



A & S Group (Holdings) Limited

亞洲實業集團(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1737



INTERIM REPORT

2025



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Law Kwok Leung Alex (*Chairman*)

Mr. Law Kwok Ho Simon

Mr. Chiu Tat Ting Albert (*Chief Executive Officer*)

Independent non-executive Directors

Mr. Ho Chun Chung Patrick

Mr. Iu Tak Meng Teddy

Mr. Kwan Ngai Kit

Ms. Pau Yee Ling

BOARD COMMITTEES

Audit Committee

Mr. Kwan Ngai Kit (*Chairman*)

Mr. Ho Chun Chung Patrick

Mr. Iu Tak Meng Teddy

Ms. Pau Yee Ling

Remuneration Committee

Mr. Ho Chun Chung Patrick (*Chairman*)

Mr. Iu Tak Meng Teddy

Mr. Kwan Ngai Kit

Mr. Law Kwok Leung Alex

Ms. Pau Yee Ling

Nomination Committee

Mr. Iu Tak Meng Teddy (*Chairman*)

Mr. Ho Chun Chung Patrick

Mr. Kwan Ngai Kit

Mr. Law Kwok Leung Alex

Ms. Pau Yee Ling

COMPANY SECRETARY

Ms. Ng Hoi Ying (*CPA*)

AUTHORISED REPRESENTATIVES

Mr. Law Kwok Leung Alex

Ms. Ng Hoi Ying (*CPA*)

COMPLIANCE OFFICER

Mr. Law Kwok Leung Alex

COMPLIANCE ADVISER

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26th Floor, Siu On Centre

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AUDITOR

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

31st Floor, Gloucester Tower

The Landmark

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LEGAL ADVISOR AS TO HONG KONG LAWS

CFN Lawyers LLP

Room Nos. 4101-04, 41/F

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PRINCIPAL SHARE REGISTRAR AND

TRANSFER OFFICE IN THE

CAYMAN ISLANDS

Ocorian Trust (Cayman) Limited

Windward 3, Regatta Office Park

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BRANCH SHARE REGISTRAR AND

TRANSFER OFFICE IN HONG KONG

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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

L2 Office

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The Hongkong and Shanghai Banking Corporation

Limited

Bank of China (Hong Kong) Limited

STOCK CODE

1737

COMPANY'S WEBSITE

www.asl.hk



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

For the six months ended 30 September 2025

(Unaudited)

		Six months ended 30 September	
		2025	2024
	Note	HK\$'000	HK\$'000
Revenue	3	228,330	310,905
Direct costs		(214,767)	(285,123)
Gross profit		13,563	25,782
Other income and gains	3	1,683	1,241
Administrative and other operating expenses		(25,369)	(25,446)
Operating (loss)/profit		(10,123)	1,577
Finance costs	5	(1,503)	(1,507)
(Loss)/profit before tax	4	(11,626)	70
Income tax expense	6	–	–
(Loss)/profit and total comprehensive (expense)/income for the period		(11,626)	70
(Loss)/profit and total comprehensive (expense)/income for the period attributable to:			
Owners of the Company		(11,523)	70
Non-controlling interests		(103)	–
		(11,626)	70
Basic and diluted (loss)/earnings per share attributable to owners of the Company	7	HK(0.12) cents	HK0.01 cents



UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Note	(Unaudited) As at 30 September 2025	(Audited) As at 31 March 2025
		HK\$'000	HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment	9	17,252	22,137
Right-of-use assets	10	56,431	72,554
Club membership	11	869	869
		74,552	95,560
Current assets			
Trade receivables	12	119,576	116,533
Other receivables, deposits and prepayments	13	22,270	22,938
Amount due from a related company		35	35
Tax recoverable		3,693	2,628
Pledged deposit	14	3,066	3,062
Cash and bank balances	14	58,428	79,225
		207,068	224,421
Total assets		281,620	319,981
EQUITY			
Capital and reserves			
Share capital	15	10,000	10,000
Reserves		162,801	174,324
Equity attributable to owners of the Company		172,801	184,324
Non-controlling interests		(168)	–
Total equity		172,633	184,324
LIABILITIES			
Non-current liabilities			
Retirement benefits liabilities		1,778	1,778
Lease liabilities	10	21,191	42,011
		22,969	43,789
Current liabilities			
Trade payables	16	21,566	24,661
Accruals and other payables		33,892	37,715
Lease liabilities	10	30,560	29,492
		86,018	91,868
Total liabilities		108,987	135,657
Total equity and liabilities		281,620	319,981
Net current assets		121,050	132,553
Total assets less current liabilities		195,602	228,113



UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT 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 (Note a)	Merger reserve HK\$'000 (Note b)	Retained earnings HK\$'000	Total HK\$'000			
Balance at 1 April 2024 (audited)	10,000	98,122	(1)	116,004	224,125	–	224,125	
Profit and total comprehensive income for the period	–	–	–	70	70	–	70	
Dividend paid	–	–	–	(20,000)	(20,000)	–	(20,000)	
Balance at 30 September 2024 (unaudited)	10,000	98,122	(1)	96,074	204,195	–	204,195	
Balance at 1 April 2025 (audited)	10,000	98,122	(1)	76,203	184,324	–	184,324	
Loss and total comprehensive expense for the period	–	–	–	(11,523)	(11,523)	(103)	(11,626)	
Capital contribution from non-controlling interests	–	–	–	–	–	(65)	(65)	
Balance at 30 September 2025 (unaudited)	10,000	98,122	(1)	64,680	172,801	(168)	172,633	

Notes:

- Share premium is the excess of the proceeds received over the nominal value of the shares of the Company issued at a premium, less expenses incurred in connection with the issue of the shares.
- The merger 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 reorganisation in prior years.



UNAUDITED INTERIM 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
Net cash generated from operating activities	443	36,379
Net cash generated from/(used in) investing activities	15	(8,577)
Net cash used in financing activities	(21,255)	(28,438)
Net decrease in cash and cash equivalents	(20,797)	(636)
Cash and cash equivalents at the beginning of period	79,225	84,988
Cash and cash equivalents at the end of period	58,428	84,352



NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

1 GENERAL INFORMATION AND BASIS OF PRESENTATION

A & S Group (Holdings) Limited (the “**Company**”) was incorporated in the Cayman Islands on 7 July 2016 as an exempted company with limited liability under the Companies Act (Cap.22, Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 14 March 2018 (the “**Listing**”).

The address of the Company’s registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and the Company’s principal place of business in Hong Kong is L2 Office, Cainiao Smart Gateway, 8 Chun Yue Road, Chek Lap Kok, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the provision of air freight forwarding ground handling services and air cargo terminal operating services in Hong Kong.

The unaudited interim condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company. All values are rounded to the nearest thousand (**HK\$’000**) except when otherwise indicated.

2 PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these unaudited interim condensed consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of presentation

The unaudited interim condensed consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards Accounting Standards (“**HKFRS Accounting Standards**”) issued by the Hong Kong Institute of Certified Public Accountants. In addition, the unaudited interim condensed consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) and by the Hong Kong Companies Ordinance. The unaudited interim condensed consolidated financial statements have been prepared under the historical cost convention, except as otherwise stated in the accounting policies below.



NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

2 PRINCIPAL ACCOUNTING POLICIES (Continued)

2.1 Basis of presentation (Continued)

The preparation of unaudited interim condensed consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the unaudited interim condensed consolidated financial statements.

Amended HKFRS Accounting Standards adopted by the Group

The Group has applied the following amendments to HKFRS Accounting Standards for the first time for its annual reporting period commencing on 1 April 2025:

Amendments to HKAS 21

Lack of Exchangeability

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

3 REVENUE, OTHER INCOME AND GAINS AND SEGMENT INFORMATION

Revenue recognised during the period is as follows:

	(Unaudited)	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Revenue from customers and recognised over time:		
Air freight forwarding ground handling services	121,768	212,082
Air cargo terminal operating services	106,562	98,823
	228,330	310,905



NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

3 REVENUE, OTHER INCOME AND GAINS AND SEGMENT INFORMATION (Continued)

Transaction price allocated to remaining performance obligations

The Group's contracts include promises to perform an undefined quantity of tasks at a fixed contractual rate per unit, with no contractual minimums that would make some or all of the consideration fixed. As a result, the possible transaction prices and the ultimate consideration for those contracts will depend on the occurrence or non-occurrence of future customer usage. In light of the aforesaid, the analysis of the transaction price that is allocated to remaining performance obligations is not disclosed.

Other income and gains recognised during the period are as follows:

	(Unaudited)	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Other income and gains		
Bank interest income	36	218
Management fee income	–	332
Gain on deemed disposal of partial interest in a subsidiary	555	–
Others (Note)	1,092	691
	1,683	1,241

Note: During the six months ended 30 September 2025, the Group recognised government grants in respect of the policy of the International Civil Aviation Organisation ("ICAO") related subsidy provided by the government of the Hong Kong Special Administrative Region (the "Government"), of which approximately HK\$750,000 was granted under the Pilot Subsidy Scheme for Third-Party Logistics Service Providers launched by the Government.

During the six months ended 30 September 2024, the Group recognised approximately HK\$483,000 related to one-off ex-gratia payment scheme for phasing out Euro IV diesel commercial vehicles from the Transport Department of the Government.

There are no unfulfilled conditions or other contingencies attaching to these grants.



NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

3 REVENUE, OTHER INCOME AND GAINS AND SEGMENT INFORMATION (Continued)

Segment information

The chief operating decision-maker has been identified as the executive directors (the “**Directors**”) of the Company. The executive Directors regard the Group’s business as a single operating segment and review the unaudited interim condensed consolidated financial statements accordingly. Also, all of the Group’s revenue during the six months ended 30 September 2025 and 2024 were derived from Hong Kong, the place of domicile of the Group’s operating subsidiary. The Group primarily operates in Hong Kong. The Group’s non-current assets are principally located in Hong Kong. Therefore, no segment information is presented.

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group are as follows:

	(Unaudited)	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Customer A ¹	86,305	77,046
Customer B ¹	49,483	97,405
Customer C	32,673	42,383

¹ Such customers represent a collective of companies within a group.



NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

4 (LOSS)/PROFIT BEFORE TAX

(Loss)/profit before tax has been arrived at after charging:

	(Unaudited)	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Included in direct costs:		
Direct labour costs	51,393	62,021
Dispatched labour costs	111,141	151,577
Costs of packaging materials	3,762	7,743
Depreciation of property, plant and equipment	1,847	2,626
Depreciation of right-of-use assets	16,123	24,153
Expense relating to short-term leases not included in the measurement of lease liabilities		
– Car parking spaces	1,041	948
– Forklifts	2,414	3,506
Included in administrative and other operating expenses:		
Depreciation of property, plant and equipment	3,055	640
Expense relating to short-term leases not included in the measurement of lease liabilities		
– Office premises	180	180
Staff costs, including directors' and chief executive officer's emoluments	7,829	7,839



NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

5 FINANCE COSTS

	(Unaudited)	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Interest on bank borrowings	–	26
Interest on lease liabilities	1,503	1,481
	1,503	1,507

6 INCOME TAX EXPENSE

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

Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million for the six months ended 30 September 2025 and 2024.

No provision for Hong Kong Profits Tax has been made as the Group did not generate any assessable profits for both periods.

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 both periods.

No provision for taxation in PRC has been made as the Group did not generate any assessable profits from the PRC for both periods,

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



NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

7 BASIC AND DILUTED (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to 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)/profit attributable to owners of the Company (HK\$'000)	(11,523)	70	
Weighted average number of ordinary shares for the purpose of calculating basic (loss)/earnings per share (in thousand)	1,000,000	1,000,000	
Basic (loss)/earnings per share (HK cents)	(0.12)	0.01	

The diluted (loss)/earnings per share for the six months ended 30 September 2025 and 2024 were the same as the basic (loss)/earnings per share as there were no dilutive potential ordinary share in issue during the respective periods.

8 DIVIDENDS

During the six months ended 30 September 2025, there was no final dividend per ordinary share in respect of the year ended 31 March 2025 (six months ended 30 September 2024: HK\$2.0 cents per ordinary share in respect of the year ended 31 March 2024 amounting to approximately HK\$20.0 million), was declared and approved by the shareholders of the Company.

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

9 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2025, the Group acquired items of property, plant and equipment with a cost of approximately HK\$17,000 (six months ended 30 September 2024: approximately HK\$8.8 million).



NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

10 LEASES

This note provides information for leases where the Group is a lessee.

Amounts recognised in the unaudited interim condensed consolidated statement of financial position

The unaudited interim condensed consolidated statement of financial position shows the following amounts relating to leases:

	(Unaudited) As at 30 September 2025 HK\$'000	(Audited) As at 31 March 2025 HK\$'000
Right-of-use assets		
Warehouses and loading bay	56,431	72,554
	56,431	72,554
Lease liabilities		
Current	30,560	29,492
Non-current	21,191	42,011
	51,751	71,503

As at 30 September 2025, the Group entered into new leases for forklifts and office premises, with non-cancellable period of one year, the total future undiscounted cash flows over the non-cancellable period amounted to approximately HK\$4.8 million (31 March 2025: approximately HK\$3.9 million).



NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

11 CLUB MEMBERSHIP

	(Unaudited) As at 30 September 2025 HK\$'000	(Audited) As at 31 March 2025 HK\$'000
Club membership	869	869

The club membership with indefinite useful lives is stated at cost less impairment loss and is tested for impairment annually or whenever there is an indication of impairment. The Directors are of the opinion that no impairment loss was recognised with reference to market value.

12 TRADE RECEIVABLES

	(Unaudited) As at 30 September 2025 HK\$'000	(Audited) As at 31 March 2025 HK\$'000
Trade receivables	122,264	119,221
Less: Loss allowance	(2,688)	(2,688)
	119,576	116,533

Notes:

- (a) The credit period granted to customers is 30 to 90 days from invoice date generally. Trade receivables are denominated in HK\$. The Group does not hold any collateral as security.
- (b) The ageing analysis of the trade receivables, net of loss allowance, presented 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	72,252	40,371
31-60 days	6,455	57,378
61-90 days	33,809	5,998
Over 90 days	9,748	15,474
	122,264	119,221
Less: Loss allowance	(2,688)	(2,688)
	119,576	116,533



NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

13 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	(Unaudited) As at 30 September 2025 HK\$'000	(Audited) As at 31 March 2025 HK\$'000
Deposits	12,698	12,847
Prepayments	8,979	9,346
Other receivables	593	745
	22,270	22,938

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there were no recent history of default.

14 CASH AND BANK BALANCES AND PLEDGED DEPOSIT

	(Unaudited) As at 30 September 2025 HK\$'000	(Audited) As at 31 March 2025 HK\$'000
Cash at banks (<i>Note a</i>)	57,647	78,440
Cash on hand	781	785
Time deposits	3,066	3,062
	61,494	82,287
Less: Pledged deposit (<i>Note b</i>)	(3,066)	(3,062)
Cash and bank balances	58,428	79,225

Notes:

- (a) Cash at banks earns interest at floating rates based on daily bank deposit rates.
- (b) As at 31 March 2025 and 30 September 2025, the pledged deposit was placed to secure the Group's bank facilities.



NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

15 SHARE CAPITAL

	Number of ordinary shares	Share capital HK\$'000
<hr/>		
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 April 2024, 31 March 2025, 1 April 2025, and 30 September 2025	2,000,000,000	20,000
<hr/>		
Issued and fully paid:		
At 1 April 2024, 31 March 2025, 1 April 2025, and 30 September 2025	1,000,000,000	10,000

16 TRADE PAYABLES

Payment terms granted by suppliers generally ranges from 7 to 60 days from invoice date of the relevant purchase. 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	18,182	17,721
31-60 days	313	2,559
61-90 days	767	1,103
Over 90 days	2,304	3,278
	21,566	24,661



NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

17 RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions. Parties are also considered to be related if they are subject to common control or joint control. Related parties may be individuals or other entities.

(a) Name and relationship with related parties

The following individuals and companies were related parties that had transactions or balances with the Group as at and during the six months ended 30 September 2025.

Name of related parties	Relationship with the Group
Mr. Law Kwok Leung Alex ("Mr. Alex Law") and Mr. Law Kwok Ho Simon ("Mr. Simon Law")	Directors of the Company
Gobo Trade Limited	Mr. Alex Law and Mr. Simon Law have joint control
Parkston Limited ("Parkston")	Mr. Alex Law has control

(b) Transactions with related parties

Name of related parties	Nature of transactions	(Unaudited) Six months ended 30 September	
		2025 HK\$'000	2024 HK\$'000
Mr. Alex Law and Mr. Simon Law	Office premises rental	180	180
Gobo Trade Limited	Revenue from logistics services	11	25
	Purchases of office supplies	494	594
	Purchases of packaging materials	1,331	2,463
	Purchases of property, plant and equipment	—	459
Parkston	Security services	2,687	3,744



NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

18 COMMITMENTS

Capital commitment

As at 30 September 2025, the Group did not have any material capital commitments (31 March 2025: Nil).

19 CONTINGENT LIABILITIES

The Group, in the ordinary course of its business, is involved in various claims, suits, investigations, and legal proceedings that arise from time to time. Although the Group does not expect that the outcome in any of these legal proceedings, individually or collectively, will have a material adverse effect on its financial position or results of operations, litigation is inherently unpredictable. Therefore, the Group could incur judgements or enter into settlements of claims that could adversely affect its operating results or cash flows in a particular period.

20 EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this report, the Board is not aware of any significant events affecting the Group since 30 September 2025 and up to date of this report.



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

For the six months ended 30 September 2025 (the "Review Period"), the global air cargo and logistics market remained in an adjustment phase, impacted by ongoing geopolitical tensions, fluctuations in global trade patterns, and a slowdown in macroeconomic recovery. As a well-established provider of air freight forwarding ground handling services and air cargo terminal operating services in Hong Kong, the Group continued to serve global logistics enterprises and major freight forwarders despite the complex market environment. However, overall operating conditions during the Review Period were more challenging compared with the corresponding period last year.

During the Review Period, the Group recorded a decrease of approximately 26.6% in revenue and a decrease of approximately 47.4% in gross profit. Such decline in performance was primarily attributable to (i) the decrease in overall cargo volume processed for the air freight forwarding ground handling services for the Review Period; and (ii) the inability to reduce overall labour costs in proportion to the decrease in overall revenue and handling volume, as the Group had to maintain a stable workforce to sustain its daily operations under the uncertain trading environment.

In response to the challenging external operating environment, the Group adopted various measures, including optimising resource allocation, strengthening cost controls, and enhancing operational efficiency to mitigate the operational pressures resulting from market fluctuations. Meanwhile, the Group continued to promote a customer diversification strategy by expanding new customers and business partners to reduce business risks associated with over-reliance on individual large customers.

Looking ahead, with international logistics demand expected to gradually recover and the continued advancement of digital transformation in the industry, the Group maintains a cautiously optimistic outlook for the sector's medium to long-term development. The Group will continue to align its business development with market demand, pursue diversified business models including value-added services and integrated logistics solutions, and enhance revenue streams and profitability. At the same time, the management will continue to assess potential strategic cooperation opportunities, aiming to restore profitability, strengthen the Group's competitive position in the air freight forwarding ground handling services sector, and achieve sustainable development.



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

Revenue of the Group decreased by approximately 26.6% from approximately HK\$310.9 million for the six months ended 30 September 2024 to approximately HK\$228.3 million for the Review Period. The decline in performance during the Review Period was primarily because the global air cargo market continued to be affected by slower macroeconomic growth, shifts in trade flows, and weaker demand on certain routes in the first half of the year, resulting in a decline in the Group's overall cargo volume processed for the air freight forwarding ground handling services.

Gross profit and gross profit margin

Gross profit dropped by approximately 47.4% from approximately HK\$25.8 million for the six months ended 30 September 2024 to approximately HK\$13.6 million for the Review Period. Gross profit margin for the Review Period was approximately 5.9%, representing a decrease of approximately 2.4 percentage points compared to approximately 8.3% for the corresponding period in 2024. The decline in gross profit was mainly attributable to the decrease in revenue and the decrease in gross profit margin for the Review Period. The further compression of profit margins was mainly attributable to the fact that the Group had to maintain sufficient labour capacity to ensure its operational stability, causing labour costs to remain relatively stable despite the decline in revenue and handling volume, to cope with uncertainties in the trading environment.

Other income and gains

Other income and gains increased by approximately 35.6% from approximately HK\$1.2 million for the six months ended 30 September 2024 to approximately HK\$1.7 million for the Review Period. Such increase was mainly attributable to the gain on deemed disposal of a subsidiary of approximately HK\$0.6 million was recognised during the Review Period.

Administrative and other operating expenses

Administrative and other operating expenses remained stable at approximately HK\$25.4 million for the Review Period, compared to approximately HK\$25.4 million for the six months ended 30 September 2024.



MANAGEMENT DISCUSSION AND ANALYSIS

Finance costs

The finance costs remained stable at approximately HK\$1.5 million and HK\$1.5 million for the Review Period and for the six months ended 30 September 2024, respectively.

Income tax expense

There was no income tax expense recorded for the Review Period (six months ended 30 September 2024: Nil).

Loss and total comprehensive expense for the period

As a result of the foregoing, the Group's financial performance reversed significantly during the Review Period. The Group recorded a loss and total comprehensive expense attributable to owners of the Company of approximately HK\$11.6 million compared with a profit and total comprehensive income attributable to owners of the Company of approximately HK\$70,000 for the six months ended 30 September 2024. The turnaround from profit to loss is primarily attributable to the significant decline in revenue, which led to a substantial drop in gross profit.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's operations and investments were financed principally by cash generated from its business operations. As at 30 September 2025, the Group had net current assets of approximately HK\$121.1 million (31 March 2025: approximately HK\$132.6 million), cash and bank balances of approximately HK\$58.4 million (31 March 2025: approximately HK\$79.2 million), and pledged bank deposits with original maturity over three months of approximately HK\$3.1 million (31 March 2025: approximately HK\$3.1 million). As at 30 September 2025, the Group's total equity attributable to owners of the Company amounted to approximately HK\$172.8 million (31 March 2025: approximately HK\$184.3 million), and the Group's total debt comprising lease liabilities amounted to approximately HK\$51.8 million (31 March 2025: approximately HK\$71.5 million). The Directors confirmed that the Group will have sufficient financial resources to meet its obligations as they fall due in the foreseeable future.



MANAGEMENT DISCUSSION AND ANALYSIS

CAPITAL STRUCTURE

The Group's shares were successfully listed on the Stock Exchange on 14 March 2018 (the "Listing Date"). There has been no change in the capital structure of the Group since the Listing Date. The capital of the Group only comprised of ordinary shares.

GEARING RATIO

As at 30 September 2025, the gearing ratio (calculated on the basis of total lease liabilities divided by the total equity of the Group) was approximately 30.0% (31 March 2025: approximately 38.8%). The decrease in the gearing ratio was mainly due to the decrease in lease liabilities during the Review Period.

COMMITMENTS

As at 30 September 2025, the Group did not have any material capital commitments (31 March 2025: Nil).

CONTINGENT LIABILITIES

As at 30 September 2025, the Group did not have any material contingent liability (31 March 2025: Nil).

INFORMATION ON EMPLOYEES

As at 30 September 2025, the Group employed 324 employees (31 March 2025: 363 employees). Remuneration packages are generally structured to market terms, individual qualifications and experience. Salaries and wages of the Group's employees are normally reviewed on an annual basis based on performance appraisals and other relevant factors. Various types of trainings were provided to the employees. The total staff cost (including remuneration of Directors, mandatory provident funds contributions and long service payments) for the Review Period amounted to approximately HK\$59.2 million (six months ended 30 September 2024: approximately HK\$69.9 million).



MANAGEMENT DISCUSSION AND ANALYSIS

CHARGE ON GROUP ASSETS

As at 30 September 2025 and 31 March 2025, the Group pledged bank deposits of approximately HK\$3.1 million to the bank to secure the Group's general banking facilities.

FOREIGN EXCHANGE EXPOSURE

The Group is currently not exposed to any material foreign exchange risks as most of the monetary assets and liabilities are denominated in Hong Kong dollars. The management will consider suitable hedging instruments against significant currency exposure should the need arises.

TREASURY POLICY

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

SEGMENT INFORMATION

Segment information is presented for the Group as disclosed in Note 3 to the unaudited interim condensed consolidated financial statements.

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

Save as disclosed in this report, the Group did not have any significant investments held, material acquisitions and disposals of subsidiaries, associates and joint ventures during the Review Period. There was no other plan for material investments or capital assets as at 30 September 2025.

INTERIM DIVIDENDS

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

EVENTS AFTER REPORTING PERIOD

Save as disclosed in this report, the Board is not aware of any significant events affecting the Group since 30 September 2025 and up to the date of this report.



MANAGEMENT DISCUSSION AND ANALYSIS

COMPARISON BETWEEN BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

An analysis comparing the business objectives as set out in the prospectus of the Company dated 28 February 2018 (the “**Prospectus**”) with the Group’s actual business progress for the period from the Listing Date to 30 September 2025 is set out below:

Business strategies as stated in the Prospectus	Business objectives up to 30 September 2025 as stated in the Prospectus	Actual business progress up to 30 September 2025
Setting up of new warehouse premises	<ul style="list-style-type: none">— Rental deposit of new warehouse premises in Tuen Mun of around 130,000 sq. ft.— Fitting out and renovation of new warehouse premises— Installation of CCTV system, access control system and burglar alarm system— Installation of cargo storage and forklift operation systems in the new warehouse premises— Installation of RFID applications in the various storage locations in the new warehouses premises for cargo in and out segregation— Installation of measurement and control systems such as automatic measurement and weight check systems for pallet— Acquire mobile devices for scanning applications— Commence operations of the new warehouse premises— Working capital for the initial operation of new warehouse premises	The Group has set up a new warehouse premises in the Cainiao Smart Gateway. For details, please refer to the announcements of the Company dated 9 May 2023, 15 March 2024, 5 April 2024 and 30 September 2024 and the circulars of the Company dated 3 May 2024 and 13 November 2024



MANAGEMENT DISCUSSION AND ANALYSIS

Business strategies as stated in the Prospectus	Business objectives up to 30 September 2025 as stated in the Prospectus	Actual business progress up to 30 September 2025
Upgrading existing facilities and acquiring additional trucks and equipment	<ul style="list-style-type: none">– Acquire two additional 5.5 ton trucks, three additional 9 ton trucks and ten additional 16 ton trucks– Upgrade other existing facilities in the Group's warehouses and offices, such as shelving and racking, CCTV surveillance and fire equipment and RFID applications– Install two automatic measurement and weight check systems for cargo pallets in cargo receiving areas in the existing warehouses– Install security X-ray inspection systems for cargo pallets to applicable standard of the Transportation Security Administration of the United States for cargo screening process areas in our existing warehouses– Maintenance for the upgraded and new facilities or other existing facilities	<p>The Group has acquired thirteen additional 16 ton trucks and one unit of 5.5 ton truck</p> <p>The Group has upgraded the CCTV surveillance equipment and security system of the warehouses</p> <p>The Group has installed one unit of automatic measurement and weight check system</p> <p>The Group has installed six units of X-ray machines and two units of explosive trace detection equipment to upgrade the air cargo security screening facilities</p> <p>A portion of the net proceeds were used to maintain the upgraded and new facilities or other existing facilities but the funds were not fully utilised</p>



MANAGEMENT DISCUSSION AND ANALYSIS

Business strategies as stated in the Prospectus	Business objectives up to 30 September 2025 as stated in the Prospectus	Actual business progress up to 30 September 2025
Implementing new information technology system	<ul style="list-style-type: none">– Plan for upgrading the existing warehouse management system and accounting system– Implement and evaluate the performance of the upgraded warehouse management system and accounting system– Recruit two experienced personnel responsible for the planning and implementation of the information system upgrade and maintain the cost of additional personnel for information system upgrade– Upgrade the existing hardwares, acquiring new computer facilities, implementing and engage specialised service providers to develop the new human resources management system– Implement and evaluate the performance of the new human resources management system	<p>Warehouse management system has been upgraded in extension to scanning package IDs across HAWB to get more information. The warehouse management system data became available to traffic management system. This makes the shipment data more accurate and transparent</p> <p>The Group has recruited one experienced personnel responsible for the information system upgrade</p> <p>The Group is working with its information technology consultant to study the hardwares and computer facilities upgrade</p> <p>The new human resources management system has been launched. The Group is working with the human resources vendor to explore the enhancement of add-in additional modules to improve the overall efficiency</p>



MANAGEMENT DISCUSSION AND ANALYSIS

USE OF PROCEEDS FROM SHARE OFFER

The net proceeds from the listing of the shares of the Company on the Stock Exchange on the Listing Date (the “**Listing**”) (after deducting the underwriting fees and other listing expenses borne by the Company) amounted to approximately HK\$92.8 million (the “**Net Proceeds**”). After the Listing, a part of these proceeds has been applied for the purposes in accordance with the future plans and use of proceeds as set out in the Prospectus.

On 9 May 2023, the Board resolved for the change in use of the unutilised Net Proceeds. For further details of the change in use of Net Proceeds, please refer to the announcement of the Company dated 9 May 2023. An analysis of the utilisation of Net Proceeds from the Listing up to 30 September 2025 is set out below:

	Actual use of					
	Planned use of		Net Proceeds		Unutilised	
	Net Proceeds	Unutilised	Net Proceeds	Net Proceeds	Expected	
	up to 30 September 2025	Net Proceeds as at 1 April 2025	Net Proceeds ended 30 September 2025	Net Proceeds up to 30 September 2025	Timeline for utilising the unutilised Net Proceeds	
	HK\$ million	HK\$ million	HK\$ million	HK\$ million		
Setting up of new warehouse premises in Chek Lap Kok	36.4	0.2	0.2	–	N/A	
Upgrading on existing facilities and acquisition of additional trucks and equipment	36.4	2.3	1.7	0.6	July 2026	
New information technology system	14.5	7.4	0.3	7.1	July 2026	
General working capital	5.5	–	–	–	N/A	
Total	92.8	9.9	2.2	7.7		

The Group finances the capital expenditure for setting up new warehouse premises in Cainiao Smart Gateway using the Net Proceeds. During the Review Period, the Company paid up the working capital for the initial operation of approximately HK\$0.2 million.

For upgrading existing facilities and acquiring additional trucks and equipment, the Company has utilised approximately HK\$1.7 million to maintain the upgraded and new facilities or other existing facilities during the Review Period.

For the implementation of new information technology system, the Group has utilised approximately HK\$0.3 million to maintain the upgraded information technology system during the Review Period.



MANAGEMENT DISCUSSION AND ANALYSIS

The unutilised Net Proceeds are expected to be fully utilised within 9 months from the date of this report. Such expected timeline is based on the estimation made by the Group which might be subject to changes in accordance with the change in market conditions from time to time.

The business objectives, future plans and planned use of proceeds as stated in the Prospectus were based on the best estimation and assumption of future market conditions made by the Group at the time of preparing the Prospectus while the proceeds were applied based on the actual development of the Group's business and the industry.



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 each of the Directors and chief executives of the Company ("Chief Executives") 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 Future Ordinance (the "SFO")) which are required to be notified to the Company and the Stock Exchange pursuant to Division 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), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

(I) Long positions in ordinary share and underlying shares of the Company

Name	Capacity/ Nature of interest	the Company held/interested	Number of shares of the Company held/interested	Percentage of shareholding
Mr. Alex Law ^{Note 1}	Interest of a controlled corporation	750,000,000	750,000,000	75.0%
Mr. Simon Law ^{Note 2}	Interest of a controlled corporation	750,000,000	750,000,000	75.0%

Notes:

1. Mr. Alex Law beneficially owns 65% of the issued share capital of Dynamic Victor Limited ("Dynamic Victor"). Therefore, Mr. Alex Law is deemed, or taken to be, interested in 750,000,000 shares of the Company held by Dynamic Victor for the purpose of the SFO.
2. Mr. Simon Law beneficially owns 35% of the issued share capital of Dynamic Victor. Therefore, Mr. Simon Law is deemed, or taken to be, interested in 750,000,000 shares of the Company held by Dynamic Victor for the purpose of the SFO.

(II) Long position in the ordinary shares of associated corporations

Name of Director	Name of associated corporation	Capacity/ nature of interest	the Company held/interested	Number of shares of the Company held/interested	Percentage of shareholding
Mr. Alex Law	Dynamic Victor	Interest of a controlled corporation	13	13	65.0%
Mr. Simon Law	Dynamic Victor	Interest of a controlled corporation	7	7	35.0%



OTHER INFORMATION

Save as disclosed above, as at 30 September 2025, none of the Directors and Chief Executives 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 the Model Code, to be notified to the Company and the Stock Exchange.

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, as at 30 September 2025, the following person/entity (other than the Directors and Chief Executives) had or were deemed to have interests or short positions in the shares and the underlying shares of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company remained to be kept under Section 336 of the SFO, or who were directly or indirectly, 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 ordinary share and underlying shares of the Company

Name	Capacity/ Nature of interest	Number of shares of		Percentage of shareholding
		the Company held/interested	held/interested	
Dynamic Victor	Beneficial owner	750,000,000	750,000,000	75.0%
Ms. Lau Lai Ha Sunshine ^{Note 1}	Interest of spouse	750,000,000	750,000,000	75.0%

Note:

1. Ms. Lau Lai Ha Sunshine is the spouse of Mr. Alex Law. Therefore, Ms. Lau Lai Ha Sunshine is deemed, or taken to be, interested in the same number of shares of the Company in which Mr. Alex Law is interested for the purpose of the SFO.

Save as disclosed above, as at 30 September 2025, there was no person or corporation, other than the Directors and Chief Executives whose interests are set out in the section "Directors' and Chief Executives' interests and short positions in shares, underlying shares and debentures of the Company" above, had or were deemed to have interests or short positions in the shares and 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 remained to be kept under Section 336 of the SFO, or who were directly or indirectly, 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 members of the Group.



OTHER INFORMATION

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including the sale of any treasury shares (as defined under the Listing Rules)) during the Review Period. As at 30 September 2025, the Company did not hold any treasury shares.

COMPETITION AND CONFLICT OF INTERESTS

During the Review Period, none of the Directors or the controlling shareholders (as defined in the Listing Rules) of the Company (the "**Controlling Shareholders**") or their respective close associates has been engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group or has or may have any other conflict of interests with the Group which would be required to be disclosed under Rule 8.10 of the Listing Rules.

Non-Competition Undertakings

In order to avoid any possible future competition between the Group and the Controlling Shareholders, Mr. Alex Law, Mr. Simon Law, the then controlling shareholder Mr. Chiu Tat Ting Albert ("**Mr. Albert Chiu**") and Dynamic Victor (each a "**Covenantor**" and collectively the "**Covenantors**") have entered into the deed of non-competition (the "**Deed of Non-competition**") with the Company (for itself and as trustee of its subsidiaries) on 21 February 2018. Pursuant to the Deed of Non-competition, each of the Covenantors has irrevocably and unconditionally undertaken to the Company (for itself and as trustee of its subsidiaries) that, during the period that the Deed of Non-competition remains effective, he/it shall not, and shall procure that his/its close associates (other than any member of the Group) not to develop, acquire, invest in, participate in, carry on or be engaged, concerned or interested or otherwise be involved, whether directly or indirectly, in any business in competition with or likely to be in competition with the existing business activity of any member of the Group.

Each of the Covenantors further undertakes that if any of he/it or his/its close associates other than any member of the Group is offered or becomes aware of any business opportunity which may compete with the business of the Group, he/it shall (and he/it shall procure his/its close associates to) notify the Group in writing and the Group shall have a right of first refusal to take up such business opportunity. The Group shall, within 6 months after receipt of the written notice (or such longer period if the Group is required to complete any approval procedures as set out under the Listing Rules from time to time), notify the Covenantor(s) whether the Group will exercise the right of first refusal or not.

According to the Company's announcement dated 18 March 2021, Mr. Alex Law, Mr. Simon Law and Mr. Albert Chiu has entered into the sale and purchase agreement, pursuant to which Mr. Albert Chiu agreed to sell all his shares in Dynamic Victor (the "**Sale Shares**"), representing 10% of the issued share capital of Dynamic Victor, and each of Mr. Alex Law and Mr. Simon Law agreed to purchase half of the Sale Shares on 18 March 2021. Upon the completion of such acquisition, Dynamic Victor is beneficially owned as to 65% by Mr. Alex Law and 35% by Mr. Simon Law. The undertakings given by Mr. Albert Chiu pursuant to the Deed of Non-competition have lapsed upon completion of the transfer of the Sale Shares.



OTHER INFORMATION

The Group shall only exercise the right of first refusal upon the approval of all the independent non-executive Directors (who do not have any interest in such opportunity). The relevant Covenantor(s) and the other conflicting Directors (if any) shall abstain from participating in and voting at and shall not be counted as quorum at all meetings of the Board where there is a conflict of interest or potential conflict of interest including but not limited to the relevant meeting of the independent non-executive Directors for considering whether or not to exercise the right of first refusal.

Each of the covenantors also gave certain non-competition undertakings under the Deed of Non-competition as set out in the section headed "Relationship with our Controlling Shareholders – Non-competition undertakings" in the Prospectus.

During the Review Period, the Company had not received any information in writing from any of the Controlling Shareholders in respect of any new business opportunity which competed or might compete with the existing and future business of the Group which were offered to or came to be the knowledge of the Controlling Shareholders or their associates (other than any member of the Group).

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as the code of conduct regarding securities transactions by Directors. Having made specific enquiry, all Directors have fully complied with the required standards set out in the Model Code during the Review Period.

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 21 February 2018.

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), Directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group.

The Board may, at its absolute discretion and on such terms as it may think fit, grant any employee (full-time or part-time), 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 shares of the Company. 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 contribution or potential contribution to the development and growth of the Group.

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

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 100,000,000 shares, representing 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 100,000,000 shares (or such numbers of shares as shall result from a sub-division or a consolidation of such 100,000,000 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 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. A circular must be sent to the shareholders containing the information as required under the Listing Rules in this regard.

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 Listing Rules.

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 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 option scheme 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 general meeting with such grantee and his associates abstaining from voting. In such event, the Company must send a circular to the shareholders containing the identity of the grantee, the number and terms of the options to be granted (and options previously granted to such grantee), and all other information required under the Listing Rules. The number and terms (including the subscription price) of the options to be granted must be fixed before the approval of the shareholders and the date of the Board meeting proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.



OTHER INFORMATION

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 an option to the Company on acceptance of the offer for the grant of an option is HK\$1. 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.

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

The Share Option Scheme will remain in force for a period of ten years commencing on 21 February 2018 and shall expire at the close of business on the business day immediately preceding the tenth anniversary thereof unless terminated earlier by the shareholders of the Company in general meeting.

The total number of options available for grant under the scheme mandate of the Share Option Scheme as at 1 April 2025 and 30 September 2025 were 100,000,000. As at 30 September 2025, 100,000,000 Shares were available for issue under the Share Option Scheme, represented approximately 10.0% of the issued Shares as at the date of this report (31 March 2025: 100,000,000 Shares). The Share Option Scheme is valid and effective for a period of ten years from 21 February 2018, after which no further options will be granted or offered. As at the date of this report, the Share Option Scheme had a remaining life of approximately 2 years and 3 months.

During the Review Period, no share option was granted, exercised, expired or lapsed and there is no outstanding share option under the Share Option Scheme.

CORPORATE GOVERNANCE PRACTICE

The Company and the Board 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 accountability and transparency so as to sustain the success of the Group and to create long-term value for the shareholders of the Company. The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Listing Rules.

To the best knowledge of the Board, the Company has complied with the code provisions of the CG Code during the Review Period and up to the date of this report.



OTHER INFORMATION

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) was established on 21 February 2018. The chairman of the Audit Committee is Mr. Kwan Ngai Kit, an independent non-executive Director, and other members include Mr. Ho Chun Chung Patrick, Mr. Iu Tak Meng Teddy and Ms. Pau Yee Ling, 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 system, internal control systems and risk management system 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 has complied with Rule 3.21 of the 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 interim condensed consolidated financial statements for the Review Period are unaudited, but have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the unaudited interim condensed consolidated financial statements of the Group for the Review Period comply with applicable accounting standards, the Listing Rules and that adequate disclosures have been made.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

The interim results announcement and the interim report are published on the website of the Stock Exchange at (www.hkexnews.hk) and the Company’s website at (www.asl.hk). The interim report of the Company for the Review Period will be despatched to the shareholders of the Company. 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

A & S Group (Holdings) Limited

Law Kwok Leung Alex

Chairman and Executive Director

Hong Kong, 21 November 2025

As at the date of this report, the Board comprises Mr. Law Kwok Leung Alex, Mr. Law Kwok Ho Simon and Mr. Chiu Tat Ting Albert as executive Directors; and Mr. Ho Chun Chung Patrick, Mr. Iu Tak Meng Teddy, Mr. Kwan Ngai Kit and Ms. Pau Yee Ling as independent non-executive Directors.