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GOLDLION HOLDINGS LIMITED

金利來集團有限公司

(Incorporated in Hong Kong under the Hong Kong Companies Ordinance)

(Stock code: 00533)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30TH JUNE 2025**

RESULTS

The Board of Directors (the “Board”) announces the unaudited condensed consolidated interim results of Goldlion Holdings Limited (the “Company”) and its subsidiaries (together the “Group”) for the six months ended 30th June 2025 as follows:

**Interim Condensed Consolidated Income Statement
For the six months ended 30th June 2025**

	Note	Unaudited Six months ended	
		30.6.2025 HK\$'000	30.6.2024 HK\$'000
Turnover	2	487,111	603,261
Cost of sales	4	(198,157)	(241,390)
Gross profit		288,954	361,871
Other losses	3	(22,953)	(19,818)
Selling and marketing costs	4	(205,734)	(207,764)
Administrative expenses	4	(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	5	(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		HK cents	HK cents
- Basic and diluted	6	(0.41)	5.98

Interim Condensed Consolidated Statement of Comprehensive Income
For the six months ended 30th June 2025

	Unaudited	
	Six months ended	
	30.6.2025	30.6.2024
	HK\$'000	HK\$'000
(Loss)/profit for the period	(3,944)	58,240
Other comprehensive income		
<i>Item 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	86,201	(8,760)
Attributable to:		
Owners of the Company	86,124	(8,767)
Non-controlling interests	77	7
Total comprehensive income for the period	86,201	(8,760)

**Interim Condensed Consolidated Balance Sheet
As at 30th June 2025**

	Note	As at 30.6.2025 (Unaudited) HK\$'000	As at 31.12.2024 (Audited) HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		215,788	211,196
Right-of-use assets		101,216	74,445
Investment properties		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		-	164,630
Completed properties		774,482	590,795
Inventories		153,826	217,723
Trade receivables	8	52,370	88,669
Prepayments, deposits and other receivables		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>5,242,929</u>	<u>5,146,477</u>
EQUITY			
Capital and reserves			
Share capital		1,101,358	1,101,358
Reserves		3,331,921	3,245,797
Owners of the Company		<u>4,433,279</u>	<u>4,347,155</u>
Non-controlling interests		2,205	2,128
Total equity		<u>4,435,484</u>	<u>4,349,283</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	9	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>807,445</u>	<u>797,194</u>
Total equity and liabilities		<u>5,242,929</u>	<u>5,146,477</u>

Notes:

1. Principal accounting policies

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” issued by the Hong Kong Institute of Certified Public Accountants, and applicable requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. This 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 financial information relating to the year ended 31st December 2024 that is included in this preliminary announcement of interim results 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 for the year ended 31st December 2024. The auditor's report was unqualified; did not include a reference to any matters 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).

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.

(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.

1. Principal accounting policies (*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.

2. Turnover and segment information

The Group is principally engaged in the distribution and manufacturing of garments, leather goods and accessories, licensing of brand name, and property investment and development. Turnover recognized during the period is as follows:

	Six months ended	
	30.6.2025	30.6.2024
	HK\$'000	HK\$'000
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
	<u>415,109</u>	<u>528,962</u>
Revenue recognized under other accounting standards		
Rental income from investment properties	<u>72,002</u>	<u>74,299</u>
	<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	<u>52,117</u>	<u>61,296</u>
	<u>415,109</u>	<u>528,962</u>

2. Turnover and segment information *(continued)*

An analysis of the Group's segment information by operating segment is as follows:

	Six months ended		Six months ended	
	30.6.2025	30.6.2024	30.6.2025	30.6.2024
	Segment	Segment	Segment	Segment
	turnover	turnover	results	results
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Operating segments				
Apparel in China Mainland and Hong Kong SAR	350,101	461,487	(16,333)	46,904
Apparel in Singapore	17,081	18,535	(3,461)	(2,337)
Property investment and development	125,494	129,043	31,223	41,185
Other and Inter-segment sales	(5,565)	(5,804)	548	14
	<u>487,111</u>	<u>603,261</u>	<u>11,977</u>	<u>85,766</u>
Unallocated costs			<u>(14,533)</u>	<u>(17,627)</u>
(Loss)/profit before income tax			(2,556)	68,139
Income tax expense			<u>(1,388)</u>	<u>(9,899)</u>
(Loss)/profit for the period			<u>(3,944)</u>	<u>58,240</u>

3. Other losses

	Six months ended	
	30.6.2025	30.6.2024
	HK\$'000	HK\$'000
Fair value losses on investment properties	22,953	19,818

4. Expenses by nature

	Six months ended	
	30.6.2025	30.6.2024
	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	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	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>

5. 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.

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

	Six months ended	
	30.6.2025	30.6.2024
	HK\$'000	HK\$'000
Current tax		
- PRC enterprise income tax	9,803	10,882
Deferred income tax	(8,415)	(983)
Total income tax expense	<u>1,388</u>	<u>9,899</u>

6. (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.

7. Dividend

	Six months ended	
	30.6.2025	30.6.2024
	HK\$'000	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>

8. 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 30.6.2025 HK\$'000	As at 31.12.2024 HK\$'000
1-30 days	30,570	63,291
31-90 days	9,256	16,605
Over 90 days	13,638	9,396
	<hr/>	<hr/>
Trade receivables	53,464	89,292
Less: provision for impairment of trade receivables	(1,094)	(623)
	<hr/>	<hr/>
Trade receivables - net	<u>52,370</u>	<u>88,669</u>

9. Trade payables

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

	As at 30.6.2025 HK\$'000	As at 31.12.2024 HK\$'000
1-30 days	8,532	31,690
31-90 days	7,687	14,645
Over 90 days	675	3,222
	<hr/>	<hr/>
	<u>16,894</u>	<u>49,557</u>

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.

MANAGEMENT DISCUSSION AND ANALYSIS

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.

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.

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.

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.

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.

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.

HUMAN RESOURCES

At 30th June 2025, the Group had approximately 1,600 employees. Staff costs including directors' emoluments amounted to HK\$111,454,000 for the six months ended 30th June 2025. The Group ensures that employees' remuneration packages are competitive and are determined mainly on factors including job nature, market conditions and individual performance, qualification and experience. The Group also provides other benefits to its employees and training as and when required.

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.

CORPORATE GOVERNANCE

The Company has complied with the Code Provisions in the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (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 for Securities Transactions by Directors of Listed Issuers (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 announcement, 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.

PUBLICATION OF INFORMATION ON THE WEBSITE OF THE COMPANY AND THE STOCK EXCHANGE

The interim results announcement is published on the website of the Company (www.goldlion.com) and the Stock Exchange (www.hkexnews.hk). The 2025 interim report, containing all the information required by Appendix D2 of the Listing Rules, will be dispatched to shareholders and made available on the above websites in due course.

BOARD OF DIRECTORS

As at the date of this announcement, 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.

By order of the Board
Kam Yiu Kwok
Company Secretary

Hong Kong, 14th August 2025