



ASIA COMMERCIAL HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 104)



2025 / 2026

FINANCIAL HIGHLIGHTS

	Six months ended 30th September		
	2025	2024	Change
	HK\$'000	HK\$'000	%
	(unaudited)	(unaudited)	
Operations			
Revenue	308,764	337,849	(9)
Profit attributable to the owners of the Company	32,804	35,816	(8)
Earnings per share – Basic and diluted	4.39 HK cents	4.79 HK cents	(8)
	As at 30th September 2025	As at 31st March 2025	Change
	HK\$ million	HK\$ million	%
	(unaudited)	(audited)	
Financial position			
Total assets	666	713	(7)
Equity attributable to the owners of the Company	462	442	5

The Board of Directors (the “Board”) of Asia Commercial Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated interim report of the Company and its subsidiaries (the “Group”) for the six months ended 30th September 2025 together with the comparative figures of the last corresponding period. The interim financial report has been reviewed by the Company’s audit committee.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30th September 2025

		Six months ended 30th September 2025	2024
	Note	HK\$'000 (unaudited)	HK\$'000 (unaudited)
Revenue	5	308,764	337,849
Cost of sales		(208,715)	(228,210)
Gross profit		100,049	109,639
Other revenue		1,895	4,555
Distribution costs		(45,713)	(48,134)
Administrative expenses		(9,751)	(11,115)
Reversal of impairment loss on right-of-use assets	6(b)	592	–
Reversal of impairment loss on trade and other receivables	6(b)	395	664
Other net gains		5,636	6,570
Finance costs	6(a)	(2,736)	(4,646)
Profit before taxation	6	50,367	57,533
Income tax	7	(17,563)	(21,717)
Profit for the period		32,804	35,816
Attributable to:			
Owners of the Company		32,804	35,816
Non-controlling interests		–	–
		32,804	35,816
Earnings per share	8		
Basic and diluted (HK cents)		4.39	4.79

The notes on pages 8 to 28 form part of these unaudited interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30th September 2025

	Six months ended 30th September 2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Profit for the period	32,804	35,816
Other comprehensive income for the period		
<i>Item that is or may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of foreign operations	7,626	7,759
Total other comprehensive income for the period, net of nil tax	7,626	7,759
Total comprehensive income for the period	40,430	43,575
Attributable to:		
Owners of the Company	40,430	43,575
Non-controlling interests	–	–
Total comprehensive income for the period	40,430	43,575

The notes on pages 8 to 28 form part of these unaudited interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30th September 2025

	Note	As at 30th September 2025 HK\$'000 (unaudited)	As at 31st March 2025 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	10	38,089	44,018
Investment properties		321,875	310,207
Deposits and other receivables	11	3,233	3,134
Financial assets at fair value through profit or loss		7,314	7,498
Equity instrument at fair value through other comprehensive income		3,028	3,025
		373,539	367,882
Current assets			
Inventories		105,355	100,850
Trade and other receivables	11	47,579	64,924
Trading securities		24	15
Short-term bank deposit		5,466	5,338
Cash and cash equivalents		134,212	173,968
		292,636	345,095
Current liabilities			
Trade and other payables	12	70,569	75,210
Contract liabilities		507	436
Bank loans		83,320	134,320
Income tax payable		11,081	13,159
Lease liabilities		18,138	17,368
		183,615	240,493
Net current assets		109,021	104,602
Total assets less current liabilities		482,560	472,484

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Continued)

As at 30th September 2025

	Note	As at 30th September 2025 HK\$'000 (unaudited)	As at 31st March 2025 HK\$'000 (audited)
Non-current liabilities			
Rental deposits received and receipt in advance	12	2,728	2,704
Deferred tax liabilities		11,210	14,010
Lease liabilities		6,224	13,802
		20,162	30,516
Net assets		462,398	441,968
Capital and reserves			
Share capital	13	149,424	149,424
Reserves		312,979	292,549
Equity attributable to the owners of the Company		462,403	441,973
Non-controlling interests		(5)	(5)
Total equity		462,398	441,968

The notes on pages 8 to 28 form part of these unaudited interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – UNAUDITED

For the six months ended 30th September 2025

Attributable to owners of the Company												
	Share capital HK\$'000	Revaluation reserve HK\$'000	Exchange reserve HK\$'000	Capital reserve HK\$'000	Capital redemption reserve HK\$'000	Contributed surplus (non-recycling) HK\$'000	Investment revaluation reserve (non-recycling) HK\$'000	Accumulated losses HK\$'000		Non-controlling interests HK\$'000	Total equity HK\$'000	
At 1st April 2024	149,424	62,241	30,035	252,381	7,263	10,734	699	(68,256)		295,097	(4)	444,517
Total comprehensive income for the period	-	-	7,759	-	-	-	-	35,816		43,575	-	43,575
Final dividend	-	-	-	-	-	-	-	(26,000)		(26,000)	-	(26,000)
At 30th September 2024	149,424	62,241	37,794	252,381	7,263	10,734	699	(58,440)		312,672	(4)	462,092
At 1st April 2025	149,424	62,241	29,022	252,381	7,263	10,734	699	(69,791)		292,549	(5)	441,968
Total comprehensive income for the period	-	-	7,626	-	-	-	-	32,804		40,430	-	40,430
Final dividend	-	-	-	-	-	-	-	(20,000)		(20,000)	-	(20,000)
At 30th September 2025	149,424	62,241	36,648	252,381	7,263	10,734	699	(56,987)		312,979	(5)	462,398

The notes on pages 8 to 28 form part of these unaudited interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30th September 2025

	Six months ended	
	30th September	2024
	2025	2024
Note	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
NET CASH GENERATED FROM OPERATING ACTIVITIES	48,338	43,780
INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment	(464)	(136)
Payment for construction of investment properties	(8,916)	(5,300)
Increase in short-term bank deposit	(128)	–
Bank interest income received	1,975	1,553
NET CASH USED IN INVESTING ACTIVITIES	(7,533)	(3,883)
FINANCING ACTIVITIES		
Proceeds from new bank loans	–	25,000
Repayment of bank loans	(51,000)	(65,000)
Interest paid on bank loans	(2,090)	(3,686)
Capital element of lease liabilities paid	(10,021)	(10,270)
Interest element of lease liabilities paid	(690)	(1,030)
Dividend paid	(20,000)	(26,000)
NET CASH USED IN FINANCING ACTIVITIES	(83,801)	(80,986)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(42,996)	(41,089)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	173,968	164,940
EFFECT OF FOREIGN EXCHANGE RATE CHANGES, NET	3,240	2,564
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	134,212	126,415
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	134,212	126,415

The notes on pages 8 to 28 form part of these unaudited interim financial statements.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

1. GENERAL

The Group is principally engaged in sales of watches and property leasing.

The Company is a limited company incorporated in Bermuda and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda and Room 3901, 39th Floor, The Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong respectively.

The unaudited condensed consolidated interim financial statements are presented in thousand of units of Hong Kong dollars (HK\$'000), unless otherwise stated, and have been approved for issue by the Board of Directors on 25th November 2025.

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The condensed consolidated interim financial statements do not include all information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's consolidated financial statements for the year ended 31st March 2025.

The preparation of the unaudited condensed consolidated interim financial statements in conformity with HKAS 34 requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The accounting policies adopted in the preparation of the unaudited condensed consolidated interim financial statements are consistent with those used in the preparation of the Group's 2024/2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025/2026 annual financial statements which are set out in note 3.

3. CHANGES IN ACCOUNTING POLICIES

The Group has applied the following amendments to HKFRS Accounting Standards ("HKFRSs") issued by the HKICPA to these condensed consolidated interim financial statements for the current accounting period:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated interim financial statements.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

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

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

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

Fair value measurements recognised in the statement of financial position

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs, i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuations: Fair value measured using Level 2 inputs, i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs.

The Group has a team headed by the finance manager performing valuations for the financial instruments, which are categorised into Level 2 and Level 3 of the fair value hierarchy, and trading securities which are categorised into Level 1 of the fair value hierarchy. The team reports directly to the finance director and the audit committee. A valuation report with analysis of changes in fair value measurement is prepared by the team at each interim and annual reporting date, and is reviewed and approved by the finance director. Discussion of the valuation process and results with the finance director and the audit committee is held twice a year, to coincide with the reporting dates.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

Fair value measurements recognised in the statement of financial position (Continued)

Fair value hierarchy (Continued)

	As at 30th September 2025 (unaudited)				As at 31st March 2025 (audited)			
	Fair value measurements categorised into fair value hierarchy				Fair value measurements categorised into fair value hierarchy			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Recurring fair value measurements								
Assets								
Unlisted equity instruments of fair value through other comprehensive income	-	-	3,028	3,028	-	-	3,025	3,025
Financial assets at fair value through profit or loss	-	7,314	-	7,314	-	7,498	-	7,498
Trading securities	24	-	-	24	15	-	-	15
Total	24	7,314	3,028	10,366	15	7,498	3,025	10,538

During the six months ended 30th September 2025 and 2024, there were no transfers between in Level 1 and Level 2, or transfers into or out of Level 3 of the fair value hierarchy. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

(i) Valuation technique and inputs used in Level 1 fair value measurement

The fair value of trading securities is based on closing bid price quoted in an active market at the end of the reporting period without any deduction for transaction costs.

(ii) Valuation technique and inputs used in Level 2 fair value measurement

The fair value of financial assets at fair value through profit or loss is determined by reference to the bid price quoted in the second-hand market at the end of the reporting period without any deduction for transaction costs.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

Fair value measurements recognised in the statement of financial position
(Continued)

Fair value hierarchy (Continued)

(iii) Information about Level 3 fair value measurement

	Valuation technique	Significant unobservable input	Rate	Relationship of unobservable input for fair value
Unlisted equity instruments at fair value through other comprehensive income	Discounted cash flow	Discount rate	11% (31st March 2025: 11%)	The higher the discount rate, the lower the fair value

The fair value of unlisted equity instruments at fair value through other comprehensive income is determined using discounted cash flow valuation techniques. The significant unobservable input used in the fair value measurement is the discount rate. The fair value measurement is negatively correlated to the discount rate. As at 30th September 2025, it is estimated that with all other variables held constant, a decrease/increase in discount rate by 1% would have increased/decreased the Group's unlisted equity instruments at fair value through other comprehensive income by HK\$42,000 (31st March 2025: HK\$42,000).

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

4. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

Fair value measurements recognised in the statement of financial position
(Continued)

Fair value hierarchy (Continued)

Reconciliation of Level 3 fair value measurement of financial instruments

	Six months ended 30th September 2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Balance at beginning of the period	3,025	3,043
Translation differences	3	(19)
Balance at the end of the period	3,028	3,024

Any gain or loss arising from the remeasurement of the Group's unlisted equity instruments at fair value through other comprehensive income is recognised in the investment revaluation reserve (non-recycling) in other comprehensive income. Upon disposal of the equity securities, the amount accumulated in other comprehensive income is transferred directly to retained earnings.

The carrying amount of the Group's financial instruments carried at cost or amortised cost such as bank deposit with maturity over three months, cash and cash equivalents, trade and other receivables, trade and other payables and bank and other borrowings are not materially different from their fair values as at 30th September 2025 and 31st March 2025 because of the immediate or short term maturity of these financial instruments.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

5. REVENUE AND SEGMENT INFORMATION

The Group manages its business by divisions. In a manner consistent with the way in which information is reported internally to the board of directors of the Company, being the chief operating decision makers ("CODM") for the purposes of resource allocation and performance assessment. The Group has presented two reportable segments: (i) sale of watches and (ii) properties leasing. No operating segments have been aggregated to form these two reportable segments.

For the purposes of assessing segment performance and allocating resources between segments, the CODM monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

The accounting policies of the reportable segments are the same as the Group's accounting policies described in the annual financial statements for the year ended 31st March 2025. Segment profit/(loss) represents the profit earned by/(loss) from each segment without allocation of central administration costs and corporate costs which cannot be meaningfully allocated to individual segment. This is the measure reported to the CODM for purposes of resource allocation and performance assessment.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation and amortisation of assets attributable to those segments.

The revenue from external parties reported to the CODM is measured in a manner consistent with that in the condensed consolidated statement of profit or loss.

All assets are allocated to reportable segments other than corporate assets.

All liabilities are allocated to reportable segments other than income tax payable, deferred tax liabilities and borrowings not attributable to individual segments and other corporate liabilities.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

5. REVENUE AND SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's revenue, results, assets and liabilities by operating segment for the periods:

	For the six months ended 30th September 2025 (unaudited)				
	Sale of watches HK\$'000	Properties leasing HK\$'000	Segmental total HK\$'000	Unallocated HK\$'000	Total HK\$'000
Disaggregated by timing of revenue recognition					
At a point in time	302,113	-	302,113	-	302,113
Over time	-	4,841	4,841	1,810	6,651
External revenue (Note)	<u>302,113</u>	<u>4,841</u>	<u>306,954</u>	<u>1,810</u>	<u>308,764</u>
Operating profit/(loss)	44,440	4,767	49,207	(2,747)	46,460
Interest income	885	-	885	122	1,007
Other net gains	5,811	-	5,811	(175)	5,636
Finance costs	<u>(2,449)</u>	<u>(287)</u>	<u>(2,736)</u>	<u>-</u>	<u>(2,736)</u>
Segment results	<u>48,687</u>	<u>4,480</u>	<u>53,167</u>	<u>(2,800)</u>	<u>50,367</u>
Income tax					<u>(17,563)</u>
Profit for the period					<u>32,804</u>
Depreciation and amortisation	<u>(10,727)</u>	<u>(46)</u>	<u>(10,773)</u>	<u>(5)</u>	<u>(10,778)</u>

Note:

There were no inter-segment sales during the six months ended 30th September 2025.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

5. REVENUE AND SEGMENT INFORMATION (Continued)

	As at 30th September 2025 (unaudited)				
	Sale of watches HK\$'000	Properties leasing HK\$'000	Segmental total HK\$'000	Unallocated HK\$'000	Total HK\$'000
Segment assets	321,519	332,522	654,041	4,820	658,861
Financial assets at fair value through profit or loss					7,314
Total assets					666,175
Segment liabilities	153,629	23,128	176,757	4,729	181,486
Income tax payable					11,081
Deferred tax liabilities					11,210
Total liabilities					203,777

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

5. REVENUE AND SEGMENT INFORMATION (Continued)

	For the six months ended 30th September 2024 (unaudited)				
	Sale of watches HK\$'000	Properties leasing HK\$'000	Segmental total HK\$'000	Unallocated HK\$'000	Total HK\$'000
Disaggregated by timing of revenue recognition					
At a point in time	333,250	–	333,250	–	333,250
Over time	–	4,599	4,599	–	4,599
External revenue (Note)	<u>333,250</u>	<u>4,599</u>	<u>337,849</u>	<u>–</u>	<u>337,849</u>
Operating profit/(loss)	51,070	5,554	56,624	(2,637)	53,987
Interest income	1,413	–	1,413	209	1,622
Other net gains	6,584	32	6,616	(46)	6,570
Finance costs	<u>(4,194)</u>	<u>(452)</u>	<u>(4,646)</u>	<u>–</u>	<u>(4,646)</u>
Segment results	<u>54,873</u>	<u>5,134</u>	<u>60,007</u>	<u>(2,474)</u>	<u>57,533</u>
Income tax					<u>(21,717)</u>
Profit for the period					<u>35,816</u>
Depreciation and amortisation	<u>(13,778)</u>	<u>(50)</u>	<u>(13,828)</u>	<u>(8)</u>	<u>(13,836)</u>

Note:

There were no inter-segment sales during the six months ended 30th September 2024.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

5. REVENUE AND SEGMENT INFORMATION (Continued)

	As at 31st March 2025 (audited)				
	Sale of watches HK\$'000	Properties leasing HK\$'000	Segmental total HK\$'000	Unallocated HK\$'000	Total HK\$'000
Segment assets	<u>378,809</u>	<u>320,811</u>	<u>699,620</u>	<u>5,859</u>	705,479
Financial assets at fair value through profit or loss					<u>7,498</u>
Total assets					<u>712,977</u>
Segment liabilities	<u>214,861</u>	<u>23,878</u>	<u>238,739</u>	<u>5,101</u>	243,840
Income tax payable					13,159
Deferred tax liabilities					<u>14,010</u>
Total liabilities					<u>271,009</u>

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

5. REVENUE AND SEGMENT INFORMATION (Continued)

Geographic Information

The following is an analysis of geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment and investment properties. The geographical location of customers is referred to the location at which the services were provided or the goods delivered. The geographical locations of specific non-current assets are based on the physical location of the assets.

	Revenues from external customers		Non-current assets	
	Six months ended 30th September		As at 30th September	As at 31st March
	2025	2024	2025	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(unaudited)	(unaudited)	(unaudited)	(audited)
Mainland China	301,287	332,657	29,971	34,328
Hong Kong (place of domicile)	6,855	4,661	188,158	189,810
Switzerland	622	531	20,364	18,744
United Kingdom	—	—	121,471	111,343
	308,764	337,849	359,964	354,225

Information about major customers

For the six months ended 30th September 2025 and 2024, no revenue from a single external customer contributed 10% or more of the total revenue of the Group.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

6. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs

	Six months ended 30th September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Interest on bank borrowings	2,046	3,616
Interest on lease liabilities	690	1,030
	<hr/>	<hr/>
Total interest expenses on financial liabilities not at fair value through profit or loss	2,736	4,646
	<hr/> <hr/>	<hr/> <hr/>

(b) Other items

	Six months ended 30th September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Net exchange gain	(5,117)	(4,939)
Depreciation charge		
– owned property, plant and equipment	991	3,677
– right-of-use assets	9,787	10,159
(Reversal of write-down)/write-down of inventories, net	(69)	441
Staff costs including directors' fees and emoluments	24,592	26,423
Impairment loss reversed on trade and other receivables	(395)	(664)
Impairment loss reversed on right-of-use assets	(592)	–
Cost of inventories recognised as expenses	208,715	228,210
Interest income on bank deposits	(1,007)	(1,553)
Loss on fair value change of financial assets at fair value through profit or loss	184	50
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NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

7. INCOME TAX IN THE CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Six months ended 30th September 2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Current tax		
PRC Corporate Income Tax		
– Charge for the period	20,363	24,457
Deferred tax		
Origination and reversal of temporary differences	(2,800)	(2,740)
	17,563	21,717

The subsidiaries in Hong Kong are subject to Hong Kong Profits Tax at the rate of 16.5% (2024: 16.5%). No Hong Kong Profits Tax has been provided for in the financial statements for the six months ended 30th September 2025 and 2024 either because the Hong Kong subsidiaries have accumulated tax losses brought forward which exceeded the estimated assessable profits or the Hong Kong subsidiaries sustained losses for taxation purpose.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods, except for subsidiaries which are eligible as Small Low-profit Enterprise* (小型微利企業). An entity eligible as a Small Low-profit Enterprise is subject to preferential tax treatments up to 31st December 2027. The annual taxable income of a Small Low-profit Enterprise which is not more than RMB3,000,000, 75% of its taxable income is not subject to EIT and the remaining 25% of its taxable income is subject to EIT at a tax rate of 20%. During the six months ended 30th September 2025, two subsidiaries (2024: one subsidiary) is subject to the relevant preferential tax treatments.

The subsidiaries in Switzerland are subject to Switzerland Profits Tax at the rate of 16% (2024: 16%). No Switzerland Profits Tax has been provided for the six months ended 30th September 2025 and 2024 as the Group has no estimated assessable profits in Switzerland.

The subsidiary in the United States is subject to Federal Corporate Income Tax at the rate of 21% (2024: 21%) and Maryland Corporation Income Tax at the rate of 8.25% (2024: 8.25%). No corporate income tax has been provided for the six months ended 30th September 2025 and 2024 as the subsidiary did not generate any estimated assessable profits in the United States.

Pursuant to the rules and regulations of Bermuda and the British Virgin Islands, the Group is not subject to any income tax in these jurisdictions.

* For identification purpose only

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

8. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share has been based on profit attributable to owners of the Company of HK\$32,804,000 (2024: HK\$35,816,000) and the weighted average number of 747,123,000 ordinary shares (2024: 747,123,000 ordinary shares) in issue during the six months ended 30th September 2025.

(b) Diluted earnings per share

Diluted earnings per share is equal to the basic earnings per share as the Company does not have any dilutive potential ordinary shares outstanding for both periods.

9. DIVIDENDS

Dividend payable to owners of the Company attributable to the previous financial year, approved and paid during the interim period.

	Six months ended 30th September 2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Final dividend in respect of the previous financial year, approved and paid during the interim period of HK\$0.02677 (2024: HK\$0.0348) per ordinary share	<u>20,000</u>	<u>26,000</u>

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

	Ownership interests in leasehold land and buildings held for own use carried at cost HK\$'000 (unaudited)	Other properties leased for own use carried at cost HK\$'000 (unaudited)	Other property, plant and equipment HK\$'000 (unaudited)	Total HK\$'000 (unaudited)
Carrying amount at 1st April 2024	16,754	42,853	8,158	67,765
Translation differences	511	672	195	1,378
Additions	-	-	136	136
Depreciation charge	(292)	(9,867)	(3,677)	(13,836)
Carrying amount at 30th September 2024	<u>16,973</u>	<u>33,658</u>	<u>4,812</u>	<u>55,443</u>
Carrying amount at 1st April 2025	16,083	25,190	2,745	44,018
Translation differences	531	388	165	1,084
Additions	-	2,709	464	3,173
Impairment loss reversed	-	592	-	592
Depreciation charge	(297)	(9,490)	(991)	(10,778)
Carrying amount at 30th September 2025	<u>16,317</u>	<u>19,389</u>	<u>2,383</u>	<u>38,089</u>

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

11. TRADE AND OTHER RECEIVABLES

	As at 30th September 2025 HK\$'000 (unaudited)	As at 31st March 2025 HK\$'000 (audited)
Trade receivables, net of loss allowance		
– Third parties	36,713	52,216
– Related parties	4,553	3,987
	41,266	56,203
Other receivables	1,986	1,960
Deposits and prepayments	7,560	9,895
	50,812	68,058
Analysed as:		
Non-current	3,233	3,134
Current	47,579	64,924
	50,812	68,058

Aging Analysis

The Group allows credit period of up to 180 days to its customers. The aging analysis of the trade receivables at the end of the reporting period based on invoice date and net of loss allowance, is as follows:

	As at 30th September 2025 HK\$'000 (unaudited)	As at 31st March 2025 HK\$'000 (audited)
Up to 90 days	36,682	52,344
91 to 180 days	153	–
181 to 365 days	175	42
Over 365 days	4,256	3,817
	41,266	56,203

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

12. TRADE AND OTHER PAYABLES

	As at 30th September 2025 HK\$'000 (unaudited)	As at 31st March 2025 HK\$'000 (audited)
Trade payables		
– Third parties	2,262	2,229
– Related parties	107	–
	2,369	2,229
Other payables and accrued charges	22,155	25,919
Deposits received	1,103	976
Rental received in advance	2,884	2,861
Other tax payable	44,786	45,929
	73,297	77,914
Analysed as:		
Non-current	2,728	2,704
Current	70,569	75,210
	73,297	77,914

Aging Analysis

The aging analysis of trade payables based on date of receipt of goods as at the end of the reporting period, is as follows:

	As at 30th September 2025 HK\$'000 (unaudited)	As at 31st March 2025 HK\$'000 (audited)
Up to 90 days	1,244	1,157
91 to 180 days	33	–
181 to 365 days	–	–
Over 365 days	1,092	1,072
	2,369	2,229

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

13. SHARE CAPITAL

	Nominal value per share <i>HK\$</i>	Number of shares <i>'000</i> (unaudited)	Amount <i>HK\$'000</i> (unaudited)
Authorised:			
At 1st April 2024, 31st March 2025, 1st April 2025 and 30th September 2025	0.2	2,500,000	500,000
Issued and fully paid:			
At 1st April 2024, 31st March 2025, 1st April 2025 and 30th September 2025	0.2	747,123	149,424

14. RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Remuneration of key management personnel of the Group, including amounts paid to the Company's directors and certain of highest paid employees are as follows:

	Six months ended 30th September	
	2025	2024
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Short-term employee benefits	5,254	6,196
Post-employment benefits	29	29
	5,283	6,225

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

14. RELATED PARTY TRANSACTIONS (Continued)

(b) Other transactions

	Notes	Six months ended 30th September 2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Leasing of offices and warehouses to two (2024: two) related companies ultimately owned and controlled by Ms. Lam Kim Phung and her close family members	(i)	1,515	1,471

Notes:

- (i) Leasing of offices and warehouses

During the six months ended 30th September 2025 and 2024, the Group leased an office and warehouse space to two (2024: two) related companies ultimately owned and controlled by Ms. Lam Kim Phung and her close family members.

As at 30th September 2025 and 31st March 2025, commitments under operating leases receivable from the companies over which ultimately owned and controlled by Ms. Lam Kim Phung and her close family members were as follows:

	As at 30th September 2025 HK\$'000 (unaudited)	As at 31st March 2025 HK\$'000 (audited)
Not later than one year	2,896	2,787
Later than one year and not later than five years	1,647	2,940
	4,543	5,727

Leases for properties are negotiated for terms ranging from 1.33 to 1.92 years (31st March 2025: 1.83 to 2.42 years) and related commitments are included in Note 16(b).

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

14. RELATED PARTY TRANSACTIONS (Continued)

(c) Balances with related companies

	As at 30th September 2025 HK\$'000 (unaudited)	As at 31st March 2025 HK\$'000 (audited)
Trade and other receivables, net of loss allowance due from two (31st March 2025: two) related companies ultimately owned and controlled by Ms. Lam Kim Phung and her close family members	4,553	3,987
Trade and other payables due to two (31st March 2025: two) related companies ultimately owned and controlled by Ms. Lam Kim Phung and her close family members	539	433

15. PLEDGE OF ASSETS

The assets pledged for certain banking facilities of the Group were as follows:

	As at 30th September 2025 HK\$'000 (unaudited)	As at 31st March 2025 HK\$'000 (audited)
Investment properties	298,639	288,509

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT (Continued)

16. COMMITMENTS

At the reporting date, the Group had the following outstanding commitments.

(a) Capital commitments

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	As at 30th September 2025 HK\$'000 (unaudited)	As at 31st March 2025 HK\$'000 (audited)
Contracted for:		
Construction work for properties	1,039	3,681

(b) Operating lease commitments – as lessor

Undiscounted lease payments receivable on leases are as follows:

	As at 30th September 2025 HK\$'000 (unaudited)	As at 31st March 2025 HK\$'000 (audited)
Not later than one year	7,494	9,997
Later than one year and not later than five years	2,226	4,564
	9,720	14,561

17. CONTINGENT LIABILITIES

So far as the Directors are aware, neither the Company nor any of its subsidiaries is engaged in any litigation or arbitration or claims which is, in the opinion of the Directors, of material importance is known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries.

MANAGEMENT DISCUSSION AND ANALYSIS

Interim Review

For the six months ended 30th September 2025, the Group's revenue amounted to HK\$309 million which was 9% lower than the last year's at HK\$338 million. Despite a slightly drop in sales this period, the market remained resilient as demand was still strong. Sales for this period in Hong Kong and Mainland China amounted to HK\$7 million and HK\$301 million, representing an increase of 40% and a decrease of 10% respectively as compared with those in the corresponding period last year. Gross profit margin for this period was 32% which was the same as last year's.

Distribution costs amounted to HK\$46 million this period which was comparable to last year at HK\$48 million. The slight decrease this period was mainly attributable to the decrease in depreciation charge for owned property, plant and equipment as the related assets were fully depreciated.

Administrative expenses this period amounting to HK\$10 million which was 9% lower than the last year's at HK\$11 million. The decrease was due to reduction in directors' remuneration this period.

Finance costs amounted to HK\$3 million this period, which was reduced by 40% this year due to the decrease in both the bank loans and the interest rates.

Other net gains amounted to HK\$6 million this period which was comparable with last year.

As a result of the above, the Group achieved a net profit of HK\$33 million this period as compared with a net profit of HK\$36 million in the same period of last year.

Liquidity and financial resources

As at 30th September 2025, the Group's total cash balance amounted to HK\$134 million (31st March 2025: HK\$174 million). The decrease was mainly due to the repayments of bank loans and payment of dividend during the period. Bank loans amounted to HK\$83 million as at 30th September 2025 (HK\$134 million as at 31st March 2025). The bank loans were secured by (i) pledged of investment properties of HK\$299 million; (ii) corporate guarantees given by the Company; (iii) subordination of the payables to the group companies owned by a subsidiary of the Company as the loan borrower and (iv) assignment of rental income from certain investment properties. Gearing ratio of the Group, expressed as a ratio of bank loans over total equity, was 18% as at 30th September 2025 (31st March 2025: 30%).

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Interim Review (Continued)

Foreign exchange risks

The Group views its main currencies as Hong Kong dollars, Renminbi, Pound Sterling and Swiss Francs. The Group monitors its exposure to foreign exchange risks and, when it considers necessary and appropriate, will hedge its foreign exchange risks by using financial instruments.

Prospect

The Group currently operates 5 stores in Mainland China. The Group remained focus on its core stores and has streamlined their operating costs and will continue to do so with a view to further enhance the cost efficiency of each store. The future prospect of the business in these stores will depend on the economic recovery in Mainland China following its current economic challenges ahead.

Apart from the “Sale of watches” segment which continues to be the core business of the Group, the Group is also developing its business in the “Properties leasing” segment via the acquisition of two well located West London properties several years ago. The renovation for one property has been completed and the Group is now examining the current market conditions in order to realize a strategy which is in line with the shareholders’ best interests. Meanwhile construction on the second property continues to progress favourably on schedule and on budget.

The Group is determined to increase its financial strength and confidence to improve its business and take a cautious approach in its future expansion.

On behalf of the Group, we sincerely thank for the kind and positive support of our shareholders, customers, suppliers and associates.

CORPORATE GOVERNANCE

The Company is committed to maintain a high standard of corporate governance practices by emphasising a quality board of directors, sound internal control, transparency and accountability to all the shareholders of the Company.

The Company has complied with all the code provisions set out in the Corporate Governance Code (the “Code”) contained in Appendix C1 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited throughout the period ended 30th September 2025 except for the deviation from the Code Provision C.3.3 and those disclosed below:

The Company was incorporated in Bermuda and enacted by private act, the Asia Commercial Holdings Limited Company Act, 1989 of Bermuda (the “1989 Act”). Pursuant to section 3(e) of the 1989 Act, director holding office as executive chairman or managing director shall not be subject to retirement by rotation at each annual general meeting as provided in the Bye-Laws.

As the Company is bound by the provision of the 1989 Act, at this time, the Bye-Laws cannot be amended to fully reflect the requirements of the Code. As such, a special resolution was passed at the special general meeting held on 28th March 2007 to amend the Bye-Laws of the Company so that, inter alia, (i) every director (save for a director holding office as Chairman or Managing Director) of the Company shall be subject to retirement by rotation at least once every three years; (ii) a director may be removed by an ordinary resolution in general meeting instead of a special resolution; (iii) any director appointed by the Board to fill a casual vacancy or as an additional director shall hold office until the next following general meeting, instead of the next annual general meeting.

CORPORATE GOVERNANCE (Continued)

To enhance good corporate governance practices, the Chairman of the Board will voluntarily retire as director at annual general meeting of the Company at least once every three years in order for the Company to comply with the Code, provided that being eligible for re-election at the annual general meeting.

Code Provision C.3.3 stipulates that directors should clearly understand delegation arrangements in place. The Company should have formal letters of appointment for directors setting out the key terms and conditions of their appointments. Except for the appointments of Mr. Kee Wah Sze as an independent non-executive Director of the Company in August 2020 and the appointment of Ms. Lam Kim Phung as a non-executive Director of the Company, the Chairman of the Board and the chairman of the Nomination Committee of the Company in June 2022, and her redesignation as an Executive Director of the Company in March 2023, the Company has not entered into any written letters of appointment with its Directors.

However, the Board recognises that (i) the Directors have already been subject to the laws and regulations applicable to directors of a company listed on The Stock Exchange of Hong Kong Limited, including the Listing Rules as well as the fiduciary duties to act in the best interests of the Company and its shareholders; (ii) all of them are well established in their professions and (iii) the current arrangement has been adopted by the Company for several years and has proven to be effective. Therefore, the Board considers that the Directors are able to carry out their duties in a responsible and effective manner under the current arrangement.

The Board will continuously review and improve the corporate governance practices and standards of the Company to ensure that business activities and decision making processes are regulated in a proper and prudent manner.

Compliance of the Model Code for Securities Transaction by Directors of Listed Issuers

The Company has adopted a code for securities transactions by Directors of the Company (the “Code of Conduct”) on terms no less exacting than the required standard of the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 of the Listing Rules.

All Directors have confirmed that they complied with the required standards set out in the Code of Conduct throughout the period under review.

DISCLOSURE OF INTERESTS

Directors' and Chief Executive's Interests in Shares, Underlying Shares and Debentures

As at 30th September 2025, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares or debentures of the Company and any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO) or which were required to be and were recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix C3 of the Listing Rules were as follows:

Long positions in shares and underlying shares of the Company

Name of Director	Nature of interest	Number of ordinary shares and underlying shares (if any) of HK\$0.2 each held	Approximate percentage of aggregate interests to total issued share capital %
Ms. Lam Kim Phung	Note 1	446,949,400	59.82
Ms. Eav Guech Rosanna	Note 2	2,087,472	0.28
Mr. Eav Feng Ming, Jonathan	Note 3	707,400	0.09

DISCLOSURE OF INTERESTS (Continued)

Directors' and Chief Executive's Interests in Shares, Underlying Shares and Debentures (Continued)

Long positions in shares and underlying shares of the Company (Continued)

Notes:

As at 30th September 2025, the total number of shares in issue of the Company was 747,123,220 shares.

1. Among the 446,949,400 shares in which Ms. Lam Kim Phung is deemed to have interests under the SFO (i) 43,072,400 shares are personal interest of Ms. Lam Kim Phung, (ii) 344,700,200 shares are corporate interest through Ms. Lam Kim Phung's controlled corporations, and (iii) 59,176,800 shares represent the interest held by Ms. Lam Kim Phung, as the administrator/executor of the estate of Mr. Eav Yin through Chanchhaya Trustee Holding Corporation (as a trustee of Eav An Unit Trust). Eav An Unit Trust is a discretionary trust of which Mr. Eav Yin is the founder, the beneficiaries include Ms. Lam Kim Phung who is the administrator/executor of the estate of Mr. Eav Yin and her children.

Among the 344,700,200 shares shown in (ii) above, (a) 291,210,668 shares are held by Century Hero International Limited, (b) 51,133,864 shares are held by Goodideal Industrial Limited, (c) 1,423,268 shares are held by Goodness Management Limited and (d) 932,400 shares are held by Debonair Company Limited. Century Hero International Limited, Goodness Management Limited and Debonair Company Limited are wholly owned and Goodideal Industrial Limited which is 87% owned by Ms. Lam Kim Phung.

2. All the 2,087,472 shares are personal interest of Ms. Eav Guech Rosanna.
3. All the 707,400 shares are personal interest of Mr. Eav Feng Ming, Jonathan.

Save as disclosed herein, as at 30th September 2025, none of the Directors or chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO) or which were required to be recorded in the register kept by the Company under Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Director's Rights to Acquire Shares or Debentures

Save as disclosed herein, at no time during the six months ended 30th September 2025, was the Company or any of its associated corporations a party to any arrangement to enable the Directors or chief executive to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate and none of the Directors or executive or their spouses or children under 18 years of age was granted any right to subscribe for any shares in, or debentures of, the Company or any of its associated corporations.

DISCLOSURE OF INTERESTS (Continued)

Substantial Shareholders' Interests

As at 30th September 2025, so far as is known to any Directors and chief executive of the Company, the following persons (other than the Directors or chief executive of the Company) had an interest or short position in the shares and underlying shares of the Company which fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of the Part XV of the SFO, or which were recorded in the register kept by the Company or required to be notified under Section 336 of the SFO:

Name of shareholder	Capacity (Notes)	Notes	Number of ordinary shares and underlying shares (if any) of HK\$0.2 each held	Approximate percentage of issued share capital %
Century Hero International Limited	5	1	291,210,668	38.98
Chanchhaya Trustee Holding Corporation	6	2	59,176,800	7.92
Goodideal Industrial Limited	5	3	51,133,864	6.84
Covenhills Limited	5	4	64,255,243	8.60

Notes:

As at 30th September 2025, the total number of shares in issue of the Company was 747,123,220 shares.

1. Century Hero International Limited is wholly owned by Ms. Lam Kim Phung who is a director of this company.
2. Chanchhaya Trustee Holding Corporation is the trustee of Eav An Unit Trust, a discretionary trust, the beneficiaries of which include Ms. Lam Kim Phung who is the administrator/executor of the estate of Mr. Eav Yin and her children.
3. Goodideal Industrial Limited is 87% owned by Ms. Lam Kim Phung who is a director of this company.
4. Covenhills Limited is owned equally by the estate beneficiary of late Mr. Leong Lou Teck, Mr. Leong Lum Thye, Miss Leong Yoke Kheng and Mr. Leong Siew Khuen.
5. Beneficial owner.
6. Trustee.

DISCLOSURE OF INTERESTS (Continued)

Substantial Shareholders' Interests (Continued)

All the interests disclosed above represent long positions in shares and underlying shares of the Company. Save as disclosed above, as at 30th September 2025, there was no other person (other than the Directors or chief executive of the Company) who was recorded in the register of the Company as having an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

OTHER INFORMATION

Interim Dividend

The Board of Directors resolved not to declare an interim dividend in respect of the six months ended 30th September 2025 (2024: Nil).

Purchase, Sale or Redemption of the Company's Listed Securities

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

Employees and Remuneration Policy

There were 115 employees in the Group as at 30th September 2025. The Group offers competitive remuneration packages to employees in line with market trends. Incentives such as discretionary bonuses are offered to motivate employees.

By order of the Board
Asia Commercial Holdings Limited
Cheng Ka Chung
Company Secretary

Hong Kong, 25th November 2025