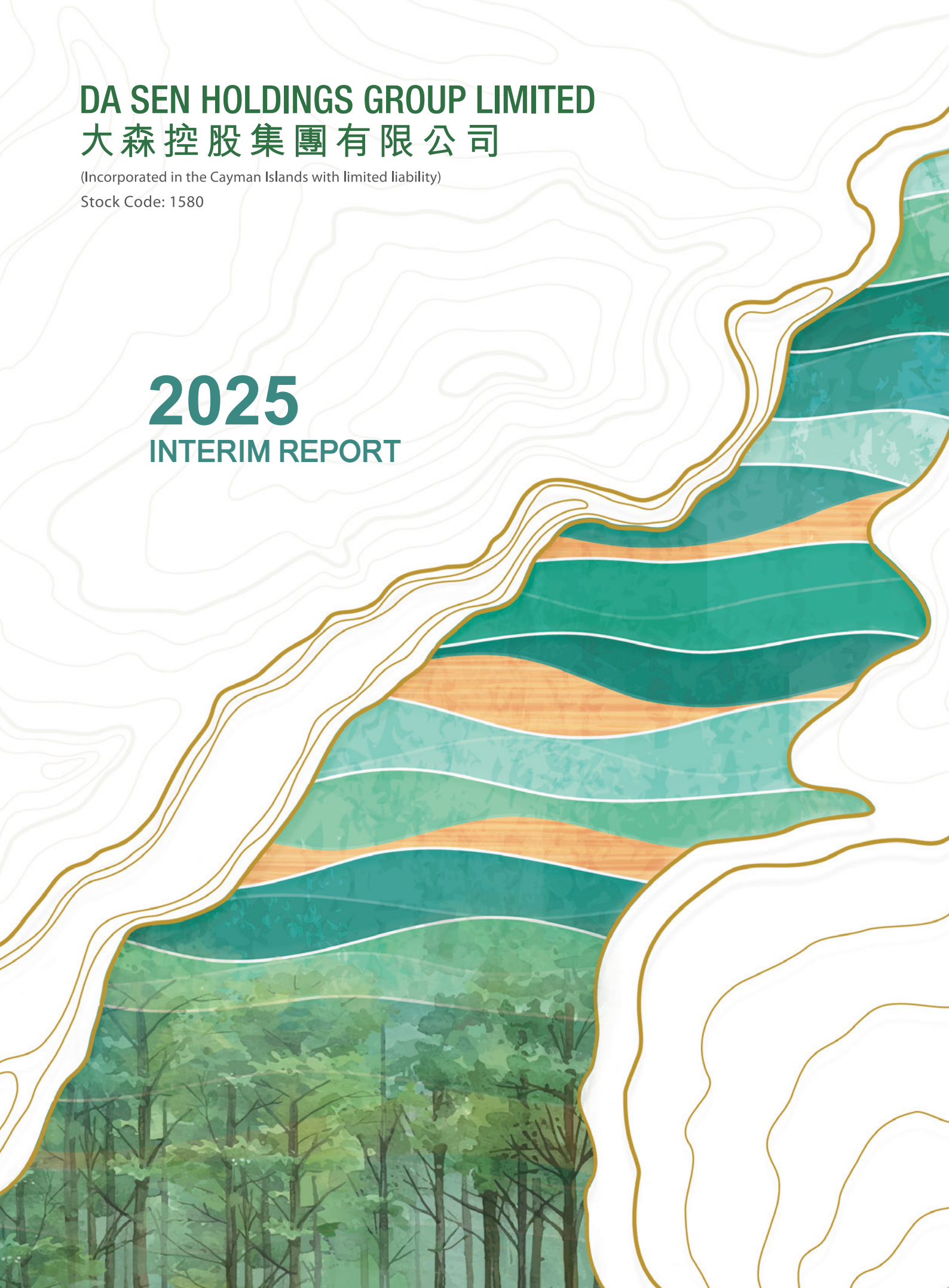


DA SEN HOLDINGS GROUP LIMITED 大森控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1580

2025 INTERIM REPORT



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In case of any inconsistency between the English version and the Chinese version of this interim report, the English version shall prevail.

DEFINITIONS

In this interim report, unless the context otherwise requires, the following terms shall have the meanings set out below:

“Board”	the board of Directors
“CG Code”	code provisions set out in Part 2 of Appendix C1 to the Listing Rules
“China”, “Mainland China” or “PRC”	the People’s Republic of China
“Company”	Da Sen Holdings Group Limited
“Director(s)”	the director(s) of the Company
“Group”, “our Group”, “we”, “us” or “our”	the Company and its subsidiaries or, where the context so requires in respect of the period before the Company became the holding company of the present subsidiaries, the present subsidiaries of the Company and the business carried on by such subsidiaries or (as the case may be) their predecessors
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“RMB”	Renminbi Yuan, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) of the Company, with a nominal value of HK\$0.02 each
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

BOARD

Executive Directors

Mr. WONG Ben
Mr. ZHANG Ayang *(Retired on 30 September 2025)*

Non-executive Director

Dr. LEUNG Clara Ka-wah

Independent non-executive Directors

Mr. SUN Yongtao *(Chairman)*
Mr. KWOK Yiu Tong
Ms. LO Yuk Yee *(Resigned on 19 August 2025)*

COMPANY SECRETARY

Mr. LAU Chung Wai *(CPA (Practising)) (appointed on 1 June 2025)*
Mr. LEUNG Wing Lun *(HKICPA) (resigned on 1 June 2025)*

AUDIT COMMITTEE

Mr. KWOK Yiu Tong *(Chairman)*
Mr. SUN Yongtao
Ms. LO Yuk Yee *(Resigned on 19 August 2025)*

REMUNERATION COMMITTEE

Mr. SUN Yongtao *(Chairman) (appointed on 19 August 2025)*
Mr. KWOK Yiu Tong
Ms. LO Yuk Yee *(Chairman) (resigned on 19 August 2025)*

NOMINATION COMMITTEE

Mr. SUN Yongtao *(Chairman)*
Mr. KWOK Yiu Tong
Ms. LO Yuk Yee *(resigned on 19 August 2025)*

RISK MANAGEMENT COMMITTEE

Mr. WONG Ben *(Chairman)*
Mr. SUN Yongtao
Mr. KWOK Yiu Tong

AUTHORISED REPRESENTATIVES

(for the purpose of the Listing Rules)
Mr. WONG Ben
Mr. LAU Chung Wai *(CPA (Practising))*

EXTERNAL AUDITOR

Confucius International CPA Limited
Room 1501-08, 15/F., Tai Yau Building,
181 Johnston Road, Wanchai,
Hong Kong

REGISTERED OFFICE

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

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 2703, 27th Floor,
K. Wah Centre,
No. 191 Java Road,
North Point, Hong Kong

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN MAINLAND CHINA

Economic Development Zone
Sunsu Town, Chengwu
Shandong, Mainland China

PRINCIPAL SHARE REGISTRAR

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681, Grand Cayman
KY1-1111, Cayman Islands

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
No. 183 Queen's Road East
Wanchai, Hong Kong

STOCK CODE

1580

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATIONS

The Company is an investment holding company and its subsidiaries (collectively, the “Group”) are principally engaged in the plywood products operations and related referral services, interior design and project management business, leasing activities, and trading of agricultural products.

Plywood Operations

The Group’s main production base is strategically located in Heze City, Shandong Province in the People’s Republic of China (the “PRC”) where there are abundant resources of poplars, the major raw materials for plywood products.

During the first half of the year ended 31 March 2025, the Group maintained minimal scale operation under the sales of plywood due to the low gross profit margin of the plywood business as a result of the intense competition in the plywood industry. Nevertheless, the Group does not intend to cease the operations of the sales of plywood business and the Group has been in the progress of developing new wood products which would have higher margins as compared to traditional plywood products. In addition, the Group has been seeking opportunity to acquire or cooperate with other plywood companies with higher margin and overseas business networks. If the acquisition or cooperation materialise, the Group may rebuild the plywood product business through the modernization of the production base in Heze City to produce superior quality wood products that could be sold to overseas customers.

Referral business

The referral business is built on top of the Group’s existing plywood business to ensure a stable and profitable income in addition to its plywood sales. The core value for the referral business is to facilitate an asset owner to connect with the right person, businesses, and investors to appreciate his asset and to achieve a higher return on his investment. The Company commenced the referral business in 2023 and formed strategic collaborations with an alliance factory and other professional parties to commence the referral services business. During the year ended 31 March 2025, the Group has successfully entered into two referral arrangements with the projects in Rayong Thailand and Dongguan China, pursuant to which the Group assisted the project owners to redevelop their assets by referring to them project teams and companies.

No revenue arising from the plywood operation and the related referral services is reflected for the six months ended 30 September 2025.

Interior design and project management business

In addition to the referral business, the Group provides interior design and project management business to the customers particularly those under referral business, including the projects in Rayong Thailand and Dongguan China. The Group has entered into contracts in respect of the interior design and project management services with each of the projects in Rayong Thailand and Dongguan with contract sum of RMB17.3 million and RMB6.0 million in June and August 2025, respectively. Although the progress of the projects had been slightly delayed due to unforeseen issues such as the Thailand earthquake, which accordingly delayed the commencement of the interior design and project management services of Rayong project, the two projects are currently proceeding in full progress.

Under the interior design and project management business, leveraged on the management's experience and expertise in the property development business, the Group could provide a one-stop services to customer for their development of the projects, including the design of the properties, handling of administrative procedures involved in the development, sourcing of materials and the manpower with the required expertise, management and monitoring of the progress and quality of the project, and the sales services of the property, if required.

The revenue from the interior design and project management business is accounted for 80.4% of the total revenue for the six months ended 30 September 2025.

Leasing Activities

Since 1 July 2020, the Group has entered into lease agreements to partially lease out the plants and lands to various tenants engaging in different industries as well as other factories and land which are surplus to the Group's needs in order to generate a stable and recurring rental income, and at the same time reducing the costs in managing these assets. The rental income of the Group accounted for 19.6% of the total revenue for the six months ended 30 September 2025.

Trading of agricultural products

During the 2025 Year, the Group expanded the business in trading of agricultural products for seeking business opportunities to generate better gross profit margins and maximization of using our factories. However, as the cost of agricultural products increases significantly during the 2025 Year and significantly reduced the gross profit on this business. It is not yet improved for the six months ended 30 September 2025, the Group will continue to monitor the business environment for resumption of this business. The trading of agricultural products segment accounted Nil of the total revenue of the Group for the six months ended 30 September 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Review of Results

The consolidated revenue of the Group was approximately RMB6.1 million for the six months ended 30 September 2025, representing a decrease of approximately 62.9% from approximately RMB16.6 million for the six months ended 30 September 2024.

The consolidated gross profit of the Group for the six months ended 30 September 2025 was approximately RMB5.2 million, representing a decrease of approximately 48.9% as compared to approximately RMB10.1 million for the six months ended 30 September 2024. For the six months ended 30 September 2025, the gross profit margin was approximately 84.2% compared to approximately 61.1% for the six months ended 30 September 2024. The increase in gross profit margin was mainly due to (i) the Group temporarily suspended the trading of agricultural products business during the period, which has relatively thin margin as compared to the leasing business; and (ii) the Group commenced the interior design and project management business during the six months ended 30 September 2025, which has relatively high margin.

The total selling and distribution expenses and administrative expenses were approximately RMB3.1 million for the six months ended 30 September 2025, which decreased compared to approximately RMB7.7 million for the six months ended 30 September 2024. Such expenses mainly comprised of the relevant selling and administrative expenses incurred for the resumption of plywood business and the development of new businesses.

The Group recorded a profit before tax of approximately RMB1.4 million for the six months ended 30 September 2025 compared to profit before tax of approximately RMB3.0 million for the six months ended 30 September 2024. Such change was mainly due to the development for resumption of plywood business. Thus, the revenue will be generated in the second half of the financial year.

The Group recorded decrease in finance costs from approximately RMB1.3 million for the six months ended 30 September 2024 to approximately RMB0.7 million for the six months ended 30 September 2025. The decrease was mainly due to the reduction in borrowings as the Group settled certain borrowings for the six months ended 30 September 2025.

The Group's income tax expense for the six months ended 30 September 2025 and 2024 was nil.

The profit attributable to owners of the Company was approximately RMB1.6 million for the six months ended 30 September 2025 as compared to the profit attributable to owners of the Company of approximately RMB3.4 million for the six months ended 30 September 2024. Basic and diluted earnings per share for the six months ended 30 September 2025 was RMB0.14 cents as compared to basic and diluted earnings per share of RMB0.31 cents for the six months ended 30 September 2024.

Foreign currency risk

As majority of our assets and liabilities are denominated in RMB, except for certain trade receivables, bank balances and borrowing which are denominated in HKD. The Group had not experienced any material effects on its operation or liquidity as a result of fluctuations in currency exchange rates and had not adopted any currency hedging policy or any hedging instrument during the six months ended 30 September 2025. The Group will continue to monitor its foreign currency risk exposure and will consider hedging significant foreign currency risk should the need arises.

Current assets and liabilities

As at 30 September 2025, the Group held current assets of approximately RMB31.3 million (31 March 2025: RMB36.3 million), comprising trade and other receivables and cash and cash equivalents.

Cash and cash equivalents balance as at 30 September 2025 decreased to approximately RMB0.1 million as compared to approximately RMB9.5 million as at 31 March 2025. The decrease in cash and cash equivalents balance was mainly due to the settlement of other payables and repayment of borrowings.

Trade and other receivables balance as at 30 September 2025 mainly represented outstanding receivables balance from customers of our plywood products operations and related referral services business as well as the receivables from the interior design and project management business. There was an increase in trade and other receivables balance from approximately RMB26.8 million as at 31 March 2025 to approximately RMB31.2 million as at 30 September 2025.

As at 30 September 2025, the Group's total current liabilities amounted to approximately RMB82.6 million, as compared to approximately RMB89.4 million as at 31 March 2025. The decrease was mainly due to the repayment of borrowings.

Non-current assets

Non-current assets principally include right-of-use assets, property, plant and equipment, investment properties, and intangible assets.

Investment properties of approximately RMB51.9 million as at 30 September 2025 (31 March 2025: RMB51.9 million). Investment properties are stated at fair value as determined with reference to independent valuer's valuation as at 31 March 2025. As advised by the independent valuer who conducted the valuation of the investment properties of the Group as of 31 March 2025, there has been no material change in fair value of the Group's investment properties since 30 June 2025, the date of issuance of its annual reports, and up to 30 September 2025. Accordingly, the directors of the Company consider it appropriate to determine the fair value of the Group's investment properties of as at 30 September 2025 with reference to the fair value as at 31 March 2025.

As at 30 September 2025, the Group's right-of-use assets, property, plant and equipment and intangible asset are valued at approximately RMB2.6 million, RMB3.9 million and RMB4.3 million, respectively (31 March 2025: RMB2.6 million, RMB4.0 million and RMB4.5 million respectively).

MANAGEMENT DISCUSSION AND ANALYSIS

Borrowings

As at 30 September 2025, the Group's borrowings amounted to approximately RMB29.1 million (31 March 2025: RMB34.4 million) in total, comprising approximately RMB17.6 million (31 March 2025: RMB17.6 million) bank borrowings, and approximately RMB11.5 million (31 March 2025: RMB16.8 million) other loans in the PRC and Hong Kong.

The Group's bank borrowings are secured by right-of-use assets and plants and investment properties of the Group, and certain guarantees provided to the banks by certain former directors and individuals as at 30 September 2025.

Security on assets

As at 30 September 2025, certain assets of the Group with an aggregated carrying value of approximately RMB58.4 million were pledged to the bank and an independent third party company as security for the loan facility (31 March 2025: RMB58.5 million).

OUTLOOK AND FUTURE PLAN

Looking forward to the second half of the year ending 31 March 2026, the Group will resume its production of plywood products and sell the products overseas to have higher profit margins. Also, it will help to maximise the use of the Group's factories.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 30 September 2025 (31 March 2025: Nil).

CAPITAL COMMITMENTS

As at 30 September 2025, the Group had no capital commitments contracted but not provided for (31 March 2025: Nil).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the six months ended 30 September 2025, save as disclosed elsewhere in this report, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies.

COMPLIANCE

The Company has met the CG Code throughout the six months ended 30 September 2025.

Ms. LO Yuk Yee (“**Ms. LO**”) resigned as an independent non-executive Director with effect from 19 August 2025. Following the resignation of Ms. LO, the Board does not meet the requirement under Rule 3.10(1) of the Listing Rules to have at least three independent non-executive directors, and also the composition of the audit committee of the Company does not meet the requirement under Rule 3.21 of the Listing Rules to comprise a minimum of three members. The Company is searching for suitable candidates to fill the vacancy of (i) independent non-executive director; and (ii) a member of audit committee of the Company. The Company will make further announcement as and when appropriate.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Listing Rules as the Company’s code of conduct regarding Directors’ securities transactions.

The Company has made specific enquiry to all Directors, and all Directors have confirmed that they had complied with the standards set out in the Model Code throughout the six months ended 30 September 2025.

REVIEW BY THE AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) has been established in compliance with Rules 3.21 and 3.22 of the Listing Rules with written terms of reference in compliance with the CG Code. The primary responsibilities of the Audit Committee are to review and monitor the financial reporting and internal control and risk management principles of the Group and to assist the Board to fulfill its responsibilities over audit.

The Audit Committee has reviewed and confirmed the accounting principles and practices adopted by the Group and discussed the auditing, internal control, risk management and financial reporting matters. The Audit Committee consists of two independent non-executive Directors: Mr. SUN Yongtao and Mr. KWOK Yiu Tong. Mr. KWOK Yiu Tong served as the chairman of the Audit Committee. The interim results of the Company for the six months ended 30 September 2025 have been reviewed by the Audit Committee.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES

As at 30 September 2025, none of the Directors and chief executive had registered an interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

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

At 30 September 2025, the following interests and short positions of 5% or more of the share capital and share options of the Company were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

Name	Number of Shares held, capacity and nature of interest			Percentage of the Company's share capital
	Directly beneficially owned	Interests in persons acting in concert	Total	
Mr. WONG Tseng Hon	734,165,278		734,165,278	67.01%
Mr. CHAI Kaw Sing	47,061,522	15,714,964	62,776,486	5.73%

EMOLUMENT POLICY

The Group had 23 employees in Hong Kong and the PRC as at 30 September 2025. The total salaries and related costs granted to employees amounted to approximately RMB0.5 million for the six months ended 30 September 2025 (2024: RMB1.4 million).

The Group's remuneration policy, bonus and share option scheme determines benefits of employees (including Directors) based on the duties and performance of each individual. The Group has also participated in the mandatory provident fund retirement benefit scheme in Hong Kong, and the central pension scheme operated by the local municipal government in the PRC.

SHARE OPTION SCHEME

The Company operates a share option scheme (the “Option Scheme”) for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group’s operations. Eligible participants of the Option Scheme include the Directors, other employees of the Group, suppliers of goods or services to the Group, customers of the Group, the Shareholders, and any non-controlling shareholder in the Company’s subsidiaries.

At no time during the six months ended 30 September 2025 were rights to acquire benefits by means of the acquisition of Shares or debentures of the Company granted to any of the Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

As at 30 September 2025, there were 36,000,000 (1 April 2025: 36,000,000) share options available for grant under the Option Scheme.

As at 30 September 2025 and 31 March 2025, the Company did not have share options outstanding under the Option Scheme.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

DIVIDENDS

The Board resolved not to declare any interim dividend for the six months ended 30 September 2025.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company’s articles of association or the laws of Cayman Islands which would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

OTHER INFORMATION

FOREIGN EXCHANGE EXPOSURE

The Group mainly earns revenue in RMB and incurs costs in RMB and HK\$. The Group is exposed to foreign exchange risk based on fluctuations between RMB and HK\$ arising from its core operation in the PRC. In order to minimise the foreign currency risk exposure between these two currencies, the Group generally maintains cash balances in both currencies that are sufficient to meet three to four months of operating cash flows requirements of the Group.

The Group had not experienced any material effects on its operation or liquidity as a result of fluctuations in currency exchange rates and had not adopted any currency hedging policy or any hedging instrument during the Reporting Period. The Group will continue to monitor foreign currency risk exposure and will consider hedging significant foreign currency risk should the need arise.

By order of the Board

Da Sen Holdings Group Limited

Sun Yongtao

Chairman

Hong Kong, 28 November 2025

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

For the six months ended 30 September 2025

		Six months ended 30 September	
	Notes	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited) (restated)
Revenue	7	6,146	16,584
Cost of sales and services		(971)	(6,447)
Gross profit		5,175	10,137
Selling and distribution expenses		(48)	(171)
Administrative expenses		(3,056)	(7,523)
Other income and gains		7	1,883
Finance costs		(710)	(1,281)
Profit before tax	8	1,368	3,045
Income tax expense	9	—	—
Profit and total comprehensive income for the periods		<u>1,368</u>	<u>3,045</u>
Profit (loss) and total comprehensive income (expenses) attributable to:			
Owners of the Company		1,581	3,360
Non-controlling interests		(213)	(315)
		<u>1,368</u>	<u>3,045</u>
Earnings per share attributable to the owners of the Company			
— Basic and diluted (expressed in RMB cents per share)	11	<u>0.14</u>	<u>0.31</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of 30 September 2025

	Notes	30 September 2025 RMB'000 (unaudited)	31 March 2025 RMB'000 (audited)
ASSETS			
Non-current assets			
Right-of-use assets		2,582	2,616
Property, plant and equipment		3,908	4,012
Investment properties	12	51,900	51,900
Intangible assets		4,297	4,542
		62,687	63,070
Current assets			
Trade and other receivables	13	31,186	26,849
Cash and cash equivalents		122	9,489
		31,308	36,338
Total assets		93,995	99,408
EQUITY			
Share capital	14	19,511	19,511
Share premium	14	252,927	252,927
Other reserves		46,534	46,534
Accumulated losses		(309,556)	(311,137)
Equity attributable to owners of the Company		9,416	7,835
Non-controlling interests		1,799	2,012
Total equity		11,215	9,847
LIABILITIES			
Non-current liability			
Deferred income		172	185
Current liabilities			
Trade and other payables	15	46,559	47,579
Deferred income		25	25
Receipt in advance		320	768
Tax payables		6,586	6,586
Borrowings	16	29,118	34,418
		82,608	89,376
Total liabilities		82,780	89,561
Total equity and liabilities		93,995	99,408

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2025

	Unaudited							Total equity RMB'000
	Attributable to owners of the Company						Non-controlling interests RMB'000	
	Share capital (Note 14) RMB'000	Share premium (Note 14) RMB'000	Convertible bonds equity reserves RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Sub-total RMB'000		
At 1 April 2025	19,511	252,927	–	46,534	(311,137)	7,835	2,012	9,847
Profit (loss) and total comprehensive income (expenses) for the six months ended 30 September 2025	–	–	–	–	1,581	1,581	(213)	1,368
At 30 September 2025	<u>19,511</u>	<u>252,927</u>	<u>–</u>	<u>46,534</u>	<u>(309,556)</u>	<u>9,416</u>	<u>1,799</u>	<u>11,215</u>
At 1 April 2024 (restated)	19,511	252,927	1,408	46,534	(306,124)	14,256	(2,350)	11,906
Profit (loss) and total comprehensive income (expenses) for the six months ended 30 September 2024 (restated)	–	–	–	–	3,360	3,360	(315)	3,045
Capital injection from non-controlling interest	–	–	–	–	–	–	3,700	3,700
At 30 September 2024 (restated)	<u>19,511</u>	<u>252,927</u>	<u>1,408</u>	<u>46,534</u>	<u>(302,764)</u>	<u>17,616</u>	<u>1,035</u>	<u>18,651</u>

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2025

	Six months ended 30 September	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Operating activities		
Cash (used in) from operations	(3,357)	2,037
Interest received	–	4
Interest paid	(710)	(1,137)
Net cash (used in) from operating activities	(4,067)	904
Financing activity		
Repayments of borrowings	(5,300)	(1,264)
Net cash used in financing activity	(5,300)	(1,264)
Net decrease in cash and cash equivalents	(9,367)	(360)
Cash and cash equivalents at beginning of the periods	9,489	979
Cash and cash equivalents at end of the periods	122	619

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

1. GENERAL INFORMATION

Da Sen Holdings Group Limited (“the Company”) is a limited liability company incorporated in the Cayman Islands. The address of its registered office and principal place of business is Cricket Square, Hutchins Drive, P.O. box 2681, Grand Cayman KY1-1111, Cayman Islands and Room 2703, 27th Floor, K. Wah Centre, No. 191 Java Road, North Point, Hong Kong, respectively. The Company’s shares have been listed on The Stock Exchange of Hong Kong Limited since 19 December 2016.

The principal activities of the Company and its subsidiaries (collectively the “Group”) are manufacturing and selling of plywood and related referral services, interior design and project management services, leasing activities and trading of agricultural products.

These interim condensed consolidated financial information are presented in RMB, unless otherwise stated. All values are rounded to the nearest RMB thousand (“RMB’000”), unless otherwise used.

These interim condensed consolidated financial information have not been audited but have been reviewed by the audit committee of the Company and have been approved for issue by the Board on 28 November 2025.

2. BASIS OF PREPARATION

These interim condensed consolidated financial information have been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting” issued by the International Accounting Standards Board as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited.

Going concern basis

As at 30 September 2025, the Group recorded net current liabilities of RMB51,300,000, where the Group’s current borrowings amounted to RMB29,118,000, comprising bank borrowing of RMB17,600,000 and other loans of RMB11,518,000 from independent third parties in the People’s Republic of China (the “PRC”) and Hong Kong, while the Group’s cash and cash equivalents amounted to RMB122,000 only.

These conditions indicate the existence of material uncertainties which may cast significant doubt about the Group’s ability to continue as a going concern.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

2. BASIS OF PREPARATION – *continued*

Going concern basis – *continued*

For the assessment of the going concern, the Directors are of the opinion that the Group would be able to continue as going concern as the Group has sufficient financial resources to support the operation of the Group in the foreseeable future, after taking into consideration the followings:

- (a) The Group has been in discussion with the major shareholders and the Directors for providing financial support to the Group;
- (b) The Directors will strengthen and implement measures aimed at improving the working capital and cash flow of the Group, including closely monitoring the general administrative expenses and operating costs; and
- (c) The Group will seek to obtain additional new financial support including but not limited to borrowing loans, issuing additional equity or debt securities.

In view of the above measures, the Directors are of the opinion that the Group will have adequate funds to meet its liabilities as and when they fall due for at least twelve months from the date of this report.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

3. CHANGE OF ACCOUNTING POLICY FOR MEASUREMENT OF INVESTMENT PROPERTIES

The Group elected to change its accounting policy for the measurement of the investment properties in year ended 31 March 2025, as the Group believes that the fair value model would align the accounting policy of the Group with those of its holding companies and industry practice, more reliable and more relevant to reflect the Group's operational performance. Under the fair value model, the investment properties are measured at their fair value. The Group applied the fair value model retrospectively and the comparative figures in interim condensed consolidated statement of profit or loss and other comprehensive income and the interim condensed consolidated statement of changes in equity for the six months ended 30 September 2025 have been restated.

Interim condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 September 2024

	As previously reported RMB'000	Effect RMB'000	As restated RMB'000
Administrative expenses	(8,265)	742	(7,523)
Other income, gains or (losses)	<u>28</u>	<u>1,855</u>	<u>1,883</u>
Profit before tax	<u>448</u>	<u>2,597</u>	<u>3,045</u>
Profit and total comprehensive income for the period	<u>448</u>	<u>2,597</u>	<u>3,045</u>
Profit (loss) and total comprehensive income (expenses) attributable to:			
– Owners of the Company	763	2,597	3,360
– Non-controlling interests	<u>(315)</u>	<u>–</u>	<u>(315)</u>
	<u>448</u>	<u>2,597</u>	<u>3,045</u>
Profit per share attributable to owners of the Company			
– Basic and diluted (expressed in RMB cents per share)	<u>0.07</u>	<u>0.24</u>	<u>0.31</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION

The interim condensed consolidated financial statements have been prepared on the historical cost basis.

Other than additional accounting policies resulting from application of amendments to International Financial Reporting Standards (“IFRSs”), agenda decision of the IFRS Interpretations Committee (the “Committee”) of the International Accounting Standards Board (the “IASB”), and application of certain accounting policies which became relevant to the Group, the accounting policies and methods of computation used in the interim condensed consolidated financial statements for the six months ended 30 September 2025 are the same as those presented in the Group’s annual financial statements for the year ended 31 March 2025.

In the current interim period, the Group has applied the following amendment to IFRSs issued by the IASB, for the first time, which are mandatorily effective for the annual periods beginning on 1 April 2025 for the preparation of the Group’s interim condensed consolidated financial statements:

Amendment to IAS 21

Lack of Exchangeability

The application of the amendment to IFRSs in the current interim period has had no material impact on the Group’s financial positions and performance for the current and prior periods and on the disclosures set out in these interim condensed consolidated financial statements.

5. ESTIMATES

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

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

6. FINANCIAL INSTRUMENTS

6.1 Financial risk factors

The Group's major financial instruments include trade and other receivables, cash and cash equivalents, trade and other payables and borrowings. The risks associated with these financial instruments include market risk (foreign exchange risk and interest rate risk), credit risk and liquidity risk. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 March 2025.

There have been no changes in the risk management department since the last financial period end or in any risk management policies.

6.2 Credit risk

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to trade and other receivables, and cash and cash equivalents. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

(i) *Risk management*

Credit risk is managed on a group basis. Cash at bank are deposited in reputable financial institutions which are considered with low credit risk.

The Group has policies in place to ensure that receivables with credit terms are made to counterparties with an appropriate credit history and management performs ongoing credit evaluations of the counterparties. The credit period granted to the customers is usually no more than 90 days and the credit quality of these customers is assessed, which takes into account their financial position, past experience and other factors.

(ii) *Impairment of financial assets*

The Group performed impairment assessment for financial assets under expected credit loss ("ECL") model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below:

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

6. FINANCIAL INSTRUMENTS – *continued*

6.2 Credit risk – *continued*

(ii) *Impairment of financial assets – continued*

Cash and cash equivalents

Credit risk on bank balances is limited because the counterparties are reputable bank and the ECL on bank balances is considered to be insignificant and therefore no loss allowance was recognised.

Trade receivables

The Group applies the IFRS 9 modified retrospective approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables on initial recognition.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the length of past due period.

Individually impaired trade receivable is related to customer who is experiencing unexpected economic difficulties. The Group expects that the entire amounts of the receivables will have difficulty to be recovered and has recognised impairment losses. As at 30 September 2025, accumulated trade receivables of RMB165,728,000 (31 March 2025: RMB165,728,000) has been fully provided for loss allowance for these individually assessed receivables.

The Group's concentration of credit risk by geographical locations is mainly in the Thailand, which accounted for 69% (31 March 2025: 54%) of the total receivables as at 30 September 2025. The Group has concentration of credit risk as 69% (31 March 2025: 54%) and 99% (31 March 2025: 100%) of the total trade receivables was due from the Group's largest customer and the five largest customers respectively. In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals.

The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has considered the business, financial or economic conditions and performance and behaviour of customers, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The Group considered various indicators, including, but not limited to, the prevailing market conditions in assessing how the expected loss rate should be adjusted. The Group had also considered the probability of default ("PD") and potential loss given default ("LGD") for its financial assets in its analysis. Given the difficult economic conditions and its analysis based on the above factors, the Group incorporated both current and forward-looking information by increasing its expected loss rates based with reference to its historical loss rate. In assessing the expected loss rate, the Group calculated the PD and LGD for each class of accounts receivables by incorporating forward-looking adjustments.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

6. FINANCIAL INSTRUMENTS – continued

6.2 Credit risk – continued

(ii) Impairment of financial assets – continued

Trade receivables – continued

On that basis, the loss allowance as at 30 September 2025 and 31 March 2025 were determined as follows for trade receivables:

	Unaudited				Total RMB'000
	Current RMB'000	Past due for within 6 months RMB'000	Past due for more than 6 months but less than 1 year RMB'000	Past due for more than 1 year RMB'000	
At 30 September 2025					
Expected loss rate	n/a	0.32%	n/a	5.65%	2.09%
Gross carrying amount	5,743	2,520	–	4,638	12,901
Loss allowance	–	8	–	262	270
Individually impaired receivables	–	–	–	165,728	165,728
Total loss allowance	–	8	–	165,990	165,998

	Audited				Total RMB'000
	Current RMB'000	Past due for within 6 months RMB'000	Past due for more than 6 months but less than 1 year RMB'000	Past due for more than 1 year RMB'000	
At 31 March 2025					
Expected loss rate	0.99%	0.90%	n/a	3.59%	1.60%
Gross carrying amount	3,523	9,103	–	4,258	16,884
Loss allowance	35	82	–	153	270
Individually impaired receivables	–	–	–	165,728	165,728
Total loss allowance	35	82	–	165,881	165,998

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

6. FINANCIAL INSTRUMENTS – continued

6.2 Credit risk – continued

(ii) Impairment of financial assets – continued

Trade receivables – continued

The expected credit loss allowances for trade receivables as at 30 September 2025 and 31 March 2025 reconcile to the opening expected credit loss allowances as follows:

	RMB'000
At 1 April 2024 (audited)	154,855
Provision for allowance for expected credit losses, net (audited)	12,071
Write-off (audited)	<u>(928)</u>
At 31 March 2025 and 1 April 2025 (audited)	165,998
Provision for allowance for expected credit losses, net (unaudited)	<u>–</u>
At 30 September 2025 (unaudited)	<u><u>165,998</u></u>

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group and dissolution of debtor.

Impairment losses on trade receivables are presented within operating result. Subsequent recoveries of amounts previously written off are credited against the same line item.

Other receivables at amortised cost

Other financial assets at amortised cost include other receivables. Impairment on other receivables is measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

6. FINANCIAL INSTRUMENTS – *continued*

6.2 Credit risk – *continued*

(ii) *Impairment of financial assets – continued*

Other receivables at amortised cost – continued

The expected credit loss allowances for other receivables as at 30 September 2025 and 31 March 2025 reconcile to the opening expected credit loss allowances as follows:

	RMB'000
At 1 April 2024 (audited)	125
Provision for allowance for expected credit losses (audited)	<u>129</u>
At 31 March 2025 and 1 April 2025 (audited)	254
Provision for allowance for expected credit losses (unaudited)	<u>–</u>
At 30 September 2025 (unaudited)	<u><u>254</u></u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

6. FINANCIAL INSTRUMENTS – continued

6.3 Liquidity Risk

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Unaudited					
	Weighted average effective interest rate %	Within 1 month or on demand RMB'000	1-3 months RMB'000	3 months- 1 year RMB'000	More than 1 year RMB'000	Total contractual undiscounted cash flows RMB'000
Carrying amount RMB'000						
At 30 September 2025						
Borrowings	5.28	128	256	30,272	–	30,656
Trade and other payables	n/a	18,199	–	–	–	18,199
		<u>18,327</u>	<u>256</u>	<u>30,272</u>	<u>–</u>	<u>48,855</u>
						<u>47,317</u>

	Audited					
	Weighted average effective interest rate %	Within 1 month or on demand RMB'000	1-3 months RMB'000	3 months- 1 year RMB'000	More than 1 year RMB'000	Total contractual undiscounted cash flows RMB'000
Carrying amount RMB'000						
At 31 March 2025						
Borrowings	11.17	5,408	492	30,778	–	36,678
Trade and other payables	n/a	19,335	–	–	–	19,335
		<u>24,743</u>	<u>492</u>	<u>30,778</u>	<u>–</u>	<u>56,013</u>
						<u>53,753</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

7. REVENUE AND SEGMENT INFORMATION

The Directors are the Group's chief operating decision maker. The Directors review the Group's internal reporting in order to assess performance and allocate resources. The Directors have determined the operating segments based on these reports. The Directors consider the business from products and services perspective, and determine that the Group has the following operating segments:

- Manufacturing and selling of plywood and related referral services;
- Interior design and project management services;
- Leasing activities; and
- Trading of agricultural products.

Revenue of RMB4,942,000 and RMB1,204,000 is generated from external customers from Thailand and PRC respectively. All the operating assets of the Group are located in the PRC.

The Directors assess the performance of the business segments based on profit before tax without allocation of certain finance costs and administrative expenses, which is consistent with that in the condensed consolidated financial statements.

Segment assets consist of right-of-use assets, property, plant and equipment, investment properties, trade and other receivables and cash and cash equivalents. Unallocated assets mainly comprise cash and cash equivalents, property, plant and equipment, intangible assets, and other receivables.

Segment liabilities consist of borrowings, deferred income, receipt in advance, trade and other payables and tax payables. Unallocated liabilities mainly comprise other payables held by non-PRC incorporated companies.

The segment information for the six months ended 30 September 2025 is as follows:

	Unaudited				
	Plywood and related referral services RMB'000	Interior design and project management services RMB'000	Leasing activities RMB'000	Trading of agricultural products RMB'000	Group RMB'000
Segment result					
Revenue	–	4,942	1,204	–	6,146
Segment results	(136)	4,120	(100)	(350)	3,534
Unallocated costs					(1,456)
Finance costs					(710)
Profit before tax					1,368
Income tax expense					–
Profit for the period					1,368

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

7. REVENUE AND SEGMENT INFORMATION – continued

	Unaudited					
	Plywood and related referral services RMB'000	Interior design and project management services RMB'000	Leasing activities RMB'000	Trading of agricultural products RMB'000	Unallocated RMB'000	Group RMB'000
Other segment items						
Profit or loss items:						
Amortisation on intangible asset	-	-	-	-	245	245
Depreciation on right-of-use assets	34	-	-	-	-	34
Depreciation on property, plant and equipment	102	-	-	-	3	105

The segment assets and liabilities at 30 September 2025 are as follows:

	Unaudited					
	Plywood and related referral services RMB'000	Interior design and project management services RMB'000	Leasing activities RMB'000	Trading of agricultural products RMB'000	Unallocated RMB'000	Total RMB'000
Total assets	21,280	4,942	52,630	243	14,900	93,995
Total liabilities	(39,865)	(822)	(10,247)	(10,046)	(21,800)	(82,780)

The restated segment information for the six months ended 30 September 2024 is as follows:

	Unaudited			
	Plywood and related referral services RMB'000	Leasing activities RMB'000	Trading of agricultural product RMB'000	Group RMB'000
Segment result				
Revenue	9,248	1,242	6,094	16,584
Segment results	7,064	2,939	98	10,101
Unallocated costs				(6,721)
Finance costs				(335)
Profit before tax				3,045
Income tax expense				-
Profit for the period				3,045

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

7. REVENUE AND SEGMENT INFORMATION – continued

	Unaudited				Group RMB'000
	Plywood and related referral services RMB'000	Leasing activities RMB'000	Trading of agricultural product RMB'000	Unallocated RMB'000	
Other segment items					
Profit or loss items:					
Amortisation on intangible assets	–	–	–	123	123
Depreciation on right-of-use assets	34	–	–	–	34
Depreciation on property, plant and equipment	167	–	–	3	170

The segment assets and liabilities at 31 March 2025 are as follows:

	Audited				Total RMB'000
	Plywood and related referral services RMB'000	Leasing activities RMB'000	Trading of agricultural product RMB'000	Unallocated RMB'000	
Total assets	30,623	52,379	6,267	10,139	99,408
Total liabilities	(39,421)	(15,989)	(10,041)	(24,110)	(89,561)

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

8. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging (crediting) the followings:

	Six months ended 30 September	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited) (restated)
Staff costs, including directors' emoluments and related retirement benefits scheme contributions	511	1,379
Cost of inventories recognised as expense	–	6,291
Amortisation on intangible asset	245	123
Depreciation on property, plant and equipment	105	170
Depreciation on right-of-use assets	34	34

	Six months ended 30 September	
	2025	2024
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Gross rental income from investment properties	1,204	1,242
Less: direct operating expenses from investment properties that generated rental income during the periods	(149)	(900)
	<u>1,055</u>	<u>342</u>

9. INCOME TAX EXPENSE

(i) Hong Kong profits tax

No Hong Kong profits tax has been provided, as the Group has no assessable profit derived in Hong Kong. The applicable Hong Kong profits tax rate is 16.5% for both periods.

(ii) PRC Enterprise Income Tax ("EIT")

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% for both periods.

(iii) PRC withholding income tax

According to the new EIT law, a 10% withholding tax will be levied on the immediate holding companies established outside of the PRC. A lower withholding tax rate may be applied if there is a tax treaty arrangement between the PRC and the jurisdiction of the foreign immediate holding companies. No withholding tax has been provided as the Group does not expect the PRC subsidiaries to distribute the retained earnings as at 30 September 2024 in the foreseeable future.

10. DIVIDENDS

No dividends were paid, declared or proposed during the interim period. The Board resolved not to declare any interim dividends in respect of the six months ended 30 September 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

11. EARNINGS PER SHARE

(a) Basic

Basic earnings per share for the six months ended 30 September 2025 and 30 September 2024 are calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue in the respective periods.

	Six months ended 30 September	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited) (restated)
Profit attributable to the owners of the Company	1,581	3,360
Weighted average number of ordinary shares (thousands)	1,095,680	1,095,680
Basic earnings per share (RMB cents per share)	0.14	0.31

(b) Diluted

For the six months ended 30 September 2024, the computation of diluted earnings per share has not taken into account the conversion of the Company's outstanding convertible bonds since their exercise would result in a increase in earnings per share, and is therefore regarded as anti-dilutive.

For the six months ended 30 September 2025, diluted profit per share was the same as the basic profit per share as there were no potential dilutive ordinary shares outstanding during the period.

12. INVESTMENT PROPERTIES

These investment properties, which are located at Meisen Industrial Park, Sunsi Town Chengwu County, Heze, Shandong Province, the PRC.

The Group's investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

As advised by the independent valuer who conducted the valuation of the investment properties of the Group as of 31 March 2025, there has been no material change in fair value of the Group's investment properties since 31 March 2025, the date of issuance of its reports, and up to 30 September 2025. Accordingly, the directors of the Company consider it appropriate to determine the fair value of the Group's investment properties of as at 30 September 2025 with reference to the fair value as at 31 March 2025.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

13. TRADE AND OTHER RECEIVABLES

	30 September 2025 RMB'000 (unaudited)	31 March 2025 RMB'000 (audited)
Trade receivables		
– contract with customers	177,998	182,293
– under IFRS16 Leases	639	319
	<u>178,637</u>	<u>182,612</u>
Less: accumulated allowances for expected credit losses	<u>(165,998)</u>	<u>(165,998)</u>
	12,639	16,614
Prepayments	245	244
Other receivables	18,556	10,245
Less: accumulated allowance for expected credit losses	<u>(254)</u>	<u>(254)</u>
	<u><u>31,186</u></u>	<u><u>26,849</u></u>

The following is an ageing analysis of trade receivables (net of allowance for expected credit losses) presented based on the invoice dates.

	30 September 2025 RMB'000 (unaudited)	31 March 2025 RMB'000 (audited)
Up to 3 months	5,751	3,488
4 to 6 months	–	–
7 to 12 months	2,512	9,021
Over 1 year	<u>4,376</u>	<u>4,105</u>
	<u><u>12,639</u></u>	<u><u>16,614</u></u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

14. SHARE CAPITAL AND SHARE PREMIUM

	Number of ordinary shares '000	Share capital RMB'000	Share premium RMB'000	Total RMB'000
At 1 April 2024 (audited), 31 March 2025 (audited), 1 April 2025 (unaudited) and 30 September 2025 (unaudited)	<u>1,095,680</u>	<u>19,511</u>	<u>252,927</u>	<u>272,438</u>

15. TRADE AND OTHER PAYABLES

	30 September 2025 RMB'000 (unaudited)	31 March 2025 RMB'000 (audited)
Trade payables	849	21
Other taxes payable	28,333	28,244
Accrued expenses	15,083	14,779
Interest payables	916	1,221
Amount due to non-controlling interests	592	592
Others	<u>786</u>	<u>2,722</u>
	<u>46,559</u>	<u>47,579</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

15. TRADE AND OTHER PAYABLES – *continued*

The following is an ageing analysis of trade payables presented based on the invoice dates:

	30 September 2025 RMB'000 (unaudited)	31 March 2025 RMB'000 (audited)
Within 3 months	849	21

16. BORROWINGS

	30 September 2025 RMB'000 (unaudited)	31 March 2025 RMB'000 (audited)
Short-term bank borrowing – secured	17,600	17,600
Other loan – secured	2,300	2,300
Other loans – unsecured	9,218	14,518
Total borrowings	29,118	34,418

17. CONTINGENT LIABILITIES

As at 30 September 2025 and 31 March 2025, the Group had no material contingent liabilities.

18. PLEDGED OF ASSETS

	30 September 2025 RMB'000 (unaudited)	31 March 2025 RMB'000 (audited)
Investment properties situated in the PRC	51,900	51,900
Property, plant and equipment situated in the PRC	3,893	3,978
Right-of-use assets situated in the PRC	2,582	2,616
	58,375	58,494

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

19. RELATED PARTY TRANSACTIONS

The following is a summary of the significant transactions carried out between the Group and its related parties in the ordinary course of business during the six months ended 30 September 2025 and 30 September 2024, and balances arising from related party transactions as at 30 September 2025 and 31 March 2025:

(i) Guarantees provided by related parties in respect of the Group's borrowings from banks

Short-term bank borrowing of RMB7,600,000 (31 March 2025: RMB7,600,000) was guaranteed by Mr. Zhang Ayang, who was resigned as an executive director on 30 September 2025.

(ii) Key management personnel compensation

	Six months ended 30 September	
	2025 RMB'000 (unaudited)	2024 RMB'000 (unaudited)
Salaries	166	509
Retirement benefits scheme contributions	—	—
	<u>166</u>	<u>509</u>