



In-Tech

中國智能科技有限公司 China In-Tech Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 00464

INTERIM REPORT

2026

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Zhang Huijun (*Chairman*)

Ms. Cai Dongyan

(*Chief Executive Officer*)

Mr. Zhou Li Yang

Independent Non-Executive Directors

Mr. Hu Zhigang

Mr. Zhang Jiayou

Mr. Ma Yu-heng

COMPANY SECRETARY

Mr. Ong Kam Chit Vincent

AUDIT COMMITTEE

Mr. Ma Yu-heng (*Chairman*)

Mr. Hu Zhigang

Mr. Zhang Jiayou

NOMINATION COMMITTEE

Mr. Hu Zhigang (*Chairman*)

Ms. Cai Dongyan

Mr. Zhang Jiayou

Mr. Ma Yu-heng

REMUNERATION COMMITTEE

Mr. Hu Zhigang (*Chairman*)

Mr. Zhang Huijun

Mr. Zhang Jiayou

Mr. Ma Yu-heng

REGISTERED OFFICE

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

PRINCIPAL PLACE OF BUSINESS

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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited

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P.O. Box 1586, Gardenia Court, Camana Bay

Grand Cayman, KY1-1100

Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong

Investor Services Limited

Shop 1712-1716,

17th Floor, Hopewell Centre

183 Queen's Road East

Wanchai, Hong Kong

AUDITOR

ZHONGHUI ANDA CPA Limited

LEGAL ADVISER

Raymond Siu & Lawyers

PRINCIPAL BANKERS

Hang Seng Bank Limited

The Hongkong and Shanghai Banking

Corporation Limited

Dah Sing Bank Limited

CORPORATE WEBSITE

www.chinaintech464.com

STOCK CODE

00464

Highlights

	Six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Operating results		
Revenue	43,601	57,186
Gross profit/(loss)	4,038	(682)
Net loss	(19,040)	(23,495)
Per share data	HK cents	HK cents
Basic loss per share	(2.988)	(3.939)
Net (liabilities)/assets per share	(2.3)	3.3
	As at 30 September 2025 (Unaudited) HK\$'000	As at 31 March 2025 (Audited) HK\$'000
Financial position		
Bank and cash balances	34,632	5,216
Total assets	104,349	114,009
Net (liabilities)/assets	(14,769)	17,429

Management Discussion and Analysis

The board (the “**Board**”) of directors (the “**Directors**”) of China In-Tech Limited (the “**Company**”) is pleased to present the unaudited interim results of the Company and its subsidiaries (collectively the “**Group**”) for the six months ended 30 September 2025 (the “**Period**”) together with the comparative figures for the corresponding period of last year (the “**Last Corresponding Period**”).

FINANCIAL RESULTS

Revenue

	For the six months ended 30 September				
	2025 HKD million	% of revenue	2024 HKD million	% of revenue	Change %
Electrical haircare appliances	23.2	53.3%	46.4	81.1%	-50.0%
Information technology services	20.4	46.7%	10.8	18.9%	+88.9%
Total	43.6	100%	57.2	100%	-23.8%

During the Period, the Group recorded a revenue of approximately HK\$43,601,000 (2024: HK\$57,186,000), representing a decrease of approximately 23.8% from the Last Corresponding Period. The decrease in revenue was the combined effect of the increase in the revenue of approximately HK\$9,565,000 from the information technology services segment and decrease in the revenue of approximately HK\$23,150,000 from the electrical haircare appliances segment.

Electrical Haircare Appliances

The decrease in revenue from the electrical haircare appliances segment was mainly due to the low consumer sentiment resulting from the worldwide economic uncertainties and the geopolitical tensions. It has adversely affected our orders from European and Asian markets for the Period.

Management Discussion and Analysis

FINANCIAL RESULTS (Continued)

Electrical Haircare Appliances (Continued)

The detailed reasons of decrease in revenue in the electrical haircare appliances segment during the Period are as follows:

By product types

The unit prices of hair dryer and hair straightener, being two major products of this business segment, increased during the Period but those of other products decreased. However, the quantities of these two major products sold during the Period decreased by approximately 51.0% and 58.0%, respectively. The total quantities of products sold during the Period decreased by approximately 60.0%.

By customers

The business from five major customers of the Group for the Period decreased by approximately 45.7% in term of revenue and 54.9% in term of quantity. Due to the weak demand, only four out of five major customers of the Group for the Last Corresponding Period remains the major customers for the Period.

By locations

In 2025, the economic growth of the European region remains sluggish with the growth rate below expectations. Due to the uncertainties of trade policy, geopolitical risks and interest rates, revenues from certain major European countries of the Group, such as United Kingdom, Netherlands, Hungary and Slovakia, decreased in the range of approximately 18% to 54%.

Management Discussion and Analysis

FINANCIAL RESULTS (Continued)

Electrical Haircare Appliances (Continued)

By locations (Continued)

For the Asian region, the Japanese market, which serves as the primary contributor of revenue in the region, continued to experience a decline in revenue during the Period due to persistently weakening demand. Revenue from Japan market decreased by 91.2% compared to the Last Corresponding Period, primarily attributable to a substantial reduction in revenue from one major Japanese customer that had contributed significantly in the Last Corresponding Period. To compensate the loss of revenue from this source, the Group has initiated discussions with other customers in the region and has been endeavouring to maintain its market share.

Information Technology Services

The increase in revenue from the information technology services segment was mainly due to the increase in the number of completed orders during the Period. Given that potential customers in general prefer service providers with established track records and reputation, the order confirmation probability is inevitably unstable. The slower-than-expected economic recovery during the post pandemic era also posed difficulties and challenges to the business of this business segment.

Management Discussion and Analysis

FINANCIAL RESULTS (Continued)

Cost of Sales

For the six months ended 30 September

	2025		2024		Change %
	HKD million	% of revenue	HKD million	% of revenue	
Electrical haircare appliances	22.7	52.0%	47.9	83.8%	-52.6%
Information technology services	16.9	38.7%	10.0	17.5%	+69.0%
Total	39.6	90.7%	57.9	101.2%	-31.6%

Gross Profit/(Loss)

For the six months ended 30 September

	2025	2024	Change	Change
	HKD million	HKD million	HKD million	%
Electrical haircare appliances	0.5	(1.5)	+2.0	+133.3%
Information technology services	3.5	0.8	+2.7	+337.5%
Total	4.0	(0.7)	+4.7	+671.4%

Management Discussion and Analysis

FINANCIAL RESULTS (Continued)

Gross Profit/(Loss) Margin

	For the six months ended 30 September		
	2025 %	2024 %	Change
Electrical haircare appliances	2.2%	(3.2%)	+5.5pp
Information technology services	17.1%	7.4%	+9.2pp
Group	9.1%	(1.2%)	+10.3pp

During the Period, the Group reported a gross profit of approximately HK\$4,038,000 (2024: gross loss of HK\$682,000), representing a gross profit margin of approximately 9.1% (2024: gross loss margin 1.2%).

The increase in gross profit from the electrical haircare appliances segment was mainly caused by the decrease in the production cost of the segment: (i) the decrease in the overall prices of raw materials, especially plastic materials due to the decrease in demand in manufacturing industries; and (ii) the decrease in labour cost per product in the Period.

The profit margin of the information technology services segment increased during the Period but it was still lower than that of 2023/24. Due to the economic uncertainties, the demand of the information technology service was relatively low during the Period. Besides, in order to maintain the customers' loyalty, we had to keep our service fee at a market competitive level. In the meantime, retaining our technical staff to provide high standard of services to our customers is important to the business operation. Those factors above led to a low gross profit margin of this segment comparing with previous years.

Management Discussion and Analysis

FINANCIAL RESULTS (Continued)

Net Loss

	For the six months ended 30 September			
	2025 HKD million	2024 HKD million	Change HKD million	Change %
Electrical haircare appliances	(11.6)	(14.8)	+3.2	+21.6%
Information technology services	(1.0)	(5.1)	+4.1	+80.4%
Unallocated	(6.4)	(3.6)	-2.8	-77.8%
Total	(19.0)	(23.5)	+4.5	+19.1%

Net loss for the Period was approximately HK\$19,040,000, which represented a decrease of approximately 19.1% from approximately HK\$23,495,000 in the Last Corresponding Period.

Basic loss per share was HK2.988 cents, which represented a decrease of approximately 24.1% from the loss per share of HK3.939 cents in the Last Corresponding Period.

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: HK\$Nil).

Management Discussion and Analysis

BUSINESS REVIEW

The Group is principally engaged in the design, manufacture and sale of electrical haircare appliances and provision of information technology system platform development services in the People's Republic of China (the "PRC"). Its headquarter is in Hong Kong and it operates a manufacturing base in Dongguan, the PRC and an operational office in Xiamen, the PRC.

Electrical Haircare Appliances

The products of the electrical haircare appliances segment are mainly sold on original design manufacturing ("ODM") and original equipment manufacturing ("OEM") basis. Its customers are mainly leading brand owners and importers which resell the products to beauty supply retailers and wholesalers, chain stores, mass merchandisers, warehouse clubs, catalogues and grocery stores.

During the Period, the Group continued to face challenging and adverse business environment. The recovery of global economy was procrastinated by the uncertainties such as high inflation, high interest rate and geopolitical conflicts such as the Russia-Ukraine conflict, the Israeli-Palestinian conflict and US tariffs on imported products from the PRC. It led to sluggish demand and weak consumer sentiment.

Most of the Group's customers are renowned global brands. The five major customers of this segment have accounted for approximately 97.3% and 86.4% of its total turnover during the Period and the Last Corresponding Period, respectively. The Group believes that the European and Asian markets will remain as the major revenue contributors of this segment from the geographical perspective in the coming years even the orders from those markets have reduced during the Period.

Mainland China remains as the Group's major production center. Similar to other manufacturers in Mainland China, the Group has faced a series of operating challenges, such as the slow recovery in export markets and the increasing other manufacturing expenses.

Management Discussion and Analysis

BUSINESS REVIEW (Continued)

Electrical Haircare Appliance (Continued)

General market for the electrical haircare appliances

Due to the worldwide economic uncertainties and the geopolitical tensions, the consumer sentiment was still low during the Period. It was observed that the ultimate consumers take longer period of time to replace home appliances in general. In particular, for electrical haircare appliances, as the useful lives of the products of the Group are usually long under normal daily household operations, they do not need to replace their electrical haircare appliances unless there is new product function or other necessary advanced requirement. It affected the demand of the products from the customers (mainly branding distributors) which sell the products to the ultimate consumers. Thus, it decreased the quantities of the products sold during the Period.

Change of consumer preference

In the past, consumers mainly focused on electrical haircare appliances with strong wind, high temperature and functions like ionic function and cool/hot conversion. Nowadays, in addition to the above functions, consumers expect advanced technology such as AI temperature control with memory of consumer's preference, more convenient and portable in size for storage and travelling. In some major countries in the European regions, the market prefers more advanced products according to market research and it caused the revenue from the European regions experiencing a significant decrease.

Management Discussion and Analysis

BUSINESS REVIEW (Continued)

Electrical Haircare Appliance (Continued)

Change of consumer preference (Continued)

In light of the above, the Group has been endeavouring to expend effort in the research and development of new products with new features. However, it takes time to achieve a breakthrough in technology and some of the existing products were phased out during the Period. The Group will closely communicate with the customers to understand and accommodate their requests and provide appropriate solutions to overcome this challenge.

As always, the Group has put efforts on improving the competitiveness of its high quality products together with bolstering its research and development capabilities with an aim to enhancing its market share and achieving a long-term relationship with its customers.

Information Technology Services

The Group commenced the business of provision of tailor-made information technology system platform (the “**Platform**”) development services in the PRC to the customers in the second half of 2023 with a business partner (the “**Business Partner**”) which holds 49% of the equity interest of Xiamen Tianyang Digital Technology Company Limited* (廈門天洋數字科技有限公司) (“**Xiamen Tianyang**”), an indirect non wholly-owned subsidiary of the Company.

Management Discussion and Analysis

BUSINESS REVIEW (Continued)

Information Technology Service (Continued)

In the recent years, the government of the PRC has actively promoted digital management of cities and used data to carry out urban governance and provide various services. They require the operations of different industries to carry out information management to improve urban governance standards and the quality of public services and thus accelerate economic development. With the promulgation of new policies for digital city, data elements and big data, the implementation of major projects in the PRC and the need for economic recovery after the pandemic, enterprises are also digitising their operations to meet their needs.

The Group designs tailor-made platforms to provide data integration and consolidation process services according to the requirements and needs of customers. The processes include data extracting, transforming and loading (ETL). The platforms integrate data from different systems, applications or data sources into a unified and user-friendly format to provide the customers of the Group with a unified, accessible, easy and convenient view of relevant data to facilitate analysis, reporting, and business decision-making. The Group also assists the customers in providing training for the use of the customised systems.

The services of the Group allow its customers to improve the quality of decision-making, save cost of management and monitoring, increase operational efficiency, gain deeper customer understanding and promote innovation.

Save for certain administrative issue, the business of Xiamen Tianyang in general proceeded as planned. The Business Partner, equipped with a development team, has extensive experience in information technology support and system development in the PRC. Although the customers' orders confirmation was unstable under the current business environment and led to a decrease in revenue comparing with the previous years, the Group still believes that the information technology services segment has good prospects for development under the current plan of the government in the PRC during the post pandemic era.

Management Discussion and Analysis

BUSINESS REVIEW (Continued)

Information Technology Service (Continued)

During the Period, the Group has provided services to customers in different aspects, including but not limited to, as follows:

Agricultural management platform

The platform integrates traditional agricultural management with modern information technology to form an intelligent management system. It incorporates sensor technology and big data analysis to assist farmers in improving production efficiency, reducing costs, and enhancing the quality and yield of agricultural products. The platform has multiple functional modules covering farmland utilisation, crop growth management, agricultural product quality monitoring, environmental monitoring and equipment management.

Smart campus management system for an educational institute

The system monitors the campus overview comprehensively covering, inter alia, climate, equipment, pedestrian flow, and patrol data. It also assists in emergency management including area monitoring, alarm monitoring and emergency notification to keep the teachers, students and staff safe.

Supply chain management system

The system coordinates, integrates, and optimises various links of the supply chain, covering the entire process from raw material procurement, production, inventory management, order processing, logistics transportation to product delivery to the end consumer. The system improves supply chain operational efficiency and transparency through demand forecasting, real-time data analysis, and monitoring, reduces inventory costs, lowers production and logistics risks, and enhances customer satisfaction.

Management Discussion and Analysis

BUSINESS REVIEW (Continued)

Information Technology Service (Continued)

AI customer service management system

The system uses AI technology combined with multi-channel customer service and intelligent chatbots to achieve automated customer support and management. The system provides real-time responses, supports both voice and text customer service, integrates social platforms and websites, enhances service efficiency and customer experience, and optimises response processes through intelligent learning and data analysis. This helps enterprises to reduce labor costs and improve overall operational efficiency.

In the Period, the revenue of the information technology services segment accounted for approximately 46.7% of the revenue of the Group.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2025, the Group had approximately HK\$34,632,000 bank and cash balances (31 March 2025: HK\$11,399,000). The increase in bank and cash balances was mainly attributable to the decrease in costs and expenses and increase in proceeds from the issue of new shares.

As at 30 September 2025, the Group had total borrowings of approximately HK\$35,311,000 (31 March 2025: HK\$35,005,000), comprising trade finance of approximately HK\$2,333,000 (31 March 2025: HK\$1,781,000), bank borrowings of approximately HK\$32,682,000 (31 March 2025: HK\$26,896,000), bank overdraft of approximately HK\$296,000 (31 March 2025: HK\$nil) and loans from a related party of HK\$nil (31 March 2025: HK\$6,328,000). The trade finance and bank borrowings carried interest rates ranging from HIBOR/LIBOR plus 1.8% to 2.0% (31 March 2025: 1.8% to 2.0%) or 1% (31 March 2025: 1%) below Prime Rate and 8% (31 March 2025: 8%) over Prime Rate, respectively.

Management Discussion and Analysis

LIQUIDITY AND FINANCIAL RESOURCES (Continued)

The net current liabilities as at 30 September 2025 amounted to approximately HK\$13,950,000 (31 March 2025: HK\$3,624,000). Current ratio of the Group as at 30 September 2025 was approximately 0.88 (31 March 2025: 0.96).

The Group has adopted a prudent financial and funds management approach towards its treasury policies and will continuously monitor its financial resources to ensure sufficient funding to meet working capital and capital expenditure requirements.

FOREIGN EXCHANGE EXPOSURE

The Group's financial statements are denominated in Hong Kong dollars. The Group conducts its business transactions mainly in Hong Kong dollars, United States dollars and Renminbi. As the Hong Kong dollar remains pegged to the United States dollar, there is no material exchange rate risk in this respect. During the Period, the Group did not engage in any derivatives activities and did not commit to any financial instruments to hedge its exposure to foreign exchange risk.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, as at the latest practicable date prior to the printing of this report, the Company has maintained sufficient public float of its issued shares as required under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules").

CONTRACTUAL AND CAPITAL COMMITMENTS

As at 30 September 2025, the Group had capital commitments of HK\$497,000 (31 March 2025: HK\$912,000).

Management Discussion and Analysis

CONTINGENT LIABILITIES

As at 30 September 2025, the Group had no material contingent liabilities (31 March 2025: HK\$Nil).

EMPLOYMENT AND REMUNERATION POLICY

As at 30 September 2025, the Group had a total workforce of 297 (31 March 2025: 344) including 19 employees (31 March 2025: 22) in Hong Kong. Employee costs, including directors' emoluments, amounted to approximately HK\$16,171,000 for the Period (2024: HK\$21,604,000) and the decrease in staff costs was mainly attributable to the decrease in the size of the total work force in electrical haircare appliances segment. The Group's remuneration policy is underscored by the principle of awarding equitable packages to employees, incentive-based where applicable, with remuneration being performance-oriented and market-competitive. Remuneration packages are normally reviewed on a regular basis. Apart from salary payments, the Group offers other staff benefits, including share options, performance-based bonuses, provident fund contributions and medical insurance coverage.

ISSUE OF SHARES UNDER GENERAL MANDATE DURING THE PERIOD

Issue of 46,000,000 new Shares

On 14 April 2025, the Company, as the issuer, entered into six subscription agreements with six subscribers, pursuant to which the subscribers had conditionally agreed to subscribe for, and the Company had conditionally agreed to allot and issue, 46,000,000 new ordinary Shares in aggregate at the subscription price of HK\$0.22 per subscription Share. The subscription Shares were allotted and issued under the general mandate granted by the Shareholders at the annual general meeting of the Company held on 3 September 2024. The net issue price was approximately HK\$0.22 per subscription Share. The table below sets out the background of the subscribers:

Management Discussion and Analysis

ISSUE OF SHARES UNDER GENERAL MANDATE DURING THE PERIOD (Continued)

Issue of 46,000,000 new Shares (Continued)

Subscribers	Background of the subscribers
Subscriber A	An individual investor with extensive experience in equity investment and is a merchant.
Subscriber B	An individual investor with extensive experience in equity investment and is a merchant.
Subscriber C	An individual investor with extensive experience in equity investment and engages in cloud computing business in the PRC.
Subscriber D	An individual investor with extensive experience in equity investment and engages in electronic commerce in the PRC.
Subscriber E	An individual investor with extensive experience in equity investment and engages in electronic commerce in the PRC.
Subscriber F	An individual investor with extensive experience in equity investment and a consultant for an energy company in the PRC.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the subscribers were independent of the Company and its connected persons.

The closing price was HK\$0.27 per Share as quoted on the Stock Exchange on the date of the subscription agreements. The aggregate nominal value of the subscription Shares was HK\$46,000. The subscriptions were completed and 46,000,000 new Shares in aggregate were allotted and issued to the subscribers on 30 April 2025. Immediately after the completion of the subscriptions, no subscriber was regarded as a substantial Shareholder and a connected person of the Company under Chapter 14A of the Listing Rules.

Management Discussion and Analysis

ISSUE OF SHARES UNDER GENERAL MANDATE DURING THE PERIOD (Continued)

Issue of 46,000,000 new Shares (Continued)

The net proceeds from the subscriptions amounted to approximately HK\$10.0 million. Approximately HK\$5.0 million and HK\$5.0 million were fully utilised for repayment of debts and general working capital as intended respectively. The Directors considered that the subscriptions represented a good opportunity to raise additional funds to strengthen the financial position and liquidity of the Group and meet any future development and financial obligations at a reasonable cost. The Directors were of the view that, apart from debt financing, the subscriptions help to broaden the Company's funding channels.

For the details of the subscriptions, please refer to the announcements of the Company dated 14 April 2025 and 30 April 2025.

PROSPECTS

Given the ongoing global economic uncertainties and evolving market conditions, the Group adopts a cautious approach towards the outlook for its electrical haircare appliances and information technology services segments.

For the electrical haircare appliances segment, ongoing pressure on demand is expected in the second half of the current financial year due to the low consumer sentiment, changing consumer preference and increased competition in the market. The Group continues on developing new products with innovative features to meet the consumer expectation and address the intense competition. On the other hand, to improve the liquidity and the performance, the Group will continue prioritising product quality and cost control, while carefully managing inventory and maintaining communication with customers and suppliers to sustain steady performance.

Management Discussion and Analysis

PROSPECTS (Continued)

For the information technology services segment, the business environment remains challenging with tightening budgets among corporate clients and rapid technological changes. The Group plans to focus on operational efficiency and selective investment in high-potential areas, aiming to preserve profitability while pursuing opportunities for exploring new income stream.

The Company considers that Web3.0 and blockchain technology will increase its dominance in the technology world in the near future and anticipates that blockchain market involving on-chain data services is expected to experience rapid growth over the next 5 to 10 years. The Group intends to put more resources in this field with a view to enhance its ability to build solutions or applications with Web3.0 technology and to offer add-on settlement/payment solutions and services offerings to the Group's existing information technology system platform and provide linkage of such settlement/payment solutions with traditional bank settlement platform. The Group is in the process of assessing various arrangements to carry out this business development and identifying different business partners.

The Group will continue to explore opportunities and to expand and diversify its business activities, with a view to create new sources of income and to maximise the return to the Company and the shareholders of the Company (the "**Shareholder(s)**") in the long run.

Supplementary Information

SHARE CAPITAL

As at 30 September 2025, the number of listed shares of HK\$0.001 each in the share capital of the Company (the “**Shares**”) was 639,154,000 Shares (31 March 2025: 593,154,000 Shares).

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed Shares during the Period.

INTERIM DIVIDEND

The Board has resolved not to declare payment of an interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: HK\$Nil).

DIRECTORS’ AND CHIEF EXECUTIVES’ INTERESTS AND SHORT POSITIONS IN THE SHARES OF THE COMPANY

As at 30 September 2025, none of the Directors or chief executives of the Company had any interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”)), as recorded in the register maintained by the Company under Section 352 of the SFO; or as notified to the Company and the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules.

Supplementary Information

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES

As at 30 September 2025, the interests and short positions of the persons, other than Directors and chief executive of the Company, in the Shares and underlying Shares as recorded in the register required to be kept under section 336 of the SFO or which would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO were as follows:

Long Position in the Shares

Name of Substantial Shareholders	Capacity and Nature of Interest	Number of Shares held	Approximate percentage of issued Shares
China Yuen Capital Limited (Note 1)	Beneficial owner	252,132,500	39.45%
China Investment International Limited (Note 1)	Interest of controlled corporation	252,132,500	39.45%
Asia Glory Management Group Limited (Note 1)	Interest of controlled corporation	252,132,500	39.45%
Luckever Holdings Limited (Note 1)	Interest of controlled corporation	252,132,500	39.45%
Li Yuelan (Note 1)	Interest of controlled corporation and Interest of Spouse	255,584,500	39.99%
Liu Xuezhong (Note 1)	Interest of controlled corporation and beneficial owner	255,584,500	39.99%
Donghai International Financial Holdings Company Limited (Note 2)	Security interest in Shares	226,332,500	35.41%
東海證券股份有限公司 (Note 2)	Security interest in Shares	226,332,500	35.41%
Ma Hung Shun	Beneficial owner	70,716,000	11.06%

Supplementary Information

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES (Continued)

Long Position in the Shares (Continued)

Note:

- (1) Luckever Holdings Limited is owned as to 60.87% by Mr. Liu Xuezhong and 39.13% by Ms. Li Yuelan (the spouse of Mr. Liu Xuezhong).

China Yuen Capital Limited is owned as to 100% by China Investment International Limited, which is owned as to 100% by Asia Glory Management Group Limited, which in turn is owned as to 100% by Luckever Holdings Limited. By virtue of the SFO, each of China Investment International Limited, Asia Glory Management Group Limited, Luckever Holdings Limited, Mr. Liu Xuezhong and Ms. Li Yuelan were deemed to be interested in the 252,132,500 Shares held by China Yuen Capital Limited.

Mr. Liu Xuezhong also holds 3,452,000 Shares as beneficial owner. By virtue of the SFO, Ms. Li Yuelan was deemed to be interested in the 3,452,000 Shares held by Mr. Liu Xuezhong.

- (2) 東海證券股份有限公司 is the 100% immediate holding company of Donghai International Financial Holdings Company Limited. By virtue of the SFO, 東海證券股份有限公司 is deemed to be interested in the 226,332,500 Shares held by Donghai International Financial Holdings Company Limited.

Save as disclosed above, as at 30 September 2025, no person (other than Directors and chief executive of the Company) had an interest or short position in the Shares and underlying Shares which were recorded in the register required to be kept under section 336 of the SFO or which would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO.

Supplementary Information

SHARE OPTION SCHEME

Pursuant to a Shareholders' resolution passed on 6 August 2015, the Company adopted a share option scheme (the **"2015 Share Option Scheme"**) which remained in force for a period of ten (10) years. It expired on 5 August 2025. There was no option granted, exercised, cancelled or lapsed under the 2015 Share Option Scheme during the Period (31 March 2025: Nil). There was no outstanding option under the 2015 Share Option Scheme as at 30 September 2025 (31 March 2025: Nil).

As at 1 April 2025, the number of share options available for grant under the 2015 Share Option Scheme was 44,564,600.

Pursuant to a Shareholders' resolution passed on 22 August 2025, the Company adopted a new share option scheme (the **"New Share Option Scheme"**) which will remain in force for a period of ten (10) years. There was no option granted, exercised, cancelled or lapsed under the New Share Option Scheme during the Period. There was no outstanding option under the New Share Option Scheme as at 30 September 2025.

As at 30 September 2025, the number of share options available for grant under the New Share Option Scheme was 63,915,400.

Save and except the New Share Option Scheme, the Company has not adopted any other share scheme.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed above, at no time during the Period were there any rights to acquire benefits by means of the acquisition of securities of the Company granted to any Director or their respective spouse or children under 18 years of age, or were there any such rights exercised by them; or was the Company, its holding company, its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

Supplementary Information

COMPETING INTERESTS

Save and except for interests in the Group, none of the Directors and controlling Shareholders nor their respective associates (as defined under the Listing Rules) had any interest in any other companies as at 30 September 2025 which may, directly or indirectly, compete with the Group's business.

CORPORATE GOVERNANCE

Corporate Governance Practices

To enhance accountability, transparency, independence, responsibility and fairness to the Shareholders and stakeholders of the Company, the Company is dedicated to develop the appropriate framework of corporate governance for the Group. The Group will keep on evaluating and improving the corporate governance practices and procedures from time to time to ensure its commitment to the corporate governance standard and strive for the enhancement of shareholder value.

In the opinion of the Board, the Company has complied with the applicable code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 of the Listing Rules throughout the Period and up to the date of this report.

Compliance with the Model Code for Securities Transactions by Directors

The Company has adopted procedures governing directors' securities transactions in compliance with the Model Code as set out in Appendix C3 of the Listing Rules. Upon enquiry by the Company, all the Directors have confirmed that they have fully complied with the required standards as set out in the Model Code throughout the Period.

Supplementary Information

CORPORATE GOVERNANCE (Continued)

Board of Directors

The Board comprises six Directors, three of whom are executive Directors, namely, Mr. Zhang Huijun (Chairman), Ms. Cai Dongyan (Chief Executive Officer) and Mr. Zhou Li Yang, and three of whom are independent non-executive Directors, namely, Mr. Hu Zhigang, Mr. Zhang Jiayou and Mr. Ma Yu-heng.

Remuneration Committee

The remuneration committee of the Company (the “**Remuneration Committee**”) was established with the purpose (i) to review and give comment to the overall remuneration policy and remuneration packages of the Group; (ii) to review and give comment to the basic salary of the executive Directors and senior management of the Group; (iii) to review and give comment to the performance bonus of the executive Directors; (iv) to note the fact that no compensation had been paid to the executive Directors and senior management of the Group in relation to their resignation, if any; (v) to recommend the remuneration packages of the executive Directors and senior management of the Group for each financial year prior to recommending them to the Board for determination; and (vi) to review the share schemes of the Company.

The Remuneration Committee comprises of three independent non-executive Directors namely, Mr. Hu Zhigang, Mr. Zhang Jiayou and Mr. Ma Yu-heng and one executive Director, Mr. Zhang Huijun. Mr. Hu Zhigang was appointed as chairman of the Remuneration Committee.

Supplementary Information

CORPORATE GOVERNANCE (Continued)

Nomination Committee

The nomination committee of the Company (the “**Nomination Committee**”) was established to formulate nomination policy for the consideration of the Board and to implement the nomination policy laid down by the Board. It has adopted the terms of reference, which are in line with the CG Code under Appendix C1 to the Listing Rules.

The Nomination Committee comprises three independent non-executive Directors namely, Mr. Hu Zhigang, Mr. Zhang Jiayou and Mr. Ma Yu-heng and one executive Director, Ms. Cai Dongyan. Mr. Hu Zhigang was appointed as the chairman of the Nomination Committee.

Audit Committee

The audit committee of the Company (the “**Audit Committee**”) was established on 29 April 2005 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code as set out in Appendix C1 to the Listing Rules. The primary duties of the Audit Committee are, inter alia, to review and supervise the financial reporting process, risk management and internal control system of the Group, to review the financial statements focusing particularly on (i) any changes in accounting policies and practices of the Group; (ii) the compliance with accounting standards and (iii) the compliance with the legal requirements, as well as to review the Company’s annual reports and interim reports.

The Audit Committee has the responsibilities and powers set forth in the terms of reference of the Audit Committee. Committee members shall meet at least twice per year to review and consider the interim and final results of the Company prepared by the Board.

Supplementary Information

CORPORATE GOVERNANCE (Continued)

Audit Committee (Continued)

The Audit Committee comprises three independent non-executive Directors, namely, Mr. Hu Zhigang, Mr. Zhang Jiayou and Mr. Ma Yu-heng. Mr. Ma Yu-heng was appointed as the chairman of the Audit Committee. None of the Audit Committee members are members of the former or existing auditors of the Company.

The Audit Committee has discussed with the management the accounting principles and policies adopted by the Group, and reviewed this report and the Group's unaudited interim condensed consolidated financial statements for the Period.

INTERNAL AUDIT

The Company has set up an internal audit department since February 2008. The Audit Committee has met with the internal auditor and discussed with the Board about the internal control report. The Board also, through the Audit Committee, conducted a review of the effectiveness of the systems of internal control and risk management of the Group which cover all material controls, including strategic, financial, operational and compliance controls. The Audit Committee considers the systems effective and adequate.

The Company has engaged an accountant with appropriate working experiences in the Finance & Accounting Department of the Group as the internal auditor.

The Board was satisfied with the adequacy of resources, staff qualifications and experiences, training programmes and budget of the Company's accounting, internal audit and financial reporting functions.

Supplementary Information

RISK MANAGEMENT

The Board recognises risk management as one of the key elements to the success of the Company. The Group takes a pragmatic approach to manage different risks to align with its business development strategically. The management identifies potential risks, assesses their impact and likelihood and develops appropriate action plans to mitigate risks to a level that the Company is willing to take in achieving the Company's objectives on a regular basis. The Group will continue to enhance the risk management practices and internal control system and adopt a stringent governance framework with reference to the best practice in the market.

INTERNAL CONTROL

The Board has the overall responsibility in maintaining sound and effective internal control and risk management systems within the Group and reviewing their effectiveness, particularly in respect of the financial, operational, and compliance controls, and setting appropriate policies so that the objectives of the Group can be effectively and efficiently achieved and the associated risks can be identified, managed and mitigated to an acceptable level.

Appropriate policies and procedures are provided to our staff to take all measures that can (i) safeguard assets against unauthorised use or disposition; (ii) keep proper and accurate accounting records and enhance the reliability of financial reporting; and (iii) ensure efficiency and effectiveness of operations and compliance with applicable laws and regulations. The design of the internal control and risk management systems is to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage and minimise the risk of failure in the Group's operational systems.

SIGNIFICANT INVESTMENT, MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have any significant investment, material acquisitions and disposals of subsidiaries, associates and joint ventures during the Period.

Supplementary Information

EVENTS AFTER THE REPORTING PERIOD

Issue of 117,088,000 new Shares under general mandate

On 6 November 2025, the Company, as the issuer, entered into twenty seven subscription agreements with twenty seven subscribers, pursuant to which the subscribers had conditionally agreed to subscribe for, and the Company had conditionally agreed to allot and issue, 117,088,000 new ordinary Shares in aggregate at the subscription price of HK\$0.9 per subscription Share. The subscription Shares were allotted and issued under the general mandate granted by the Shareholders at the annual general meeting of the Company held on 22 August 2025. The net issue price was approximately HK\$0.88 per subscription Share. The table below sets out the background of the subscribers:

	Subscriber	Background of the subscribers
1.	Subscriber A	Individual investor familiar with the security investment sector
2.	Subscriber B	Individual investor and a merchant engaging in the pharmaceutical business
3.	Subscriber C	Individual investor and a merchant engaging in the pharmaceutical business
4.	Subscriber D	Individual investor and a financial planner
5.	Subscriber E	Individual investor and a merchant engaging in medical aesthetics business
6.	Subscriber F	Individual investor familiar with the security investment sector
7.	Subscriber G	Individual investor and a merchant engaging in the trading business
8.	Subscriber H	Individual investor familiar with the finance and audit sector and a senior economist

Supplementary Information

EVENTS AFTER THE REPORTING PERIOD (Continued)

Issue of 117,088,000 new Shares under general mandate (Continued)

	Subscriber	Background of the subscribers
9.	Subscriber I	Individual investor familiar with information technology sector
10.	Subscriber J	Individual investor familiar with the security investment sector
11.	Subscriber K	Individual investor familiar with the home appliances manufacturing sector
12.	Subscriber L	Individual investor familiar with information technology sector
13.	Subscriber M	Individual investor familiar with the e-commerce business
14.	Subscriber N	Individual investor and a merchant engaging in the information technology business
15.	Subscriber O	Individual investor and a merchant engaging in the construction and engineering and energy businesses
16.	Subscriber P	Individual investor familiar with the banking industry
17.	Subscriber Q	Individual investor and a merchant engaging in the mechanical and electrical engineering business
18.	Subscriber R	Individual investor familiar with the security investment sector
19.	Subscriber S	Individual investor familiar with the security investment sector

Supplementary Information

EVENTS AFTER THE REPORTING PERIOD (Continued)

Issue of 117,088,000 new Shares under general mandate (Continued)

	Subscriber	Background of the subscribers
20.	Subscriber T	Individual investor familiar with the security investment sector
21.	Subscriber U	Individual investor familiar with the security investment sector
22.	Subscriber V	Individual investor familiar with the security investment sector
23.	Subscriber W	Individual investor familiar with the security investment sector
24.	Subscriber X	Individual investor familiar with the security investment sector
25.	Subscriber Y	Individual investor familiar with banking sector and a merchant engaging in fintech business
26.	Subscriber Z	Individual investor and a merchant engaging in apparel trading business
27.	Subscriber AA	A company which is principally engaged in investment holding and its ultimate beneficiary owner is an individual with extensive experience in equity investment

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the subscribers were independent of the Company and its connected persons.

Supplementary Information

EVENTS AFTER THE REPORTING PERIOD (Continued)

Issue of 117,088,000 new Shares under general mandate (Continued)

The closing price was HK\$1.12 per Share as quoted on the Stock Exchange on the date of the subscription agreements. The aggregate nominal value of the subscription Shares was HK\$117,088. The subscriptions were completed and 117,088,000 new Shares in aggregate were allotted and issued to the subscribers on 27 November 2025. Immediately after the completion of the subscriptions, no subscriber was regarded as a substantial Shareholder and a connected person of the Company under Chapter 14A of the Listing Rules.

The net proceeds from the subscriptions amounted to approximately HK\$102.9 million which will be utilised for business development, repayment of debts and general working capital.

To enhance its ability to build solutions or applications with Web3.0 technology and to offer add-on settlement/payment solutions and services offerings to the Group's existing information technology system platform and provide linkage of such settlement/payment solutions with traditional bank settlement platform (the "**Business Development**"), the Group has budgeted approximately HK\$30.0 million for developing Web3.0 related system/application, including recruitment of the relevant expertise for developing Web3.0 compatible applications, research and development for the aforesaid system upgrades, cooperation with business partners to develop Web3.0 applications and/or investments in Web3.0 technology companies.

For the portion of the net proceeds for the general working capital, the Group intends to allocate approximately HK\$9.8 million for supporting ongoing business operation, including but not limited to settlement of future financial obligations. It enables the Group to have sufficient working capital to finance its operations and to meet financial obligations for the next twelve months from the completion date of the subscriptions (the "**Completion Date**") (the "**Liquidity**").

Supplementary Information

EVENTS AFTER THE REPORTING PERIOD (Continued)

Issue of 117,088,000 new Shares under general mandate (Continued)

The detailed breakdown of the approximate allocation and expected timeline of the proposed uses of the net proceeds are as follows:

	Approximate allocation HK\$ million	Expected timeline of proposed uses
Business Development		
— Recruitment of expertise with Web3.0 knowledge	10.0	Fully utilised within 12 months from the Completion Date
— Operational expenses, including but not limited to rental expenses, acquisition of hardware and subscription of services; cooperation with business partners to develop Web3.0 applications and/or investments in Web3.0 technology companies	20.0	Fully utilised within 12 months from the Completion Date
Repayment of debts	6.9	Fully utilised within 12 months from the Completion Date

Supplementary Information

EVENTS AFTER THE REPORTING PERIOD (Continued)

Issue of 117,088,000 new Shares under general mandate (Continued)

	Approximate allocation HK\$ million	Expected timeline of proposed uses
General working capital		
— Staff salaries and benefit	20.0	Fully utilised within 12 months from the Completion Date
— Payment of due trade payables	15.0	Fully utilised within 12 months from the Completion Date
— Professional fees, including but not limited to audit fees, legal advisor fees and consultancy fees	9.2	Fully utilised within 12 months from the Completion Date
— Operational expenses, including but not limited to rental expenses, water and electricity charges, replacement of existing factory and office equipment and expenses in relation to governance compliance	10.0	Fully utilised within 12 months from the Completion Date

Supplementary Information

EVENTS AFTER THE REPORTING PERIOD (Continued)

Issue of 117,088,000 new Shares under general mandate (Continued)

	Approximate allocation HK\$ million	Expected timeline of proposed uses
— Research and development on electrical haircare products	2.0	Fully utilised within 12 months from the Completion Date
— For the Liquidity	9.8	Fully utilised within 12 months from the Completion Date
	<hr/>	
Total	102.9	
	<hr/>	

The Directors considered that the subscriptions represented a good opportunity to raise additional funds to strengthen the financial position and liquidity of the Group and meet any future development and financial obligations at a reasonable cost. The Directors were of the view that, apart from debt financing, the subscriptions help to broaden the Company's funding channels.

For the details of the subscriptions, please refer to the announcements of the Company dated 6 November 2025, 17 November 2025 and 27 November 2025.

Save as disclosed above, there have been no important events subsequent to 30 September 2025 and up to the date of this report, which would affect the Group's business operations in any material aspects.

Supplementary Information

CHANGE OF INFORMATION OF DIRECTORS REQUIRED TO BE DISCLOSED UNDER RULE 13.51B(1) OF THE LISTING RULES

Ms. Cai Dongyan, an executive Director, has been appointed as a member of the Nomination Committee, with effect from 3 June 2025.

OTHER DISCLOSURE

Save as disclosed above, the Group either had no material changes from the information disclosed in the annual report of the Company for the year ended 31 March 2025 or such changes are otherwise considered insignificant to the Group's operations, and thus no additional disclosure is required to be made in this report.

APPRECIATION

The Board would like to take this opportunity to express its gratitude to all staff for their dedication and commitment and the continuing support from our customers, suppliers, banks and Shareholders.

By Order of the Board
CHINA IN-TECH LIMITED
Zhou Li Yang
Executive Director

Hong Kong, 27 November 2025

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

		For the six months ended 30 September	
	Notes	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Revenue	3	43,601	57,186
Cost of sales		(39,563)	(57,868)
Gross profit/(loss)		4,038	(682)
Other income, gains and losses, net		240	4,794
Distribution costs		(3,678)	(1,498)
Administrative expenses		(18,906)	(24,958)
Finance costs		(734)	(1,151)
Loss before taxation	5	(19,040)	(23,495)
Income tax expenses	6	—	—
Loss for the period		(19,040)	(23,495)
Other comprehensive (expenses)/income			
Item that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		(412)	846
Total comprehensive expenses for the period		(19,452)	(22,649)
Loss for the period attribute to:			
Owners of the Company		(18,879)	(20,999)
Non-controlling interests		(161)	(2,496)
		(19,040)	(23,495)

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

		For the six months ended 30 September	
	Notes	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Total comprehensive (expenses)/ income for the period attributable to:			
Owners of the Company		(19,682)	(20,557)
Non-controlling interests		230	(2,092)
		(19,452)	(22,649)
Loss per share (HK cents)	7		
— Basic and diluted		(2.988)	(3.939)

Condensed Consolidated Statement of Financial Position

	Notes	As at 30 September 2025 (Unaudited) HK\$'000	As at 31 March 2025 (Audited) HK\$'000
Non-current assets			
Property, plant and equipment	9	–	–
Right-of-use assets		1,660	–
Deposits, prepayments and other receivables		1,785	1,470
		3,445	1,470
Current assets			
Inventories		3,999	5,789
Trade receivables	10	16,249	36,086
Contract costs		25,055	919
Deposits, prepayments and other receivables		19,668	23,813
Tax recoverable		1,301	–
Bank and cash balances		34,632	11,399
		100,904	78,006
Current liabilities			
Trade payables	11	27,821	14,928
Accruals and other payables		47,277	16,244
Contract liabilities		1,899	11,769
Loans from a related party	12	–	6,328
Lease liabilities		2,453	3,594
Bank borrowings and overdrafts		35,311	28,677
Tax liabilities		93	90
		114,854	81,630
Net current liabilities		(13,950)	(3,624)
Total assets less current liabilities		(10,505)	(2,154)

Condensed Consolidated Statement of Financial Position

		As at 30 September 2025 (Unaudited) HK\$'000	As at 31 March 2025 (Audited) HK\$'000
	<i>Notes</i>		
Non-current liabilities			
Lease liabilities		4,264	3,283
NET LIABILITIES		(14,769)	(5,437)
Capital and reserves			
Share capital	13	639	593
Reserves		(18,707)	(9,099)
Equity attributable to owners of the Company		(18,068)	(8,506)
Non-controlling interests		3,299	3,069
TOTAL EQUITY		(14,769)	(5,437)

Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital HK\$'000	Share premium HK\$'000	Merger reserve HK\$'000	Statutory reserve HK\$'000	Translation reserve HK\$'000	Accumulated Loss HK\$'000	Total HK\$'000	
At 1 April 2025 (audited)	593	92,825	942	519	5,624	(109,009)	(8,506)	(5,437)
Loss for the period	–	–	–	–	–	(18,879)	(18,879)	(19,040)
Other comprehensive (expenses)/ income for the period	–	–	–	–	(803)	–	(803)	(412)
Total comprehensive (expenses)/ income for the period	–	–	–	–	(803)	(18,879)	(19,682)	(19,452)
Issue of new shares pursuant to subscriptions (note 13)	46	10,074	–	–	–	–	10,120	10,120
At 30 September 2025 (unaudited)	639	102,899	942	519	4,821	(127,888)	(18,068)	(14,769)

	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital HK\$'000	Share premium HK\$'000	Merger reserve HK\$'000	Statutory reserve HK\$'000	Translation reserve HK\$'000	Accumulated Loss HK\$'000	Total HK\$'000	
At 1 April 2024 (audited)	533	86,915	942	519	2,608	(59,270)	32,247	40,078
Loss for the period	–	–	–	–	–	(20,999)	(20,999)	(23,495)
Other comprehensive income for the period	–	–	–	–	442	–	442	846
Total comprehensive (expenses)/ income for the period	–	–	–	–	442	(20,999)	(20,557)	(22,649)
At 30 September 2024 (unaudited)	533	86,915	942	519	3,050	(80,269)	11,690	17,429

Condensed Consolidated Statement of Cash Flows

	For the six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Net cash generated/(used) in operating activities	15,548	(26,770)
Investing activities		
Deposits paid for acquisition of property, plant and equipment	(315)	—
Other investing cash flows	1	11
Net cash (used in)/generated from investing activities	(314)	11
Financing activities		
New bank borrowings raised	11,446	4,875
Repayment of bank borrowings	(5,108)	(11,360)
Advance from a related party	—	2,423
Repayment of loans from a related party	(6,328)	—
Other financing cash flows	(2,680)	(3,586)
Issue of shares	10,120	—
Net cash generated from/(used in) financing activities	7,450	(7,648)
Net increase/(decrease) in cash and cash equivalents	22,684	(34,407)
Cash and cash equivalents at beginning of period	11,399	39,942
Effect of foreign exchange rate changes	253	(750)
Cash and cash equivalents at end of period	34,336	4,785
Analysis of cash and cash equivalents		
Bank and cash balances	34,632	5,216
Bank overdrafts	(296)	(431)
	34,336	4,785

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 10 November 2004 as an exempted company with limited liability under the Companies Law of the Cayman Islands. Its shares have been listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 16 June 2005. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. Its immediate holding company is China Yuen Capital Limited (“**CYC**”), a company incorporated in the British Virgin Islands; its ultimate holding company is Luckever Holdings Limited, a company incorporated in the British Virgin Islands. The principal place of business of the Company is at Unit 506, 5/F, New World Tower 1, 18 Queen’s Road Central, Central, Hong Kong.

The Company is an investment holding company. The principal activities of its subsidiaries are design, manufacture and sale of electrical haircare appliances and provision of information technology system platform development services in the PRC.

These unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), and all values are rounded to nearest thousand unless otherwise stated.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”) and Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES (Continued)

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2025 are the same as those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2025.

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

3. REVENUE

	Six months ended 30 September	
	2025 HK\$'000	2024 HK\$'000
Revenue from contracts with customers and total revenue		
Sales of electrical haircare appliances	23,244	46,394
Service income from information technology services	20,357	10,792
	43,601	57,186

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

3. REVENUE (Continued)

Disaggregation of revenue from contracts with customers:

Segments	Six months ended 30 September 2025		
	Sales of electrical hairecare appliances HK\$'000	Information technology services HK\$'000	Total HK\$'000
Major products/services			
Sales of hair dryer	16,473	–	16,473
Sales of hair straightener	3,216	–	3,216
Sales of air brush	2,979	–	2,979
Information technology services	–	20,357	20,357
Others	576	–	576
	23,244	20,357	43,601
Geographical markets			
Europe	19,972	–	19,972
Asia	3,181	20,357	23,538
Australia	91	–	91
	23,244	20,357	43,601
Timing of revenue recognition			
At a point in time	23,244	–	23,244
Over time	–	20,357	20,357
	23,244	20,357	43,601

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

3. REVENUE (Continued)

Segments	Six months ended 30 September 2024		
	Sales of electrical hairecare appliances HK\$'000	Information technology services HK\$'000	Total HK\$'000
Major products/services			
Sales of hair dryer	23,974	–	23,974
Sales of hair straightener	5,951	–	5,951
Sales of air brush	14,530	–	14,530
Information technology services	–	10,792	10,792
Others	1,939	–	1,939
	46,394	10,792	57,186
Geographical markets			
Europe	24,811	–	24,811
Asia	18,841	10,792	29,633
North and South America	1,438	–	1,438
Australia	1,304	–	1,304
	46,394	10,792	57,186
Timing of revenue recognition			
At a point in time	46,394	–	46,394
Over time	–	10,792	10,792
	46,394	10,792	57,186

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

3. REVENUE (Continued)

Sales of electrical haircare appliances

The Group manufactures and sells electrical haircare appliances to the customers. Sales are recognised when control of the products has transferred, being when the products are delivered to a customer, there is no unfulfilled obligation that could affect the customer's acceptance of the products and the customer has obtained legal titles to the products.

The Group generally allows a credit period ranging from 14 to 95 days for their trade receivables with terms that are common within the industry and are not considered financing arrangements. The Group negotiates with customers to provide a portion of upfront payments upon acceptance of orders. The advance payments received by the Group for goods are recognised as a contract liability until the goods have been delivered to the customer.

A receivable is recognised when the products are delivered to the customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Information technology services

The Group provides information technology services to the customers. When the progress towards complete satisfaction of the performance obligations of an information technology service contract can be measured reasonably, revenue from the contract and the contract costs are recognised using the percentage of completion method, measured by reference to information technology service performed. This method provides the most reliable estimate of the percentage of completion.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

3. REVENUE (Continued)

Information technology services (Continued)

The Group generally allows a credit period of 180 days for their trade receivables with terms that are common within the industry and are not considered financing arrangements. The Group negotiates with customers to provide a portion of upfront payments upon acceptance of orders. The advance payments received by the Group for services are recognised as a contract liability until the services have been delivered to the customer.

When the progress towards complete satisfaction of the performance obligations of a information technology contract cannot be measured reasonably, revenue from the contract is recognised only to the extent of contract costs incurred that is expected to be recoverable.

4. SEGMENT INFORMATION

The Group has two (2024: two) reportable segments as follows:

- (i) Electrical haircare appliances segment: manufacturing and selling electrical haircare appliances; and
- (ii) Information technology services segment: provision of information technology services in the PRC.

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

Segment profits or losses do not include finance costs and corporate and other unallocated expenses. Segment assets do not include corporate and other unallocated assets. Segment liabilities do not include loans from a related party and corporate and other unallocated liabilities.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

4. SEGMENT INFORMATION (Continued)

For the six months ended 30 September 2025/as at 30 September 2025

	Sales of electrical haircare appliances HK\$'000	Information technology services HK\$'000	Total HK\$'000
Segment revenue			
Sales to external customers	23,244	20,357	43,601
Segment results	(10,907)	(1,004)	(11,911)
Reconciliation:			
Finance costs			(734)
Corporate and other unallocated expenses			(6,395)
			(19,040)
Segment assets	25,935	44,373	70,308
Reconciliation:			
Corporate and other unallocated assets			34,041
Total assets			104,349

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

4. SEGMENT INFORMATION (Continued)

For the six months ended 30 September 2025/as at 30 September 2025
(Continued)

	Sales of electrical haircare appliances HK\$'000	Information technology services HK\$'000	Total HK\$'000
Segment liabilities	98,222	14,306	112,528
Reconciliation:			
Corporate and other unallocated liabilities			6,590
Total liabilities			119,118
Other Segment Information			
Interest revenue	1	–	1
Depreciation and amortisation	–	127	–
Loss allowance provision for trade receivables	514	649	1,163

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

4. SEGMENT INFORMATION (Continued)

For the six months ended 30 September 2024/as at 30 September 2024

	Sales of electrical haircare appliances HK\$'000	Information technology services HK\$'000	Total HK\$'000
Segment revenue			
Sales to external customers	46,394	10,792	57,186
Segment results	(13,734)	(5,002)	(18,736)
Reconciliation:			
Finance costs			(1,151)
Corporate and other unallocated expenses			(3,608)
			(23,495)
Segment assets	66,999	46,919	113,918
Reconciliation:			
Corporate and other unallocated assets			91
Total assets			114,009

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

4. SEGMENT INFORMATION (Continued)

For the six months ended 30 September 2024/as at 30 September 2024
(Continued)

	Sales of electrical haircare appliances HK\$'000	Information technology services HK\$'000	Total HK\$'000
Segment liabilities	65,567	14,171	79,738
Reconciliation:			
Corporate and other unallocated liabilities			16,842
Total liabilities			96,580
Other Segment Information			
Interest revenue	10	1	11
Additions to property, plant and equipment	860	48	908
Depreciation and amortisation	1,581	997	2,578
Loss allowance provision for inventories	293	–	293
Loss allowance provision for trade receivables	670	–	670

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

4. SEGMENT INFORMATION (Continued)

Geographical information

The Group's information about its non-current assets by geographical location of the assets are detailed below:

	Non-current assets	
	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
Hong Kong	1,251	936
The PRC	1,660	—
	2,911	936

Information about major customers

Revenue from major customers individually accounting for 10% or more of total revenue of the Group are as follows:

	Six months ended 30 September	
	2025 HK\$'000	2024 HK\$'000
Electrical haircare appliances segment		
Customer A	11,536	15,190
Customer B	6,481	15,466
Customer C	N/A*	7,410
Information technology services segment		
Customer D	9,049	N/A*
Customer E	7,330	7,426

* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

5. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

	Six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Cost of inventories sold	22,687	47,926
Depreciation of property, plant and equipment	—	10
Depreciation of right-of-use assets	127	2,568
Interests on lease liabilities	125	243
Interests on bank borrowings	609	908
Total staff costs (including Directors' remuneration)	16,171	21,604
Allowance for inventories	—	293
Net foreign exchange loss/(gain)	41	(61)

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

6. INCOME TAX EXPENSES

	Six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Current Tax:		
— Hong Kong Profits Tax	—	—
— PRC Enterprise Income Tax	—	—
	—	—

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%.

The income tax provision of the Group in respect of operations in the PRC which qualified as “Small Low-Profit Enterprise” for the six months ended 30 September 2025 were entitled to a preferential income tax rate. From 1 January 2023 to 31 December 2027, the profits no more than RMB3 million are taxed 5%.

The income tax provision of the Group in respect of operations in the PRC which obtained “High and New Technology Enterprise” qualification under EIT Law were entitled to a preferential income tax rate of 15%.

According to policies promulgated by the State Tax Bureau of the PRC and effective from 2008 onwards, enterprises engaged in research and development activities are entitled to claim 200% of the research and development expenses so incurred in a year as tax deductible expenses in determining its tax assessable profits for that year.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

6. INCOME TAX EXPENSES (Continued)

No PRC Enterprise Income Tax has been provided in the consolidated financial statement as the subsidiaries of the Group operating in the PRC are suffering from tax losses for both periods.

Under the two-tiered profits tax rates regime in Hong Kong, the first HK\$2 million of profits of 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%.

Hong Kong Profits Tax is calculated in accordance with the two-tiered profits tax regime of the estimated assessable profit for both periods. No Hong Kong Profits Tax has been provided in the consolidated financial statement as the subsidiaries of the Group operating in Hong Kong are suffering from tax losses for both periods.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

7. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Loss for the period attributable to owners of the Company for the purposes of calculating basic loss per share	(18,879)	(20,999)
	Number of shares	
	'000	'000
Weighted average number of ordinary shares for the purposes of calculating basic loss per share	631,864	533,154
Basic loss per share (HK cents)	(2.988)	(3.939)

There was no diluted loss per share for the six months ended 30 September 2025 and 2024 as there was no potential ordinary share issued during the respective periods.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

8. DIVIDENDS

The Directors have resolved not to declare the payment of an interim dividend for the six months ended 30 September 2025 (six month ended 30 September 2024: HK\$Nil).

9. PROPERTY, PLANT AND EQUIPMENT

The property, plant and equipment have been fully impaired as at 31 March 2025.

During the current interim period, the Group did not acquire property, plant and equipment (six months ended 30 September 2024: HK\$144,000). There was no material disposal of property, plant and equipment during six months ended 30 September 2025 and 2024.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

10. TRADE RECEIVABLES

The credit periods granted by the Group ranged from 14 to 180 days. For those major customers, a credit term up to 180 days from the invoice date is allowed.

	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
Trade receivables	22,987	41,661
Less: loss allowance	(6,738)	(5,575)
Total trade receivables	16,249	36,086

The aging analysis of trade receivables, net of allowance for bad and doubtful debts, presented based on invoice date at the end of the reporting period, which approximates to the respective date of revenue recognition, is as follows:

	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
0 to 60 days	9,749	10,167
61–120 days	2,244	12,024
121–365 days	3,088	6,266
Over 365 days	1,168	7,629
	16,249	36,086

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

11. TRADE PAYABLES

The credit periods on purchases of goods ranged from 30 to 120 days. The aging analysis of trade payables presented based on the date of receipts of goods at the end of the reporting period is as follows:

	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
0 to 60 days	15,979	8,410
61–120 days	7,171	2,988
121–365 days	4,464	336
Over 365 days	207	3,194
	27,821	14,928

12. LOANS FROM A RELATED PARTY

The amounts are unsecured, interest-free and repayable within one year from the drawn down date.

	Note	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
CYC	(a)	–	6,328

Note:

- (a) CYC is the Company's immediate holding company. During the Period, the loans of HK\$6,328,000 were brought forward from 31 March 2025 and were fully repaid.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

13. SHARE CAPITAL

	Number of shares '000	Nominal value HK\$'000
Authorised:		
Ordinary shares of HK\$0.001 (2024: HK\$0.001) each		
At 1 April 2024, 31 March 2025, 1 April 2025 and 30 September 2025	1,000,000	1,000
Issued and fully paid:		
Ordinary shares of HK\$0.001 (2024: HK\$0.001) each		
At 1 April 2024 and 30 September 2024	533,154	533
Issuance of shares under subscription (note i):		
Ordinary shares of HK\$0.001 each	60,000	60
At 31 March 2025 and 1 April 2025	593,154	593
Issuance of shares under subscriptions (note ii):		
Ordinary shares of HK\$0.001 each	46,000	46
At 30 September 2025	639,154	639

Notes:

- (i) On 4 November 2024, the Company entered into a subscription agreement, pursuant to which the subscriber had conditionally agreed to subscribe for 60,000,000 new shares at the subscription price of HK\$0.10 per subscription share. The subscriptions were completed and 60,000,000 new shares were issued and allotted on 19 November 2024.
- (ii) On 14 April 2025, the Company entered into six subscription agreements, pursuant to which the subscribers had conditionally agreed to subscribe for 46,000,000 new shares in aggregate at the subscription price of HK\$0.22 per subscription share. The subscriptions were completed and 46,000,000 new shares in aggregate were issued and allotted on 30 April 2025.

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

14. CAPITAL COMMITMENTS

	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	497	912

15. RELATED PARTY TRANSACTIONS

In addition to those related party transactions and balances disclosed elsewhere in the condensed consolidated financial statements, the Group had the following balances with its related parties as at the end of reporting periods and transactions with its related parties during the reporting periods:

	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
Balances with its related party:		
Deposits and prepayments to a company controlled by Mr. Lam Wai Ming ("Mr. Lam") (note) included in deposits, prepayments and other receivables	883	2,529
Trade receivables from a company controlled by Mr. Lam included in trade receivables	—	211

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 September 2025

15. RELATED PARTY TRANSACTIONS (Continued)

	Six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Transactions with its related party:		
Purchase from a company controlled by Mr. Lam	—	3,984
Rent paid to a company controlled by Mr. Lam	1,646	1,646

Key management personnel emoluments

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including Directors and other key management of the Group.

The key management personnel emoluments (excluding Directors) during the reporting periods were as follows:

	Six months ended 30 September	
	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Basic salaries and allowances	48	762
Retirement benefit contributions	3	20
	51	782

Note: Mr. Lam is the director of some subsidiaries of the Group and is the key management personnel of the Group.