

GOLDLION HOLDINGS LIMITED

金利來集團有限公司

STOCK CODE 股份代號 : 00533

2025

Interim Report
中期報告



CHAIRMAN'S STATEMENT

OPERATING RESULTS

Turnover

During the first half of 2025, the Group continued to face a challenging operating environment, with persistent macroeconomic uncertainty impacting the consumer market, particularly the traditional menswear segment. During the period under review, the Group recorded a total turnover of HK\$487,111,000, representing a decrease of 19% from HK\$603,261,000 for the corresponding period last year. Revenue from all major business units recorded declines to varying degrees.

Cost of sales and gross profit

Cost of sales for the period was HK\$198,157,000, mainly including cost of inventories sold of the apparel operation HK\$147,454,000, provision for impairment of inventories of HK\$8,501,000, cost of properties sold of HK\$23,179,000, and direct operating expenses arising from investment properties of HK\$18,239,000.

During the period, cost of inventories sold of the apparel operation was HK\$147,454,000, representing a decrease of 22% from HK\$189,561,000 of the corresponding period last year. The rate of decrease was comparable to the drop in related sales. This resulted in a gross profit amount (excluding the impairment of inventories) of only HK\$187,551,000 which was lower than the amount of HK\$249,771,000 for the corresponding period last year by 25%. Gross profit margin excluding the impairment of inventories was 56%, slightly lower than 56.9% of the corresponding period last year. During the period, the Group recorded a provision for impairment of inventories of HK\$8,501,000 which was lower than the amount of HK\$12,350,000 of the corresponding period last year.

Cost of properties sold amounting to HK\$23,179,000 of the period and was higher than HK\$21,079,000 in the corresponding period last year. Due to the reduce in selling price, gross profit margin from property sales was 17.2%, lower than 25.6% of the corresponding period last year.

The direct operating expenses arising from investment properties for the period was HK\$18,239,000, representing a slight increase of approximately 4% when compared with HK\$17,596,000 of the corresponding period last year.

Other losses

During the period, the Group recorded fair value losses on investment properties of HK\$22,953,000, representing an increase of 16% when compared with HK\$19,818,000 of the corresponding period last year.

Operating expenses

Selling and marketing costs mainly consist of manpower costs for sales staff, rental expenses of the sales outlets, operating costs for e-commerce sales platforms, advertising and promotion, and relevant marketing expenses and tax fees relating to the Meixian property development project. Despite the decrease of sales during the period, distribution and marketing costs did not fall significantly. The Group recorded selling and marketing costs of HK\$205,734,000 for the period and was in line with the amount of HK\$207,764,000 of the corresponding period last year.

CHAIRMAN'S STATEMENT *(continued)*

OPERATING RESULTS *(continued)*

Operating expenses *(continued)*

Administrative expenses mainly consist of manpower costs for non-sales staff, depreciation and amortization charges and other miscellaneous expenses. The Group recorded administrative expenses of HK\$74,415,000 for the period, lower than the amount of HK\$78,365,000 of the corresponding period last year by 5%.

Operating (loss)/profit

During the period, the Group recorded an operating loss of HK\$14,148,000, compared with an operating profit of HK\$55,924,000 in the corresponding period last year. The operating loss margin was approximately 2.9%, compared with an operating profit margin of approximately 9.3% for the corresponding period last year.

(Loss)/profit attributable to owners of the Company

Due to the decrease in deposit interest rates, the Group recorded a net interest income of HK\$11,592,000 for the period and a decrease of approximately 5% from HK\$12,215,000 for the corresponding period last year.

After accounting for the reversal of tax for fair value losses on investment properties amounting to HK\$3,418,000 (HK\$4,573,000 for the corresponding period last year), the income tax expense for the period was HK\$1,388,000 and was lower than the amount of HK\$9,899,000 of the corresponding period last year. Effective tax rate excluding fair value losses on investment properties and the related tax effect was 23.6% and was higher than the corresponding period last year's 16.5%.

The Group recorded a loss attributable to owners of the company of HK\$3,960,000 during the period, compared with a profit attributable to owners of the company of HK\$58,233,000 for the same period last year. Profit for the period would be HK\$15,575,000 if the net fair value losses after tax on investment properties of HK\$19,535,000 (HK\$15,245,000 for the corresponding period last year) were excluded, and was approximately 79% lower than the amount of HK\$73,478,000 of the corresponding period last year.

BUSINESS REVIEW

Apparel Business

China Mainland and Hong Kong SAR Markets

During the period under review, the Group's domestic apparel business faced severe challenges with fierce market competition, consumption downgrade, a more conscious consumer behavior and preference for high value-for-money products. These structural market changes posed pressure on the Group's domestic operations. The overall turnover of domestic apparel recorded HK\$317,924,000 during the period, representing a decrease of approximately 24% compared to the corresponding period last year.

In China Mainland, the Group has continued to conduct its apparel operation through wholesaling to distributors in various cities and provinces, primarily through self-operated retail shops and factory outlets located mainly in Guangzhou, Shanghai, Beijing, Chongqing, Liaoning, Jilin and Shandong, as well as through e-commerce and custom-ordering.

CHAIRMAN'S STATEMENT *(continued)***BUSINESS REVIEW** *(continued)***Apparel Business** *(continued)***China Mainland and Hong Kong SAR Markets** *(continued)*

Wholesale business was once the core sales channel for the Group's domestic apparel business. However, due to the continuing prudent attitude of our distributors towards the market, orders for our 2025 spring and summer collections decreased. Together with the termination of distributorship of some of the distributors and provision of additional return allowances, wholesale sales in RMB during the period decreased by 50%. Consequently, sales from such business unit decreased to approximately 20% of the Group's total domestic apparel sales during the period.

Due to the takeover of certain retail outlets previously operated by our distributors in Shenzhen and other locations since the second half of last year, the number of self-operated retail outlets increased. Consequently, self-operated retail sales in RMB rose by approximately 11% during the period compared to the corresponding period last year. However, amid persistently weak retail sentiment and declining consumer spending, same-store sales (excluding the effect of new stores) decreased by 12%. The sales of this business unit accounted for approximately 28% of the Group's domestic apparel sales.

Due to the decrease in number of shops and promotional activities, the sales from the Group's factory outlets in RMB decreased by approximately 30% compared with the corresponding period last year. During the period, sales from this business accounted for approximately 14% of the Group's domestic apparel sales.

At the end of the period, the Group's apparel products were sold through approximately 754 retail outlets in China Mainland, among which 146 were self-operated (including 33 factory outlets and 1 "Goldlion 3388" lifestyle stores). At the end of the period, the Group continued to operate a "Goldlion 3388" lifestyle store in Guangzhou to promote the brand culture of "Goldlion". In addition, the Group's "Tsang Hin Chi Exhibition Hall" in Meizhou continued to promote corporate culture and core values of the brand during the period.

The e-commerce business of the Group was also affected by the market downturn during the period, resulting in disappointing performance. Sales in RMB decreased by approximately 14% compared to the corresponding period last year. During the period, the sales were mainly generated from special selected items. Sales of this business unit accounted for approximately 34% of the Group's domestic apparel sales.

Additionally, we have appointed a local operator to operate our custom-ordering operation since the beginning of the year. As a result of such change, sales during the period decreased by approximately 57% compared with the corresponding period last year.

During the period under review, the Group continued to grant licenses for distribution of shoes, leather goods, undergarments and casual wear in China Mainland. Licensing fees were charged in accordance with the terms in the relevant licensing agreements during the period. Due to a reduction in certain fees, the Group recorded a licensing income of HK\$31,659,000 during the period, representing a decrease of approximately 22% from the corresponding period last year.

CHAIRMAN'S STATEMENT *(continued)*

BUSINESS REVIEW *(continued)*

Apparel Business *(continued)*

Singapore Markets

Affected by the sluggish external economic environment and the slowdown in private consumption growth, performance of the Group's Singapore operation is behind our expectation. During the period, sales from our apparel business amounted to HK\$17,081,000, representing a decrease of 8% as compared with HK\$18,535,000 in the corresponding period last year. The decrease in term of local currency was 11%.

Gross profit margin excluding the effect of impairment of inventories was 52% and was lower than 54% of the corresponding period last year. This is mainly the result of bigger discounts offered to stimulate sales during the period. Due to the increase in inventory, the provision for impairment of inventories during the period amounted to HK\$870,000, which was higher than HK\$236,000 of the corresponding period last year.

The Group currently operates a total of 5 Goldlion shops and 6 counters in Singapore. The Group's local business recorded a loss of HK\$3,461,000 during the period, higher than the loss of HK\$2,337,000 of the corresponding period last year.

Property Investment and Development

The Group's investment property portfolio had no significant changes during the period when compared with the end of last year. The value of such properties after independent professional valuation amounted to approximately HK\$2,658,006,000 at the end of the period, of which property holdings in China Mainland, Hong Kong and Singapore were approximately HK\$1,412,246,000, HK\$1,185,400,000 and HK\$60,360,000 respectively. Due to the appreciation of RMB exchange rate, total value of investment properties in Hong Kong dollar was higher than the amount of HK\$2,604,529,000 at the end of last year. The Group's fair value losses on investment properties as based on the same independent valuation amounted to HK\$22,953,000, whereas the fair value losses were HK\$19,818,000 for the corresponding period last year. The losses during the period were mainly derived from the property holdings in China Mainland, especially the Goldlion Digital Network Centre in Guangzhou, while the fair value for properties in Hong Kong also decreased slightly.

The property investment market continues to face a challenging environment. During the period, the Group's rental income and building management fees amounted to HK\$72,002,000 and HK\$19,670,000, respectively, the total of which represented a decrease of approximately 3% over the corresponding period last year. The decrease was mainly due to the increase in vacant units.

During the period, demand for office space was low in China Mainland. In Guangzhou, the leasing of Goldlion Digital Network Centre is yet to be improved. Rental income and building management fees in RMB were approximately 3% lower than that of the corresponding period last year. The overall occupancy rate was approximately 77%, which was lower than the 81% of the corresponding period last year. Besides, as our property in Yuan Village in Guangzhou continued to fully lease out during the period, rental income and building management fees denominated in RMB remained comparable to the corresponding period last year.

CHAIRMAN'S STATEMENT *(continued)***BUSINESS REVIEW** *(continued)***Property Investment and Development** *(continued)*

In Shenyang, the performance of Goldlion Commercial Building remained relatively stable. However, due to rent concessions granted during the period, total rental income and building management fees in RMB decreased by 17% from the corresponding period last year.

During the period, the occupancy rate of the Group's Goldlion Holdings Centre in Shatin decreased from 89% in the corresponding period last year to 86%, with overall rental and property management fee income decreasing slightly by approximately 1% compared to the corresponding period last year. For the property at No. 3 Yuk Yat Street, To Kwa Wan, the occupancy rate decreased to 89% as certain units being vacant, resulting in a decrease of approximately 9% in overall income compared to the corresponding period last year.

Sales velocity of the Group's property development project "Goldlion Garden" in Meixian remained extremely slow during the period, with only 34 units sold. The Group recognized property sales income of HK\$27,987,000 and gross profit of HK\$4,808,000. As of the end of the period, there were still 629 high-rise units and 47 low-rise units remaining for sale.

The Group also continued its domestic photovoltaic business, recording electricity sales revenue of HK\$788,000 and a slight profit during the period.

PROSPECTS

Looking ahead to the second half of 2025, the operating environment is expected to remain challenging, with slow recovery in domestic consumer confidence, ongoing adjustments in the property market. The operating outlook remains adverse and far from optimistic.

The Group will continue to improve product quality, integrate its distribution network, strengthen self-operated retailing capabilities in respect of the apparel business in China Mainland. The Group will continue to improve the operation of the apparel business in Singapore and enhance its sales network to ensure a sustainable growth of business.

Besides, in view of the growing popularity of snooker sports in China Mainland, the Group will launch a series of dedicated snooker apparel products. To maximize the promotional effect, we will be in cooperative partnership with relevant sports associations and sponsor top international snooker players and major world events.

In respect of property investment business, the Group will continue to improve the leasing of Goldlion Digital Network Centre and other properties by reducing its vacancies, as well as to sell the remaining units of "Goldlion Garden" in Meixian smoothly based on the actual market conditions.

CHAIRMAN'S STATEMENT *(continued)*

FINANCIAL POSITION

As at 30th June 2025, the Group had cash and bank balances (including restricted cash of HK\$578,000) of approximately HK\$1,131,605,000, which was HK\$79,759,000 higher than that at the end of last year. During the period, the Group recorded a net cash inflow from operating activities of HK\$91,295,000 and received interest income of HK\$13,794,000. However, the Group also increased fixed assets of HK\$35,536,000 and paid principal elements of lease payments of HK\$9,969,000. Besides, changes in foreign exchange rates during the period resulted in an increase in cash and bank balances of HK\$22,111,000.

As at 30th June 2025, the Group did not have any bank loans or overdrafts. The gearing ratio, defined as the ratio of total lease liabilities less cash and bank balances divided by total equity, was zero.

As at 30th June 2025, the Group's current assets and liabilities were HK\$2,205,077,000 and HK\$360,786,000 respectively, with a current ratio at 6.1. Total current liabilities were 8% of the average capital and reserves attributable to owners of the Company of HK\$4,390,217,000.

As at 30th June 2025, the Group did not have any material contingent liabilities and had not charged any of the Group's assets.

As at 30th June 2025, the Group had guarantees in respect of mortgage facilities for certain property buyers amounting to HK\$3,991,000. Pursuant to the terms of the guarantees, upon default in mortgage payments by these buyers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted buyers to the banks and the Group is entitled to retain the legal title and take over the possession of the related properties. The above guarantees are to be discharged upon the earlier of (i) the banks received the corresponding real estate ownership certificates as custody; or (ii) the satisfaction of mortgaged loans by the property buyers. The Board considers that in case of default in payments, the net realizable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty. Therefore, no provision has been made in the financial statements for the guarantees.

The Group conducted the business mainly in the China Mainland market through its PRC subsidiaries. Most of the relevant transactions were denominated in RMB and transactions involving foreign currencies were minimal. Foreign currency exposure did not pose a significant risk for the Group, but we will remain vigilant and closely monitor our exposure to movements in relevant currencies.

ACKNOWLEDGEMENT

On behalf on the Board, I would like to extend my gratitude to our staff for their dedication and continuous support.

Mr. Tsang Chi Ming, Ricky

Chairman and Chief Executive Officer

Hong Kong, 14th August 2025

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**羅兵咸永道**

To the Board of Directors of Goldlion Holdings Limited
(incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 8 to 28, which comprises the interim condensed consolidated balance sheet of Goldlion Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30th June 2025 and the interim condensed consolidated income statement, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated cash flow statement for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the HKICPA. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” as issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the HKICPA.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 14th August 2025

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET*As at 30th June 2025*

		Unaudited 30th June 2025	Audited 31st December 2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment	6	215,788	211,196
Right-of-use assets		101,216	74,445
Investment properties	6	2,658,006	2,604,529
Financial assets at fair value through other comprehensive income		2,071	–
Deferred income tax assets		60,771	55,889
		<u>3,037,852</u>	<u>2,946,059</u>
Current assets			
Property under development	7	–	164,630
Completed properties	8	774,482	590,795
Inventories		153,826	217,723
Trade receivables	9	52,370	88,669
Prepayments, deposits and other receivables	10	63,819	52,571
Contract assets		28,975	30,693
Tax recoverable		–	3,491
Restricted cash		578	1,310
Bank deposits		925,077	734,144
Cash and cash equivalents		205,950	316,392
		<u>2,205,077</u>	<u>2,200,418</u>
Total assets		<u><u>5,242,929</u></u>	<u><u>5,146,477</u></u>
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital	11	1,101,358	1,101,358
Reserves		3,331,921	3,245,797
		<u>4,433,279</u>	<u>4,347,155</u>
Owners of the Company Non-controlling interests		<u>2,205</u>	<u>2,128</u>
Total equity		<u><u>4,435,484</u></u>	<u><u>4,349,283</u></u>
LIABILITIES			
Non-current liabilities			
Other payables and accruals		43,388	46,559
Lease liabilities		39,490	9,125
Deferred income tax liabilities		363,781	354,392
		<u>446,659</u>	<u>410,076</u>
Current liabilities			
Trade payables	12	16,894	49,557
Other payables and accruals		169,221	173,318
Contract liabilities		148,867	139,535
Lease liabilities		19,089	17,331
Current income tax liabilities		6,715	7,377
		<u>360,786</u>	<u>387,118</u>
Total liabilities		<u><u>807,445</u></u>	<u><u>797,194</u></u>
Total equity and liabilities		<u><u>5,242,929</u></u>	<u><u>5,146,477</u></u>

The notes on pages 13 to 28 form an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT*For the six months ended 30th June 2025*

		Unaudited	
		Six months ended	
		30th June	30th June
		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	5	487,111	603,261
Cost of sales	14	(198,157)	(241,390)
Gross profit		288,954	361,871
Other losses	13	(22,953)	(19,818)
Selling and marketing costs	14	(205,734)	(207,764)
Administrative expenses	14	(74,415)	(78,365)
Operating (loss)/profit		(14,148)	55,924
Interest income		12,392	13,100
Interest expense		(800)	(885)
(Loss)/profit before income tax		(2,556)	68,139
Income tax expense	15	(1,388)	(9,899)
(Loss)/profit for the period		(3,944)	58,240
Attributable to:			
Owners of the Company		(3,960)	58,233
Non-controlling interests		16	7
(Loss)/profit for the period		(3,944)	58,240
(Loss)/earnings per share attributable to owners of the Company		<i>HK cents</i>	<i>HK cents</i>
– Basic and diluted	17	(0.41)	5.98

The notes on pages 13 to 28 form an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30th June 2025

	Unaudited Six months ended	
	30th June 2025	30th June 2024
	HK\$'000	HK\$'000
(Loss)/profit for the period	(3,944)	58,240
Other comprehensive income		
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Revaluation of property, plant and equipment upon reclassification to investment property	17,992	7,541
Income tax relating to these items	(4,498)	(105)
<i>Item that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translation of financial statements of China Mainland and overseas subsidiaries	76,651	(74,436)
Other comprehensive income for the period	90,145	(67,000)
Total comprehensive income for the period	<u>86,201</u>	<u>(8,760)</u>
Attributable to:		
Owners of the Company	86,124	(8,767)
Non-controlling interests	<u>77</u>	<u>7</u>
Total comprehensive income for the period	<u>86,201</u>	<u>(8,760)</u>

The notes on pages 13 to 28 form an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30th June 2025

	Attributable to owners of the Company				Non-controlling interests	Total equity
	Share capital	Other reserves	Retained earnings	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1st January 2024 (audited)	1,101,358	241,141	3,062,265	4,404,764	–	4,404,764
Profit for the period	–	–	58,233	58,233	7	58,240
Other comprehensive income	–	(67,000)	–	(67,000)	–	(67,000)
Total comprehensive income for the period	–	(67,000)	58,233	(8,767)	7	(8,760)
Transactions						
Dividend relating to 2023	–	–	(38,954)	(38,954)	–	(38,954)
Contribution from non-controlling shareholder of a subsidiary	–	–	–	–	2,140	2,140
Total transactions	–	–	(38,954)	(38,954)	2,140	(36,814)
Balance at 30th June 2024 (unaudited)	1,101,358	174,141	3,081,544	4,357,043	2,147	4,359,190
Balance at 1st January 2025 (audited)	1,101,358	149,021	3,096,776	4,347,155	2,128	4,349,283
(Loss)/profit for the period	–	–	(3,960)	(3,960)	16	(3,944)
Other comprehensive income	–	90,084	–	90,084	61	90,145
Total comprehensive income for the period	–	90,084	(3,960)	86,124	77	86,201
Balance at 30th June 2025 (unaudited)	1,101,358	239,105	3,092,816	4,433,279	2,205	4,435,484

The notes on pages 13 to 28 form an integral part of this interim condensed consolidated financial information.

INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT*For the six months ended 30th June 2025*

		Unaudited Six months ended 30th June 2025	30th June 2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Cash flows from operating activities			
Cash generated from operations		99,069	86,342
Interest paid		(800)	(885)
Income tax paid		(6,974)	(8,080)
		<hr/>	<hr/>
Net cash generated from operating activities		91,295	77,377
		<hr style="border-top: 1px dashed;"/>	<hr style="border-top: 1px dashed;"/>
Cash flows from investing activities			
Additions to investment properties	6	(3,833)	(4,265)
Purchases of property, plant and equipment	6	(31,703)	(27,443)
Proceeds from disposals of property, plant and equipment		135	115
Addition to financial assets at fair value through other comprehensive income		(2,071)	–
Decrease in restricted cash		732	8,894
Increase in bank deposits with maturity over 3 months		(175,931)	(88,078)
Interest received		13,794	14,891
		<hr/>	<hr/>
Net cash used in investing activities		(198,877)	(95,886)
		<hr style="border-top: 1px dashed;"/>	<hr style="border-top: 1px dashed;"/>
Cash flows from financing activities			
Principal elements of lease payments		(9,969)	(10,798)
Dividends paid to owners of the Company		–	(38,954)
Contribution from non-controlling interests of a subsidiary		–	2,140
		<hr/>	<hr/>
Net cash used in financing activities		(9,969)	(47,612)
		<hr style="border-top: 1px dashed;"/>	<hr style="border-top: 1px dashed;"/>
Net decrease in cash and cash equivalents		(117,551)	(66,121)
Cash and cash equivalents at 1st January		316,392	357,099
Effect of foreign exchange rate changes		7,109	(15,663)
		<hr/>	<hr/>
Cash and cash equivalents at 30th June		<u>205,950</u>	<u>275,315</u>

The notes on pages 13 to 28 form an integral part of this interim condensed consolidated financial information.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

1 General information

Goldlion Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) distribute and manufacture garments, leather goods and accessories, license the brand name, and hold and develop properties for investment and development purposes.

The Company is a limited liability company incorporated in Hong Kong. The address of its registered office is 7th floor, Goldlion Holdings Centre, 13–15 Yuen Shun Circuit, Siu Lek Yuen, Shatin, New Territories, Hong Kong.

The Company is listed on The Stock Exchange of Hong Kong Limited.

This interim condensed consolidated financial information is presented in Hong Kong dollars, unless otherwise stated. This interim condensed consolidated financial information was approved for issue by the Board of Directors on 14th August 2025.

This interim condensed consolidated financial information has not been audited.

The financial information relating to the year ended 31st December 2024 that is included in the interim condensed consolidated financial information for the six months ended 30th June 2025 as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31st December 2024 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; but include a reference to a matter to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

(continued)

2 *Basis of preparation*

This interim condensed consolidated financial information for the six months ended 30th June 2025 has been prepared in accordance with Hong Kong Accounting Standards (“HKAS”) 34 “Interim financial reporting”. The interim condensed consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31st December 2024, which were prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”).

The accounting policies applied by the Group are consistent with those of the annual financial statements for the year ended 31st December 2024, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(a) The amended standards effective in 2025 but not relevant to the Group:

HKAS 21 and HKFRS 1 (Amendments)	Lack of exchangeability
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The above amended standards did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current or future periods.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

(continued)

2 *Basis of preparation (continued)*

- (b) The following new and amended standards and interpretation have been issued but are not effective for the financial year beginning on 1st January 2025 and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 (Amendments)	Annual Improvements to HKFRS Accounting Standards – Volume 11	1st January 2026
HKFRS 9 and HKFRS 7 (Amendments)	Classification and measurement of financial instruments	1st January 2026
HKFRS 9 and HKFRS 7 (Amendments)	Contracts Referencing Nature – dependent Electricity	1st January 2026
HKFRS 10 and HKAS 28 (Amendments)	Sale or contribution of assets between an investor and its associate or joint venture	Not yet established
HKFRS 18	Presentation and disclosure in financial statements	1st January 2027
HKFRS 19	Subsidiaries without public accountability: Disclosures	1st January 2027
HK (IFRIC) – Int 5 (Amendments)	Presentation of financial statements – Classification by the borrower of a term loan that contains a repayment on demand clause	1st January 2027

The above new and amended standards and interpretation are not expected to have a material impact on the condensed consolidated financial statements of the Group.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

(continued)

3 *Financial risk management*

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow interest rate risk), credit risk, and liquidity risk.

The interim condensed consolidated financial information does 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 annual financial statements as at 31st December 2024.

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

4 *Critical accounting estimates and judgments*

The preparation of interim financial information requires management to make judgments, 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 information, the significant judgments 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 31st December 2024.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION*(continued)***5 Operating segments**

	Six months ended	
	30th June 2025	30th June 2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue recognized under HKFRS 15		
Sales of goods	335,005	439,332
Sales of properties	27,987	28,334
Building management fees	19,670	20,560
Licensing income	31,659	40,356
Sales of electricity	788	380
	<hr/>	<hr/>
	415,109	528,962
Revenue recognized under other accounting standards		
Rental income from investment properties	72,002	74,299
	<hr/>	<hr/>
	<u>487,111</u>	<u>603,261</u>
Timing of revenue recognition under HKFRS 15		
At a point in time	362,992	467,666
Over time	52,117	61,296
	<hr/>	<hr/>
	<u>415,109</u>	<u>528,962</u>

The Group reports the result of its operating segments based on the internal reports reviewed by the chief operating decision maker that are used to make strategic decisions.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

(continued)

5 Operating segments (continued)

The Group has three main reportable segments. The segments are managed separately as each business offers different products and services and requires different marketing strategies. The following summary describes the operations of each of the Group's reportable segments:

- 1) Apparel in China Mainland and Hong Kong SAR – Distribution and manufacturing of garments, leather goods and accessories and licensing of brand name in China Mainland and Hong Kong SAR;
- 2) Apparel in Singapore – Distribution of garments, leather goods and accessories in Singapore;
- 3) Property investment and development – Investment in and development of properties in China Mainland, Hong Kong SAR and Singapore.

An analysis of the Group's reportable segment (loss)/profit before income tax and other selected financial information for the period by operating segment is as follows:

Six months ended 30th June 2025					
	Apparel in China Mainland and Hong Kong SAR	Apparel in Singapore	Property investment and development	Other and Eliminations	Group
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Turnover	349,583	17,081	119,659	788	487,111
Inter-segment sales	518	–	5,835	(6,353)	–
	350,101	17,081	125,494	(5,565)	487,111
Segment results	(16,333)	(3,461)	31,223	548	11,977
Unallocated costs					(14,533)
Loss before income tax					(2,556)
Income tax expense					(1,388)
Loss for the period					(3,944)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION*(continued)***5 Operating segments (continued)**

	Six months ended 30th June 2024				
	Apparel in China Mainland and Hong Kong SAR HK\$'000	Apparel in Singapore HK\$'000	Property investment and development HK\$'000	Eliminations HK\$'000	Group HK\$'000
Turnover	461,153	18,535	123,193	380	603,261
Inter-segment sales	334	–	5,850	(6,184)	–
	461,487	18,535	129,043	(5,804)	603,261
Segment results	46,904	(2,337)	41,185	14	85,766
Unallocated costs					(17,627)
Profit before income tax					68,139
Income tax expense					(9,899)
Profit for the period					58,240

Central costs (mainly costs of support functions that centrally provide services to all of the operating segments) are included as unallocated costs. Taxation charge is not allocated to reportable segments.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

(continued)

6 Capital expenditure

	Property, plant and equipment <i>HK\$'000</i>	Investment properties <i>HK\$'000</i>	Total <i>HK\$'000</i>
Opening net book amount as at 1st January 2024	181,107	2,686,658	2,867,765
Additions	27,443	4,265	31,708
Disposals	(170)	–	(170)
Transfer	(1,350)	11,141	9,791
Depreciation (<i>note 14</i>)	(14,646)	–	(14,646)
Impairment loss (<i>note 14</i>)	(227)	–	(227)
Fair value losses (<i>note 13</i>)	–	(19,818)	(19,818)
Exchange differences	(2,408)	(40,397)	(42,805)
Closing net book amount as at 30th June 2024	<u>189,749</u>	<u>2,641,849</u>	<u>2,831,598</u>
Opening net book amount as at 1st January 2025	211,196	2,604,529	2,815,725
Additions	31,703	3,833	35,536
Disposals	(55)	–	(55)
Transfer	(12,135)	31,392	19,257
Depreciation (<i>note 14</i>)	(18,361)	–	(18,361)
Impairment loss (<i>note 14</i>)	(120)	–	(120)
Fair value losses (<i>note 13</i>)	–	(22,953)	(22,953)
Exchange differences	3,560	41,205	44,765
Closing net book amount as at 30th June 2025	<u>215,788</u>	<u>2,658,006</u>	<u>2,873,794</u>

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION*(continued)***7 Property under development**

The Group's interests in property under development are analyzed as follows:

	As at 30th June 2025	As at 31st December 2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Land use rights	—	52,759
Development costs	—	111,871
	<u>—</u>	<u>164,630</u>
	<u>—</u>	<u>164,630</u>

The property under development is located in Meixian Area, China Mainland, which is completed during the period. Under the Land Use Rights Grant Contract entered between the Meixian Bureau of Land and the Group on 24th January 2014, the delay in commencing and completion of construction works of the project after 18th June 2014 and 24th January 2017 respectively may be subject to a penalty. After taking into account of an independent legal advice, the Directors are of the view that the imposition of a penalty by the relevant authority is remote.

The amount of property under development expected to be completed and realized within the Group's normal operating cycle as at 31st December 2024 was HK\$164,630,000.

8 Completed properties

	As at 30th June 2025	As at 31st December 2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Completed properties	774,482	590,795
	<u>774,482</u>	<u>590,795</u>

The completed properties are located in Meixian Area, China Mainland. Completed properties are initially measured at the carrying amount of property at the date of reclassification from property under development.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

(continued)

9 Trade receivables

The Group's sales are on cash on delivery or credit terms ranging from 30 days to 180 days after delivery. The ageing of the trade receivables based on invoice date is as follows:

	As at 30th June 2025	As at 31st December 2024
	HK\$'000	HK\$'000
1–30 days	30,570	63,291
31–90 days	9,256	16,605
Over 90 days	13,638	9,396
Trade receivables	53,464	89,292
Less: provision for impairment of trade receivables	(1,094)	(623)
Trade receivables – net	52,370	88,669

10 Prepayments, deposits and other receivables

	As at 30th June 2025	As at 31st December 2024
	HK\$'000	HK\$'000
Purchase deposits	5,220	2,812
Prepayments	9,534	8,764
General deposits	15,851	14,144
Interest receivable	9,144	10,546
VAT recoverable	16,253	13,131
Others	7,817	3,174
Total of prepayments, deposits and other receivables	63,819	52,571

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION*(continued)***11 Share capital**

	2025		2024	
	Number of shares	Share capital	Number of shares	Share capital
	(thousands)	HK\$'000	(thousands)	HK\$'000
Ordinary shares, issued and fully paid: At 1st January and 30th June	973,844	1,101,358	973,844	1,101,358

12 Trade payables

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

	As at 30th June 2025	As at 31st December 2024
	HK\$'000	HK\$'000
1–30 days	8,532	31,690
31–90 days	7,687	14,645
Over 90 days	675	3,222
	16,894	49,557

13 Other losses

	Six months ended 30th June 2025	30th June 2024
	HK\$'000	HK\$'000
Fair value losses on investment properties (<i>note 6</i>)	22,953	19,818

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

(continued)

14 Expenses by nature

	Six months ended	
	30th June 2025	30th June 2024
	HK\$'000	HK\$'000
Cost of inventories sold	147,454	189,561
Cost of properties sold	23,179	21,079
Provision for impairment of inventories	8,501	12,350
Direct operating expenses arising from investment properties that generated rental income	18,239	17,596
Expenses relating to short-term leases and variable lease payments	33,672	42,036
Depreciation of property, plant and equipment (note 6)	18,361	14,646
Depreciation of right-of-use assets	11,190	10,528
Impairment of right-of-use assets	4,600	2,245
Impairment of property, plant and equipment (note 6)	120	227
Provision/(reversal of provision) for impairment of trade receivables, net	471	(10)
Staff costs including directors' emoluments	111,454	111,862
Advertising and promotion expenses	43,162	38,424
Other expenses	57,903	66,975
	<u>478,306</u>	<u>527,519</u>
Representing:		
Cost of sales	198,157	241,390
Selling and marketing costs	205,734	207,764
Administrative expenses	74,415	78,365
	<u>478,306</u>	<u>527,519</u>

15 Income tax expense

Hong Kong profits tax has not been provided for as the Group's estimated assessable profit for the period are set off by tax loss carried forward from prior years (2024: same).

Taxation on profits generated in the PRC has been calculated on the estimated assessable profit for the period at the rate of 25% (2024: 25%). For subsidiaries that qualify for the inclusive tax reduction policy for small and micro enterprises, in accordance with the existing policy of the PRC, taxation on profits generated in the PRC has been calculated at a preferential rate of 5% (2024: 5%). Taxation on profits outside Hong Kong and the PRC has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION*(continued)***15 Income tax expense (continued)**

The amount of income tax charged to the interim condensed consolidated income statement represents:

	Six months ended 30th June 2025 HK\$'000	30th June 2024 HK\$'000
Current tax		
– PRC enterprise income tax	9,803	10,882
Deferred income tax	(8,415)	(983)
	<u>1,388</u>	<u>9,899</u>
Total income tax expense		

16 Dividend

	Six months ended 30th June 2025 HK\$'000	30th June 2024 HK\$'000
Interim dividend of 1.0 HK cent (2024: 2.0 HK cents) per ordinary share	<u>9,738</u>	<u>19,477</u>

No final dividend for the year ended 31st December 2024 was paid during the period (2023 Final: The final dividend for the year ended 31st December 2023 of 4.0 HK cents per ordinary share, totalling HK\$38,954,000 was paid in June 2024).

At a meeting held on 14th August 2025, the Directors declared an interim dividend of 1.0 HK cent per share. This interim dividend has not been reflected as a dividend payable in the interim condensed consolidated financial information but will be reflected as an appropriation of retained earnings for the year ending 31st December 2025.

17 (Loss)/earnings per share

The calculation of (loss)/earnings per share is based on loss attributable to owners of the Company of HK\$3,960,000 (six months ended 30th June 2024: Profit of HK\$58,233,000) and the number of ordinary shares in issue of 973,844,035 (six months ended 30th June 2024: 973,844,035) during the period.

Diluted (loss)/earnings per share equals basic (loss)/earnings per share as there were no potential dilutive ordinary shares in issue during the six months ended 30th June 2025 and 2024.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

(continued)

18 Commitments

(a) Capital commitments

	As at 30th June 2025	As at 31st December 2024
	HK\$'000	HK\$'000
Property, plant and equipment Contracted but not provided for	17,136	14,706
Investment properties Contracted but not provided for	2,028	4,261

(b) Commitments for property development expenditure and land use rights

	As at 30th June 2025	As at 31st December 2024
	HK\$'000	HK\$'000
Contracted but not provided for	—	366
Authorized but not contracted for	—	21,000
	—	21,366

(c) Future aggregate minimum lease payments receivable under non-cancellable leases

	As at 30th June 2025	As at 31st December 2024
	HK\$'000	HK\$'000
Rental receivables		
– not later than one year	122,552	126,279
– later than one year and not later than five years	158,143	146,088
– later than five years	4,077	4,758
	284,772	277,125

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

(continued)

19 Guarantees of mortgage facilities

	As at 30th June 2025	As at 31st December 2024
	HK\$'000	HK\$'000
Guarantees in respect of mortgage facilities for certain property buyers	<u>3,991</u>	<u>3,981</u>

These represented the guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain buyers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these buyers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted buyers to the banks and the Group is entitled to retain the legal title and take over the possession of the related properties. The above guarantees are to be discharged upon the earlier of (i) the banks received the corresponding real estate ownership certificates as custody; or (ii) the satisfaction of mortgaged loans by the property buyers.

The Directors of the Company consider that in case of default in payments, the net realizable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty. Therefore, no provision has been made in the financial statements for the guarantees.

20 Related party transactions

The Directors considered the immediate parent company and the ultimate parent company to be Top Grade Holdings Limited and Hin Chi Family Management Limited, which are incorporated in the British Virgin Islands and Hong Kong respectively. Top Grade Holdings Limited is interested in 62.95% of the Company's issued shares. Hin Chi Family Management Limited, as trustee of the Tsang Hin Chi (2007) Family Settlement, held all of the issued share capital of Top Grade Holdings Limited. The Company is ultimately controlled by the Tsang Family (comprising Mr. Tsang Chi Ming, Ricky, and the spouse and other direct descendants of the late Dr. Tsang Hin Chi) which, together with 0.14% of the Company's issued shares held by Mr. Tsang Chi Ming, Ricky personally, and 5.53% of the Company's issued shares held by Tsang Hin Chi Charities (Management) Limited, collectively controlled approximately 68.62% of the Company's issued shares. The remaining 31.38% of the issued shares are widely held.

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION

(continued)

20 Related party transactions (continued)

The following transactions were carried out with related parties:

	Six months ended 30th June 2025	30th June 2024
	HK\$'000	HK\$'000
(a) Purchases of services		
Professional fees paid to a related company (note)	160	160

Note:

Equitas Capital Limited acted as financial advisor to the Group for which professional fees of HK\$160,000 (six months ended 30th June 2024: HK\$160,000) was paid by the Company during the period. Mr. Ng Ming Wah, Charles, a non-executive Director of the Company, is the managing director and the principal shareholder of Equitas Capital Limited.

(b) Period-end balances arising from purchases of services

	As at 30th June 2025	As at 30th June 2024
	HK\$'000	HK\$'000
Accruals		
– Equitas Capital Limited	160	160

(c) Key management compensation

Key management compensation amounted to HK\$9,966,000 for the six months ended 30th June 2025 (six months ended 30th June 2024: HK\$11,840,000).

SUPPLEMENTARY INFORMATION***INTERIM DIVIDEND***

The Directors have recommended the payment of an interim dividend of 1.0 HK cent per share (2024: 2.0 HK cents per share) for the year ending 31st December 2025, totalling HK\$9,738,000 (2024: HK\$19,477,000), which is expected to be payable on or about 17th September 2025 to shareholders whose names appear on the Register of Members as at 5th September 2025.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining shareholders' entitlement to the proposed dividend, the Register of Members of the Company will be closed on 4th September 2025 and 5th September 2025 (two days), during which period no transfer of shares will be registered.

In order to qualify for the above-mentioned interim dividend, all transfers accompanied by the relevant share certificates must be lodged by 4:30 p.m. on Wednesday, 3rd September 2025 with the Company's Registrars, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company did not redeem any of its shares during the period. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the period.

SUPPLEMENTARY INFORMATION *(continued)****DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION***

At 30th June 2025, the interests and short positions of each Director and Chief Executive in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of the Securities and Futures Ordinance (the “SFO”)), as recorded in the register required to be kept by the Company under section 352 of Part XV 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”) contained in the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), were as follows:

Ordinary shares of the Company at 30th June 2025

Director		Number of shares held			Percentage to total issued share capital
		Personal interests	Other interests (note)	Total	
Tsang Chi Ming, Ricky	Long positions	1,404,000	613,034,750	614,438,750	63.09%
	Short positions	—	—	—	—

Note: The shareholding disclosed by Mr. Tsang Chi Ming, Ricky under the heading “Other interests” in the above table refer to the same shares which were held by Hin Chi Family Management Limited (being trustee of the Tsang Hin Chi (2007) Family Settlement) as disclosed in the paragraph headed “Substantial shareholders” below.

Other than those interests and short positions disclosed above, (a) the Directors and the Chief Executive also hold shares of certain subsidiaries in trust for the Company solely for the purpose of ensuring that the relevant subsidiary has more than one member; (b) 1 share and 450,000 shares of the non-voting deferred shares of Goldlion (Far East) Limited (which ordinary shares are wholly owned by the Group) were held by Mr. Tsang Chi Ming, Ricky and Hin Chi Family Management Limited (as trustee of The Tsang Hin Chi (2007) Family Settlement) respectively. Mr. Tsang Chi Ming, Ricky is a discretionary beneficiary of the said trust and is deemed to be interested in such 450,000 shares held by Hin Chi Family Management Limited. Non-voting deferred shares of Goldlion (Far East) Limited do not entitle the holders to receive notice of or to attend vote at its general meeting, and to participate in the distribution of its profit.

Save as disclosed above, as at 30th June 2025, none of the Directors and the Chief Executive of the Company has or is deemed to have any interest or short position in the shares, underlying shares and debentures of the Company, its specified undertakings and its other associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company pursuant to section 352 of the SFO, or as notified to the Company and the Stock Exchange pursuant to the Model Code.

SUPPLEMENTARY INFORMATION *(continued)****DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION*** *(continued)*

Save as disclosed above, at no time during the six months ended 30th June 2025 was the Company, its subsidiaries or its other associated corporations a party to any arrangements to enable the Directors and the Chief Executive of the Company (including their spouses and children under the age of 18) to acquire benefits by means of the acquisition of shares or underlying shares in or debentures of the Company or its specified undertakings or other associated corporation.

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

The register of substantial shareholders maintained under section 336 of Part XV of the SFO shows that as at 30th June 2025, the Company has been notified of the following substantial shareholders' interests and short positions, being 5% or more of the Company's issued share capital. These interests are in addition to those disclosed above in respect of the Directors and the Chief Executive.

Name of holder of securities	Type of securities		Number of shares held	Percentage to
				total issued share capital
Hin Chi Family Management Limited <i>(Note 1)</i>	Ordinary shares	Long positions	613,034,750	62.95%
		Short positions	–	–
Top Grade Holdings Limited <i>(Note 1)</i>	Ordinary shares	Long positions	613,034,750	62.95%
		Short positions	–	–
Silver Disk Limited <i>(Note 1)</i>	Ordinary shares	Long positions	160,616,000	16.49%
		Short positions	–	–
Tsang Hin Chi Charities (Management) Limited <i>(Note 2)</i>	Ordinary shares	Long positions	53,880,750	5.53%
		Short positions	–	–
FMR LLC	Ordinary shares	Long positions	53,160,331	5.46%
		Short positions	–	–

Note:

- Hin Chi Family Management Limited as trustee of the Tsang Hin Chi (2007) Family Settlement, held all of the issued share capital of Top Grade Holdings Limited ("Top Grade"). Top Grade was deemed to be interested in a total of 613,034,750 shares, comprising 407,418,750 shares held by it, 160,616,000 shares held by Silver Disk Limited ("Silver Disk") and 45,000,000 shares held by Keysonic Development Limited ("Keysonic"). Each of Silver Disk and Keysonic is a wholly-owned subsidiary of Top Grade.
- Tsang Hin Chi Charities (Management) Limited as trustee of The Tsang Hin Chi Charitable Foundation (a charitable trust granted tax exemption under section 88 of the Inland Revenue Ordinance, which is controlled by Mr. Tsang Chi Ming, Ricky) held 53,880,750 shares in the Company.

SUPPLEMENTARY INFORMATION *(continued)*

CORPORATE GOVERNANCE

The Company has complied with the Code Provisions in the Corporate Governance Code as set out in Appendix C1 of the Listing Rules on the Stock Exchange for the six months ended 30th June 2025. In respect of Code Provision C.2.1, the positions of the Chairman of the Board and the Chief Executive Officer are held by the same individual, namely, Mr. Tsang Chi Ming, Ricky. The Board believes that holding the positions of both Chairman and Chief Executive Officer by Mr. Tsang Chi Ming, Ricky provides the Group with more effective planning and execution of long-term business strategies and enhances efficiency in decision-making. The Board also believes that an effective corporate governance structure of the Group has been in place to ensure an appropriate monitoring of Management.

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules. During the six months ended 30th June 2025, all the Directors have complied with the relevant requirements under the Model Code regarding their dealing in the securities of the Company.

AUDIT COMMITTEE

The Company has formed an Audit Committee to review and supervise the financial reporting process, risk management and internal control procedures of the Group. As at the date of this report, the Audit Committee has four members comprising Mr. Li Ka Fai, David (Chairman), Ms. Lo Wing Sze and Mr. Chan Kwong Ming, Johnny, all of them being independent non-executive Directors, and Mr. Ng Ming Wah, Charles, being a non-executive Director of the Company.

REVIEW OF FINANCIAL INFORMATION

The Audit Committee has reviewed the Group's unaudited interim financial information for the six months ended 30th June 2025. At the request of the Board of Directors, the Company's external auditor, PricewaterhouseCoopers, has carried out a review of this unaudited interim financial information in accordance with Hong Kong Standard on Review Engagements 2410 issued by the Hong Kong Institute of Certified Public Accountants.

BOARD OF DIRECTORS

As at the date of this report, the Directors of the Company comprise Mr. Tsang Chi Ming, Ricky (Chairman and Chief Executive Officer) as an executive Director; Mr. Ng Ming Wah, Charles as a non-executive Director; and Mr. Li Ka Fai, David, Ms. Lo Wing Sze and Mr. Chan Kwong Ming, Johnny as independent non-executive Directors.



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