change in Board Lot Size, the exchange of share certificates and matching services for odd lots in connection with the Share Consolidation. Shareholders should note that the new share certificates of the Consolidated Shares are in grey colour, while the existing share certificates in blue colour will cease to be valid for delivery, trading and settlement purposes after 4:10 p.m. on Friday, 31 July 2026, but will remain valid and effective as documents of title.

Following the Share Consolidation becoming effective and taking into account of the Share Subscription, the Company's issued capital was HK$20.8 million and the number of its issued ordinary shares was 52,101,744 shares of HK$0.40 each since 24 June 2026 until the end of the reporting period, i.e. 30 September 2026.

The Group maintains a prudent cash management policy. Transactions related to the cleaning business are predominantly denominated in Hong Kong dollars, while residual exposures in other segments are monitored.

FUND RAISING ACTIVITY COMPLETED SUBSEQUENT TO THE REPORTING PERIOD

On 2 September 2026, the Company entered into a placing agreement with a placing agent (the "Placing Agent") pursuant to which the Placing Agent has agreed to place (the "Placing"), on a best effort basis, to independent placees for up to 5,830,348 new Shares at a price of HK$0.8 per Placing Share, for and on behalf of the Company.

Subsequent to the Period on 26 October 2026, all condition precedent of the Placing under general mandate has been fulfilled on 26 October 2026 and completion of the Placing took place on 2 November 2026 whereupon 5,830,000 new Shares, were allotted and issued to not less than six placees at the placing price of HK$0.8 per Share. As the completion of the Placing has extended from the original date of 23 September 2026 to 27 October 2026, the shares were issued under the general mandate granted to the Directors of the Company by the annual general meeting held on 28 September 2026.

All condition precedent of the Placing under general mandate has been fulfilled on 26 October 2026 and completion of the Placing took place on 2 November 2026 whereupon 5,830,000 new Shares, were allotted and issued to not less than six Placees at the Placing Price of HK$0.8 per Share.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Placees and where appropriate, their respective ultimate beneficial owners is an Independent Third Party, and none of the Placees has become a substantial Shareholder immediately upon completion of the Placing.

The 5,830,000 Placing Shares represents approximately 10.06% of the Company's entire issued share capital as enlarged by the Placing.

The net proceeds from the Placing of approximately HK$4,564,000 (after deducting the placing commission, professional fees and all related expenses of approximately HK$100,000) will be used for general working capital of the Group. Further announcement will be made on the utilisation of net proceeds to keep the Company's shareholders and potential investors informed of any progress as and when appropriate.

PROSPECTS

Cleaning and Related Services

Looking ahead, the Board remains cautiously optimistic about the Group's business prospects. While macroeconomic uncertainties and intense price competition within the property management and cleaning sector are expected to persist, the fundamental demand for high-standard cleaning services across commercial buildings, residential estates, and shopping malls remains resilient.

A testament to our market standing was the Group's recent success in recapturing a previously lost service contract. Notably, this win was achieved not on the basis of being the lowest bidder, but rather through our established reputation for reliability, operational excellence, and consistent service delivery. This milestone reinforces our belief that quality-conscious clients continue to value dependable performance over pure price discounting, providing a strong foundation for client retention and new business acquisition.

To capture emerging opportunities and expand our revenue streams, the Group will adopt a balanced and agile pricing strategy. We will suitably adjust our tender margins to remain competitive – both to safeguard our existing portfolio and to secure new contracts – while leveraging cost efficiencies gained from the GSLOS and smart cleaning technologies. Through disciplined cost management and an unwavering commitment to service quality, the Group is well-positioned to achieve sustainable growth and deliver long-term value to our shareholders.

Advertising Media Business

The segment is expected to remain challenging in the near term. The Group is proactively identifying viable digital or niche media opportunities and will make further announcement(s) to keep its shareholders and potential investors informed of any progress as and when appropriate.

Waste Treatment Business

The outlook for waste treatment and related environmental services remains uncertain. The Group will continue to assess strategic options for this business.

Overall, the Group will focus on stabilising cash flow, controlling overheads and preserving liquidity while selectively pursuing sustainable growth opportunities.

DIVIDEND

The Directors do not declare the payment of any interim dividend for the six months ended 30 September 2026 (six months ended 30 September 2025: Nil).

PLEDGE OF ASSETS

Save as disclosed elsewhere in this announcement, the Group had no other material pledge of assets as at 30 September 2026.

CONTINGENT LIABILITIES

The Group continues to provide performance guarantees in the ordinary course of its cleaning business. The Directors consider that existing insurance coverage remains adequate for employment-related and personal injury claims. Save as disclosed in note 21 and elsewhere in this announcement, there was no other material contingent liabilities that would significantly affect the Group's financial position were noted.

CAPITAL COMMITMENTS

As at 30 September 2026, the Group had no material capital commitments.

LITIGATIONS

Legal Proceedings Taken by Former Non-Executive Director

On 10 June 2025, a Chinese Arbitration Award being issued in related to a loan alleged to be borrowed, by Heng Qin Hetong Cultural Communication Company Limited and Fujian Yu Sheng Da Supply Chain Management Company Limited (the "related subsidiaries") from Mr. Wang Chunping, a non-executive director, retired on 25 September 2024. The alleged loan amount of RMB5.2 million had not been repaid on the agreed date of 30 June 2024 by the related subsidiaries, and therefore constituting a clear default. Thereafter, Mr. Wang initiated arbitration proceedings, which was accepted by the Fuzhou Arbitration Commission (the "Commission") on 13 November 2024 and on 10 June 2025, the Commission issued an Award in favor of Mr. Wang with terms that the related subsidiaries are ordered to repay Mr. Wang, inter alia, the principal loan amount of RMB5.2 million within 10 days from the date of the decision, and overdue interest on the principal loan amount at an annual rate of 3.1%, calculated from 11 November 2024, until full principal amount is repaid.

The legal advisor is of the view that while the repayment agreement referenced in the arbitral award stipulates that disputes may be resolved through arbitration, it does not explicitly state that arbitration is the final and exclusive remedy.

Additionally, since the debt under the repayment agreement has already been adjudicated by the court, the subsequent repayment agreement signed by Mr. Wang regarding the same loan does not involve any actual lending to the related subsidiaries. Consequently, it is highly likely that this agreement would be unenforceable.

Having consulted legal adviser, it is viewed that the Company has strong ground to oppose the alleged loan. As disclosed in note 20 of this announcement, the related subsidiaries had been disposed during the six-month period ended 30 September 2025.

Winding-up Petitions

The Board has become aware that, on 17 June 2026, that a winding-up petition (the "First Petition") was filed by Ngans Lawyers LLP (the "First Petitioner") on 16 June 2026 at the High Court of the Hong Kong Special Administrative Region (the "High Court") against the Company, on the ground that the Company is indebted to the First Petitioner for the outstanding service fee in the sum of approximately HK$588,808.00 in relation to a Retainer Agreement for Annual Legal Services.

On 28 August 2026 the Company received a sealed copy of the order of the High Court dated 20 August 2026, by which the High Court, by consent, granted leave to the First Petitioner to withdraw the First Petition.

On 11 September 2026, it has come to the attention of the Company that a winding-up petition (the "Second Petition") was filed by Mr. Tsui Kwok Hing (the "Second Petitioner") on 11 September 2026 at the High Court against the Company, on the ground that the Company is indebted to the Second Petitioner for the alleged outstanding debt in the sum of HK$4,050,363.59 in relation to director's advances to the Company. The Second Petition is scheduled to be heard before the High Court on 2 December 2026.

Pursuant to section 182 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) (the "Companies (WUMP) Ordinance"), in the event that the Company is ultimately wound up as a result of the Second Petition, any disposition of the property directly owned by the Company (for the avoidance of doubt, excluding the property of the subsidiaries of the Company), any transfer of shares of the Company, or alteration in the status of the members of the Company, made after the commencement date of the winding up, which is 11 September 2026 when the Petition was filed (the "Commencement Date"), will be void unless a validation order is obtained from the High Court. Any disposition of the property, transfer or alteration made on or after the Commencement Date will not be affected if the Second Petition is subsequently struck out, dismissed or permanently stayed.

Pursuant to the circular dated 28 December 2016 issued by Hong Kong Securities Clearing Company Limited ("HKSCC") in relation to the transfer of the shares of listed issuers after a winding up petition has been presented, in view of these restrictions and the uncertainties that may arise in relation to the transfer of shares, for participant(s) who conduct share transfers through HKSCC (the "Participant(s)"), HKSCC may at any time, and without notice, exercise its powers under the General Rules of Central Clearing and Settlement System ("CCASS") to temporarily suspend any of its services in respect of shares of the Company. This may include the suspension of acceptance of deposits of share certificates of the Company into CCASS. The share certificates of the Company received by HKSCC but not yet reregistered in HKSCC Nominees Limited's name will also be returned to the relevant Participant and HKSCC shall reserve the right to reverse any credit granted to such Participant by debiting the relevant securities from its CCASS account accordingly. These measures would generally cease to apply from the date when the Petition has been dismissed or permanently stayed, or the Company has obtained the necessary validation order from the High Court.

The filing of the Petition does not represent the successful winding up of the Company by the Second Petitioner. No winding up order has been granted by the High Court to wind up the Company as at the date of this announcement.

On 8 October 2026, the High Court granted a validation order in respect of the Second Petition that any transfer of the shares of the Company on and after 11 September 2026, and any payment or application or disposition of the net proceeds generated from the placement of the 5,830,348 new shares of the Company under the placing agreement dated 2 September 2026, shall not be void by virtue of section 182 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

The Company will make further announcement(s) to keep its shareholders and investors informed of any significant developments in relation to the Second Petition as appropriate or as required under the Listing Rules.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

It is the Group's corporate mission to continue to explore ways to improve its financial performance and to broaden the sources of revenue within acceptable risk level. Hence, the Company does not rule out the possibility of investing in or changing to other business as long as it is in the interest of the Company and the shareholders as a whole. Also, as part of its routine exercise, the Company reviews the performance of its existing business portfolio and evaluates possible investment opportunities available to the Company from time to time. Subject to the result of such review and the then market and economy situation, the Company may make suitable investment decisions which may involve the disposal of part of its existing business portfolio and/or change of the asset allocation of its business and investment portfolio and/or expanding its business portfolio with a view of realizing and/or optimizing the expected return and minimizing the risks. Meanwhile, the Company does not preclude the possibility that the Company may implement debt and/or equity fund raising plan(s) to satisfy the financing needs arising out of any business development of the Group as well as to improve its financial position in the event that suitable fund raising opportunities arise, as the Company has from time to time been approached by investors for potential investment projects. In these regards, the Company will publish announcement as and when appropriate according to applicable rules and regulations.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES

Save as disclosed in note 20 and elsewhere in this announcement, there was no material acquisition and disposal of subsidiaries during the reporting period.

SIGNIFICANT INVESTMENTS

During the reporting period, the Group did not have any significant investment plans.

EVENTS AFTER THE PERIOD

Save as disclosed in elsewhere in this announcement, there were no significant events after 30 September 2026 that require disclosure up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICIES

The total number of employees of the Group as at 30 September 2026 was 1,180 (31 March 2026: 1,273). Total staff costs, including directors' emoluments and net pension contributions, for the reporting period amounted to approximately HK$123,364,000 (30 September 2025: approximately HK$127,498,000). The Group provides employees with training programmes to equip them with the latest skills and other benefits including share option scheme.

Remunerations are commensurate with individual job nature, work experience and market conditions, and performance related bonuses are granted to employees on discretionary basis.

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

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 September 2026 and 2025.

CORPORATE GOVERNANCE PRACTICES

Compliance with the Corporate Governance Code

The Board recognises the vital importance of a good corporate governance to the Group's management, success and sustainability. Corporate governance practices would be reviewed from time to time to ensure compliance with the regulatory requirements and to meet the rising expectations of Shareholders and investors relating to corporate value, transparency and accountability of all its operations.

The Company strived to maintain a high standard of corporate governance and complied with the Corporate Governance Code (the "CG Code") as stated in Appendix C1 of the Listing Rules.

The Company has adopted the code provisions in the CG Code as its own code of corporate governance. Pursuant to Rule 3.21 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules"), every listed issuer must establish an audit committee comprising non-executive directors only and the audit committee must comprise a minimum of three members, at least one of whom is an independent non-executive director with appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.10(2) of the Listing Rules. The audit committee must be chaired by an independent non-executive director. Immediately following the resignation of Mr. Yau Pak Yue on 24 September 2026, the chairmanship of the Audit Committee has become vacant.

Pursuant to Rule 3.25 of the Listing Rules, every listed issuer must establish a remuneration committee chaired by an independent non-executive director. Immediately following the resignation of Mr. Yau Pak Yue, the chairmanship of the Remuneration Committee has become vacant, resulting in non-compliance with the requirement prescribed under Rule 3.25 of the Listing Rules.

These non-compliance incidents were rectified upon the appointment of Mr. Tsang Chi Hon as the Chairman of the Audit Committee and the Remuneration Committee.

However, following the poll results of annual general meeting held on 28 September 2026 where the directors had no practical ability to control or pre-determine the final board composition and could only accept the outcome of the AGM process. The resulting board of 13 directors with only 4 INEDs was not intended by the Company. Rule 3.10A of the Listing Rules and code provision B1.4 of the Corporate Governance Code provides that independent non-executive Directors must represent at least one-third of the Board. Following the Change of Director, the Company has failed to comply with the requirement as set out in Rule 3.10A of the Listing Rules.

Following the resignation of Mr. Chan Frank Clifford Shui Ting Chu and Ms. Wang Guan on 30 October 2026, the Company has complied with the requirement of having independent non-executive Directors representing at least one-third of the Board under Rule 3.10A of the Listing Rules.

Model Code for Securities Transactions by Directors

The Company has adopted its own code of conduct governing Directors' dealings in the Company's securities (the "Code") on terms no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. Specific enquiry has been made to all Directors and all of them have confirmed that they have complied with the Code and the Model Code throughout the six months ended 30 September 2026.

The Company has also established written guidelines on terms no less exacting than the Model Code (the "Employees Written Guidelines") for governing the securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

REVIEW OF INTERIM RESULTS

The Audit Committee comprises four independent non-executive Directors, namely Mr. Tsang Chi Hon (Chairman), Mr. Wang Qi, Mr. Mui Kay Boon and Mr. Liu Kwok Him, and is responsible for reviewing the Group's financial information and overseeing the Group's financial reporting system and internal control procedures. The Audit Committee is also responsible for reviewing the interim and final results of the Group prior to recommending them to the Board for approval. In performing its duties, it has unrestricted access to personnel, records, and external auditors and senior management.

The unaudited condensed consolidated interim financial statements for the six months ended 30 September 2026 have been reviewed by the Audit Committee, which was of the opinion that such financial statements complied with the applicable accounting standards and that adequate disclosures have been made.

The unaudited condensed consolidated interim results of the Group have been reviewed by the Company's auditor, CLA Prism Hong Kong Limited, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of Entity" issued by the Hong Kong Institute of Certified Public Accountants. An extract from the report on review with modified review conclusion is shown hereinabove under the heading "Extract from Report on Review of Interim Financial Information" on page 15. The report on review will be included in the interim report for distribution to the Shareholders.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND DESPATCH OF INTERIM REPORT

The interim results announcement is published on the websites of The Stock Exchange of Hong Kong Limited at (www.hkexnews.hk) and the Company at (www.XHNmedia.com). The 2026/2027 interim report containing all the information required by the Listing Rules will be despatched to the Shareholders and will be published on the above websites in due course.

By order of the Board
Xinhua News Media Holdings Limited
Lin Shuang
Co-chairman and President

Hong Kong, 27 November 2026

As at the date of this announcement, the Board comprises five executive Directors, namely, Mr. Lo Kou Hong, Mr. Lin Shuang, Ms. Chen Yun, Mr. Wang Xuesong and Mr. Yu Yonghui; two non-executive Directors, namely, Mr. Yuen Ka Tai, Wilson and Mr. Chang Ta Tung; and four independent non-executive Directors, namely, Mr. Wang Qi, Mr. Mui Kay Boon, Mr. Tsang Chi Hon and Mr. Liu Kwok Him.