



米 蘭 站 控 股 有 限 公 司
MILAN STATION HOLDINGS LIMITED

(Incorporated in Cayman Islands with limited liability)

STOCK CODE : 1150

INTERIM REPORT 2025 中期報告

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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Hu Bo
Ms. Ji Guiping

Independent Non-executive Directors

Mr. Chan Chi Hung
Mr. Tou Kin Chuen
Mr. Choi Kam Yan, Simon

AUDIT COMMITTEE

Mr. Tou Kin Chuen
(Chairman of audit committee)
Mr. Chan Chi Hung
Mr. Choi Kam Yan, Simon

REMUNERATION COMMITTEE

Mr. Tou Kin Chuen
(Chairman of remuneration committee)
Mr. Chan Chi Hung
Mr. Hu Bo

NOMINATION COMMITTEE

Mr. Hu Bo
(Chairman of nomination committee)
Mr. Chan Chi Hung
Mr. Tou Kin Chuen

AUDITOR

McMillan Woods (Hong Kong) CPA Limited
24/F., Siu On Centre,
188 Lockhart Road, Wanchai,
Hong Kong

COMPANY SECRETARY

Ms. Tam Tsz Yan

AUTHORISED REPRESENTATIVES

Mr. Hu Bo
Ms. Tam Tsz Yan

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 13, 6/F, Block A
Hong Kong Industrial Centre,
489-491 Castle Peak Road
Kowloon, Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Suntera (Cayman) Limited
Suite 3204, Unit 2A,
Block 3, Building D,
P.O. Box 1586, Gardenia Court
Camana Bay,
Grand Cayman, KY1-1100,
Cayman Islands

Corporate Information

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited
Shops 1712-1716
17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

COMPANY'S WEBSITE

www.milanstation.com.hk

STOCK CODE

1150

PRINCIPAL BANKERS

HONG KONG

OCBC Wing Hang Bank Limited
DBS Bank (Hong Kong) Limited
China Construction Bank (Asia) Corporation Limited

Condensed Consolidated Statement of Profit or Loss

UNAUDITED INTERIM RESULTS

The board (the “Board”) of directors (the “Directors”) of Milan Station Holdings Limited (the “Company”) presents the unaudited condensed consolidated interim financial results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 June 2025 (the “Period”) together with the comparative unaudited figures for the corresponding period in 2024 and the relevant explanatory notes as set out below. The interim results for the Period are unaudited, but have been reviewed by the audit committee of the Company (the “Audit Committee”).

		For the six months ended 30 June	
	Note	2025 (Unaudited) HK\$'000	2024 (Unaudited) HK\$'000
Revenue	4	50,057	63,159
Cost of sales		(44,314)	(59,105)
Gross profit		5,743	4,054
Other income and other gains	4	729	3,676
Loss on fair value change of financial assets at fair value through profit or loss		(1,878)	(11,341)
Selling expenses		(7,983)	(10,010)
Administrative and other operating expenses		(6,810)	(7,159)
Loss from operations		(10,199)	(20,780)
Finance costs	5	(695)	(741)
Loss before tax	6	(10,894)	(21,521)
Income tax expense	7	(129)	–
Loss for the period		(11,023)	(21,521)
Loss for the period attributable to:			
Owners of the Company		(11,023)	(21,521)
Loss per share			
– Basic	8	HK(1.04) cents	HK(2.44) cents
– Diluted	8	HK(1.04) cents	HK(2.44) cents

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	For the six months ended 30 June	
	2025	2024
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Loss for the period	(11,023)	(21,521)
Other comprehensive loss, net of tax:		
Item that may be reclassified to profit or loss in subsequent periods:		
Exchange differences arising on translation of foreign operations	(1)	316
Total comprehensive loss for the period	(11,024)	(21,205)
Total comprehensive loss for the period attributable to:		
Owners of the Company	(11,024)	(21,205)

Condensed Consolidated Statement of Financial Position

	Note	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Non-current assets			
Property, plant and equipment	10	1,028	294
Right-of-use assets	11	7,937	4,878
Deposits		2,008	2,408
		10,973	7,580
Current assets			
Inventories		30,258	37,757
Trade receivables	12	1,784	2,182
Loan receivables	13	2,077	3,655
Prepayments, deposits and other receivables		6,086	6,167
Financial assets at fair value through profit or loss		32,235	35,014
Cash and banks balances		9,447	11,249
Income tax recoverable		93	93
		81,980	96,117
Current liabilities			
Trade and other payables	14	10,933	12,120
Contract liabilities		–	12
Lease liabilities		6,555	7,053
Income tax liabilities		278	278
		17,766	19,463
Net current assets		64,214	76,654
Total assets less current liabilities		75,187	84,234
Non-current liabilities			
Provisions		272	272
Bond payables		6,891	7,131
Lease liabilities		6,812	4,595
		13,975	11,998
NET ASSETS		61,212	72,236
CAPITAL AND RESERVES			
Equity attributable to owners of the Company			
Share capital	15	42,277	42,277
Reserves		18,935	29,959
TOTAL EQUITY		61,212	72,236

Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the Company								
	Issued capital	Share premium account	Capital reserve	Merger reserve	Statutory reserve fund	Exchange reserve	Share option reserve	Accumulated losses	Total equity
	HK\$'000	HK\$'000 (note a)	HK\$'000 (note b)	HK\$'000 (note c)	HK\$'000 (note d)	HK\$'000	HK\$'000 (note e)	HK\$'000	HK\$'000
At 1 January 2025 (audited)	42,277	271,741	10	(23,782)	–	527	–	(218,537)	72,236
Exchange differences arising on translation of foreign operations	–	–	–	–	–	(1)	–	–	(1)
Loss for the Period	–	–	–	–	–	–	–	(11,023)	(11,023)
Total comprehensive income for the period	–	–	–	–	–	(1)	–	(11,023)	(11,024)
At 30 June 2025 (unaudited)	42,277	271,741	10	(23,782)	–	526	–	(229,560)	61,212

	Attributable to owners of the Company								
	Issued capital	Share premium account	Capital reserve	Merger reserve	Statutory reserve fund	Exchange reserve	Share option reserve	Accumulated losses	Total equity
	HK\$'000	HK\$'000 (note a)	HK\$'000 (note b)	HK\$'000 (note c)	HK\$'000 (note d)	HK\$'000	HK\$'000 (note e)	HK\$'000	HK\$'000
At 1 January 2024 (audited)	35,231	265,050	10	(23,782)	30	487	6,056	(198,264)	84,818
Exchange differences arising on translation of foreign operations	–	–	–	–	–	316	–	–	316
Loss for the period	–	–	–	–	–	–	–	(21,521)	(21,521)
Total comprehensive income for the period	–	–	–	–	–	316	–	(21,521)	(21,205)
Lapsed share options	–	–	–	–	–	–	(6,056)	6,056	–
Deregistration of a subsidiary	–	–	–	–	(30)	–	–	30	–
At 30 June 2024 (unaudited)	35,231	265,050	10	(23,782)	–	803	–	(213,699)	63,613

Notes:

- (a) The share premium account of the Group includes: (i) the premium arising from the issue of new shares in prior years; (ii) the expense incurred in connection with issuance of new shares in prior years; (iii) dividends declared and paid in prior years; and (iv) amount transferred from share-based compensation reserve upon exercise of share options.
- (b) The capital reserve represents the difference between the nominal value of shares of the subsidiaries acquired pursuant to the group reorganisation on 28 April 2011 and the nominal value of the ordinary shares of a subsidiary of the Company in exchange therefor.
- (c) The merger reserve represents the excess of the consideration for acquiring subsidiaries over the nominal value of the paid-up capital of the subsidiaries acquired.
- (d) In accordance with the Company Law of the People's Republic of China (the "PRC"), the Company's subsidiaries registered in the PRC are required to appropriate 10% of the annual statutory net profit after tax (after offsetting any prior years' losses) to the statutory reserve fund. When the balance of the statutory reserve fund reaches 50% of the subsidiaries' registered capital, any further appropriation is optional. The statutory reserve fund can be utilised to offset prior years' losses or to increase the registered capital. However, such balance of the statutory reserve fund must be maintained at a minimum of 50% of the registered capital after such usages.
- (e) The share option reserve relates to share options granted to the Directors and employees under the Company's share option scheme.

Condensed Consolidated Statement of Cash Flows

	For the six months ended 30 June	
	2025	2024
	(Unaudited) HK\$'000	(Unaudited) HK\$'000
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES	5,277	3,402
NET CASH FLOWS USED IN INVESTING ACTIVITIES	(1,196)	(233)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(5,888)	(4,640)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,807)	(1,471)
Cash and cash equivalents at beginning of the period	11,249	10,337
Effect of foreign exchange rates, net	5	232
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	9,447	9,098
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	9,447	9,098

Notes to Condensed Consolidated Interim Financial Statements

1. CORPORATE INFORMATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 1 November 2007. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its head office and principal place of business in Hong Kong is located at Room 13, 6/F, Block A, Hong Kong Industrial Centre, 489-491 Castle Peak Road, Kowloon, Hong Kong.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries of the Company are retailing of handbags, fashion accessories and embellishments. There were no significant changes in the nature of the Group's principal activities during the Period.

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements (the "Interim Financial Statements") have been prepared in accordance with the applicable disclosure requirements of the Rules (the "Listing Rules") Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") and with Hong Kong Accounting Standard (the "HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The Group's interim unaudited condensed consolidated financial statements should be read in conjunction with its annual audited consolidated financial statements for the year ended 31 December 2024 and have been prepared under the historical cost convention, except for certain financial instruments that are measured at fair values. The principal accounting policies (including the significant judgements made by management in applying the Group's accounting policies and the key sources of elimination uncertainty) and methods of computation used in the preparation of these unaudited condensed consolidated financial statements are consistent with those used in the annual audited consolidated financial statements for the year ended 31 December 2024 except for the new and revised HKFRS Accounting Standards, amendments and interpretations issued by the HKICPA that are adopted for the first time for the Period.

During the Period, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 January 2025. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards ("HKFRS"), Hong Kong Accounting Standards, and Interpretations. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's unaudited condensed consolidated financial statements and amounts reported for the current and prior accounting periods.

The Group has not early applied new and revised HKFRS Accounting Standards that have been issued but are not yet effective for the financial period beginning on 1 January 2025. The Directors anticipate that the new and revised HKFRS Accounting Standards will be adopted in the Group's unaudited condensed consolidated financial statements when they become effective. The Group is in the process of assessing, where applicable, the potential effect of all the new and revised HKFRS Accounting Standards that will be effective in future periods but is not yet in a position to state whether these new and revised HKFRS Accounting Standards would have a material impact on its results of operations and financial position.

The Interim Financial Statements are presented in Hong Kong dollar ("HK\$") and all are rounded to the nearest thousand except for otherwise indicated. The Group's Interim Financial Statements have been reviewed by the Audit Committee of the Company.

Notes to Condensed Consolidated Interim Financial Statements

3. OPERATING SEGMENT INFORMATION

The board of directors is the chief operating decision maker. The Group's principal activity is the retail of handbags and fashion accessories. Since it is the only operating segment of the Group for the purpose of resource allocation and assessment focus on revenue analysis by products, no further analysis thereof is presented. Since the Group's revenue is principally derived from sales of goods in Hong Kong, and the Group's location of the non-current assets are principally located in Hong Kong, only entity-wide disclosure are presented accordingly.

Information about major customers

No customer of the Group has individually accounted for 10% or more of the Group's total revenue during the six months ended 30 June 2025 and 2024 and thus no information about major customers is presented accordingly.

4. REVENUE, OTHER INCOME AND OTHER GAINS

Revenue represents the net invoiced value of goods sold. An analysis of revenue, other income and other gains is as follows:

For the six months ended 30 June	
2025	2024
(Unaudited) HK\$'000	(Unaudited) HK\$'000
Revenue	
Revenue from contracts with customers within the scope of HKFRS 15:	
Disaggregation of revenue from contracts with customers recognise at a point in time by major products for the period as follow:	
Sales of handbags	62,558
Sales of fashion accessories	601
49,657	
400	
50,057	63,159
Other income and other gains	
<i>Other income</i>	
Interest income	11
Interest income on loan receivables	154
Others	611
3	
223	
503	
<i>Other gains</i>	
Gain on disposal of a subsidiary	2,900
–	
729	3,676

Notes to Condensed Consolidated Interim Financial Statements

5. FINANCE COSTS

For the six months ended 30 June	
2025	2024
(Unaudited)	(Unaudited)
HK\$'000	HK\$'000
Imputed interest expenses on bond payables	320
Interest expenses on lease liabilities	421
695	741

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

For the six months ended 30 June	
2025	2024
(Unaudited)	(Unaudited)
HK\$'000	HK\$'000
(a) Employee benefit expenses (including directors' emoluments)	
Salaries, wages and other benefits	4,641
Pension scheme contributions	166
3,793	4,807
(b) Other items	
Cost of inventories sold	59,105
Depreciation	
– property, plant and equipment	1,010
– right-of-use assets	4,275
44,314	64,390

Notes to Condensed Consolidated Interim Financial Statements

7. INCOME TAX EXPENSE

	For the six months ended 30 June	
	2025	2024
	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Hong Kong Profits Tax		
– Underprovision in prior year	129	–

Under the two-tiered profits tax regime, the first HK\$2 million of assessable profits of the qualifying group entity established in Hong Kong will be subject to a tax rate of 8.25% and assessable profits above that amount will be subject to a tax rate of 16.5%. The assessable profits of the group entities not qualifying for the two-tiered profits tax rate regime will continue to be taxed at a rate of 16.5%.

No provision for Hong Kong Profits Tax is required since the Group's Hong Kong entities have no assessable profit for the Period (2024: HK\$Nil).

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 of the Group is 25% from 1 April 2008 onwards. No provision for EIT Law is required since the PRC subsidiaries of the Group have no assessable profits for the Period (2024: Nil).

Notes to Condensed Consolidated Interim Financial Statements

8. LOSS PER SHARE

(a) Basic

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

For the six months ended 30 June	
2025	2024
(Unaudited) HK\$'000	(Unaudited) HK\$'000
Loss	
Loss attributable to owners of the Company for the purpose of calculating basic loss per share	
(11,023)	(21,521)
Number of shares	
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	
1,056,936,650	880,786,650

(b) Diluted

No adjustment has been made to the basis loss per share for the six months ended 30 June 2025 and 2024 as the Company did not have any outstanding dilutive potential ordinary shares during the period.

9. DIVIDENDS

No dividend was paid or proposed for the Period (30 June 2024: Nil).

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment of approximately HK\$1,199,000 (six months ended 30 June 2024: HK\$244,000).

During the six months ended 30 June 2025, the Group has no disposed of property, plant and equipment (six months ended 30 June 2024: Nil).

11. RIGHT-OF-USE ASSETS

During the six months ended 30 June 2025, there was a new leases arrangement entered amounted to approximately HK\$6,672,000 (2024: 2 new leases amounted to HK\$6,885,000). During the six months ended 30 June 2025, the Group did not entered additional to right-of-use assets due to renewal of existing leases during the period (2024: HK\$1,198,000).

Notes to Condensed Consolidated Interim Financial Statements

12. TRADE RECEIVABLES

The Group's trading terms with its customers related to sales of handbags and accessories are mainly on cash and credit card settlement. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing. Customers are generally granted with credit term of 0-90 days during the periods.

	30 June 2025	31 December 2024
	(Unaudited) HK\$'000	(Audited) HK\$'000
Trade receivables	2,731	3,129
Less: Allowance for ECLs	(947)	(947)
	1,784	2,182

An aging analysis of the trade receivables, if any, net of allowance as at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2025	31 December 2024
	(Unaudited) HK\$'000	(Audited) HK\$'000
Within 1 month	755	581
1 to 2 months	—	—
2 to 3 months	—	—
4 to 6 months	—	—
7 to 12 months	1,029	1,601
	1,784	2,182

13. LOAN RECEIVABLES

The Group's loan receivables, which arise from money lending business in Hong Kong, are unsecured, interest-bearing at rate of 8% (2024: 8%) per annum. The loan receivables are short-term loans and repayable by 1 year (2024: 1 year).

An aged analysis of the loan receivables as at the end of the reporting period, based on the terms of loan, is as follows:

	30 June 2025	31 December 2024
	(Unaudited) HK\$'000	(Audited) HK\$'000
Loan receivables	13,118	14,696
Less: Allowance for ECLs	(11,041)	(11,041)
Within 1 year	2,077	3,655

Notes to Condensed Consolidated Interim Financial Statements

14. TRADE AND OTHER PAYABLES

	30 June 2025	31 December 2024
	(Unaudited) HK\$'000	(Audited) HK\$'000
Trade payables	602	1,989
Accrued liabilities	7,828	7,805
Other payables	2,447	2,326
Deposits received	56	–
	10,933	12,120

An aging analysis of the trade payables as at the end of the reporting period, based on invoice date, is as follows:

	30 June 2025	31 December 2024
	(Unaudited) HK\$'000	(Audited) HK\$'000
Within 1 month	602	1,989

15. SHARE CAPITAL

	30 June 2025	31 December 2024
	(Unaudited) HK\$'000	(Audited) HK\$'000
Authorised: 2,000,000,000 (31 December 2024: 2,000,000,000) ordinary shares of HK\$0.04 each	80,000	80,000
Issued and fully paid: 1,056,936,650 (31 December 2024: 1,056,936,650) ordinary shares of HK\$0.04 each	42,277	42,277

Notes to Condensed Consolidated Interim Financial Statements

16. RELATED PARTY TRANSACTIONS

- (i) The Group had the material transactions with related parties as follows:

	Amount owed by the Group		Related interest expense for the six months ended 30 June	
	30 June 2025	31 December 2024	2025	2024
	(Unaudited) HK\$'000	(Audited) HK\$'000	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Lease liabilities (note a)	–	440	–	29

Notes:

- (a) Milan Station (Causeway Bay) Limited ("MS (CWB)"), a company incorporated in Hong Kong with limited liability and an indirect wholly owned subsidiary of the Company, and Excel Trend Limited ("Excel Trend"), a company incorporated in Hong Kong with limited liability and indirectly beneficially wholly owned by Mr. Yiu Kwan Tat ("Mr. Yiu"), the former chairman and an executive Director, entered into a lease agreement in relation to the leasing of the premises situated at Areas E and F on the Ground Floor of Percival House, No. 83 Percival Street, Causeway Bay, Hong Kong for retail uses.
- (ii) Compensation of key management personnel of the Group during the periods are as follows:

	For the six months ended 30 June	
	2025	2024
	(Unaudited) HK\$'000	(Unaudited) HK\$'000
Short-term employee benefits	942	1,526
Post-employment benefits	18	36
	960	1,562

Notes to Condensed Consolidated Interim Financial Statements

17. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets

	30 June 2025	31 December 2024
	(Unaudited) HK\$'000	(Audited) HK\$'000
Financial assets at fair value through profit or loss:		
Listed securities	32,235	35,014
Financial assets at amortised cost:		
Trade receivables	1,784	2,182
Loan receivables	2,077	3,655
Deposits and other receivables	3,440	6,078
Cash and bank balances	9,447	11,249

Financial liabilities

	30 June 2025	31 December 2024
	(Unaudited) HK\$'000	(Audited) HK\$'000
Financial liabilities at amortised cost:		
Trade payables	602	1,989
Bond payables	6,891	7,131
Accrued liabilities and other payables	10,331	12,120
Lease liabilities	13,367	11,648

18. APPROVAL OF UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The unaudited condensed consolidated interim financial statements were approved and authorised for issue by the Board on 27 August 2025.

Management Discussion and Analysis

MARKET OVERVIEW

The seasonally adjusted unemployment rate increased to 3.7% in May to July 2025. The Census and Statistics Department has published Report on Monthly Survey of Retail Sales, which shows that the value of total retail sales in June 2025, provisionally estimated at HK\$30.1 billion, increased by 0.7% compared with the same month in 2024. In light of the above, the retail sales is start to be challenged because of the increase in unemployment rate which affect the buying behavior of the customers.

The corporations may have to be more careful in their business plans in the face of various headwinds such as the uncertainty of the development and effect of China-US relations, geopolitical tensions and the evolving monetary policy stance of major central banks also warrant attention.

BUSINESS REVIEW

During the Period, the Group's total revenue decreased by approximately 20.7% to approximately HK\$50.1 million. The Group's revenue generated in the markets of Hong Kong. The Group's gross profit was approximately HK\$5.7 million, which was increased by 41.7% as compared to the same period last year. The Group recorded a net loss of approximately HK\$11.0 million, which was decreased by 48.8% as compared to the same period last year. The decrease of net loss was mainly due to the decrease in loss on fair value change of financial assets at fair value through profit or loss.

Hong Kong

During the Period, sales of the Group in Hong Kong decreased by 20.7% to approximately HK\$50.1 million. The revenue was generated from the 5 "Milan Station" retail stores in Hong Kong, the online sales platform directly managed by the Group and the product sales in other new sales channels.

The Group adhered to the principle of providing genuine and certified products for its customers and formulated stringent and systematic product certification programs. In order to strengthen the Group's leading position in the luxury handbags trading industry, the Group continued to devote human resources to the management of merchandise quality, and strengthened the product certification programs with the finer division of labor to ensure that all the products were inspected by professional team. These measures helped the Group to maintain the "Milan Station" brand reputation and earn market recognition.

Management Discussion and Analysis

During the six months ended 30 June 2025, the Group remained prudent on the store network expansion strategy and adhered to the principle of providing genuine and certified products for its customers and formulated stringent and systematic product certification programs. The Group also focus on the control on cost. The Group also tried to open new stores in more favourable places with cheaper rent. During the six months ended 30 June 2025, the Group continued to devote more human resources to the management of merchandise quality, and strengthened the product certification programs with the finer division of labor to ensure that all the products were inspected by professional team. These measures helped the Group to maintain the “Milan Station” brand reputation and earn market recognition, pursuant to which it strengthened the Group’s leading position in the luxury handbags trading industry under the adverse operating environment.

As at 30 June 2025, the Group held listed securities in Hong Kong with the fair value of approximately HK\$32.2 million (31 December 2024: HK\$35.0 million), under financial assets at fair value through profit or loss. The Group recognised on fair value of approximately HK\$1.9 million in these financial assets. In light of the recent volatile in the Hong Kong financial market, the Group will closely monitor the performance of this investment portfolio and maintain a prudent investment strategy with the aim to improve the capital usage efficiency and generate additional returns on the idle funds of the Group.

FINANCIAL REVIEW

Revenue

During the six months ended 30 June 2025, total revenue decreased to approximately HK\$50.1 million, representing a decrease of 20.7% as compared to approximately HK\$63.2 million recorded in the corresponding period last year. Handbags were the most important product category for the Group, representing over 99.2% (2024: 99.1%) of the total revenue of the Group. The revenue generated from the sales of unused products decreased from approximately HK\$47.6 million recorded in the corresponding period last year, representing 75.3% of the total revenue of the Group, to approximately HK\$37.1 million during the six months ended 30 June 2025, representing 74.1% of the total revenue of the Group.

Since most of the retail shops under the brand name of “Milan Station” are located in Hong Kong, the source of revenue also concentrates in the Hong Kong market.

Management Discussion and Analysis

The table below sets out the breakdown of the Group's revenue recorded for the six months ended 30 June 2025 and 2024 by product categories, by price range of products and by geographical locations and their respective approximate percentages to the total revenue of the Group:

For the six months ended 30 June					
	2025		2024		Approximate percentage change in revenue %
	HK\$ million	Approximate percentage of total revenue %	HK\$ million	Approximate percentage of total revenue %	
By product categories (handbags and other products)					
Handbags	49.7	99.2	62.6	99.1	(20.6)
Other products	0.4	0.8	0.6	0.9	(33.3)
Total	50.1	100	63.2	100	(20.7)
By product categories (unused and second-hand products)					
Unused products	37.1	74.1	47.6	75.3	(22.1)
Second-hand products	13.0	25.9	15.6	24.7	(16.7)
Total	50.1	100	63.2	100	(20.7)
By price range of products					
Within HK\$10,000	4.2	8.4	6.0	9.5	(30.0)
HK\$10,001 – HK\$30,000	12.7	25.4	14.3	22.6	(11.2)
HK\$30,001 – HK\$50,000	8.5	16.8	9.0	14.2	(5.6)
Above HK\$50,000	24.7	49.4	33.9	53.7	(27.1)
Total	50.1	100	63.2	100	(20.7)
By geographical location					
Hong Kong	50.1	100	63.2	100	(20.7)

Management Discussion and Analysis

Cost of sales

For the six months ended 30 June 2025, cost of sales of the Group was approximately HK\$44.3 million, decreased by 25.0% as compared to the same period last year. The decrease in cost of sales was in line with the decrease in revenue. Cost of sales mainly consists of cost of inventories sold by the Group's suppliers.

Gross profit and gross profit margin

Gross profit of the Group for the six months ended 30 June 2025 increased by HK\$1.6 million to approximately HK\$5.7 million, with its gross profit margin increased by 6.4% to 11.5%. The increase was mainly due to the high profit margin in the sales.

Inventory analysis

The Group's total inventories as at 30 June 2025 and 31 December 2024 were approximately HK\$30.3 million and HK\$37.8 million respectively. The total inventories of the Group are recorded after netting of provision for slow-moving inventories.

The following table sets forth an aging analysis of inventories for the Group's handbag products as at 30 June 2025 and 31 December 2024:

Aging of inventories (handbags products)

0 to 90 days
91 to 180 days
181 days to 1 year
Over 1 year

Total

As at 30 June 2025	As at 31 December 2024
HK\$'000	HK\$'000
2,545	9,623
1,185	5,123
3,521	6,866
23,007	16,145
30,258	37,757

The following table sets forth an aging analysis of inventories for the Group's other products as at 30 June 2025 and 31 December 2024:

Aging of inventories (other products)

0 to 45 days
46 to 90 days
91 days to 1 year
Over 1 year

Total

As at 30 June 2025	As at 31 December 2024
HK\$'000	HK\$'000
10	8
19	24
77	105
198	206
304	343

Management Discussion and Analysis

The following table sets forth an aging analysis of inventories for the Group's premium priced handbag products over HK\$50,000 as at 30 June 2025 and 31 December 2024:

	As at 30 June 2025	As at 31 December 2024
	HK\$'000	HK\$'000
Aging of inventories (handbags products over HK\$50,000)		
0 to 90 days	1,306	8,121
91 to 180 days	389	3,108
181 days to 1 year	1,664	4,188
Over 1 year	16,787	10,466
Total	20,146	25,883

Other income and other gains

Other income amounted to approximately HK\$0.7 million, representing a decrease of HK\$3.0 million compared to HK\$3.7 million in the corresponding period last year. The decrease was mainly attributable to no gain on deregistration of a subsidiary was recorded during the Period.

Loss on fair value change of financial assets at fair value through profit or loss

Loss on fair value change of financial assets at fair value through profit or loss amounted to approximately HK\$1.9 million, decreased by HK\$9.4 million as compared to other loss amounted to approximately HK\$11.3 million in corresponding period last year. The decrease was mainly attributable to the decrease in loss on fair value change of financial assets at fair value through profit or loss.

Selling expenses

The major items of the Group's selling expenses include rent and rates, employee benefit expenses for sales staff and bank credit card charges. For the six months ended 30 June 2025, selling expenses of the Group were approximately HK\$8.0 million, representing 15.9% of its revenue (six months ended 30 June 2024: approximately HK\$10.0 million, representing 15.8% of revenue).

Administrative and other operating expenses

Administrative and other operating expenses of the Group for the six months ended 30 June 2025 amounted to approximately HK\$6.8 million, representing approximately 13.6% of the revenue, decreased by approximately HK\$0.3 million as compared to the corresponding period last year. The Group's administrative and other operating expenses mainly consist of Directors' remuneration, employee benefit expenses for the senior management and administrative staff, as well as legal and professional expenses.

Finance costs

Finance costs of the Group mainly consists of interest expenses on bond payables and interest expense on lease liabilities. Finance costs remained unchanged during the six months ended 30 June 2025.

Management Discussion and Analysis

Loss attributable to the owners of the Company

Loss attributable to the owners of the Company for the six months ended 30 June 2025 was approximately HK\$11 million, representing a decrease of 48.8% from loss of approximately HK\$21.5 million for the six months ended 30 June 2024. The basic and diluted loss per share attributable to the owners of the Company was approximately HK1.15 cents and HK1.15 cents respectively for the six months ended 30 June 2025, as compared to the basic and diluted earnings per share of approximately HK2.44 cents and HK2.44 cents respectively for the six months ended 30 June 2024.

Employees and remuneration policy

As at 30 June 2025, the Group had a total of 20 employees (31 December 2024: 28 employees). The Group's remuneration policy was determined according to the position, performance, experience of the staff as well as the market trend. Staff benefits of the Group include basic salaries, subsidies, insurance and commission/bonus. The remuneration policy was reviewed by the Board from time to time. Emoluments of Directors were reviewed by the remuneration committee of the Company and recommended to the Board for approval after considering the Group's operating results, individual performance and comparing with marketing conditions.

Liquidity and financial resources

As at 30 June 2025 and 31 December 2024, the Group did not have any bank borrowings.

As at 30 June 2025, the Group's total balance of cash and bank balances, total liabilities and shareholders' equity were approximately HK\$9.4 million, HK\$31.7 million and HK\$61.2 million respectively (31 December 2024: approximately HK\$11.2 million, HK\$31.5 million and HK\$72.2 million respectively). The Group's gearing ratio (Note 1), current ratio (Note 2) and quick ratio (Note 3) as at 30 June 2025 were approximately 33.1%, 4.6 and 2.9 respectively (31 December 2024: 26%, 4.9 and 3 respectively).

Notes:

1. Gearing ratio is calculated based on the borrowings and lease liabilities divided by the total equity as at 30 June 2025 and multiplied by 100%.
2. Current ratio is calculated based on the total current assets divided by the total current liabilities as at 30 June 2025.
3. Quick ratio is calculated based on the difference between the total current assets and the inventories divided by the total current liabilities as at the end of the six months ended 30 June 2025.

Pledge of assets

As at 30 June 2025 and 31 December 2024, the Group did not obtain any bank borrowings or general banking facilities, and therefore no assets or bank deposits were pledged to banks.

Foreign exchange policy

The Group carried on its trading transactions mainly in HK\$, Renminbi and United States ("US") dollars. It is the Group's policy to continue maintaining the balance of its sales and purchases in the same currency. The Group did not have any hedging arrangement on foreign exchange. The Directors are of the view that the transactional exposure of the Group in currencies other than the functional currencies is maintained at acceptable level.

Management Discussion and Analysis

Contingent liabilities

As at 30 June 2025, the Group did not have any significant contingent liabilities.

Capital commitments

The Group did not have any capital commitments on property, plant and equipment as at 30 June 2025 and 31 December 2024.

Significant Investments

The Group held significant investments under financial assets at fair value through profit or loss as below:

Company	Stock code	Fair value as at 1 January 2024	Addition	Proceed	Gain on disposal	Fair value loss	Fair value as at 30 June 2025	Percentage of shareholding	Approximate percentage to the total assets
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	(approximately)	
China Investment and Finance Group Limited	1226	6,198	697	–	–	1,220	8,115	1.3%	8.7%
Harbour Digital Asset Capital Limited	913	5,278	–	–	–	209	5,487	3.9%	5.9%
Others		23,538	1,684	(3,282)	1,704	(5,011)	18,633		
		35,014	2,381	(3,282)	1,704	(3,582)	32,235		

Except the significant investments disclosed above, there was no investment held by the Group of which the value was more than 5% of the total assets of the Group.

OUTLOOK

Domestically, the government launched different scheme to encourage the tourism and hence stimulate the public to spend in local retail, consumption-related sectors, hence stimulating local consumer sentiment. The improved local business sentiment, coupled with the support from various government relief measures, should help domestic demand to improve in the period ahead and accelerating local economic recovery. The development of the Greater Bay Area economic region is also expected to provide new opportunities for Hong Kong's luxury retailers to expand their reach and customer base.

Looking ahead, local consumption may reduce further on the increase of unemployment. Besides, various uncertainty such as China-US relations, geopolitical tensions, the evolving policy stance of major central banks and the recent spread of the epidemic has cast uncertainty over the global economic outlook. The management therefore should continue to catch up any opportunities arose in this market and continued to strengthened our resources in order to maintain the leading position in the luxury handbags and accessories trading industry. Simultaneously, the management will also impose more prudent business policy to operate with great caution and lead the Group through unprecedented challenges.

Additional Information

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

As at 30 June 2025, the Directors and the chief executive of the Company had the following interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which would fall to be disclosed to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which were required, pursuant to Section 352 of the SFO, to be entered in the register required to be kept therein or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Appendix C3 to the Listing Rules to be notified to the Company and the Stock Exchange.

Long positions in shares of the Company

Name of participants	Number of share held	Number of share options		Total	Approximate percentage of total number of issued shares
		Personal Interest	Family Interest		
Executive Directors					
Mr. Hu Bo	2,210,000	–	–	2,210,000	0.21%

Save as disclosed above, as at 30 June 2025, none of the Directors or the chief executive of the Company or any of their associates had any interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations.

SHARE OPTIONS

The Company operates a share option scheme adopted by the Company on 30 June 2021 (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations.

During the six months ended 30 June 2025, no share options under the Scheme were granted, exercised, expired or reclassified.

As at 30 June 2025, there was no share option outstanding under the Scheme. The number of options available for grant under the Scheme as of 1 January 2025 and 30 June 2025 was 73,398,887 respectively. The number of shares that may be issued in respect of options granted under the Scheme during the six months ended 30 June 2025 divided by the weighted average number of shares of the Company in issue (excluding treasury shares) for the six months ended 30 June 2025 was Nil.

Additional Information

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

As at 30 June 2025, according to the register kept by the Company pursuant to section 336 of SFO, and so far as is known to the Directors or chief executive of the Company, there is no person had, or was deemed or taken to have, an interest or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying voting rights to vote in all circumstances at general meeting of any other member of the Group.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the six months ended 30 June 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

USE OF NET PROCEEDS

The proceeds from the listing, after deduction of related issuance expenses, amounted to HK\$0.3 million.

DIRECTOR'S INTEREST IN COMPETING INTERESTS

The Directors are not aware of any business or interest of the Directors, the controlling shareholder of the Company and their respective associates (as defined under the Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group during the six months ended 30 June 2025.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

During the six months ended 30 June 2025, the Company had complied with all applicable code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules save as disclosed below.

Under code provision C.5.3 of the CG Code, notice of at least 14 days should be given of a regular board meeting to all Directors to give all Directors an opportunity to attend. During the period, certain Board meetings were convened with less than 14 days' notice to facilitate the Directors' timely reaction and expeditious decision making process in respect of investment opportunity and internal affairs of the Group. All Board meetings, nevertheless, were duly convened and held in the way prescribed by the Articles of Association of the Company. The Board will use reasonable endeavour to meet the requirement of code provision C.5.3 of the CG Code in future.

MATERIAL ACQUISITIONS OR DISPOSALS

There was no material acquisitions or disposal of subsidiaries and affiliated companies by the Group for the six months ended 30 June 2025.

Additional Information

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of the Directors, all the Directors confirmed that they complied with the required standards as set out in the Model Code throughout the six months ended 30 June 2025.

EVENTS AFTER THE REPORTING PERIOD

Saved as disclosed, the Group has no material events after the six months ended 30 June 2025 and up to the date of this report.

AUDIT COMMITTEE

The Company has established an audit committee (the “Audit Committee”) with written terms of reference in compliance with the Listing Rules. The Audit Committee comprises three independent non-executive Directors, namely Mr. Tou Kin Chuen (chairman), Mr. Chan Chi Hung and Mr. Choi Kam Yan, Simon. The Audit Committee has reviewed with the management of the Company the financial statements of the Group for the six months ended 30 June 2025 and discussed with the management of the Company on auditing, risk management, internal control and financial reporting matters.

REMUNERATION COMMITTEE

The Company has established a remuneration committee (the “Remuneration Committee”) with written terms of reference in compliance with the Listing Rules. During the six months ended 30 June 2025, the Remuneration Committee comprises three members, a majority of whom are independent non-executive Directors, namely Mr. Tou Kin Chuen (chairman), Mr. Chan Chi Hung and Mr. Hu Bo. The Remuneration Committee formulates the Company’s remuneration policy of Directors and senior management, reviews and determines their remuneration packages and makes recommendations to the Board regarding the remuneration of Directors and senior management.

NOMINATION COMMITTEE

The Company has established a nomination committee (the “Nomination Committee”) with written terms of reference in compliance with the Listing Rules. During the six months ended 30 June 2025, the Nomination Committee comprises three members, a majority of whom are independent non-executive Directors, namely Mr. Hu Bo (chairman), Mr. Chan Chi Hung and Mr. Tou Kin Chuen.

Additional Information

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. Such systems is designed to provide reasonable, but not absolute, assurance of no material misstatement or loss, and to mitigate rather than eliminate risks of failure in the operational systems and achievements of the Group's business objectives. The Board has, engaged an independent internal control review advisor, conducted reviews of the effectiveness of the internal control system of the Group covering the Group's corporate governance, internal control, financial, operational (including information security), as well as risk management function and compliance functions. The Board as the ultimate responsible governing body of the Group monitors compliance with policies and procedures and the effectiveness of internal control structures across the Group and its principal divisions. The Board ensures the internal controls are in place and functioning properly as intended. The Board also considered that significant risks of the Group were managed within the acceptable level and the management will continue to monitor the residual risks and report to the Board on an ongoing basis.

In response to the risk, the management shall implement proper policies and procedures to review the effectiveness of risk management and internal control and remedy any defects of internal control, including conduct evaluation on a regular basis to keep abreast of the related information in a timely manner so as to facilitate the Audit Committee and the Board to evaluate the effectiveness of control and risk management of the Group.

For the six months ended 30 June 2025, the Board and the Audit committee have reviewed and confirmed the effectiveness of the risk management and internal control systems.

The Group has a formal whistle-blowing policy to encourage and guide its staff to raise serious concerns internally in a responsible manner, without fear of retribution. During the Period, the Board has not been informed any complaints or concerns over financial improprieties from staff.

The Group has the inside information policy which sets out guidelines to the Directors and senior management of the Group to ensure inside information of the Group would be disseminated to the public in equal and timely manner in accordance with applicable laws and regulations.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

By order of the Board
Milan Station Holdings Limited
Hu Bo
Executive Director

Hong Kong, 27 August 2025



米 蘭 站 控 股 有 限 公 司
MILAN STATION HOLDINGS LIMITED

(Incorporated in Cayman Islands with limited liability)

STOCK CODE : 1150



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