



烽翼集團
CANOPY SKYFIRE

Canopy SkyFire Group Limited
烽翼集團有限公司

(Formerly known as Shanyu Group Holdings Company Limited 善裕集團控股有限公司)
(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8245)



2025
INTERIM REPORT

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

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*This report, for which the directors (the “**Directors**”) of Canopy SkyFire Group Limited (the “**Company**”, 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 the 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.*



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CORPORATE INFORMATION

DIRECTORS

Executive Directors:

Mr. Sun Lihua (*Chairman*) (retired on 15 August 2025)
Mr. Yeung Shing Wai (resigned on 31 October 2025)
Ms. Wong Ming Kwan Victoria
Mr. Chu Wai Biu (appointed on 8 September 2025)

Independent

Mr. Choi Pun Lap

Non-executive Directors:

Ms. Ip Sin Nam

Mr. Yu Lap Pan

Ms. Chow Ching Man (appointed on 8 September 2025)

AUDIT COMMITTEE

Mr. Choi Pun Lap (*Chairman*)

Ms. Ip Sin Nam

Mr. Yu Lap Pan

Ms. Chow Ching Man (appointed on 8 September 2025)

REMUNERATION COMMITTEE

Mr. Yu Lap Pan (*Chairman*)

Mr. Choi Pun Lap

Ms. Ip Sin Nam

Ms. Chow Ching Man (appointed on 8 September 2025)

NOMINATION COMMITTEE

Mr. Choi Pun Lap (*Chairman*)

Ms. Ip Sin Nam

Mr. Yu Lap Pan

Ms. Chow Ching Man (appointed on 8 September 2025)

COMPANY SECRETARY

Mr. Lo Cheuk Fei Jeffrey

COMPLIANCE OFFICER

Mr. Yeung Shing Wai (resigned on 31 October 2025)

Mr. Chu Wai Biu (appointed on 31 October 2025)

AUTHORISED REPRESENTATIVES

Mr. Lo Cheuk Fei Jeffrey

Mr. Yeung Shing Wai (resigned on 31 October 2025)

Mr. Chu Wai Biu (appointed on 31 October 2025)

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111 Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG	2/F., 200 Hennessy Road Wan Chai Hong Kong
PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS	Conyers Trust Company (Cayman) Limited Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE	Boardroom Share Registrars (HK) Limited Room 2103B, 21/F 148 Electric Road North Point, Hong Kong
PRINCIPAL BANKER	The Hongkong and Shanghai Banking Corporation Limited 1 Queen's Road Central Hong Kong
AUDITOR	Fan, Chan & Co. Limited Rooms 1007-1012 10/F, K. Wah Centre, 191 Java Road North Point, Hong Kong
STOCK CODE	8245
COMPANY'S WEBSITE	www.canopyskyfire.com

FINANCIAL HIGHLIGHTS (UNAUDITED)

- Revenue of the Company for the six months ended 30 September 2025 amounted to approximately HK\$12.0 million, representing a decrease of approximately 22.7% as compared with that of approximately HK\$15.5 million for the six months ended 30 September 2024.
- Loss attributable to the owner of the Company for the six months ended 30 September 2025 amounted to approximately HK\$0.3 million as compared with loss attributable to the owner of the Company of approximately HK\$1.3 million for the six months ended 30 September 2024.
- Basic and diluted loss per share for the six months ended 30 September 2025 amounted to approximately HK cents 0.13 (Basic and diluted loss per share for the six months ended 30 September 2024: HK cents 0.65).
- The Board does not recommend the payment of any dividend for the six months ended 30 September 2025 (for the six months ended 30 September 2024: HK\$nil).

MANAGEMENT DISCUSSION AND ANALYSIS

The board of Directors (the “**Board**”) of the Company is pleased to present 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 period in 2024.

BUSINESS REVIEW

The Group is a two-way radio product designer and manufacturer established in 2001. We derive revenue principally from designing, trading and manufacturing of two-way radios, baby monitors and plastic products on original design manufacturing basis.

The Group’s revenue decreased from approximately HK\$15.5 million for the six months ended 30 September 2024 to approximately HK\$12.0 million for the six months ended 30 September 2025, representing a decrease of approximately 22.7%. It was due to decrease in number of purchase orders from customers.

The Group’s revenue of two-way radios decreased by approximately 49.3% from approximately HK\$15.1 million for the six months ended 30 September 2024 to approximately HK\$7.7 million for the six months ended 30 September 2025 mainly due to the decrease in number of purchase orders from customers.

The Group’s revenue of baby monitors increased significantly from approximately HK\$nil for the six months ended 30 September 2024 to HK\$3.5 million for the six months ended 30 September 2025 due to the increase in number of purchase orders from customers.

The Group’s revenue of plastic products increased by approximately 116.3% from approximately HK\$0.4 million for six months ended 30 September 2024 to approximately HK\$0.9 million for six months ended 30 September 2025 due to increase in number of purchase orders from customers.

The Company will continue to diversify the revenue stream and expand the customer base by expanding product offerings and exploring business opportunity with current and potential customers.

The following table sets forth the breakdown of the revenue of the Group by product categories for the six months ended 30 September 2025 and 2024:

	Unaudited Six months ended 30 September				Increase (decrease) HK\$'000	% %
	2025 HK\$'000	%	2024 HK\$'000	%		
Two-way radio	7,660	63.9	15,112	97.4	(7,452)	(49.3)
Baby monitors	3,463	28.9	—	—	3,463	100.0
Plastic products	865	7.2	400	2.6	465	116.3
Total	11,988	100.0	15,512	100.0	(3,524)	(22.7)

PROSPECT

Our business objective is to grow our existing business by strengthening our product portfolio and enhancing our information management system and marketing efforts. The Group will continue to invest in research and development of new product lines and seek for new customers and sales channels. We will also continue to subcontract partial of our manufacturing and operation activities to reduce the fix overhead and to enhance the flexibility in terms of fixed cost commitment. We will continue to develop new products and diversify our revenue streams which are expected to bring growth to the turnover of the Group. We will continue to enhance our revenue streams and profitability by introducing new product categories and leveraging our research and development capability to provide design services to our customers. The Group will continue to look for and consider potential investment opportunities from time to time.

FINANCIAL REVIEW

Cost of Sales and Gross Profit

The majority of the Group's cost of sales comprised of raw material cost, direct labour costs and subcontracting fees. Our cost of sales decreased by approximately 20.1% from HK\$12.6 million for the six months ended 30 September 2024 to HK\$10.1 million for the six months ended 30 September 2025. The gross profit ratio decreased from approximately 18.5% for the six months ended 30 September 2024 to approximately 15.7% for the six months ended 30 September 2025.

Selling and Distribution Expenses

The selling and distribution expenses increased from approximately HK\$0.4 million for the six months ended 30 September 2024 to approximately HK\$0.5 million for the six months ended 30 September 2025, which was mainly due to increase in marketing expenses.

Administrative Expenses

The administrative expenses decreased from approximately HK\$4.0 million for the six months ended 30 September 2024 to approximately HK\$3.0 million for the six months ended 30 September 2025.

Loss attributable to the owners of the Company

Loss attributable to the owners of the Company for the six months ended 30 September 2025 amounted approximately HK\$0.3 million compared with loss attributable to the owners of the Company of approximately HK\$1.3 million for the six months ended 30 September 2024. It was due to the net effect of decrease in sales and the completion of sale of machines on 5 June 2025. More details are set out in the Company's announcement dated 1 November 2023 and 6 June 2025.

Liquidity, Financial Resources and Capital Structure

Historically, the Group has funded the liquidity and capital requirements primarily through operating cash flows and bank borrowings. As at 30 September 2025, we had various short-term borrowings and lease liabilities of approximately HK\$6.4 million (as at 31 March 2025: approximately HK\$6.8 million), representing a decrease of approximately HK\$0.4 million as compared to that as at 31 March 2025.

Net current liabilities decreased from approximately HK\$13.7 million as at 31 March 2025 to approximately HK\$8.9 million as at 30 September 2025, which was mainly due to the net effect of increase in other receivables and decrease in trade payables.

The Company requires cash primarily for working capital needs. As at 30 September 2025, the Company had approximately HK\$1.6 million in cash and bank balances (as at 31 March 2025: approximately HK4.1 million), representing a decrease of approximately HK\$2.5 million as compared to that as at 31 March 2025.

As of 30 September 2025, the equity attributable to the owners of the Company were approximately HK\$1.7 million, of which share capital was approximately HK\$15.5 million, share premium was approximately HK\$159.7 million and accumulated loss were approximately HK\$174.9 million. The equity attributable to the owners of the Company increased from approximately negative HK\$3.0 million as at 31 March 2025 to approximately HK\$1.7 million as at 30 September 2025. There were no debt securities issued by the Group during the six months ended 30 September 2025.

Capital Commitments

As at 30 September 2025, the Company had no any capital commitments on acquisition of property, plant and equipment (31 March 2025: HK\$1.7 million). More details are set out in the Company's announcements dated 1 November 2023 and 6 June 2025.

Gearing Ratio

As at 30 September 2025, the gearing ratio of the Group was approximately 441.4% (31 March 2025: approximately negative 291.6%). The gearing ratio is calculated based on the sum of borrowings, amount due to a related party and lease liabilities divided by the total equity of the company at the end of the reporting period. The decrease of the gearing ratio was mainly attributed by decrease in amount due to a related party and net assets recorded during the six months ended 30 September 2025.

Pledged of Assets

As at 30 September 2025 and 31 March 2025, the Group's banking facilities were secured by:

- (i) pledged bank deposits with carrying amount of approximately HK\$nil; and
- (ii) a corporate guarantee from the Company with an aggregate amount of approximately HK\$nil.

Contingent Liabilities

On 20 January 2020, the Company received a third-party notice with legal case no. HCA1643/2019 between the Barton Eagle Limited (the "**Plaintiff**"), Lam Tak Hung (the "**Defendant**") and the Company. The Plaintiff claimed against the Defendant approximately HK\$8 million under a guarantee for debts own by the Company. The Defendant claims against the Company to be indemnified against the Plaintiff's claim and the cost of this action on the grounds that the Company are the principal debtor of the alleged debt. The management of the Company is seeking the legal opinion for the above case.

Up to the date of this report, the outcome of the proceedings is still uncertain. As the Directors considered it is premature and not practical to draw a conclusion of the outcome of the claims and that the ultimate liability, if any, will not have a material adverse impact on the Group's consolidated financial position, no provision was made as at 30 September 2025 (31 March 2025: HK\$nil).

Apart from the contingent liabilities disclosed on the above, the Company has no significant contingent liabilities as at 30 September 2025 (31 March 2025: HK\$nil).

Financial Risk Management

During the six months ended 30 September 2025, the Group regularly reviewed the risk and credit control systems of its profit centres in order to improve the overall controlling system and mitigate credit risk.

Risk management is carried out by finance department under policies approved by the Board. Finance department identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides guidance for overall risk management and specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

The Company did not engage in any derivatives agreement and did not commit to any financial instruments to hedge its foreign exchange exposure as of 30 September 2025.

FOREIGN EXCHANGE EXPOSURE

The Group operates in the PRC and Hong Kong with all of the transactions settled in Renminbi (“**RMB**”), U.S Dollar and Hong Kong Dollar during the six months ended 30 September 2025. Therefore, the Group considers the risk exposure to foreign currency fluctuation would be essentially in line with the performance of the exchange rate of above-mentioned currencies. During the six months ended 30 September 2025, the Group did not adopt any long-term contracts, currency borrowings or other means to hedge our foreign currency exposure.

Significant Investments held, Material Acquisitions and Disposals of Subsidiaries, and Future Plans for Material Investments or Capital Assets

The Group did not have material investment and disposal during the six months ended 30 September 2025.

The Group did not have any other immediate plans for material investment and capital assets as at the date of this report.

Dividend

The Board does not recommend the payment of a dividend for the six months ended 30 September 2025 (30 September 2024: HK\$nil).

Employees and Remuneration Policies

Total staff costs (including Directors’ emoluments) were approximately HK\$1.5 million for the six months ended 30 September 2025 (30 September 2024: HK\$1.5 million). Remuneration is determined with reference to market conditions and the performance, qualifications and experience of individual employee. Year-end bonus will be paid to employees as recognition of and reward for their contributions according to individual performance.

FUND RAISING ACTIVITIES

Placing of New Shares Under General Mandate

On 14 August 2025, the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Placing Agent has agreed to place, on a best effort basis, to not less than six independent Placees for up to 41,360,000 new Shares at a price of HK\$0.120 per Placing Share, for and on behalf of the Company.

On 3 September 2025, the Placing was completed and 41,360,000 new Shares were issued to not less than six Placees at the Placing Price. More details are set out in the Company's announcement dated 14 August 2025, 19 August 2025 and 4 September 2025.

As at 30 September 2025, the net proceeds of the Placing had been utilised as follows:

	Amount		
Actual net proceeds allocated	utilised up to 30 September 2025	Balance as at 30 September 2025	
HK\$ Million	HK\$ Million	HK\$ Million	
General working capital	4.9	4.0	0.9

In respect of the use of the HK\$4.9 million from the net proceeds of placing of new shares under general mandate, approximately HK\$4.0 million was used as a loan to a subsidiary of the Company. The loan is unsecured, interest-free and repayable on demand.

OTHER INFORMATION

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

As at the date of this report, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO); or which were required pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein; 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 were as follows:

The shares of associated corporation held by a director

Name of Director	Name of associated corporation	Capacity/ Nature	No. of shares held in the associated corporation	% of shareholding		No. of share held in the Company
				in the associated corporation	in the Company	
Ms. Wong Ming Kwan Victoria	DD Innovation Limited	Beneficial interest	1	100%		19,318,181

The shares of the Company directly held by a director

Name of Directors	No. of shares held
Ms. Wong Ming Kwan Victoria	3,409,091

Save as disclosed above, as at the date of this report, none of the Directors or chief executive of the Company or their associates had any interests and short positions in any shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which each of them has taken or deemed to have taken under the provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered into the register referred to therein; or (iii) 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. There were no debt securities issued by the Group during the six months ended 30 September 2025.

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

As at 30 September 2025, so far as known to the Directors, the following shareholders had, or were deemed to have, interests or short positions, in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

Long positions in shares of the Company

Name	Capacity	Number of Shares interested or held	Percentage of interest
DD Innovation Limited ("DD Innovation") (Note a)	Beneficial owner	19,318,181	7.8%
Ms. Wong Ming Kwan Victoria ("Ms. Wong") (Note a)	Beneficial owner and interest in a controlled corporation	22,727,272	9.2%
Shanghai International Shanghai Growth Investment Limited	Beneficial owner	21,200,000	8.5%
Kokusai Resources Company Limited ("Kokusai Resources") (Note b)	Beneficial owner	16,162,000	6.5%
Mr. Lau Lai Yee ("Mr. Lau") (Note b)	Beneficial owner and interest in a controlled corporation	16,162,000	6.5%

Notes:

- (a) Ms. Wong is the sole beneficial shareholder of DD Innovation. Therefore, Ms. Wong is deemed to be interested in the Shares in which DD Innovation is interested for the purpose of the SFO. In addition, Ms. Wong directly holds 3,409,091 shares of the Company.
- (b) Mr. Lau is the sole beneficial owner of Kokusai Resources. Therefore, Mr. Lau is deemed to be interested in the shares in which Kokusai Resources is interested for the purpose of the SFO.

Save as disclosed above, the Directors are not aware of any other person who had an interest or short position in the shares or underlying shares (including interest in options, if any) of the Company as recorded in the register required to be kept under section 336 of the SFO as at 30 September 2025.

CORPORATE GOVERNANCE

The Company is committed to ensure a high standard of corporate governance in the interests of the shareholders and devotes considerable effort to maintain high level of business ethics and corporate governance practices. The Company has complied with the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 15 to the GEM Listing Rules throughout the six months ended 30 September 2025. The Company has applied the principles of, and complied with, the applicable code provisions of the CG Code during the six months ended 30 September 2025.

The Company fully complied with all the code provisions set out in the CG Code throughout the six months ended 30 September 2025.

DIRECTORS’ SECURITIES TRANSACTIONS

The Group had adopted Rules 5.46 to Rules 5.67 Rules of the GEM Listing Rules (“**Model Code**”) as its own code of conduct regarding Directors’ securities transactions on terms no less exacting than the required standard of dealings.

Having made specific enquiry with all the Directors and all the Directors of the Company had confirmed compliance with the required standard of dealings set out in the Model Code and the code of conduct for Directors’ securities transactions during the six months ended 30 September 2025.

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

The Company has not redeemed any of its shares during the six months ended 30 September 2025. Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 September 2025.

SHARE OPTION SCHEME

The former share option scheme of the Company (the “**Former Scheme**”) was adopted pursuant to a resolution passed by the Company’s shareholders on 16 September 2015. In view of the amendments to Chapter 23 of the GEM Listing Rule relating to share schemes which came into effect on 1 January 2023, the Company adopted a new share scheme (the “**New Scheme**”) pursuant to a resolution passed by the Company’s shareholders on 28 March 2024. The primary purpose of the New Share Scheme is to enable the Company to grant options or awards to the Participants as incentives or rewards for their contributions to the Company. The New Share Scheme will give the participants an opportunity to have a personal stake in the Company and will help motivate the participants to optimise their performance and efficiency and attract and retain or otherwise maintain a long-term relationship with the participants whose contributions are or will be in line with the business objectives of the Company. Eligible participants of the New Scheme include any employees, any executives, non-executive Directors (including independent non-executive Directors), advisors, consultants of the Company or any of its subsidiaries.

The New Scheme will remain valid and effective for a period of 10 years commencing on the date on which the New Scheme is adopted, after which period no further share options and awards will be granted but the provisions of the New Scheme shall in all other respects remain in full force and effect and share options and awards which are granted during the life of the New Scheme may continue to be exercisable in accordance with their terms of issue. The principal terms of which were summarised in the paragraph headed “Principal Terms of the New Share Scheme” in Appendix to the circular dated 12 March 2024.

As of 30 September 2025 and the date of this report, the total number of shares of the Company which may be issued upon the exercise of all options and award to be granted under the New Scheme was 17,235,127 shares of the Company, representing approximately 6.9% of the issued share capital of the Company.

AUDIT COMMITTEE

The existing audit committee of the Company (the “**Audit Committee**”) consists of four independent non-executive Directors, chaired by Mr. Choi Pun Lap and the other three members are Ms. Ip Sin Nam, Mr. Yu Lap Pan and Ms. Chow Ching Man.

The unaudited interim financial results of the Group for the six months ended 30 September 2025 have been reviewed by the Audit Committee.

EVENTS AFTER THE REPORTING PERIOD

There were no significant events since 30 September 2025 and up to the date of this report.

By Order of the Board
Canopy SkyFire Group Limited
Wong Ming Kwan Victoria
Executive Director

Hong Kong, 28 November 2025

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

The Board is pleased to announce the unaudited consolidated results of the Group for the six months ended 30 September 2025, together with the comparative figures for the corresponding period in 2024 which have been reviewed and approved by the Audit Committee, as follows:

Notes	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Revenue	6	11,988
Cost of sales		(10,100)
Gross profit		1,888
		2,875
Other income	7	1,875
Other gains and (losses), net	8	(314)
Selling and distribution expenses		(549)
Administrative expenses		(2,976)
Finance costs	9	(18)
Loss before income tax	10	(94)
Income tax expense	11	(193)
Loss for the period		(287)
Other comprehensive expense		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of foreign operations		—
Total comprehensive expense for the period		(287)
		(1,308)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

Notes	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Loss for the period attributable to:		
Owners of the Company	(287)	(1,308)
Non-controlling interests	—	—
	(287)	(1,308)
Total comprehensive expenses for the period attributable to:		
Owners of the Company	(287)	(1,308)
Non-controlling interests	—	—
	(287)	(1,308)
Loss per share (HK cents)		
Basic and diluted	12	(0.13)
		(0.65)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Notes	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment	14	—	—
Right-of-use assets		419	658
Deposit		—	—
Goodwill		10,142	10,142
		10,561	10,800
Current assets			
Inventories	16	—	570
Financial assets at fair value through profit and loss (“FVTPL”)		—	1,444
Trade and other receivables	15	26,714	28,430
Bank balances and cash		1,569	4,098
		28,283	34,542
Current liabilities			
Trade and other payables	17	29,319	39,015
Borrowings	18	5,995	6,137
Amounts due to a related party	19	736	2,102
Current tax liability		744	475
Lease liabilities		428	482
		37,222	48,211

Notes	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Net current liabilities	(8,939)	(13,669)
Total assets less current liabilities	1,622	(2,869)
Non-current liabilities		
Lease liabilities	—	(185)
Net assets/(liabilities)	1,622	(3,054)
Capital and reserves		
Share capital	20	12,926
Reserves		(15,894)
Equity attributable to owners of the Company	1,708	(2,968)
Non-controlling interests	(86)	(86)
Total equity	1,622	(3,054)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the six months ended 30 September 2025

	Attributable to owners of the Company								Non-controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	PRC statutory reserve HK\$'000	Share option reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000		
Balance at 1 April 2025 (Audited)	12,926	157,294	1,465	–	–	–	(174,653)	(2,968)	(86)	(3,054)
Loss for the period	–	–	–	–	–	–	(287)	(287)	–	(287)
Other comprehensive expense										
Exchange difference arising on translation of foreign operations	–	–	–	–	–	–	–	–	–	–
Total comprehensive expense	–	–	–	–	–	–	(287)	(287)	–	(287)
Placing of new shares	2,585	2,378	–	–	–	–	–	4,963	–	4,963
Balance at 30 September 2025 (Unaudited)	15,511	159,672	1,465	–	–	–	(174,940)	1,708	(86)	1,622
Attributable to owners of the Company										
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	PRC statutory reserve HK\$'000	Share option reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000	Non-controlling interests HK\$'000	Total deficit equity HK\$'000
Balance at 1 April 2024 (Audited)	10,772	153,587	1,465	–	–	–	(159,429)	6,395	(86)	6,309
Loss for the period	–	–	–	–	–	–	(1,308)	(1,308)	–	(1,308)
Other comprehensive expense										
Exchange difference arising on translation of foreign operations	–	–	–	–	–	–	–	–	–	–
Total comprehensive expense	–	–	–	–	–	–	(1,308)	(1,308)	–	(1,308)
Placing of new shares	2,154	3,706	–	–	–	–	–	5,860	–	5,860
Balance at 30 September 2024 (Unaudited)	12,926	157,293	1,465	–	–	–	(160,737)	10,947	(86)	10,861

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the six months ended 30 September 2025

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Net cash used in operating activities	(5,727)	(7,009)
Net cash generated from investing activities	—	—
Net cash generated from financing activities	3,198	5,770
Net decrease in cash and cash equivalents	(2,529)	(1,239)
Cash and cash equivalents at beginning of the period	4,098	4,848
Effect on foreign exchange rates change	—	—
Cash and cash equivalents at end of the period	1,569	3,609
Analysis of cash and cash equivalents		
Bank balances and cash	1,569	3,609

NOTES TO UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 CORPORATION INFORMATION, REORGANISATION AND BASIS OF PRESENTATION

(a) General information

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under Companies Law, Cap 22 (Law 3 of 1961 as consolidated and revised), of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business is 2/F, 200 Hennessy Road, Wan Chai, Hong Kong.

The Company is an investment holding company. The principal activities of the Group are designing, trading and manufacturing of two-way radios, baby monitor products and plastic products on original design manufacturing basis.

The Company was listed on the GEM on 30 September 2015.

This unaudited condensed consolidated interim financial information is presented in thousands of Hong Kong dollars (“**HK\$’000**”), unless otherwise stated.

(b) Basis of presentation

The presentation applied are consistent with those of the consolidated annual financial statements for the year ended 31 March 2025.

2 BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2025 (“**Interim Period**”) have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on the GEM (the “**GEM Listing Rules**”).

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements of the Group for the Interim Period are consistent with those used in the audited financial statements of the Group for the year ended 31 March 2025 and should be used in conjunction with the audited consolidated financial statements for the year ended 31 March 2025.

2 BASIS OF PREPARATION (CONTINUED)

HKICPA has issued a number of new and revised HKFRSs and interpretations that are first effective or available for early adoption for the Interim Period. There have been no significant changes to the accounting policies applied in these financial statements for the Interim Period presented as a result of these developments.

The unaudited condensed consolidated financial statements for the Interim Period have not been audited by the Company's independent auditor but have been reviewed by the Company's audit committee.

The preparation of the unaudited condensed consolidated financial statements of the Group for the Interim Period is in conformity with the HKFRSs requirements in the use of certain critical accounting estimates. The HKFRSs also require the management to exercise their judgements in the process of applying the Group's accounting policies.

ADOPTION OF NEW AND AMENDED HKFRSs

In the Period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2024 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendment to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangement

The application of the amendments to HKFRSs has no material impact on the Group's financial position and financial performance for the current and/or prior periods and/or on the disclosure set out in the condensed consolidated financial statements.

The Group has not applied any new and amendments to HKFRSs that have been issued but not yet effective for the current accounting period.

2 BASIS OF PREPARATION (CONTINUED)

Going concern basis

In preparing the consolidated financial statements, the directors of the Company have considered the future liquidity of the Group in view of its net current liabilities position as at 30 September 2025. As at 30 September 2025, the Group's current liabilities exceeded its current assets by HK\$8.9 million, while its total cash and cash equivalents amount to HK\$1.6 million. These conditions cast significant doubt on the Group's ability to continue as a going concern.

The directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group has sufficient financial resources to continue as a going concern. In the opinion of the directors, the Group will be able to continue to operate as a going concern in the foreseeable future, after taking into consideration the following factors:

- At the reporting date, the Group had obtained credit facilities granted by a related company of approximately HK\$10,000,000 which has not been drawn down as borrowings.
- The management closely monitors the Group's financial performance and liquidity position. The management has been implementing measures to control operating costs including negotiating with the landlords for rental reduction, a salary reduction scheme for management, the minimisation of operating costs and administrative expenses. Meanwhile, the management expand its current business by acquisition of new product line.

In light of the abovesaid measures, the Board believes that the financial position of the Company shall be strengthened in the future.

3 PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for financial asset at fair value through profit or loss which is measured at fair values.

4 ESTIMATES

The preparation of unaudited condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this unaudited condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 March 2025.

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow interest rate risk), credit risk and liquidity risk. The unaudited interim condensed consolidated financial information do not include all financial risk management information and disclosures required in the consolidated annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 March 2025.

There have been no changes in the risk management policies since year end.

5.2 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 annual financial statements for the year ended 31 March 2025.

5 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

(Continued)

5.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (level 3)

The fair values of trade and other receivables, bank balances and cash, trade and other payables and borrowings as at 30 September 2025 approximate to their carrying amounts.

6 SEGMENT INFORMATION

Total revenue recognised during the respective period are as follows:

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Sales of goods	11,988	15,512
	11,988	15,512

The revenue from external parties is derived from various external customers and the revenue reported to the management is measured in a manner consistent with that in the condensed consolidated income statements.

6 SEGMENT INFORMATION (Continued)

The Group is principally engaged in the designing, trading and manufacturing of two-way radios, baby monitors and plastic products on original design manufacturing basis.

The executive Directors have been identified as the chief operating decision makers. The executive Directors have determined the operating segments based on the reports reviewed by them that are used to make strategic decisions.

Management of the Company considers the business from a product perspective whereby management of the Company assesses the performance of two-way radios, baby monitors and plastic products based on gross profit arising in the course of the ordinary activities which are recurring in nature.

The segment information provided to the executive Directors for the reportable segments are as follows:

	Two-way radios HK\$'000 (Unaudited)	Baby monitors HK\$'000 (Unaudited)	Plastic products HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
For the six months ended 30 September 2025				
Total segment revenue (from external customers)	7,660	3,463	865	11,988
Segment result for the period	1,243	372	273	1,888
For the six months ended 30 September 2024				
Total segment revenue (from external customers)	15,112	—	400	15,512
Segment result for the period	2,728	—	147	2,875

6 SEGMENT INFORMATION (Continued)

A reconciliation of total segment result to the profit for the respective period is provided as follows:

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Segment results	1,888	2,875
Other income	1,875	388
Other (losses)/gains	(322)	(27)
Selling, distribution and administrative expenses	(3,525)	(4,388)
Finance costs	(18)	(23)
Loss before income tax	(94)	(1,175)

An analysis of revenue by geographic location, based on shipping destination, is set out below:

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
The United States	108	127
Europe (Note 1)	653	273
Asia (Note 2)	11,227	15,112
	11,988	15,512

Note 1: Europe includes but is not limited to France, and the UK.

Note 2: Asia includes but is not limited to the PRC and Hong Kong.

Revenue is allocated based on the shipping destination.

7 OTHER INCOME

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Bank interest income	—	3
Others	1,875	385
	1,875	388

8 OTHER GAINS AND (LOSSES), NET

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Exchange gains/(losses), net	8	(27)
Fair value loss on financial assets of FVTPL	(322)	—
	(314)	(27)

9 FINANCE COSTS

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Interest on:		
— bank and other borrowings	8	15
— lease liabilities	10	8
	18	23

10 LOSS BEFORE INCOME TAX

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Cost of inventories recognised as expenses	10,100	12,630
Directors' emoluments	574	570
Employee benefit expenses	946	934
Subcontracting fees	—	—
Depreciation		
— Property, plant and equipment	—	—
— Rights-of-use assets	239	68
Expenses relating to short-term leases and other leases with lease terms end within 12 months of the date of initial application of HKFRS 16	73	278

11 INCOME TAX EXPENSE

No provision for PRC enterprise income tax has been made as the Group did not have any assessable profits arising in or derived from PRC during the six months ended 30 September 2025 (30 September 2024: HK\$nil).

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other Group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

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

11 INCOME TAX EXPENSE (Continued)

The amount of income tax expense charged to the condensed consolidated statements of profit or loss and other comprehensive income represents:

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Current tax:		
Hong Kong Profit Tax	193	133

12 LOSS PER SHARE

(a) Basic

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

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Loss attributable to owners of the Company (HK\$'000)	(287)	(1,308)
Weighted number of ordinary shares in issue ('000)	213,255	199,779
Basic loss per share (HK cents per share)	(0.13)	(0.65)

12 LOSS PER SHARE (Continued)

(b) Diluted

Diluted loss per share was equal to basic loss per share as there were no potential outstanding shares during the six months ended 30 September 2024 and 30 September 2025.

13 DIVIDENDS

The Directors do not recommend the payment of any dividend in respect of the six months ended 30 September 2025 (30 September 2024: HK\$nil).

14 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2025, the Group did not acquired any property, plant and equipment (for the six months ended 30 September 2024: HK\$nil).

15 TRADE AND OTHER RECEIVABLES

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Trade receivables (Note a)	22,673	26,195
Prepayments	275	2,018
Deposits	222	222
Other receivables	11,484	7,935
Less: Allowance for credit losses	(7,940)	(7,940)
 Total trade and other receivables	 26,714	 28,430
Less: non-current portion	—	—
 Current portion	 26,714	 28,430

Note:

(a) The carrying amounts of trade receivables approximate their fair values

15 TRADE AND OTHER RECEIVABLES (CONTINUED)

The ageing analysis of the trade receivables based on invoice date are as follows:

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Within 30 days	4,058	1,119
31 to 60 days	2,078	2,123
61 to 90 days	1,982	4,982
91 to 180 days	4,839	6,827
Over 180 days	9,716	11,144
Total	22,673	26,195

16 INVENTORIES

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Raw materials	—	—
Work in progress	—	—
Finished goods	—	570
		570

The cost of inventories recognised as expenses in “cost of sales” amounted to approximately HK\$10,100,000 and HK\$12,630,000 for the six months ended 30 September 2025 and 30 September 2024, respectively.

17 TRADE AND OTHER PAYABLES

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Trade payables	19,146	28,767
Accrued expenses and other payables	10,173	10,248
Trade and other payables	29,319	39,015

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

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Within 30 days	2,666	5,774
31 to 60 days	1,892	2,985
61 to 90 days	1,599	3,289
More than 90 days	12,989	16,719
	19,146	28,767

The credit period on purchases of goods is 30 days from the date of despatch. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

18 BORROWINGS

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Bank borrowings (<i>Note a</i>)	395	537
Secured other borrowings (<i>Note b</i>)	5,600	5,600
Total borrowings	5,995	6,137
Carrying amount repayable (based on scheduled repayment dates set out in loan agreements):		
Bank borrowings and unsecured other borrowings that contain repayment on demand clause (shown as current liabilities) but repayable within a period of:		
Within one year	5,995	6,137
Total	5,995	6,137

18 BORROWINGS (CONTINUED)

- (a) Secured bank borrowings were interest bearing at Prime Lending Rate less 2.25% per annum as at 30 September 2025 which are secured by guarantee provided by the Company as appropriate.
- (b) On 16 July 2019, the Company entered into assignment of debt agreement with the lender to factor trade receivable with the gross carrying amount of approximately HK\$7,809,000 to lender with recourse. Subsequent to entered into assignment of debt agreement, the secured other borrowings were interest-free and will be settled upon settlement of factored trade receivable with the amounts of HK\$7,308,000 (net of allowance for credit losses).

19 AMOUNTS DUE TO A RELATED PARTY

Name of related party	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Ms. Wong Ming Kwan Victoria	736	2,102

The amounts are unsecured, interest-free and repayable on demand.

As at 30 September 2025, the balances are unsecured, interest-free and repayable on demand.

20 SHARE CAPITAL

	Number of shares '000	Amount HK\$'000
Authorised:		
At the beginning of reporting period	624,000	39,000
At the end of the reporting period	624,000	39,000
Issued and fully paid:		
At the beginning of reporting period	206,821	12,926
At the end of the reporting period	248,181	15,511

On 14 August 2025, the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Placing Agent has agreed to place, on a best effort basis, to not less than six independent Placees for up to 41,360,000 new Shares at a price of HK\$0.120 per Placing Share, for and on behalf of the Company. On 3 September 2025, the Placing was completed and 41,360,000 new Shares were issued to not less than six Placees at the Placing Price. More details are set out in the Company's announcement dated 14 August 2025, 19 August 2025 and 4 September 2025.

21 RELATED-PARTY TRANSACTIONS

For the purposes of these unaudited condensed consolidated interim financial statements, parties are considered to be related to the Group if the party has the ability, directly or indirectly, to exercise significant influence over the Group in making financial and operating decisions. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals. Parties are also considered to be related if they are subject to common control.

21 RELATED-PARTY TRANSACTIONS (CONTINUED)

Compensation of key management personnel

For the six months period ended 30 September 2025, the Directors considered they are the sole management personnel of the Group, and their remuneration during the six months period ended 30 September 2025 is disclosed in note 10 to condensed consolidated financial statements. The remuneration of the Directors is determined by the remuneration committee having regard to the performance of individual and market trends.

22 EVENTS AFTER REPORTING PERIOD

There is no material subsequent event undertaken by the Company or by the Group after 30 September 2025 and up to the date of this interim report.

23 APPROVAL OF THE UNAUDITED INTERIM FINANCIAL STATEMENTS

The unaudited interim financial statements were approved and authorised for issue by the Board on 28 November 2025.