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Lai Group Holding Company Limited

禮建德集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8455)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Lai Group Holding Company Limited (the “**Company**”) hereby announce the unaudited consolidated results of the Company and its subsidiaries for the six months ended 30 September 2025 (the “**Interim Results**”). This announcement, containing the full text of the interim report 2025 of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in relation to information to accompany preliminary announcements of Interim Results.

By order of the Board
Lai Group Holding Company Limited
Wang Guoping
Chairman and Executive Director

Hong Kong, 20 November 2025

As at the date of this announcement, the Board comprises Mr. Wang Guoping and Dr. Chan Lai Sin as executive Directors; Ms. Liu Lihui as a non-executive Director; and Dr. Chung Siu Kuen, Ms. Ma Yufei and Ms. Sun Wai Ling as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the website of the Stock Exchange at www.hkexnews.hk on the “Latest Listed Company Information” page for at least 7 days from the date of its posting and will be published on the Company’s website at www.dic.hk.

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This report, for which the directors (the “**Directors**”) of Lai Group Holding Company Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Wang Guoping (*Chairman*)

Dr. Chan Lai Sin (*Vice Chairman*)

Non-executive Director

Ms. Liu Lihui

Independent non-executive Directors

Dr. Chung Siu Kuen

Ms. Ma Yufei

Ms. Sun Wai Ling (Appointed on 29 August 2025)

Ms. Lui Lai Chun (Resigned on 29 August 2025)

BOARD COMMITTEES

Audit Committee

Ms. Sun Wai Ling (*Chairman*)

(Appointed on 29 August 2025)

Dr. Chung Siu Kuen

Ms. Ma Yufei

Ms. Lui Lai Chun (Resigned on 29 August 2025)

Remuneration Committee

Ms. Sun Wai Ling (*Chairman*)

(Appointed on 29 August 2025)

Dr. Chan Lai Sin

Dr. Chung Siu Kuen

Ms. Ma Yufei

Ms. Lui Lai Chun (Resigned on 29 August 2025)

Nomination Committee

Ms. Ma Yufei (*Chairman*)

Dr. Chan Lai Sin

Dr. Chung Siu Kuen

Ms. Sun Wai Ling (Appointed on 29 August 2025)

Ms. Lui Lai Chun (Resigned on 29 August 2025)

COMPANY SECRETARY

Ms. Ng Hoi Ying

AUTHORISED REPRESENTATIVES

Dr. Chan Lai Sin

Ms. Ng Hoi Ying

COMPLIANCE OFFICER

Dr. Chan Lai Sin

AUDITORS

Asian Alliance (HK) CPA Limited

Certified Public Accountants

Registered Public Interest Entity Auditor

8/F., Catic Plaza

8 Causeway Road

Causeway Bay

Hong Kong

LEGAL ADVISER AS TO HONG KONG

LAWS

CFN Lawyers

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Wan Chai, Hong Kong

CORPORATE INFORMATION

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

REGISTERED OFFICE IN THE CAYMAN ISLANDS

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Grand Cayman KY1-1108
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Hong Kong

PRINCIPAL BANKS

Bank of China
Hang Seng Bank
The Hongkong and Shanghai Banking
Corporation Limited

STOCK CODE

8455

COMPANY'S WEBSITE

www.dic.hk

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

The unaudited condensed consolidated results of the Group for the six months ended 30 September 2025, together with the unaudited comparative figures for the corresponding periods in 2024, are as follows:

	Note	Unaudited	
		Six months ended 2025 HK\$'000	30 September 2024 HK\$'000
Revenue	5	61,777	51,195
Direct costs		(48,216)	(41,548)
Gross profit		13,561	9,647
Other income and other gains	6	414	619
Administrative and other operating expenses		(16,271)	(15,634)
Operating loss		(2,296)	(5,368)
Finance costs	7	(110)	(139)
Loss before income tax	8	(2,406)	(5,507)
Income tax credit	9	-	19
Loss for the period attributable to the owners of the Company		(2,406)	(5,488)
Other comprehensive expense			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		(2)	(2)
Other comprehensive expense for the period attributable to the owners of the Company, net of income tax		(2)	(2)
Total comprehensive expense for the period attributable to the owners of the Company		(2,408)	(5,490)
Loss per share attributable to the owners of the Company for the period			
- Basic and diluted loss per share	10	(HK0.27 cents)	(HK0.69 cents)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

		Unaudited As at 30 September 2025 HK\$'000	Audited As at 31 March 2025 HK\$'000
	<i>Note</i>		
ASSETS			
Non-current assets			
Property, plant and equipment	12	7,793	7,900
Right-of-use assets		<u>70</u>	<u>100</u>
Total non-current assets		<u>7,863</u>	<u>8,000</u>
Current assets			
Contract assets		2,343	782
Trade and other receivables	13	2,011	2,630
Tax recoverable		32	40
Cash and cash equivalent	14	<u>23,182</u>	<u>12,120</u>
Total current assets		<u>27,568</u>	<u>15,572</u>
Total assets		<u>35,431</u>	<u>23,572</u>
EQUITY			
Capital and reserves			
Share capital	16	9,600	8,000
Reserves		<u>(9,418)</u>	<u>(12,395)</u>
Total equity (deficits)		<u>182</u>	<u>(4,395)</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Unaudited	Audited
	As at	As at
	30 September	31 March
	2025	2025
<i>Note</i>	HK\$'000	HK\$'000
LIABILITIES		
Non-current liabilities		
Lease liabilities	63	203
Loan from a director	<i>15</i> 2,000	2,000
Deferred tax liabilities	9	9
	<hr/>	<hr/>
Total non-current liabilities	2,072	2,212
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Current liabilities		
Contract liabilities	11,381	10,418
Trade and other payables	<i>17</i> 16,028	8,955
Amount due to a director	–	86
Provision for warranties	868	744
Bank borrowing	<i>18</i> 4,313	4,536
Lease liabilities	587	1,016
	<hr/>	<hr/>
Total current liabilities	33,177	25,755
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Total liabilities	35,249	27,967
	<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Net assets (liabilities)	182	(4,395)
	<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2025

	Attributable to the owners of the Company					Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Translation reserves HK\$'000	Other reserves HK\$'000 <i>(Note i)</i>	Accumulated losses HK\$'000	
At 1 April 2024 (Audited)	8,000	44,419	(5)	(5,829)	(37,982)	8,603
Loss for the period	-	-	-	-	(5,488)	(5,488)
Other comprehensive expense for the period	-	-	(2)	-	-	(2)
Total comprehensive expense for the period	-	-	(2)	-	(5,488)	(5,490)
At 30 September 2024 (Unaudited)	<u>8,000</u>	<u>44,419</u>	<u>(7)</u>	<u>(5,829)</u>	<u>(43,470)</u>	<u>3,113</u>
At 1 April 2025 (Audited)	8,000	44,419	(6)	(5,829)	(50,979)	(4,395)
Loss for the period	-	-	-	-	(2,406)	(2,406)
Other comprehensive expense for the period	-	-	(2)	-	-	(2)
Total comprehensive expense for the period	-	-	(2)	-	(2,406)	(2,408)
Placing of shares	<u>1,600</u>	<u>5,385</u>	-	-	-	<u>6,985</u>
At 30 September 2025 (Unaudited)	<u>9,600</u>	<u>49,804</u>	<u>(8)</u>	<u>(5,829)</u>	<u>(53,385)</u>	<u>182</u>

Note:

- i) Other reserve represents the difference between the nominal value of the shares issued by the Company in exchange for the nominal value of the share capital of its subsidiaries arising from the corporate reorganisation.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2025

	Unaudited Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Cash flows from operating activities		
Cash from/(used in) operations	<u>4,961</u>	<u>(2,593)</u>
Net cash generated from/(used in) operating activities	<u>4,961</u>	<u>(2,593)</u>
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	–	4
Interest received	<u>17</u>	<u>176</u>
Net cash generated from investing activities	<u>17</u>	<u>180</u>
Cash flows from financing activities		
Interest paid on bank borrowing	(67)	(89)
Net proceeds from placing of shares	6,985	–
Repayment of lease liabilities	(611)	(833)
Repayment of bank borrowings	<u>(223)</u>	<u>(210)</u>
Net cash from/(used in) financing activities	<u>6,084</u>	<u>(1,132)</u>
Net increase/(decrease) in cash and cash equivalents	11,062	(3,545)
Cash and cash equivalents at the beginning of period	<u>12,120</u>	<u>24,326</u>
Cash and cash equivalents at the end of period	<u><u>23,182</u></u>	<u><u>20,781</u></u>

1 GENERAL INFORMATION

The Company is a public exempted company with limited liability incorporated in Cayman Islands and its shares are listed on the GEM of the Stock Exchange. Its parent and ultimate holding company is HK H&Y Group Chain Management Limited, a company incorporated in Hong Kong. Its ultimate controlling party is Mr. Liu Jiasheng. The address of the registered office of the Company is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company is Office H, 19/F, Phase 01, Kings Wing Plaza, 3 On Kwan Street, Shek Mun, Sha Tin, New Territories, Hong Kong.

The Company is an investment holding company. The principal activities of the Group are provision of interior design and fit-out services in Hong Kong.

This unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company.

2 BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the six months ended 30 September 2025 has been prepared in accordance with the HKAS 34 “Interim Financial Reporting” and the applicable disclosure provisions of the GEM Listing Rules.

The unaudited condensed consolidated financial statements for the six months ended 30 September 2025 should be read in conjunction with the audited consolidated financial statements for the year ended 31 March 2025 and the notes thereto (the “**2025 Audited Consolidated Financial Statements**”). The significant accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements are consistent with those followed in the preparation of the 2025 Audited Consolidated Financial Statements except for the new and revised standards, amendments and interpretations issued by the Hong Kong Institute of Certified Public Accountants that are adopted for the first time for the current period’s financial statements. It should be noted that accounting estimates and assumptions were adopted in the preparation of the unaudited condensed consolidated financial statements. Although the estimates are based on the management’s best knowledge of and judgement on the present events and actions, the actual results may eventually differ from those estimates.

The unaudited condensed consolidated financial statements for the six months ended 30 September 2025 has not been audited or reviewed by the Company’s external auditors, but has been reviewed by the audit committee of the Company (the “**Audit Committee**”).

Going concern

The unaudited condensed consolidated financial statements have been prepared on a going concern basis as the Directors are of the opinion that the Group would have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due within the next twelve months from the end of the reporting period taking into account various plans and measures. Measures that the Group has taken and is taking to manage its liquidity needs and improve its financial position include, but are not limited to, the followings:

- (i) The Directors are of the view that based on past experience and the nature of the loan financing are not expected to be payable on demand before the maturities;
- (ii) The Directors will continue to implement stronger measures and other comprehensive policies aiming at improving the working capital and cash flows of the Group, including closely monitoring incurrence of operating expenses; and
- (iii) The Directors will consider other financing arrangements and fund-raising alternatives with a view to increasing the Group’s capitalisation/equity and to support the continuing growth of the Company.

3 ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

Certain new and revised HKFRS Accounting Standards have been issued. The Directors considered that the adoption of those new HKFRS Accounting Standards which are effective for the accounting periods beginning on 1 April 2025 will not have any material impact on the preparation and presentation of the results and financial conditions of the current period and previous periods. For the HKFRS Accounting Standards that are not yet effective nor have not been early adopted, the Group is in the process of making an assessment of the potential impact of the newly issued HKFRS Accounting Standards.

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks which include interest rate risk, credit risk and liquidity risk. The interim condensed consolidated financial information do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the 2025 Audited Consolidated Financial Statements.

There have been no changes in the risk management policies since year ended 31 March 2025.

4.2 Liquidity risk

Compared to year end, there have been no material changes to the policies and practices for the Group's liquidity and funding risks management as described in the consolidated financial statements for the year ended 31 March 2025.

4.3 Fair value estimation

As at 31 March 2025 and 30 September 2025, the Group did not have any financial assets or financial liabilities that are measured at fair value.

The carrying values of receivables and payables are a reasonable approximation of their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

5 REVENUE AND SEGMENT INFORMATION

Revenue recognised during the reporting periods are as follows:

	Unaudited	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Revenue		
Residential interior design and fit-out services	52,842	50,565
Commercial interior design and fit-out services	8,935	630
	<u>61,777</u>	<u>51,195</u>

Disaggregation of revenue from contracts with customers

	Unaudited	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Timing of revenue recognition		
Over-time	<u>61,777</u>	<u>51,195</u>
Type of goods and services		
Interior design and fit-out services	<u>61,777</u>	<u>51,195</u>

Performance obligations for contracts with customers

The Group provides interior design and fit-out services to customers. Such services are recognised as a performance obligation satisfied over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue for these works is recognised based on the stage of completion of the contract using input method.

The Group's services contracts include payment schedules which require stage payments over the services period once certain specified milestones are reached. The Group typically requires customers to provide non-refundable upfront deposits range from 60% to 70% of total contract sum, when the Group receives a deposit before service commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the specific contract exceeds the amount of the deposit.

A contract asset, net of contract liability related to the same contract, is recognised over the period in which the services are performed representing the Group's right to consideration for the services performed because the rights are conditioned on the Group's future performance in achieving specified milestones. The Group typically bills the customers when the specified milestones are reached (i.e. when the rights become unconditional) and the contract assets will be transferred to trade receivables. The normal credit term is 0 to 30 days upon service provided.

Transaction price allocated to the remaining performance obligation for contracts with customers

All contracts with customers are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Information reported to the board of Directors (the "**Board**"), being the chief operating decision maker ("**CODM**"), for the purpose of resources allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group's reportable and operating segment under HKFRS 8 *Operating Segments* is provision of interior design and fit-out services in Hong Kong.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Since this is the only reportable and operating segment of the Group, no further analysis thereof is presented. All the revenue of the Group are generated from provision of interior design and fit-out services for the periods ended 30 September 2025 and 2024.

Geographical information

The Group's operation is located in Hong Kong. All the non-current assets of the Group are located in Hong Kong.

Information about major customers

For the periods ended 30 September 2025 and 2024, as no revenue derived from an individual customer of the Group has accounted for over 10% of the Group's total revenue, no information about major customers is presented.

6 OTHER INCOME AND OTHER GAINS

	Unaudited	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Management fee income	397	439
Interest income	17	176
Gain on disposal of property, plant and equipment	—	4
	<u>414</u>	<u>619</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

7 FINANCE COSTS

	Unaudited	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Interest on bank borrowing	67	89
Interest on leases liabilities	43	50
	<u>110</u>	<u>139</u>

8 LOSS BEFORE INCOME TAX

Loss before income tax has been arrived at after charging the following items:

	Unaudited	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Depreciation of property, plant and equipment (<i>Note 12</i>)	107	113
Depreciation of right-of-use assets	30	2
Legal and professional fee	910	1,223
Materials	7,870	7,150
Subcontracting charges	37,628	31,958
Staff costs, including directors' emoluments	7,525	7,076
	<u>54,070</u>	<u>50,522</u>

9 INCOME TAX CREDIT

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2,000,000 of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2,000,000.

Under the Law of the People’s Republic of China (the “**PRC**”) on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the six months ended 30 September 2025 and 2024.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

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

	Unaudited	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Hong Kong Profits Tax:		
Current income tax	–	–
Deferred income tax credit	–	(19)
	<u> </u>	<u> </u>
Income tax credit	<u> </u>	<u> </u> (19)

10 LOSS PER SHARE ATTRIBUTABLE TO THE OWNERS OF THE COMPANY FOR THE PERIOD – BASIC AND DILUTED

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the respective periods.

	Unaudited Six months ended 30 September 2025	2024
Loss for the period attributable to the owners of the Company (<i>HK\$'000</i>)	2,406	5,488
Weighted average number of ordinary shares in issue ('000)	890,929	800,000
Basic loss per share (<i>expressed in HK cents per share</i>)	<u>0.27</u>	<u>0.69</u>

The weighted average number of ordinary shares for the six months ended 30 September 2025 was approximately 890,928,962 (2024: 800,000,000) ordinary shares in issue by the Company.

The weighted average number of ordinary shares for the purpose of basic loss per share for the six months ended 30 September 2025 have been adjusted for the issue of new shares by way of placing which took place on 19 June 2025 and details of which are set out in Note 16.

(b) Diluted

Diluted loss per share is equal to the basic loss per share as there were no dilutive potential ordinary shares in issue during the six months ended 30 September 2025 and 2024.

11 DIVIDENDS

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

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

12 PROPERTY, PLANT AND EQUIPMENT

	Land and Building HK\$'000	Computer equipment HK\$'000	Leasehold improvements HK\$'000	Furniture and fixtures HK\$'000	Office equipment HK\$'000	Motor vehicles HK\$'000	Total HK\$'000
Audited							
Cost							
As at 1 April 2024	10,320	3,061	795	507	698	3,613	18,994
Additions	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	(226)	(226)
	<u>10,320</u>	<u>3,061</u>	<u>795</u>	<u>507</u>	<u>698</u>	<u>3,387</u>	<u>18,768</u>
As at 31 March 2025	<u>10,320</u>	<u>3,061</u>	<u>795</u>	<u>507</u>	<u>698</u>	<u>3,387</u>	<u>18,768</u>
Accumulated depreciation and impairment							
As at 1 April 2024	1,771	3,061	795	507	698	3,613	10,445
Charge for the year	229	-	-	-	-	-	229
Impairment loss recognised in profit or loss	420	-	-	-	-	-	420
Disposal	-	-	-	-	-	(226)	(226)
	<u>2,420</u>	<u>3,061</u>	<u>795</u>	<u>507</u>	<u>698</u>	<u>3,387</u>	<u>10,868</u>
As at 31 March 2025	<u>2,420</u>	<u>3,061</u>	<u>795</u>	<u>507</u>	<u>698</u>	<u>3,387</u>	<u>10,868</u>
Carrying values							
As at 31 March 2025	<u>7,900</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,900</u>
Unaudited							
Cost							
As at 1 April 2025	10,320	3,061	795	507	698	3,387	18,768
Additions	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-
	<u>10,320</u>	<u>3,061</u>	<u>795</u>	<u>507</u>	<u>698</u>	<u>3,387</u>	<u>18,768</u>
As at 30 September 2025	<u>10,320</u>	<u>3,061</u>	<u>795</u>	<u>507</u>	<u>698</u>	<u>3,387</u>	<u>18,768</u>
Accumulated depreciation and impairment							
As at 1 April 2025	2,420	3,061	795	507	698	3,387	10,868
Charge for the period (Note 8)	107	-	-	-	-	-	107
	<u>2,527</u>	<u>3,061</u>	<u>795</u>	<u>507</u>	<u>698</u>	<u>3,387</u>	<u>10,975</u>
As at 30 September 2025	<u>2,527</u>	<u>3,061</u>	<u>795</u>	<u>507</u>	<u>698</u>	<u>3,387</u>	<u>10,975</u>
Carrying values							
As at 30 September 2025	<u>7,793</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,793</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

13 TRADE AND OTHER RECEIVABLES

	Unaudited As at 30 September 2025 HK\$'000	Audited As at 31 March 2025 HK\$'000
Trade receivables	109	490
Less: Allowance for credit losses	—	—
	<u>109</u>	<u>490</u>
Other receivables, deposits and prepayments	1,916	2,154
Less: Allowance for credit losses	(14)	(14)
	<u>1,902</u>	<u>2,140</u>
Total trade and other receivables	<u><u>2,011</u></u>	<u><u>2,630</u></u>

Notes:

- (a) No credit period was granted to customers (31 March 2025: Nil) generally. Trade receivables are denominated in HK\$.
- (b) The ageing analysis of the trade receivables based on invoice date is as follows:

	Unaudited As at 30 September 2025 HK\$'000	Audited As at 31 March 2025 HK\$'000
0-30 days	89	156
31-60 days	13	303
61-90 days	—	31
Over 90 days	7	—
	<u>109</u>	<u>490</u>

- (c) The other classes within trade and other receivables do not contain impaired assets. The Group does not hold any collateral as security.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

14 CASH AND CASH EQUIVALENTS

	Unaudited As at 30 September 2025 HK\$'000	Audited As at 31 March 2025 HK\$'000
Cash at banks	23,041	11,831
Cash on hand	141	289
Cash and cash equivalents	<u>23,182</u>	<u>12,120</u>

Notes:

- (a) The carrying amounts of cash and cash equivalents are mainly denominated in HK\$.
- (b) Cash at banks earns interest at floating rates based on daily bank deposit rates.

15 AMOUNT DUE TO A DIRECTOR/LOAN FROM A DIRECTOR

(a) Amount due to a director

Dr. Chan Lai Sin (“**Dr. Chan**”) is an executive director of the Company. The balance is denominated in HK\$. The amount due to a director is non-trade in nature, unsecured, interest-free and repayable on demand.

(b) Loan from a director

	Unaudited As at 30 September 2025 HK\$'000	Audited As at 31 March 2025 HK\$'000
HK\$2,000,000 repayable on demand, unsecured and non-interest bearing	<u>2,000</u>	<u>2,000</u>

The Group obtained borrowing of HK\$2,000,000 from Dr. Chan for working capital on 7 March 2025.

16 SHARE CAPITAL

The share capital balance as at 30 September 2025 in the unaudited condensed consolidated statement of financial position represented the issued share capital of the Company. Details of the authorised and issued and fully paid share capital of the Company are summarised as follows:

	Number of shares (in thousand)	Share capital HK\$'000
Ordinary shares of HK\$0.01 each		
Authorised:		
As at 1 April 2024, 31 March 2025 and 30 September 2025	1,000,000	10,000
Issued and fully paid:		
As at 1 April 2024, 31 March 2025 and 1 April 2025	800,000	8,000
Placing of new shares	160,000	1,600
As at 30 September 2025	960,000	9,600

On 26 May 2025 (after trading hours), the Company and Pinestone Securities Limited (the “**Placing Agent**”), entered into the placing agreement (the “**Placing Agreement**”), pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, a maximum of 160,000,000 placing shares to no less than six placees who and whose ultimate beneficial owners are third parties independent of the Company and its connected persons (the “**Placing**”).

The completion of the Placing took place on 19 June 2025 in accordance with the terms and conditions of the Placing Agreement (the “**Completion**”). An aggregate of 160,000,000 placing shares, representing approximately 16.67% of the issued share capital of the Company immediately after the Completion, have been successfully placed to no less than six placees at the placing price of HK\$0.045 per placing share. As a result, as at 30 September 2025, the number of issued share capital of the Company increased to 960,000,000 shares. For details of the Placing, please refer to the announcements of the Company dated 26 May 2025 and 19 June 2025 (the “**Placing Announcements**”).

The total net proceeds were approximately HK\$6,985,000, after deducting capitalised issuance expense of HK\$215,000, the amount of HK\$1,600,000 was included in share capital and HK\$5,385,000 was included in share premium.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

17 TRADE AND OTHER PAYABLES

	Unaudited As at 30 September 2025 HK\$'000	Audited As at 31 March 2025 HK\$'000
Trade payables	14,302	6,712
Other payables and accruals	1,726	2,243
	<u>16,028</u>	<u>8,955</u>

Notes:

- (a) Payment terms granted by suppliers and subcontractors are generally 30 days (31 March 2025: 30 days) from the invoice date of the relevant purchases and services provided.

The ageing analysis of trade payables based on the invoice date is as follows:

	Unaudited As at 30 September 2025 HK\$'000	Audited As at 31 March 2025 HK\$'000
0-30 days	4,832	1,724
31-60 days	1,532	1,555
61-90 days	5,044	2,142
Over 90 days	2,894	1,291
	<u>14,302</u>	<u>6,712</u>

- (b) Trade and other payables are mainly denominated in HK\$.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

18 BANK BORROWING

	Note	Unaudited As at 30 September 2025 HK\$'000	Audited As at 31 March 2025 HK\$'000
Unsecured	(a)	<u>4,313</u>	<u>4,536</u>
		<u>4,313</u>	<u>4,536</u>
		Unaudited As at 30 September 2025 HK\$'000	Audited As at 31 March 2025 HK\$'000
The carrying amount of the above bank loan that contains a repayment on demand clause (shown under current liabilities) but repayable:			
Within one year		448	450
Within a period of more than one year but not exceeding two years		464	464
Within a period of more than two years but not exceeding five years		1,498	1,479
Over five years		<u>1,903</u>	<u>2,143</u>
		<u>4,313</u>	<u>4,536</u>

Note:

- (a) On 4 February 2024, the Group has obtained a bank loan under the SME Financing Guarantee Scheme by a bank for a 120-month instalment loan with principal amount of HK\$5,000,000. The unsecured bank loan is denominated in HK\$, interest-bearing at Hong Kong Dollars Best Lending Rate quoted by the bank minus 2.25% per annum. The bank loan is secured by personal guarantee given by Dr. Chan, an executive Director. The interest rate during the six months ended 30 September 2025 is between 2.88% to 3.00% per annum (2024: 3.63%) per annum.

As at 30 September 2025, the Group has unutilised credit facilities of approximately HK\$29,000,000 from a financial institution (31 March 2025: approximately HK\$14,000,000).

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

19 RELATED PARTY TRANSACTIONS

The remuneration of Directors and the chief executive for the reporting period are as follows:

	Unaudited	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Salaries and other benefits	2,605	2,429
Retirement scheme contributions	27	18
	<hr/>	<hr/>
	2,632	2,447
	<hr/> <hr/>	<hr/> <hr/>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in the provision of interior design and fit-out services in Hong Kong. The Group offers a full suite of services including the provision of interior design services by the Group's in-house design team. The Group's customers are provided with creative and innovative designs that synergise with the latest market and design trends. In order to complete the projects, the Group relies on its subcontractors to implement the designs with high quality fittings and furnishings.

The Group's business can be classified into (i) residential interior design and fit-out services; and (ii) commercial interior design and fit-out services. The Group generated revenue of approximately HK\$61.8 million and HK\$51.2 million, of which approximately HK\$52.8 million and HK\$50.6 million representing approximately 85.4% and 98.8% of the Group's total revenue were generated from residential interior design and fit-out services for the six months ended 30 September 2025 and 2024, respectively. Approximately HK\$9.0 million and HK\$0.6 million, representing approximately 14.6% and 1.2% of the Group's total revenue were generated from commercial interior design and fit-out services for the six months ended 30 September 2025 and 2024, respectively.

For the six months ended 30 September 2025, the Group recorded a net loss of approximately HK\$2.4 million as compared to approximately HK\$5.5 million for the same period in 2024. The Directors are of the view that the decrease in net loss was primarily attributable to the increase in gross profit for the six months ended 30 September 2025.

OUTLOOK

The Company anticipates continued uncertainty in the Hong Kong property market in the near term, driven by broader economic volatility. Concurrently, property developers are persisting with the construction of smaller residential units to enhance affordability for the general public. Amid this backdrop, the current financial year presents significant challenges, as the unstable property sector has already exerted, and is expected to maintain, adverse impacts on Hong Kong's overall economy. In such a competitive landscape, the Group foresees rivals intensifying aggressive pricing strategies while contending with elevated operating costs. Accordingly, the Board will exercise prudence in business expansion, prioritizing stringent cost management and vigilant monitoring of market dynamics to mitigate potential downturns or shifts in the property sector. Additionally, the Board will assess potential business opportunities that is beneficial to the Group and enhance shareholder value for the Company.

Looking ahead, the Company observes positive indicators, including a rebound in overall property transaction volumes and an increase in first-hand private residential registrations. Furthermore, an increase in corporate office relocations presents potential opportunities for the Group to expand

MANAGEMENT DISCUSSION AND ANALYSIS

its commercial interior design and fit-out services. As housing affordability improves, the Board anticipates sustained long-term growth in demand for the Group's offerings. To capitalize on this, the Company will continue its marketing and promotional initiatives to bolster brand recognition within the renovation and interior fit-out market. Committed to leveraging the prospective enlargement of its market presence in Hong Kong, the Group will strategically extend its operational footprint to engage a broader customer base. Overall, the Company maintains a cautiously optimistic outlook.

FINANCIAL REVIEW

Revenue

The Group's revenue is primarily generated from the provision of interior design and fit-out services in Hong Kong which includes two main categories namely (i) residential interior design and fit-out services; and (ii) commercial interior design and fit-out services. The Group's revenue increased by approximately 20.7% from approximately HK\$51.2 million for the six months ended 30 September 2024 to approximately HK\$61.8 million for the six months ended 30 September 2025. Such increase was mainly due to the increase in the number of commercial interior design and fit-out projects undertaken by the Group during the period.

Direct costs

The Group's direct costs consist primarily of (i) materials; (ii) subcontracting charges; (iii) direct staff costs; and (iv) warranty expenses. The Group's direct costs increased by approximately 16.0% from approximately HK\$41.5 million for the six months ended 30 September 2024 to approximately HK\$48.2 million for the six months ended 30 September 2025. The increase in direct costs was primarily attributable to the rise in subcontracting charges by HK\$5.7 million during the period.

MANAGEMENT DISCUSSION AND ANALYSIS

Gross profit and gross profit margin

Gross profit represents revenue less direct costs. The Group's gross profit increased substantially by approximately HK\$4.0 million, or approximately 40.6%, from approximately HK\$9.6 million for the six months ended 30 September 2024 to approximately HK\$13.6 million for the six months ended 30 September 2025. The increase in gross profit was mainly due to the increase in revenue as mentioned above.

The Group's gross profit margin was approximately 22.0% for the six months ended 30 September 2025, representing an increase of approximately 3.2 percentage points as compared to approximately 18.8% for the six months ended 30 September 2024. The Group's gross profit margin improved during the six months ended 30 September 2025 because of the delivery of high margin projects for the period.

Administrative and other operating expenses

The Group's administrative and other operating expenses for the six months ended 30 September 2025 was approximately HK\$16.3 million, representing an increase of approximately 4.5% from approximately HK\$15.6 million for the six months ended 30 September 2024, primarily due to the increase in staff costs for the six months ended 30 September 2025.

Loss attributable to the owners of the Company

As a result of the foregoing, the Group's loss attributable to the owners of the Company for the six months ended 30 September 2025 amounted to approximately HK\$2.4 million, representing a decrease in loss of approximately HK\$3.1 million as compared with the loss attributable to the owners of the Company of approximately HK\$5.5 million for the six months ended 30 September 2024. It was mainly due to the increase in revenue and gross profit as discussed above while the increase in administrative and other operating expenses were gentle due to continuous costs control measures.

MANAGEMENT DISCUSSION AND ANALYSIS

USE OF NET PROCEEDS FROM THE PLACING

On 26 May 2025, the Company announced its proposal to raise approximately HK\$7.2 million (before deducting expenses of approximately HK\$0.2 million) through placement by issuing 160,000,000 placing shares (which, when fully paid, shall rank pari passu with the ordinary shares) to not less than six Placees at a price of HK\$0.045 per placing share (the “**Placing Share(s)**”). The net price per Placing Share was approximately HK\$0.044. The Placing was completed on 19 June 2025. A total of 160,000,000 Placing Shares were issued, accounting for approximately 16.67% of the Company’s issued share capital (as enlarged by the allotment and issue of the Placing Shares). After the completion of the Placing, the number of the Company’s issued share capital increased to 960,000,000 shares. The total par value of the Placing Shares was HK\$1,600,000. The subscription price of the Placing Shares represented a discount of approximately 19.64% to the closing price of HK\$0.056 per Share as quoted on the Stock Exchange on the date of the Placing Agreement and a discount of approximately 12.79% to the average closing price of HK\$0.0516 per Share as reported on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement. The reason for the Placing was to raise funds for general working capital.

As disclosed in the Placing Announcements, the total proceeds from the Placing were approximately HK\$7.2 million, and the net proceeds (after deducting relevant expenses) were approximately HK\$7.0 million. The Company intends to use (i) approximately HK\$4.0 million for settling the administrative and other operating expenses, including but not limited to rental, administrative expenses, management’s salaries, professional fees and other routine operating expenditures; and (ii) approximately HK\$3.0 million for sales and marketing expenses of the business operation.

From the completion of the Placing to 30 September 2025, the net proceeds from the Placing of the Company had been applied as follows:

	Intended use of net proceeds HK\$'million	Actual use of net proceeds for the period ended and up to 30 September 2025 HK\$'million	Remaining balancing of net proceeds up to 30 September 2025 HK\$'million	Expected time for fully utilisation of the net proceeds
Administrative and other operating expenses	4.0	0.4	3.6	Second half of 2026
Sales and marketing expenses	3.0	–	3.0	Second half of 2026
	<u>7.0</u>	<u>0.4</u>	<u>6.6</u>	

MANAGEMENT DISCUSSION AND ANALYSIS

Up to 30 September 2025, the net proceeds from the Placing have been utilised in the manner disclosed in the Placing Announcements.

CAPITAL STRUCTURE

The share capital of the Group consists only of ordinary shares.

On 19 June 2025, the number of issued share capital of the Company increased from 800,000,000 shares to 960,000,000 shares as a result of the completion of the Placing. For details of the Placing, please refer to the Placing Announcements.

As at 30 September 2025, the issued share capital of the Company was HK\$9.6 million, and the number of its issued ordinary shares was 960,000,000, with a par value of HK\$0.01 per share.

LIQUIDITY AND FINANCIAL RESOURCES

The Group has funded the liquidity and capital requirements principally from cash generated from operations, loans and the net proceeds from the Placing.

As at 30 September 2025, the Group had total debts, comprising bank borrowing, loan from a director and lease liabilities, of approximately HK\$7.0 million which were denominated in Hong Kong dollars (31 March 2025: approximately HK\$7.8 million).

As at 30 September 2025, the Group had approximately HK\$23.2 million in cash and bank balances and time deposits (31 March 2025: approximately HK\$12.1 million). The Directors believe that the Group is in a healthy financial position to expand its core business and to achieve its business objectives.

MANAGEMENT DISCUSSION AND ANALYSIS

GEARING RATIO

As at 30 September 2025, the gearing ratio of the Group was approximately 3,826% (31 March 2025: approximately -177%). Gearing ratio is calculated as total debts divided by total equity. The gearing ratio returned to positive as at 30 September 2025, mainly due to the completion of Placing on 19 June 2025, which improved the financial position of the Company from deficits to positive equity.

CHARGE ON GROUP ASSETS

The Group did not have any charge on Group's assets as at 30 September 2025 (31 March 2025: Nil).

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed herein, there were no significant investments held, material acquisitions and disposals of subsidiaries, associates and joint ventures by the Company during the six months ended 30 September 2025. The Group did not have other plans for material investments or capital assets as at 30 September 2025.

FOREIGN EXCHANGE EXPOSURE

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Most of the Group's business operations were conducted in Hong Kong. The transactions, monetary assets and liabilities of the Group were mainly denominated in Hong Kong dollars. As such, the Directors are of the view that the Group did not have significant exposure to foreign exchange risk. The Group currently does not have a foreign currency hedging policy.

TREASURY POLICY

The Directors will continue to follow a prudent policy in managing the Group's bank balances and maintain a strong and healthy liquidity to ensure that the Group is well placed to take advantage of future growth opportunities.

MANAGEMENT DISCUSSION AND ANALYSIS

CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities as at 30 September 2025 (31 March 2025: Nil).

CAPITAL COMMITMENTS

As at 30 September 2025, the Group had approximately HK\$10,000 of capital commitment in relation to the unpaid registered capital of a subsidiary (31 March 2025: approximately HK\$10,000).

SEGMENT INFORMATION

The Group principally operates in one business segment, which is the provision of interior design and fit-out services in Hong Kong.

DIVIDEND

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

EVENT AFTER REPORTING PERIOD

Save as disclosed in this report, there is no other important event affecting the Group since 30 September 2025 and up to the date of this report.

INFORMATION ON EMPLOYEES

As at 30 September 2025, the Group had 31 employees (31 March 2025: 22). Employees are remunerated based on their qualifications, position and performance. The remuneration offered to employees generally includes salaries, allowances and discretionary bonus. Various types of trainings were provided to the employees. The total staff cost (including remuneration of Directors and mandatory provident funds contributions) for the six months ended 30 September 2025 amounted to approximately HK\$7.5 million (2024: approximately HK\$7.1 million).

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 September 2025, the interests and short positions of the Directors or chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of Securities and Futures Ordinance (the "SFO") which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions in which they were taken or deemed to have under such provisions), or which are required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein or which are required to be notified to the Company and the Stock Exchange pursuant to the Rules 5.46 to 5.67 of GEM Listing Rules, are as follows:

Long positions in the ordinary shares and the underlying shares of the Company

Name	Capacity/Nature of interest	Number of underlying shares	Approximate percentage of shareholding
Dr. Chan (<i>Note</i>)	Interest of a controlled corporation	184,370,000	19.21%

Note: Dr. Chan legally and beneficially owns the entire issued share capital of Chun Wah Limited ("Chun Wah"). Therefore, Dr. Chan is deemed, or taken to be, interested in all the shares held by Chun Wah for the purpose of the SFO. Dr. Chan is the sole director of Chun Wah.

Save as disclosed above, as at 30 September 2025, none of the Directors and chief executives of the Company had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as known to the Directors or chief executives of the Company, as at 30 September 2025, the following persons/entities (other than the Directors and chief executives of the Company) had or were deemed to have an interest or a short position in the shares or the underlying shares of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group:

Long positions in the ordinary shares and the underlying shares of the Company

Name	Capacity/Nature of interest	Number of underlying shares	Approximate percentage of shareholding
HK H&Y Group Chain Management Limited (“HK H&Y”)	Beneficial owner	217,450,000	22.65%
Mr. Liu Jiasheng (<i>Note 1</i>)	Interest of a controlled corporation	217,450,000	22.65%
Chun Wah	Beneficial owner	184,370,000	19.21%
Ms. Wong Ting Nuen (<i>Note 2</i>)	Interest of spouse	184,370,000	19.21%
Ms. Cai Hui Ting	Beneficial owner	84,230,000	8.77%

1. Mr. Liu Jiasheng (“**Mr. Liu**”) legally and beneficially owns the entire issued share capital of HK H&Y. Therefore, Mr. Liu is deemed, or taken to be, interested in all the shares held by HK H&Y for the purpose of the SFO.
2. Ms. Wong Ting Nuen (“**Ms. Wong**”) is the spouse of Dr. Chan. Ms. Wong is deemed, or taken to be, interested in the same number of shares in which Dr. Chan is interested for the purpose of the SFO.

OTHER INFORMATION

Save as disclosed above, as at 30 September 2025, there was no person or corporation, other than the Directors and chief executives of the Company whose interests are set out in the section “Other information – Directors’ and chief executives’ interests and short positions in shares, underlying shares and debentures of the Company” above, had any interest or a short position in the shares and underlying shares of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or who were directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at a general meeting of the Company or any other member of the Group.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including any sale of treasury shares (as defined under the GEM Listing Rules)) during the six months ended 30 September 2025. As at 30 September 2025, there were no treasury shares held by the Company.

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors, the controlling shareholders or substantial shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) engaged in any businesses, apart from the business of the Group, that compete or may compete with the business of the Group or has any other conflict of interests with the Group for the six months ended 30 September 2025.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company adopted the required standard of dealings set out in rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding Directors’ securities transactions in securities of the Company (the “**Required Standard of Dealing**”). Based on specific enquiry with the Directors, all Directors confirmed that they had fully complied with the Required Standard of Dealing and there was no event of non-compliance during the six months ended 30 September 2025.

OTHER INFORMATION

SHARE OPTION SCHEME

The share option scheme of the Company (the “**Share Option Scheme**”) was conditionally adopted pursuant to the written resolution of the then sole shareholder of the Company passed on 24 March 2017.

PURPOSE OF THE SHARE OPTION SCHEME

The purpose of the Share Option Scheme is to enable the Company to grant options to selected participants as incentives or rewards for their contribution to the Group.

THE ELIGIBLE PARTICIPANTS OF THE SHARE OPTION SCHEME

The Board may, at its discretion and on such terms as it may think fit, grant any employee, Director, consultant or adviser of the Group, or any substantial shareholder of the Group, or any distributor, contractor, supplier, agent, customer, business partner or services provider of the Group, options to subscribe for such number of shares it may determine in accordance with the terms of the Share Option Scheme.

The basis of eligibility of any participant to the grant of any option shall be determined by the Board (or as the case may be, the independent non-executive Directors) from time to time on the basis of his/her contribution or potential contribution to the development and growth of the Group.

EXERCISE PRICE OF A SHARE OPTION

The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of: (i) the closing price of the shares as stated in the Stock Exchange’s daily quotations sheet on the date of grant of the option, which must be a business day; (ii) the average of the closing prices of the shares as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of a share on the date of grant of the option.

OTHER INFORMATION

TOTAL NUMBER OF SHARES AVAILABLE FOR ISSUE UNDER THE SHARE OPTION SCHEME

The maximum number of shares issuable upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company as from the adoption date (excluding, for this purpose, the shares issuable upon exercise of options which have been granted but which have lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) must not in aggregate exceed 10% of all the shares in issue as at the Listing Date. Therefore, it is expected that the Company may grant options in respect of up to 80,000,000 shares (or such numbers of shares as shall result from a sub-division or a consolidation of such 80,000,000 shares from time to time) to the participants under the Share Option Scheme.

The 10% limit as mentioned above may be refreshed at any time by obtaining approval of the shareholders in a general meeting provided that the total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not exceed 10% of the shares in issue as at the date of approval of the refreshed limit. Options previously granted under the Share Option Scheme and any other share option schemes of the Company (including those outstanding, cancelled or lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) will not be counted for the purpose of calculating the refreshed 10% limit.

The Company may seek separate approval of the shareholders in general meeting for granting options beyond the 10% limit provided the options in excess of the 10% limit are granted only to grantees specifically identified by the Company before such approval is sought. In such event, the Company must send a circular to the shareholders containing a generic description of such grantees, the number and terms of such options to be granted and the purpose of granting options to them with an explanation as to how the terms of the options will serve such purpose, such other information required under the GEM Listing Rules.

OTHER INFORMATION

The aggregate number of the shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the shares in issue from time to time. No options may be granted under the Share Option Scheme or any other share option schemes of the Company if this will result in such 30% limit being exceeded.

The total number of share options available for grant under the Share Option Scheme as at 30 September 2025 was 80,000,000 (31 March 2025: 80,000,000) and the total number of shares available for issue under the Share Option Scheme was 80,000,000 (31 March 2025: 80,000,000), which represents approximately 8.33% (31 March 2025: approximately 10%) of the total issued shares of the Company as at 30 September 2025.

THE MAXIMUM ENTITLEMENT OF EACH PARTICIPANT UNDER THE SHARE OPTION SCHEME

The total number of shares issued and to be issued upon exercise of options granted to any participant (including both exercised and outstanding options) under the Share Option Scheme or any other share schemes of the Company, in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue. Any further grant of options in excess of such limit must be separately approved by shareholders in a general meeting with such grantee and his associates abstaining from voting.

TIME OF EXERCISE OF SHARE OPTION UNDER THE SHARE OPTION SCHEME

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of a share option to the Company on acceptance of the offer for the grant of an option is HK\$1.

The vesting period and vesting conditions (if any) of each grant shall be determined by the Board in its absolute discretion.

OTHER INFORMATION

The Share Option Scheme is valid and effective for a period of ten years from 24 March 2017, after which no further options will be granted or offered. The remaining life of the Share Option Scheme is approximately one year and four months from the date of this report.

For the six months ended 30 September 2025, no share option was granted, exercised, expired or lapsed and there is no outstanding share option under the Share Option Scheme.

CORPORATE GOVERNANCE PRACTICE

We are committed to achieving and maintaining high standards of corporate governance, as the Board believes that good and effective corporate governance practices are the key to obtaining and maintaining the trust of the shareholders of the Company and other stakeholders, and are essential for encouraging the accountability and transparency so as to sustain the success of the Group and to promote the interests of its shareholders of the Company.

Accordingly, the Company has adopted sound corporate governance principles that emphasise a quality Board, effective internal control, stringent disclosure practices, transparency and accountability to all stakeholders.

The Company has applied the principles and code provisions in the Corporate Governance Code (the “**CG Code**”) set out in Appendix C1 to the GEM Listing Rules. In the opinion of the Board, the Company has complied with the CG Code during the six months ended 30 September 2025 and up to the date of this report.

OTHER INFORMATION

AUDIT COMMITTEE

The Audit Committee was established on 24 March 2017. The chairman of the Audit Committee is Ms. Sun Wai Ling, an independent non-executive Director, and other members include Dr. Chung Siu Kuen and Ms. Ma Yufei, the independent non-executive Directors. The written terms of reference of the Audit Committee are posted on the Stock Exchange's website and on the Company's website.

The primary duties of the Audit Committee are mainly to review the financial information and oversee the financial reporting, internal control procedures and risk management systems and relationship with external auditors and review arrangements employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Company complied with Rule 5.28 of the GEM Listing Rules in that at least one of the members of the Audit Committee (which must comprise a minimum of three members and must be chaired by an independent non-executive Director) is an independent non-executive Director who possesses appropriate professional qualifications or accounting related financial management expertise.

The Group's condensed consolidated financial statements for the six months ended 30 September 2025 are unaudited, but have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2025 comply with applicable accounting standards, the GEM Listing Rules and that adequate disclosures have been made.

OTHER INFORMATION

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The interim results announcement is published on the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.dic.hk). The interim report of the Company for the six months ended 30 September 2025 will be despatched to the shareholders of the Company and published on the websites of the Stock Exchange and the Company on or about 27 November 2025. Should the shareholders of the Company have any difficulties in accessing the corporate communications electronically, please request the printed interim report, free of charge, at any time by writing to the Company or the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited.

By order of the Board
Lai Group Holding Company Limited
Wang Guoping
Chairman and Executive Director

Hong Kong, 20 November 2025

As at the date of this report, the Board comprises Mr. Wang Guoping and Dr. Chan Lai Sin as executive Directors; Ms. Liu Lihui as a non-executive Director; and Dr. Chung Siu Kuen, Ms. Ma Yufei and Ms. Sun Wai Ling as independent non-executive Directors.