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上善黃金國際控股有限公司

SHANGSHAN GOLD INTERNATIONAL HOLDINGS LIMITED

(Formerly known as Tokyo Chuo Auction Holdings Limited

東京中央拍賣控股有限公司)

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1939)

**INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025**

FINANCIAL HIGHLIGHTS

- The unaudited consolidated revenue of the Group for the six months ended 30 September 2025 amounted to approximately HK\$76.5 million, increased by approximately 139.8% as compared with the same period in 2024 (six months ended 30 September 2024: approximately HK\$31.9 million).
- The unaudited consolidated profit attributable to the owners of the Company for the six months ended 30 September 2025 amounted to approximately HK\$427,000 (six months ended 30 September 2024: loss attributable to the owners of the Company of approximately HK\$1.1 million).
- For the six months ended 30 September 2025, the basic and diluted earnings per share were HK0.09 cents (six months ended 30 September 2024: loss per share were HK0.23 cents).
- The Board has resolved not to declare interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: Nil).

The board (the “**Board**”) of directors (the “**Directors**”) of Shangshan Gold International Holdings Limited (formerly known as Tokyo Chuo Auction Holdings Limited) (the “**Company**”) is pleased to present the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 September 2025 (the “**Reporting Period**”) together with the comparative figures for the corresponding period in 2024.

INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

		Unaudited Six months ended 30 September 2025	2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	5	76,474	31,891
Cost of services	8	(5,888)	(2,811)
Cost of sales of goods	8	(36,852)	(2,127)
Gross profit		33,734	26,953
Other losses — net	6	(33)	(109)
Other income	7	391	484
Selling and distribution expenses	8	(13,131)	(10,297)
Administrative expenses	8	(17,183)	(17,282)
Operating profit/(loss)		3,778	(251)
Finance income	9	49	219
Finance costs	9	(357)	(520)
Share of result of an associate		(408)	(112)
Profit/(loss) before income tax		3,062	(664)
Income tax expense	10	(2,397)	(440)
Profit/(loss) for the period		665	(1,104)
Profit/(loss) attributable to:			
Owners of the Company		427	(1,149)
Non-controlling interests		238	45
		665	(1,104)
Earnings/(loss) per share for profit/(loss) attributable to owners of the Company			
Basic and diluted (HK cents)	11	HK0.09 cents	HK(0.23) cents

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

	Unaudited	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Profit/(loss) for the period	<u>665</u>	<u>(1,104)</u>
Other comprehensive income:		
<i>Item that may be reclassified subsequently to profit or loss</i>		
Exchange differences on translating foreign operations	<u>736</u>	<u>2,086</u>
Total other comprehensive profit for the period, net of tax	<u>736</u>	<u>2,086</u>
Total comprehensive profit for the period	<u><u>1,401</u></u>	<u><u>982</u></u>
Total comprehensive profit for the period attributable to:		
Owners of the Company	<u>1,105</u>	<u>789</u>
Non-controlling interests	<u>296</u>	<u>193</u>
	<u><u>1,401</u></u>	<u><u>982</u></u>

INTERIM CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2025

		Unaudited	Audited
		30 September	31 March
		2025	2025
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		4,476	4,548
Right-of-use assets		2,111	3,701
Intangible assets		771	1,248
Investment accounted for using the equity method		761	575
Deferred income tax assets		1,949	1,911
Deposits and prepayments	14	1,601	1,588
		11,669	13,571
Current assets			
Inventories		137,157	132,347
Trade and other receivables	13	221,013	145,435
Deposits and prepayments	14	5,190	15,190
Financial asset at fair value through profit or loss		7,962	7,962
Pledged bank deposits		4,000	4,000
Cash and cash equivalents		66,621	76,457
		441,943	381,391
Total assets		453,612	394,962
EQUITY			
Equity attributable to owners of the Company			
Share capital	15	169,730	169,730
Reserves		53,283	51,569
		223,013	221,299
Non-controlling interests		3,583	3,287
Total Equity		226,596	224,586

		Unaudited	Audited
		30 September	31 March
		2025	2025
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
LIABILITIES			
Non-current liabilities			
Other payable	17	1,200	1,200
Lease liabilities		2,623	2,611
Borrowings	16	20,701	22,807
Deferred income tax liabilities		1,961	1,921
		<u>26,485</u>	<u>28,539</u>
Current liabilities			
Trade and other payables and accruals	17	182,374	123,349
Lease liabilities		2,272	3,861
Borrowings	16	13,940	14,520
Current income tax liabilities		1,945	107
		<u>200,531</u>	<u>141,837</u>
Total liabilities		<u>227,016</u>	<u>170,376</u>
Total equity and liabilities		<u>453,612</u>	<u>394,962</u>

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

Shangshan Gold International Holdings Limited (formerly known as Tokyo Chuo Auction Holdings Limited) (the “**Company**”) is a limited liability company incorporated in Hong Kong. The address of the Company’s registered office is Room 2601, 26/F, Wing On Centre, No. 111 Connaught Road Central, Hong Kong.

The Company is an investment holding company. The Company’s subsidiaries principally engage in the provision of auction and related services as well as artwork sales in Hong Kong and Japan and operation of gold and gold related business in Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis. The unaudited condensed consolidated financial statements are presented in Hong Kong Dollars (“**HK\$**”), which is the functional currency of the Company, and all values are rounded to the nearest thousands (“**HK\$’000**”), unless otherwise stated and have been approved for issue by the Board on 27 November 2025.

2 BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended 30 September 2025 has 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**”). The interim condensed consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2025, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”).

The financial information relating to the financial year ended 31 March 2025 that is included in the interim condensed consolidated financial information for the six months ended 30 September 2025 as comparative information does not constitute the Company’s annual consolidated financial statements for that financial year but is derived from those financial statements. The annual consolidated financial statements for the year ended 31 March 2025 are available from the Company’s registered office. The auditors have expressed an unqualified opinion on those financial statements in their report dated 30 June 2025.

The unaudited condensed consolidated financial statements have not been audited by the Company’s auditors, but have been reviewed by the Company’s audit committee (the “**Audit Committee**”).

3 CHANGE IN ACCOUNTING POLICIES

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to a HKFRS Accounting Standard as issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2025 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to a HKFRS Accounting Standard 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 financial statements.

4 ESTIMATES

The preparation of interim condensed consolidated financial information requires management to make judgements, estimates and assumptions, the estimates and judgements are continually evaluated and are based on historical experience and other factors including expectation on future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

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

5 REVENUE AND SEGMENT INFORMATION

Segment information

The chief operating decision-maker has been identified as the executive directors of the Group ("CODM") that make strategic decisions. The CODM assesses the performance of the operating segments based on a measure of gross profit for the purpose of allocating resources.

The management has identified three operating segments based on the types of revenues as follows:

- operation of art auction and related business;
- artwork sales; and
- operation of gold and gold related business.

The CODM makes decisions according to the operating results of each segment. No analysis of segment assets and segment liabilities is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment as at 30 September 2025 and 31 March 2025. Therefore, only segment revenue and segment results are presented.

The segment information provided to the CODM for current period and comparative figures are as follows:

	Unaudited			
	For the six months ended			
	30 September 2025			
	Operation of art auction and related business <i>HK\$'000</i>	Artwork sales <i>HK\$'000</i>	Operation of gold and gold related business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue from external customers	38,741	37,518	215	76,474
Costs of service/sales	(5,888)	(36,648)	(204)	(42,740)
Segment results	32,853	870	11	33,734
Other losses — net				(33)
Other income				391
Selling and distribution expenses				(13,131)
Administrative expenses				(17,183)
Operating profit				3,778
Share of result of an associate accounted for using the equity method				(408)
Finance costs — net				(308)
Profit before income tax				3,062
Income tax expense				(2,397)
Profit for the period				665

Unaudited			
For the six months ended			
30 September 2024			
	Operation of art auction and related business <i>HK\$'000</i>	Artwork sales <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue from external customers	29,447	2,444	31,891
Costs of service/sales	<u>(2,811)</u>	<u>(2,127)</u>	<u>(4,938)</u>
Segment results	<u>26,636</u>	<u>317</u>	<u>26,953</u>
Other losses — net			(109)
Other income			484
Selling and distribution expenses			(10,297)
Administrative expenses			<u>(17,282)</u>
Operating loss			(251)
Share of result of an associate accounted for using the equity method			(112)
Finance costs — net			<u>(301)</u>
Loss before income tax			(664)
Income tax expense			<u>(440)</u>
Loss for the period			<u><u>(1,104)</u></u>

Revenue

Unaudited		
Six months ended		
30 September		
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue from art auction and related business	38,741	29,447
Artwork sales	37,518	2,444
Operation for gold and gold related business	<u>215</u>	<u>—</u>
	<u><u>76,474</u></u>	<u><u>31,891</u></u>

All customers individually accounted for less than 10% of the Group's revenue during the six months ended 30 September 2025 (30 September 2024: same).

All revenues of the Group are recognized at a point in time.

Revenue from external customers, by geographical area, is as follows:

	Unaudited Six months ended 30 September 2025 2024 <i>HK\$'000</i> <i>HK\$'000</i>	
Hong Kong	42,838	14,399
Japan	33,636	17,492
	76,474	31,891

Non-current assets, other than deferred income tax assets, by geographical area are as follows:

	Unaudited 30 September 2025 <i>HK\$'000</i>	Audited 31 March 2025 <i>HK\$'000</i>
Hong Kong	2,237	2,837
Japan	6,722	8,248
Taiwan	761	575
	9,720	11,660

6 OTHER LOSSES — NET

	Unaudited	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Exchange loss	33	109

7 OTHER INCOME

Other income mainly represented bidding deposits forfeited and penalties from the buyers and miscellaneous handling fees charged to customers during the Reporting Period (30 September 2024: bidding deposits forfeited and penalties from the buyers and miscellaneous handling fees charged to customers).

8 PROFIT/(LOSS) BEFORE INCOME TAX

	Unaudited	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Cost of inventories sold	36,852	2,127
Rental and setup costs for auction and preview exhibition venues	2,647	1,774
Expenses relating to short term lease	1,590	1,474
Employee benefit expenses	7,788	8,379
Equity-settled share-based payment	609	2,675
Depreciation of property, plant and equipment	653	1,442
Depreciation of right-of-use assets	1,608	1,763
Amortization of intangible assets	164	160

9 FINANCE COSTS — NET

	Unaudited Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Finance income:		
Interest income on bank deposits	49	129
Interest income from consignor advance	—	90
	<u>49</u>	<u>219</u>
Finance costs:		
Interest expense on lease liabilities	(151)	(244)
Interest expense on bank and other borrowings	<u>(206)</u>	<u>(276)</u>
	<u>(357)</u>	<u>(520)</u>
Finance costs — net	<u><u>(308)</u></u>	<u><u>(301)</u></u>

10 INCOME TAX EXPENSE

The amount of income tax charged to the interim condensed consolidated income statements represent:

	Unaudited Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Current income tax		
— Hong Kong	—	—
— Japan	2,397	440
— Taiwan	—	—
	<u>2,397</u>	<u>440</u>
Total current income tax	2,397	440
Deferred income tax	<u>—</u>	<u>—</u>
Income tax expense	<u><u>2,397</u></u>	<u><u>440</u></u>

(a) Hong Kong profit tax

Hong Kong profits tax is calculated at 16.5% for the six months ended 30 September 2025 and 30 September 2024.

No Hong Kong profits tax was provided for the six months ended 30 September 2025 and 30 September 2024 as the Group did not derive any estimated assessable profits.

(b) Japan corporate income tax

Japan corporate income tax has been calculated on the estimated assessable profit for the six months ended 30 September 2025 and 30 September 2024 at the rates of taxation prevailing in Japan in which the Group operates. The Group is subject to national corporate income tax, inhabitant tax, and enterprise tax in Japan, which in aggregate, resulted in effective statutory income tax rates of approximately 33% for the Reporting Period (30 September 2024: 33%).

(c) Taiwan income tax

Taiwan income tax is calculated at 20% of the estimated assessable profits for both years.

11 EARNINGS/(LOSS) PER SHARE

Basic

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to the Company's owners by the weighted average number of ordinary shares in issue during the six months ended 30 September 2025 and 30 September 2024.

	Unaudited	
	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Profit/(loss) attributable to the owners of the Company (<i>HK\$'000</i>)	<u>427</u>	<u>(1,149)</u>
Weighted average number of ordinary shares in issue (<i>'000</i>)	<u>500,000</u>	<u>500,000</u>
Basic earnings/(loss) per share (<i>HK cents</i>)	<u>HK0.09 cents</u>	<u>HK(0.23) cents</u>

Diluted

Diluted earnings per share for the six months ended 30 September 2025 was the same as basic earnings per share because there was no potential ordinary shares for the Reporting period (30 September 2024: was same as basic loss per share because the exercise of the Company's outstanding share options would have anti-dilutive effect).

12 DIVIDEND

No dividends have been paid or proposed during the six months ended 30 September 2025, nor has any dividend been proposed since the end of the reporting period (six months ended 30 September 2024: Nil).

13 TRADE AND OTHER RECEIVABLES

	Unaudited As at 30 September 2025 HK\$'000	Audited As at 31 March 2025 HK\$'000
Trade receivables	21,355	10,679
Less: loss allowances	<u>(5,451)</u>	<u>(5,416)</u>
Trade receivables — net	15,904	5,263
Other receivables		
— Receivables from buyers in respect of auction and related business (<i>Note i</i>)	136,623	71,351
— Consignor advances (<i>Note ii</i>)	59,081	59,031
— Input value-added tax recoverable	1,581	517
— Others	<u>7,824</u>	<u>9,273</u>
Trade and other receivables	<u>221,013</u>	<u>145,435</u>

As at 30 September 2025 and 31 March 2025, the fair value of trade and other receivables of the Group were approximately the same as their carrying amounts (31 March 2025: same).

Notes:

- (i) Other receivables from buyers in respect of auction and related business represent the purchase price of the auction articles receivable on behalf of sellers.
- (ii) Included in other receivables are advances of approximately HK\$59,081,000 made to certain sellers as at 30 September 2025 (31 March 2025: approximately HK\$59,031,000) upon consignment of auction articles to the Group. As at 30 September 2025 and 31 March 2025, these advances bore interest at 0% to 12% per annum.

The Group grants credit period of 7 days for commission receivables and 30 days for receivables from artwork sales. The ageing analysis of trade receivables based on invoice date, before provision for impairment, as at 30 September 2025 and 31 March 2025, was as follows:

	Unaudited	Audited
	As at	As at
	30 September	31 March
	2025	2025
	HK\$'000	HK\$'000
Within 30 days	16,056	5,351
1 to 3 months	510	—
3 to 6 months	66	5
6 to 12 months	140	53
Over 1 year	4,583	5,270
	21,355	10,679

The Group does not hold any collateral as security over these debtors as at 30 September 2025 and 31 March 2025.

14 DEPOSITS AND PREPAYMENTS

	Unaudited As at 30 September 2025 <i>HK\$'000</i>	Audited As at 31 March 2025 <i>HK\$'000</i>
Current portion:		
Prepayments to sellers for auctioned artwork (<i>Note</i>)	—	65
Deposits and prepayments	<u>5,190</u>	<u>15,125</u>
	<u>5,190</u>	<u>15,190</u>
Non-current portion:		
Rental and other deposits	<u>1,601</u>	<u>1,588</u>
	<u><u>6,791</u></u>	<u><u>16,778</u></u>

As at 30 September 2025 and 31 March 2025, the fair values of deposits of the Group approximated their carrying amounts.

Note:

As at 31 March 2025, prepayments to sellers for auctioned artwork represent the amounts advanced to sellers of artwork of approximately HK\$65,000. Amounts may be advanced to sellers prior to receiving full payment of the auction purchase prices from the relevant buyers and the Group will keep the related auctioned artworks under its custody. As at 31 March 2025, such prepayments were interest-free and the respective auctioned artwork was kept under the Group's custody.

15 SHARE CAPITAL

Ordinary Shares	Number of Shares	Share capital <i>HK\$'000</i>
Issued and fully paid:		
At 30 September 2025 (unaudited) and 31 March 2025 (audited)	<u><u>500,000,000</u></u>	<u><u>169,730</u></u>

16 BORROWINGS

	Unaudited As at 30 September 2025 HK\$'000	Audited As at 31 March 2025 HK\$'000
Bank borrowings (<i>Notes (a)</i>)	<u>34,641</u>	<u>37,327</u>
Secured	5,652	6,056
Unsecured	<u>28,989</u>	<u>31,271</u>
	<u>34,641</u>	<u>37,327</u>
	Unaudited As at 30 September 2025 HK\$'000	Audited As at 31 March 2025 HK\$'000
The carrying amounts of the above borrowings are repayable:		
Within one year	13,940	14,520
With a period of more than one year but not exceeding two years	5,163	4,296
With a period of more than two years but not exceeding five years	10,326	11,779
With a period of more than five years	<u>5,212</u>	<u>6,732</u>
	34,641	37,327
Less: Amounts due within one year shown under current liabilities	<u>(13,940)</u>	<u>(14,520)</u>
Amounts shown under non-current liabilities	<u>20,701</u>	<u>22,807</u>
The Group's borrowings are denominated in the following currencies:		
	Unaudited As at 30 September 2025 HK\$'000	Audited As at 31 March 2025 HK\$'000
JPY	<u>34,641</u>	<u>37,327</u>

Notes:

(a) Bank borrowings

- (i) The unsecured fixed-rate bank borrowing of approximately HK\$5,908,000 (31 March 2025: HK\$5,517,000) as at 30 September 2025 is repayable on 2030 and bearing interest at 0.9% per annum. It was guaranteed by personal guarantee of Mr. Ando, a director of the subsidiary company.
- (ii) The secured fixed-rate bank borrowing of approximately HK\$5,652,000 (31 March 2025: HK\$6,056,000) as at 30 September 2025 is repayable on 2031 and bearing interest at 0.9% per annum. It was secured by property of Mr. Ando and Mrs. Ando, directors of the subsidiary company.
- (iii) The unsecured fixed-rate bank borrowings with principal amount of approximately HK\$20,662,000, equivalent to JPY 390,000,000, (31 March 2025: HK\$20,240,000, equivalent to JPY 390,000,000) were received from Japanese bank in which interest were subsidised by Japanese government with lower than market rate and the carrying amounts of approximately HK\$13,515,000 (31 March 2025: HK\$15,521,000) as at 30 September 2025 are repayable in full on year 2030. The prevailing market interest rates for equivalent bank borrowings of 1.11% to 1.91%. The difference of between the gross proceeds and the fair value of the bank borrowings are the benefit derived from the interest-free bank borrowings and are recognised as government grant under other income.
- (iv) The unsecured variable-rate bank borrowings of approximately HK\$9,566,000 (31 March 2025: HK\$10,233,000) is repayable within one year and bearing interest at 0.35% to 0.45% per annum over 1-month benchmark interest rate as at 30 September 2025.

17 TRADE AND OTHER PAYABLES AND ACCRUALS

	Unaudited As at 30 September 2025 <i>HK\$'000</i>	Audited As at 31 March 2025 <i>HK\$'000</i>
Payables to sellers in respect of auction and related business	161,521	114,852
Deposits received, other payables and accruals	<u>22,053</u>	<u>9,697</u>
	<u>183,574</u>	<u>124,549</u>
Less: Non-current portion: Other payables	<u>(1,200)</u>	<u>(1,200)</u>
Current portion	<u><u>182,374</u></u>	<u><u>123,349</u></u>

Payables to sellers in respect of auction and related business represent the purchase price of auction articles payable to sellers less seller commissions and other auction related receivables.

As at 30 September 2025 and 31 March 2025, all deposits received, other payables and accruals of the Group were non-interest bearing, and their fair value approximated their carrying amounts due to their short maturities.

As at 30 September 2025 and 31 March 2025, the non-current other payables represents the Group's obligation to pay for the reinstatement costs to the landlords of the offices in Hong Kong and Japan, which was expected to be settled at the end of the leases.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

We are a well-recognised auction house of Chinese and Japanese artworks in Hong Kong and Japan. We specialise in auctioneering a wide variety of artworks with emphasis on Chinese and Japanese artworks, including Chinese paintings and calligraphies, Chinese antiques and Japanese and Chinese teawares. With over ten years of operating experience in the Chinese and Japanese art auction industry, we have grown into a well-recognised and trusted auction brand in Hong Kong and Japan, through our “Tokyo Chuo Auction” brand. By offering appealing auction artworks and quality auction services, we have successfully gained recognition from our customers and established our market position, brand name and competitiveness. We take pride in being an auction house with the ability to explore and introduce the historical and cultural significance as well as the commercial value of each artwork.

Over the past year, the Group took appropriate actions to improve our operations through different ways, including but not limited to, (i) adopting and utilising professional as well as history-focused and culture-oriented marketing techniques along with quality services to maximise the transaction prices of our auctioned artworks; (ii) further strengthening our market position and market share in the Chinese and Japanese art auction market in Hong Kong and Japan, and enhancing our brand recognition and awareness; (iii) diversifying our business scope by venturing into the field of contemporary artwork and fine & rare whisky and moutai; (iv) recruiting high calibre managers and experts and attracting, motivating and retaining quality employees to strengthen both the management and operating teams with a view to support sustainable growth; and (v) targeting to expand business footprint to other potential markets with an aim to establish and enhance brand image and brand influence in other major Asian cities and the global market.

During the period under review, Shangshan Technology Development Co., Limited, a wholly-owned subsidiary of the Company had obtained a trademarks licensing agreement and intellectual property rights agreement to gold and intelligent equipment-related business. According to the above agreements, the Group has the right to use the licensed trademarks and smart terminals for, including but not limited to, production, sales and operation of products with licensed trademarks itself, or to designate a third party to produce products with licensed trademarks in its stead. The smart terminals comprise an intelligent recycling machine and a self-service vending machine. The intelligent recycling machine will melt, refine, test, appraise, and pay the customers the appraised value of the gold after deduction of the service fees, with no human intervention required throughout the process. The self-service vending machine enables instant purchase and collection of the gold and gold products. The smart terminal offers customers a self-service ordering system and a convenient, efficient one-stop physical gold trading experience. The Group plans to prioritise market expansion by establishing flagship stores, standard outlets and franchised outlets in mainly East Asia, Southeast Asia and the Middle East.

The direct-operated flagship stores will be established in selected landmark commercial locations and besides carrying the smart terminals, such outlets will feature dedicated areas for displaying gold products and contemporary art collectibles, as well as auction promotional materials. There will also be professional staff at such flagship stores to promote the Group's gold products and services, contemporary art collectibles sales and auction services. The revenue of the direct-operated flagship stores will primarily derive from the gold recycling service fees, gold product sales and contemporary art collectibles sales. The direct-operated standard outlets and franchised outlets will be situated in high-footfall commercial areas with relatively smaller floor space to carry the smart terminals. The Group's revenue for direct-operated standard outlets will mainly derive from gold recycling service fees and gold product sales, while the Group will generate revenue from franchised outlets primarily through smart terminal sales, equipment system maintenance fees, and business revenue sharing from gold recycling and gold product sales conducted by the franchisees.

In particular, the target market of the Group's auction business has primarily been affluent persons whom collect antique goldware, exquisite jewelry, and contemporary sculptures and artworks, as such, such target market is likely to also be interested in the Group's gold business as well due to the collectible and valuable nature of both the auction collectibles and gold and gold products. Therefore, existing customers of the Group may also be interested in the gold and gold products offered by the Group and likewise, the future customers of the new gold business of the Group may become interested in certain auction collectibles, especially the contemporary art collectibles, and auction events offered by the Group. The shared interests of the existing customers of the Group and the future customers of the new gold business of the Group in valuable collectibles is likely to synergise and expand the target market of the Group.

REVENUE

During the Reporting Period, the revenue of the Group was approximately HK\$76.5 million (six months ended 30 September 2024: approximately HK\$31.9 million), which represents an increase of approximately HK\$44.6 million or approximately 139.8% as compared to the same period in 2024. Such increase in revenue for the Reporting Period was mainly due to (i) increase in revenue from art auction and related business of approximately HK\$38.8 million (six months ended 30 September 2024: HK\$29.5 million), (ii) the increase in revenue from the artwork sales of approximately HK\$37.5 million (six months ended 30 September 2024: HK\$2.4 million) and (iii) increase in revenue from gold and gold related business of approximately HK\$0.2 million (six months ended 30 September 2024: Nil) recognised for the Reporting Period.

GROSS PROFIT

During the Reporting Period, gross profit of the Group increased by approximately 24.8% to approximately HK\$33.7 million (six months ended 30 September 2024: approximately HK\$27.0 million) as compared to the same period in 2024. Such increase in gross profit was in line with the increase in revenue from art auction and related business and artwork sales. Meanwhile, the gross profit margin decreased to approximately 44.1% for the Reporting Period from approximately 84.5% recorded for the same period in 2024, which was mainly due to the increase in revenue from artwork sales with low gross profit margin for the Reporting Period.

OTHER LOSSES

Other losses of approximately HK\$33,000 represented by exchange loss during the Reporting Period (six months ended 30 September 2024: HK\$109,000).

OTHER INCOME

Other income of approximately HK\$391,000 mainly represented by the bidding deposits forfeited and penalties from the buyers and miscellaneous handling fee charged to customers during the Reporting Period (six months ended 30 September 2024: bidding deposits forfeited and penalties from the buyers and miscellaneous handling fee charged to customers of approximately HK\$484,000).

SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses consist primarily of employee benefit expenses paid to the sales and marketing staffs, advertising and promotion expenses, consultancy fee paid, transportation costs, travelling expenses and entertainment and business hospitality expenses. During the Reporting Period, selling and distribution expenses amounted to approximately HK\$13.1 million (six months ended 30 September 2024: approximately HK\$10.3 million). Such increase was in line with the increase in revenue for the Reporting Period.

ADMINISTRATIVE EXPENSES

Administrative expenses mainly represent the employee benefit expenses, travelling expenses, rental expenses and depreciation. During the Reporting Period, the administrative expenses of the Group decreased by approximately 0.6% to approximately HK\$17.2 million (six months ended 30 September 2024: approximately HK\$17.3 million), which remained stable as compared with the same period in last year.

FINANCE INCOME/(COSTS) — NET

The Group recorded finance income of approximately HK\$49,000 (six months ended 30 September 2024: approximately HK\$219,000) and finance costs of approximately HK\$357,000 (six months ended 30 September 2024: approximately HK\$520,000) during the Reporting Period. Finance income mainly represents interest income from bank deposit and interest income from certain consignor advance, and finance costs mainly represent interest expenses on bank and other borrowings and lease liabilities of the Group.

INCOME TAX EXPENSES

Profits tax has been provided for our companies in both Hong Kong and Japan at the applicable rates on the estimated assessable profits. Income tax charged for the Reporting Period included the current tax charged of approximately HK\$2.4 million (six months ended 30 September 2024: the current tax charged of approximately HK\$440,000).

PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY

During the Reporting Period, the Company recorded a profit attributable to owners of the Company of approximately HK\$427,000 (six months ended 30 September 2024: loss attributable to the owners of the Company of approximately HK\$1.1 million), which was mainly due to the increase in revenue from art auction and related business and artwork sales for the Reporting Period.

CONSIGNORS ADVANCE

For the consignor advances as at 30 September 2025, the total principal amount was approximately HK\$64.6 million (31 March 2025: HK\$76.5 million) and the total outstanding principal was approximately HK\$59.1 million (31 March 2025: HK\$59.0 million), one of the consignor advances were granted with interest rate of 12% per annum and the rest of the advances was granted at nil interest rate (31 March 2025: two of the consignor advances were granted with interest rate of 1% to 12% per annum and the rest of the advances was granted at nil interest rate). During the Reporting Period, the consignor advances were granted to 27 consignors and all of them were either corporate or individual art collectors. The consignor advance was only granted to the consignors after the collateral (which is the consigned artwork) has been obtained by the Group and the consigned artwork should be proposed to sell in subsequent auctions,

which was mutually agreed by consignors and the Group (normally within one year). To the best of the knowledge, information and belief of the Directors, all the consignors and their ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company.

As at 30 September 2025, the outstanding amount of consignor advances due from the largest consignor and five largest consignors accounted for approximately 13.4% and 45.4% of the total outstanding amount of consignor advances of the Group respectively (31 March 2025: the largest consignor and five largest consignors accounted for approximately 10.4% and 33.8% respectively).

In order to attract appealing artworks from artwork providers with long-term relationship and good credit history, during the six months ended 30 September 2025 and 2024, the Company has provided certain consignors with consignor advances carrying interest accruing on such consignor advances at nil or low interest rates. Under the consignment arrangement, the relevant consignor advances with interests payable (if any) shall be deducted from sales proceeds of the consigned artwork after receiving full payment of the purchase price from the auction, or in case the Company failed to sell the consigned artwork at the auction, the consigned artwork shall be returned to the consignor after obtaining full repayment of the consignor advances with accrued interest (if any) from the relevant artwork provider. The business of the Group heavily relies on the artworks provided by these artwork providers and therefore the provision of such advance is for the benefit of the Group's business and not merely for the purpose of earning interest income.

When determining the grant of consignor advances, the Group would initially assess the background of the artwork and the consignors by the taking into factors including (i) obtaining personal information of the consignor and conduct available public search on the background of the consignor when necessary; (ii) the proposed value of the artwork and collateral offered by the consignor; (iii) the length of business relationship between the Group and the consignor; and (iv) the creditability of the consignor based on the credit history of the consignor.

When determining any impairment made in respect of the consignor advances, the management assessed the expected losses individually by estimation based on general economic conditions of the consignor advance provided and the value of relevant consigned artwork and conditions at the reporting date. Since the fair value amounts of the consigned artwork were higher than the carrying amounts of consigner advance as at 30 September 2025, no impairments were recorded.

FINANCIAL POSITION AND LIQUIDITY

The Group generally finances its operations with internally generated resources, banking facilities and net proceeds from the listing. As at 30 September 2025, the Group had current assets of approximately HK\$441.9 million (as at 31 March 2025: approximately HK\$381.4 million) while the Group's cash and cash equivalents amounted to approximately HK\$66.6 million (as at 31 March 2025: approximately HK\$76.5 million).

As at 30 September 2025, the Group has interest-bearing bank borrowings of approximately HK\$34.6 million (as at 31 March 2025: approximately HK\$37.3 million) and of which approximately HK\$13.9 million (as at 31 March 2025: approximately HK\$14.5 million) was repayable within one year.

As at 30 September 2025 and 31 March 2025, the Group did not have other borrowings.

As at 30 September 2025, the Group's gearing ratio was calculated on the basis of the amount of interest-bearing borrowings less cash and cash equivalents divided by shareholders' equity and the Group was in net cash position (as at 31 March 2025: net cash position).

CAPITAL COMMITMENTS

As at 30 September 2025, the Group had no any material capital commitment (as at 31 March 2025: Nil). As at the date of this announcement, the Group had no plan for material investment or capital assets.

CONTINGENT LIABILITIES AND GUARANTEES

As at 30 September 2025, the Group did not provide any guarantees for any third party and had no significant contingent liabilities (as at 31 March 2025: Nil).

SIGNIFICANT INVESTMENTS/MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

The Group did not hold any material investments, nor did the Group make any material acquisition and disposal of subsidiaries or associated companies of the Company during the Reporting Period.

TREASURY POLICIES

The Group adopted a prudent strategy towards the treasury and funding policies, and attached high importance to the risk control and transactions directly related to the Group's principal business. Funds, primarily denominated in Japanese Yen and Hong Kong Dollar, are normally placed with banks in short or medium term deposits for working capital of the Group.

DIVIDEND

The directors of the Company do not recommend the payment of an interim dividend for the Reporting Period.

CAPITAL STRUCTURE AND FOREIGN CURRENCY EXPOSURE

During the Reporting Period, the Group's operation was mainly financed by funds generated from its operation, borrowings and net proceeds from the listing. As at 30 September 2025, the borrowings were mainly denominated in Japanese Yen and Hong Kong dollars, while the cash and cash equivalents held by the Group were mainly denominated in Japanese Yen and Hong Kong dollars. All of the Group's borrowings were floating rate borrowings and were pledged by bank deposits of approximately HK\$4.0 million to secure general bank facilities during the Reporting Period. The Group's revenue is mainly denominated in Japanese Yen and Hong Kong dollars, while its costs and expenses are mainly denominated in Japanese Yen and Hong Kong dollars. As the majority portion of the Group's assets, liabilities, revenues and payments during the Reporting Period were denominated in either Japanese Yen or Hong Kong dollars, and in view of the prevailing macro-economic environment, the Group may be exposed to the foreign exchange rate risk. The Group will closely monitor the volatility of foreign exchange rate and apply the appropriate hedging strategy as and when appropriate.

CHARGE ON ASSETS

As at 30 September 2025, bank deposits amounting to HK\$4.0 million (as at 31 March 2025: HK\$4.0 million) was pledged to a bank to secure general banking facilities granted to the Group.

Other than the aforesaid pledged bank deposits, there was no other charge on assets of the Group as at 30 September 2025 (as at 31 March 2025: Nil).

EMPLOYEES AND EMOLUMENT POLICY

As at 30 September 2025, the Group had 21, 13, 1 and 1 full-time staff based in Japan, Hong Kong, Taiwan and the PRC respectively. The Group regularly reviews compensation and benefit policies according to industry benchmark as well as individual performance of employees. Other fringe benefits, mandatory provident fund and share options are provided to retain loyal employees with the aim to form a professional staff and management team that can bring the Group to different levels of success.

The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees' base salaries. The Group also made contributions to provident funds, elderly insurance, medical insurance, unemployment insurance and work-related injury insurance in accordance with applicable laws and regulations in Japan, Taiwan and the PRC respectively.

SHARE OPTION SCHEME

The Group has adopted a share option scheme on 13 September 2018 (the “**2018 Share Option Scheme**”) as a reward to eligible high-calibre employees and to attract similar high-quality personnel that are valuable to the Group. Details of the 2018 Share Option Scheme are set out in the circular of the Company dated 13 September 2018.

On 24 April 2023, 48,000,000 share options were granted to certain Director, senior managements and employees of the Group (the “**Grantees**”), as disclosed in the announcement of the Company dated 24 April 2023. The share options granted shall vest in the Grantees in accordance with their respective timetable. Details of the grant of share options are set out in the announcement of the Company dated 24 April 2023.

Details of the share option movements during the period from 1 April 2025 to 30 September 2025 under the 2018 Share Option Scheme are as follows.

Holder of Share Options	Date of Grant	Exercise period	Exercise price per Share (HK\$)	Number of share options					Outstanding as at 30 September 2025
				Outstanding as at 1 April 2025	Granted during the six months ended 30 September 2025	Exercised during the six months ended 30 September 2025	Lapsed/ cancelled during the six months ended 30 September 2025		
Executive Director									
Katsu Bunkai (Note 2)	24 April 2023	24.4.2024 to 23.4.2029	0.80	5,000,000	—	—	(5,000,000)		—
Employees	24 April 2023	24.4.2024 to 23.4.2029	0.80	43,000,000	—	—	(43,000,000)		—
Total				<u>48,000,000</u>	<u>—</u>	<u>—</u>	<u>(48,000,000)</u>		<u>—</u>

Notes:

- (1) The closing price of the Company's share immediately before the date (23 April 2023) on which the share options were granted was HK\$0.76.
- (2) Katsu Bunkai resigned as an executive Director on 20 June 2025.

- (3) 48,000,000 share options had been tendered for cancellation under the option offer on 20 June 2025. For details, please refer to the joint announcements dated 2 May 2025, 23 May 2025, 30 May 2025 and 20 June 2025 (the “**Joint Announcements**”) and circular dated 30 May 2025 (the “**Circular**”).

EVENTS AFTER THE REPORTING PERIOD

On 29 September 2025, the Company and Soochow Securities International Brokerage Limited (“**Placing Agent**”) entered into a placing agreement and on 20 October 2025, the Company and Placing Agent entered into a supplemental placing agreement (the “**Supplemental Agreement**”), pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a best effort basis, up to 11,880,000 placing shares to not less than six placees at the placing price of HK\$7.71 per placing shares (the “**Placing**”). The Placing was completed on 6 November 2025. For details, please refer to the announcement of the Company regarding on the placing of new shares under general mandate dated on 29 September 2025, 20 October 2025 and 6 November 2025 (the “**Announcements**”).

PROSPECTS

In the future, the Group aims at maintaining stable growth and development, and continuously uphold its principle of sourcing excellent artworks with good provenance to explore and collect more valuable artworks for art enthusiasts in the artwork auction market. The Group will aim at keeping stable growth and development, and continuously uphold its principle of sourcing excellent artworks for art enthusiasts in the artwork auction market. The Group will constantly enrich the categories of auction lots to fulfill the diversified preferences of the collectors. At the same time, the Group also intends to accelerate its global market presence and build a synergistic “Gold + Auction” dual-business ecosystem through further development and a closed-loop business structure, aligning with the Group’s global structure. The Company aims to enrich its business portfolio, reduce reliance on a single business and enhance risk resistance by commencing gold and intelligent equipment-related business, leverage the development opportunities in the gold market and seek to cultivate new profit growth point.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s securities listed on the Stock Exchange during the Reporting Period.

CORPORATE GOVERNANCE

The Board has adopted the code provisions of the Corporate Governance Code (the “**CG Code**”) set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). The Board has reviewed the Company’s corporate governance practices and is satisfied that the Company has complied with the code provisions set out in the CG Code during the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules. After specific enquiry made by the Company, all of the Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct of the Company governing Directors' securities transactions during the Reporting Period.

AUDIT COMMITTEE

The Company has established an audit committee which comprises three independent non-executive Directors, namely, Mr. Leung Ting Yuk, Mr. Li Jiefeng and Professor He Jia. Mr. Leung Ting Yuk is the chairman of the audit committee. The audit committee of the Company has reviewed and discussed with the management of the Group on the unaudited interim condensed consolidated financial information of the Group for the Reporting Period, including the accounting principles and practices adopted by the Group, and discussed financial related matters. The audit committee has no disagreement with the accounting treatment adopted by the Company in the unaudited interim condensed consolidated financial information of the Group for the Reporting Period.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the website of the Stock Exchange at www.hkex.com.hk and on the website of the Company at www.chuo-auction.com.hk. The interim report of the Company for the Reporting Period will be despatched to the shareholders of the Company and published on the aforementioned websites in due course in accordance with the Listing Rules.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my sincere gratitude to the shareholders of the Company, business partners and clients of the Group for their immense support and to the Group's management and staff for their dedication and commitment. I look forward to creating a successful year of 2025 with you all.

By order of the Board of
Shangshan Gold International Holdings Limited
Mr. Huang Shikun
Chairman

Hong Kong, 27 November 2025

As at the date of this announcement, the executive Directors are Mr. Huang Shikun (Chairman), Mr. Huang Shifeng, Ms. Qian Yuanyuan and Mr. Tong Jun; the non-executive Directors are Mr. Li Jiefeng and Mr. Zheng Haoran; and the independent non-executive Directors are Professor He Jia, Professor Hu Zuohao and Mr. Leung Ting Yuk.