



SOMERLEY CAPITAL HOLDINGS LIMITED

新百利融資控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock code : 8439

2025/26

Interim Report



CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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This report, for which the directors of Somerley Capital Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company and its subsidiaries (together, the “Group”). The directors of the Company (the “Directors”), having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.



The background of the page features a stylized city skyline with various skyscrapers in shades of purple and white. A large, thick, purple wave-like graphic curves across the middle of the page, partially obscuring the skyline. The word "CONTENTS" is written in a bold, purple, sans-serif font, positioned to the right of the wave and above the table of contents.

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CHAIRMAN'S STATEMENT

Dear Shareholders,

I am very pleased to report a group profit before tax for the six months ended 30 September 2025 (compared to last year's significant loss).

The profit of the corporate finance segment was HK\$2.4 million, a significant achievement. A loss of HK\$1.0 million was incurred by our asset management subsidiary, but we persevere with this business as we believe it can add value and diversification to Somerley overall. Allowing for HK\$1.9 million corporate and other expenses and investment income of HK\$0.7 million, the overall profit before tax was HK\$0.2 million. This is welcome progress.

In my Chairman's statement in the Annual Report 2024/25, I mentioned that the second half of that financial year, i.e. the six months ended 31 March 2025, had shown progress from the admittedly poor performance for the first half.

I am happy to say that this improvement has been sustained in the six months ended 30 September 2025. The Group's total revenue of HK\$25.6 million was approximately 6.7% higher than the last corresponding period, although it was still below the revenue of HK\$27.6 million for the second half of 2024/25. While the number of transactions we handle and complete has been maintained or even increased, keen competition continues to drive down fee levels, putting pressure on the revenue line and overall profitability.

On the other hand, our cost optimisation programme continues to bear fruit. Employee benefit costs, by far our largest expense, at HK\$26.3 million in the first half of 2024/25, decreased to HK\$23.2 million in the second half of 2024/25 and declined to the present level of HK\$18.9 million for the first half of 2025/26. Our second biggest cost is rental and other premises expenses, which are principally governed by the 3-year lease of our Hong Kong office expiring on 30 June 2027. Rental costs in Beijing have declined after a move to a new office. Other costs have been reasonably well controlled over the period.

PROSPECTS

The second half of the year has started on a positive note, with several prominent mandates being secured. Market conditions remain volatile and challenging but I have a reasonable expectation that the momentum built up in the first half of the current financial year will carry over to the second half. Our objective is to deliver a satisfactory year overall for shareholders and to reward the hard work of our employees.

Yours sincerely,

Martin Sabine

Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECT

Analysis of Principal Businesses

The Group is an integrated financial services provider licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”) and, through its subsidiaries, is principally engaged in providing corporate finance advisory services.

The corporate finance advisory business carried on by Somerley Capital Limited and Somerley Capital (Beijing) Limited is the Group's core business segment. The Group's corporate finance advisory services mainly include (i) acting as financial adviser to Hong Kong public listed companies, major shareholders and investors of these companies and parties seeking to control or invest in listed companies in Hong Kong, mostly in transactions which involve the Rules Governing the Listing of Securities on the Stock Exchange, the GEM Listing Rules and/or the Codes on Takeovers and Mergers and Share Buy-backs; (ii) acting as independent financial adviser to independent board committees and/or independent shareholders of listed companies in Hong Kong; (iii) acting as compliance adviser, for newly listed and existing listed companies in Hong Kong; (iv) acting as sponsor to initial public offerings and listings of shares of companies on the Stock Exchange in Hong Kong and advising on secondary equity issues in Hong Kong; and (v) acting as advisor to cross-border mergers and acquisitions.

The first six months of financial year ending 31 March 2026 saw a turnaround for the Group, achieving a modest profit, a welcome improvement over the prior corresponding period's substantial losses. The stock market revival during the Period provided indirect support, stimulating corporate finance activities and bolstering investor confidence.

For the six months ended 30 September 2025 (the “Period”), the Group reported a total revenue of approximately HK\$25.6 million, representing an approximately 6.7% increase compared to same period last year. The increase in revenue was complemented by well-timed cost savings, which contributed significantly to improving the Group's overall profitability during the Period. For the Period, the Group reported an approximately HK\$0.2 million after-tax profit.

The corporate finance advisory business segment recorded revenue of approximately HK\$25.6 million (2024: approximately HK\$24.0 million) and a segment profit before tax of approximately HK\$2.4 million (2024: segment loss before tax of approximately HK\$10.4 million) for the Period. A segment loss before tax of approximately HK\$1.0 million (2024: approximately HK\$0.8 million) was incurred by the Group's asset management business segment for the Period.

Prospects

The second half of the financial year for the year ending 31 March 2026 has commenced positively, with the Group securing a number of significant mandates. Although market conditions continue to be volatile and challenging, the Directors remain cautiously optimistic that the strong momentum achieved in the first half will be sustained. Management's focus remains on delivering a satisfactory outcome for the full year, thereby generating value for shareholders and enabling appropriate recognition and reward for the continued efforts of the Group's employees.

FINANCIAL REVIEW

Revenue

The Group's total revenue increased by approximately 6.7% to approximately HK\$25.6 million for the Period from approximately HK\$24.0 million for the six months ended 30 September 2024. The stock market revival during the Period bolstered investor confidence and stimulated corporate finance activities, facilitating the timely completion of certain engagements. This generated an increase in revenue during the Period despite the challenge of competition in Hong Kong's corporate finance industry.

Revenue generated from acting as financial adviser ("FA") and as independent financial adviser ("IFA") for the Period amounted to approximately HK\$10.3 million (2024: approximately HK\$7.6 million) and HK\$8.2 million (2024: approximately HK\$7.6 million) respectively, in aggregate, accounting for approximately 72.3% of the Group's total revenue (2024: approximately 63.3%).

Revenue generated from acting as compliance adviser ("CA") for the Period amounted to approximately HK\$7.1 million (2024: approximately HK\$8.8 million), accounting for approximately 27.7% of the Group's total revenue (2024: approximately 36.7%). Revenue from acting as CA decreased due to lower fees as a result of competition for mandates.

MANAGEMENT DISCUSSION AND ANALYSIS

Investment Income and Other Income and Gains, Net

Investment income represents interest income, dividend income, and trading gain in respect of the Group's proprietary trading under its liquidity management. The net decrease in investment income was mainly due to the decrease in interest income from bank deposits during the Period, consistent with the prevailing decline in interest rates.

For the six months ended 30 September	2025 HK\$'000	2024 HK\$'000
Investment income		
Interest income	595	846
Dividends from financial assets at fair value through profit or loss	—	40
Fair value gain on financial assets at fair value through profit or loss	84	51
	679	937

Other income and gains, net mainly represented management service fee income from Somerley Group Limited ("SGL"), office sharing income and reimbursement of other premise expenses from SGL and net exchange difference. The net decrease in other income and gain was mainly due to the exchange losses arising from the translation of the Group's bank deposits denominated in foreign currencies during the Period.

For the six months ended 30 September	2025 HK\$'000	2024 HK\$'000
Other income and gains, net		
Management fee income from ultimate holding company	60	75
Office sharing income and reimbursement of other premises expenses from ultimate holding company	366	376
Exchange loss, net	(229)	(23)
Other gain	62	—
	259	428

Employee Benefits Costs

The Group's employee benefits costs primarily consist of fees, salaries, bonuses and allowances, contributions to the retirement benefits scheme and share-based payment expenses for the Directors and the employees of the Group.

For the six months ended 30 September	2025 HK\$'000	2024 HK\$'000
Fees, salaries, allowances and other benefits	17,538	23,932
Discretionary bonuses	484	—
Contributions to the retirement benefits scheme	554	576
Equity-settled share-based payment expenses	369	1,135
Severance payment	—	613
	18,945	26,256

Employee benefits costs decreased by approximately 28.1% to approximately HK\$18.9 million for the Period from approximately HK\$26.3 million for the six months ended 30 September 2024. The net decrease was mainly due to the cost savings as a result of the revamped remuneration package since December 2024.

Impairment Loss Recognised in respect of Trade Receivables

The Group recognises impairment loss in respect of trade receivables arising from its ordinary business by estimating expected credit losses in accordance with HKFRS 9. For the six months ended 30 September 2024, approximately HK\$2.0 million further impairment provision was made on trade receivables due from one significant debtor with total overdue balance of approximately HK\$4.3 million, representing a one-time charge. In respect of this material debtor balance, full impairment was made as at 31 March 2025. The Group has been actively engaging with this debtor and partial settlement of approximately HK\$0.7 million was received up to the date of this report. During the Period, with no such issues recurring, the amount comprised a general provision for expected credit losses only.

MANAGEMENT DISCUSSION AND ANALYSIS

Depreciation and Other Operating Expenses

The Group adopted HKFRS 16 under which all non-cancellable operating leases, except for short-term leases and leases for low-value assets, entered by the Group are recorded as right-of-use assets whose costs will be depreciated over the lease terms. Other operating expenses were mainly recurring GEM listing expenses, travelling expenses, professional fees and other expenses, including utility expenses, building management fees, telecommunication expenses, information technology related expenses, data intelligence service subscription fees and insurance expenses.

For the six months ended 30 September	2025 HK\$'000	2024 HK\$'000
Depreciation of property and equipment	246	301
Depreciation of right-of-use assets	2,720	3,210
	2,966	3,511
Other premises expenses	900	1,015
Insurance expenses	264	586
IT related expenses	795	645
SFC license fee	179	16
Recurring GEM listing expenses (excluding remuneration of independent non-executive directors)	710	790
Others	947	1,382
	6,761	7,945

Depreciation and other operating expenses decreased by approximately 13.9% to approximately HK\$6.8 million for the Period from approximately HK\$7.9 million for the six months ended 30 September 2024. The net decrease was mainly due to the decrease in rentals upon the renewal of tenancy since July 2024 and strict operational cost controls, offset by the absence of the annual licence fees concession granted by the Securities and Futures Commission ("SFC").

Profit for the Period

For the Period, the Group recorded a profit before tax of approximately HK\$0.2 million (2024: loss before tax of approximately HK\$11.7 million), and after-tax profit was approximately HK\$0.2 million (2024: after-tax loss of approximately HK\$11.7 million). The improvement was mainly attributable to the increase in revenue and material cost savings from revamped remuneration packages and strict operational cost controls.

Liquidity, Financial Resources and Capital Structure

The Group's working capital and other capital requirements were principally satisfied by cash generated from the Group's operations.

The functional currency of the Group is Hong Kong dollars. As at 30 September 2025, approximately HK\$36.8 million of the Group's cash and cash equivalents was denominated in other currencies (31 March 2025: approximately HK\$2.1 million), principally Renminbi, United States Dollars and Australian Dollars.

The Group's equity consists of ordinary shares of the Company (the "Shares"). The Group had neither banking facilities nor borrowings as at 31 March 2025 and 30 September 2025.

The Directors are of the view that the Group's financial resources are fully sufficient to support its business and operations at the date hereof.

Foreign Exchange Exposure

The majority of the Group's revenue is denominated in Hong Kong dollars and the Group's accounts are prepared in Hong Kong dollars. Consequently, exposure to the risk of foreign exchange rate fluctuations for the Group is not material.

Future Plans for Material Investments or Capital Assets

The Group had no capital commitments as at 30 September 2025 (31 March 2025: nil). The Group did not have plans for making material investments or acquiring capital assets as at 30 September 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Significant Investments

Except for investments in subsidiaries disclosed in this report, the Group did not hold any significant investments during the Period.

Material Acquisition and Disposal of Subsidiaries, Associates or Joint Ventures

Save as disclosed elsewhere in this report, there were no material acquisitions and disposals of subsidiaries, associates or joint ventures by the Group during the Period.

Events after the Reporting Date

As at the date of this report, there was no significant event after the reporting period.

Charge on Assets & Contingent Liabilities

As at 31 March 2025 and 30 September 2025, the Group did not have any charges on its assets or material contingent liabilities.

Gearing Ratio

As at 31 March 2025 and 30 September 2025, the Group did not have any borrowings and hence gearing ratio was not applicable.

Dividend

The board of Directors (the "Board") does not recommend the payment of any dividend for the Period (2024: nil).

Treasury Policies

The credit risk facing the Group is primarily attributable to bank balances and trade receivables. Bank balances are held with leading licensed banks in Hong Kong. The management of the Group regularly reviews the recoverable amount of each individual trade receivable to monitor prompt recovery and if necessary to make adequate impairment losses for irrecoverable amounts.

Employees and Remuneration Policies

The Group employed 40 employees as at 30 September 2025 (31 March 2025: 40) and the total employee benefits costs amounted to approximately HK\$18.9 million for the Period (2024: approximately HK\$26.3 million).

The Group's remuneration policies are in line with the prevailing market practices and the employees' compensation packages are determined on the basis of work performance, market standard of remuneration, qualification and experience of individual employees. The Group provides retirement benefits in accordance with the relevant laws and regulations in the place where the staff is employed. The share option scheme adopted in 2023 is in place to motivate, reward and retain employees of the Group. The Group also develops training programs for its employees or sponsors the employees to attend various job-related training courses.

REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION



國富浩華（香港）會計師事務所有限公司
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TO THE BOARD OF DIRECTORS OF SOMERLEY CAPITAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial report set out on pages 14 to 42 which comprises the condensed consolidated statement of financial position of Somerley Capital Holdings Limited (the "Company") as of 30 September 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months period then ended and explanatory notes. The Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34, Interim financial reporting, issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of the interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to form a conclusion, based on our review, on the interim financial report and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, Review of interim financial information performed by the independent auditor of the entity, issued by the Hong Kong Institute of Certified Public Accountants. A review of the interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 September 2025 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, Interim financial reporting.

Crowe (HK) CPA Limited

Certified Public Accountants

CHIU Lung Sang

Practising Certificate Number P08091

Hong Kong

21 November 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

The Board is pleased to present the unaudited condensed consolidated results of the Group for the Period, together with the comparative unaudited figures for the corresponding period in 2024, as follows:

		Six months ended 30 September	
	Notes	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Revenue	6	25,618	24,003
Investment income	7	679	937
Other income and gains, net	7	259	428
Employee benefits costs		(18,945)	(26,256)
Depreciation	12	(2,966)	(3,511)
Finance costs on lease liabilities		(502)	(402)
Impairment loss recognised in respect of trade receivables		(147)	(2,472)
Other operating expenses		(3,795)	(4,434)
Profit (loss) before tax	8	201	(11,707)
Income tax (expense) credit	9	(10)	1
Profit (loss) for the period		191	(11,706)
Other comprehensive income Item that may be reclassified subsequently to profit or loss: Exchange differences arising on translation of financial statements of foreign operations		2	3
Total comprehensive income (loss) for the period		193	(11,703)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

		Six months ended 30 September 2025	2024
	Note	HK\$'000 (Unaudited)	HK\$'000 (Unaudited)
Profit (loss) for the period attributable to:			
Owners of the Company		210	(11,698)
Non-controlling interests		(19)	(8)
		191	(11,706)
Total comprehensive income (loss) for the period attributable to:			
Owners of the Company		212	(11,695)
Non-controlling interests		(19)	(8)
		193	(11,703)
Earnings (loss) per share			
— basic and diluted (HK cents)	10	0.14	(7.96)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Notes	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Non-current assets			
Property and equipment	12	909	1,112
Right-of-use assets	12	9,837	11,818
Goodwill		—	—
Intangible asset		1,200	1,200
Rental deposits	13	1,819	1,817
Deferred tax assets		76	81
		13,841	16,028
Current assets			
Trade receivables	13	7,968	8,074
Prepayments, deposits and other receivables	13	2,476	3,467
Financial assets at fair value through profit or loss	14	532	523
Amount due from ultimate holding company		2,339	1,313
Tax recoverable		66	66
Cash and cash equivalents		50,779	51,624
		64,160	65,067
Current liabilities			
Contract liability		336	399
Other payables and accruals	15	4,015	2,691
Lease liabilities	12	5,538	5,471
		9,889	8,561
Net current assets		54,271	56,506
Total assets less current liabilities		68,112	72,534

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Notes	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Non-current liabilities			
Lease liabilities	12	4,800	6,784
Provision for long service payment		660	716
Provision for reinstatement cost		2,300	2,300
Deferred tax liabilities		197	197
		7,957	9,997
Net assets		60,155	62,537
Capital and reserves			
Share capital	16	1,467	1,468
Treasury share		—	(11)
Reserves		58,651	61,024
Equity attributable to owners of the Company		60,118	62,481
Non-controlling interests		37	56
Total equity		60,155	62,537

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2025

	Attributable to the owners of the Company								Non-controlling interests	Total	
	Share capital	Share premium	Treasury share	Retained earnings	Shareholder contribution reserve	Share option reserve	Translation reserve	Other reserve (note)			
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
At 1 April 2025 (Audited)	1,468	40,853	(11)	3,963	4,179	2,132	(3)	9,900	62,481	56	62,537
Profit (loss) for the period	—	—	—	210	—	—	—	—	210	(19)	191
Other comprehensive income:											
Exchange differences arising on translation of financial statements of foreign operation	—	—	—	—	—	—	2	—	2	—	2
Total comprehensive income (loss) for the period	—	—	—	210	—	—	2	—	212	(19)	193
Dividends recognised as distribution (note 11)	—	(2,934)	—	—	—	—	—	—	(2,934)	—	(2,934)
Recognition of equity-settled share-based payments (note 18)	—	—	—	—	—	369	—	—	369	—	369
Lapse of share options (note 18)	—	—	—	32	—	(32)	—	—	—	—	—
Repurchase and cancellation of ordinary shares (note 16(iii))	(1)	(20)	11	—	—	—	—	—	(10)	—	(10)
At 30 September 2025 (Unaudited)	1,467	37,899	—	4,205	4,179	2,469	(1)	9,900	60,118	37	60,155
At 1 April 2024 (Audited)	1,455	43,954	—	17,631	4,179	1,324	—	9,900	78,443	74	78,517
Loss for the period	—	—	—	(11,698)	—	—	—	—	(11,698)	(8)	(11,706)
Other comprehensive income:											
Exchange differences arising on translation of financial statements of foreign operation	—	—	—	—	—	—	3	—	3	—	3
Total comprehensive (loss) income for the period	—	—	—	(11,698)	—	—	3	—	(11,695)	(8)	(11,703)
Issue of shares upon exercise of share option	18	817	—	—	—	(674)	—	—	161	—	161
Dividends recognised as distribution	—	(3,679)	—	—	—	—	—	—	(3,679)	—	(3,679)
Change in ownership interest in a subsidiary that does not result in change of control	—	—	—	(12)	—	—	—	—	(12)	12	—
Recognition of equity-settled share-based payments	—	—	—	—	—	1,135	—	—	1,135	—	1,135
Repurchase and cancellation of ordinary shares	(2)	(86)	(121)	—	—	—	—	—	(209)	—	(209)
At 30 September 2024 (Unaudited)	1,471	41,006	(121)	5,921	4,179	1,785	3	9,900	64,144	78	64,222

Note: Other reserve represented the difference between the nominal amount of the share capital of Somerley Capital Limited and the nominal amount of the share capital issued by the Company pursuant to a group reorganisation undergone for the initial public offering of the shares of the Company.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2025

	Six months ended 30 September 2025	
	HK\$'000	2024 HK\$'000
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Profit (loss) before tax	201	(11,707)
Adjustments for:		
Depreciation of property and equipment	246	301
Depreciation of right-of-use assets	2,720	3,210
Interest income	(595)	(846)
Equity-settled share-based payment expenses	369	1,135
Finance costs on lease liabilities	502	402
Gain on early termination of a lease	(62)	—
Impairment loss recognised in respect of trade receivables	147	2,472
Fair value gain on financial assets at fair value through profit or loss	(84)	(51)
Dividend income	—	(40)
Operating cash flow before movements in working capital	3,444	(5,124)
(Increase) decrease in trade receivables	(41)	2,737
Decrease in prepayments, deposits and other receivables	1,189	1,279
Decrease in contract liability	(63)	(161)
Decrease in financial assets at fair value through profit or loss	75	2,741
Decrease in other payables and accruals	(1,610)	(1,046)
Decrease in provision for long service payment	(56)	—
Increase in amount due from ultimate holding company	(1,026)	(448)
Cash generated from (used in) operations	1,912	(22)
Profits tax (paid) refunded	(5)	8
NET CASH GENERATED FROM (USED IN) OPERATING ACTIVITIES	1,907	(14)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2025

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
INVESTING ACTIVITIES		
Dividend received	—	40
Interest received	395	882
Purchase of property and equipment	(43)	(59)
NET CASH GENERATED FROM INVESTING ACTIVITIES	352	863
FINANCING ACTIVITIES		
Dividend paid	—	(3,679)
Repayment of principal element of lease liabilities	(2,595)	(3,262)
Interest paid in respect of lease liabilities	(502)	(402)
Payments for repurchase of shares	(10)	(209)
Proceeds from issuance of shares	—	161
NET CASH USED IN FINANCING ACTIVITIES	(3,107)	(7,391)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(848)	(6,542)
CASH AND CASH EQUIVALENT AT THE BEGINNING OF THE PERIOD	51,624	60,163
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	3	4
CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD, represented by bank balances and cash	50,779	53,625

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

1. GENERAL

The Company was incorporated on 21 April 2016 in the Cayman Islands as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and the shares of the Company are listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its parent and ultimate holding company is Somerley Group Limited (“SGL”), a company incorporated in Hong Kong with limited liabilities. The addresses of the registered office and the principal place of business of the Company are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and 20th Floor, China Building, 29 Queen’s Road Central, Central, Hong Kong, respectively.

The Company is principally engaged in investment holding. The Group’s operating subsidiaries are mainly engaged in the provision of corporate finance advisory services and asset management services.

These condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”) which is the same as the functional currency of the Company and all values are rounded to the nearest thousand except when otherwise indicated.

2. BASIS OF PREPARATION

The condensed consolidated financial statements of Somerley Capital Holdings Limited and its subsidiaries (collectively, the Group) for the period 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 provisions of Chapter 18 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

3. CHANGE IN ACCOUNTING POLICIES

The accounting policies used for the preparation of the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2025, except as described below:

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards ("HKFRSs") issued by the HKICPA which are effective for the Group's financial year beginning on 1 April 2025:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to HKFRSs in the Period has had no material impact on the Group's financial performance and position for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of unaudited condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

5. SEGMENT INFORMATION

Information reported to the management of the Group, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of services provided. The directors of the Company have chosen to organise the Group around differences in services.

Specifically, the Group's reportable segments are (i) corporate finance advisory service and (ii) asset management service.

No geographical segment analysis on revenue and assets is provided as substantially all of the Group's revenue are derived from Hong Kong and non-current assets are substantially located in Hong Kong.

The following is an analysis of the Group's revenue and results by reportable and operating segments.

	For the six months ended 30 September 2025			For the six months ended 30 September 2024		
	Corporate finance advisory service HK\$'000 (Unaudited)	Asset management service HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)	Corporate finance advisory service HK\$'000 (Unaudited)	Asset management service HK\$'000 (Unaudited)	Total HK\$'000 (Unaudited)
Segment revenue	25,618	—	25,618	24,003	—	24,003
Segment profit (loss)	2,386	(992)	1,394	(10,360)	(831)	(11,191)
Investment income			679			937
Corporate and other unallocated expenses			(1,872)			(1,453)
Profit (loss) before tax			201			(11,707)

Segment profit (loss) represents the profit earned (loss resulted) from each segment without allocation of certain interest income and central administration costs. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

No analysis of segment asset and segment liability is presented as the chief operating decision maker no longer regularly reviews such information for the purpose of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

5. SEGMENT INFORMATION (CONTINUED)

Other segment information

For the six months ended 30 September 2025

	Corporate finance advisory service HK\$' 000 (Unaudited)	Asset management service HK\$' 000 (Unaudited)	Corporate HK\$' 000 (Unaudited)	Total HK\$' 000 (Unaudited)
Amounts included in the measure of segment profit or loss:				
Depreciation of property and equipment	246	—	—	246
Depreciation of right-of-use assets	2,121	116	483	2,720
Impairment loss recognised in respect of trade receivables	147	—	—	147
Interest income	—	—	595	595

For the six months ended 30 September 2024

	Corporate finance advisory service HK\$' 000 (Unaudited)	Asset management service HK\$' 000 (Unaudited)	Corporate HK\$' 000 (Unaudited)	Total HK\$' 000 (Unaudited)
Amounts included in the measure of segment profit or loss:				
Depreciation of property and equipment	260	—	41	301
Depreciation of right-of-use assets	2,332	142	736	3,210
Impairment loss recognised in respect of trade receivables	2,472	—	—	2,472
Interest income	—	—	846	846

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

5. SEGMENT INFORMATION (CONTINUED)

Information about major customers

No customer accounted for 10% or more of the Group's revenue for the six months ended 30 September 2025 and 2024.

6. REVENUE

An analysis of the Group's revenue for the periods is as follows:

Six months ended 30 September	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Corporate finance advisory fee income		
— from acting as financial adviser	10,279	7,628
— from acting as independent financial adviser	8,192	7,547
— from acting as compliance adviser	7,097	8,828
— others	50	—
	25,618	24,003

Disaggregation of revenue by timing of recognition:

	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Timing of revenue recognition		
Over time	25,618	22,379
At a point in time	—	1,624
	25,618	24,003

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

7. INVESTMENT INCOME AND OTHER INCOME AND GAINS, NET

Six months ended 30 September	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Investment income		
Interest income	595	846
Dividends from financial assets at fair value through profit or loss	—	40
Fair value gain on financial assets at fair value through profit or loss	84	51
	679	937
Six months ended 30 September	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Other income and gains, net		
Management fee income from ultimate holding company	60	75
Office sharing income and reimbursement of other premises expenses from ultimate holding company	366	376
Exchange loss, net	(229)	(23)
Gain on early termination of a lease	62	—
	259	428

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

8. PROFIT (LOSS) BEFORE TAX

Six months ended 30 September	2025 HK\$' 000 (Unaudited)	2024 HK\$'000 (Unaudited)
Profit (loss) before tax has been arrived at after charging (crediting):		
Directors' emoluments:		
Fees	324	360
Other emoluments	5,340	5,390
Discretionary bonuses	286	—
Contributions to retirement benefits scheme	36	20
Equity-settled share-based payment expenses	78	93
	6,064	5,863
Other employees' emoluments:		
Salaries, allowances and benefits in kind	11,930	18,795
Discretionary bonuses	198	—
Provision for long service payment	(56)	—
Contributions to retirement benefits schemes	518	556
Equity-settled share-based payment expenses	291	1,042
Total employee benefits costs	18,945	26,256
Depreciation for property and equipment	246	301
Depreciation for right-of-use assets	2,720	3,210
Impairment loss recognised in respect of trade receivables	147	2,472

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

9. INCOME TAX EXPENSE (CREDIT)

Six months ended 30 September	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Current income tax:		
People's Republic of China	5	2
Over provision in prior years:		
People's Republic of China	—	(5)
Deferred taxation	5	2
	10	(1)

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. No provision for Hong Kong profits tax has been made for the six months ended 30 September 2025 and 2024 as the Group did not generate any assessable profits arising in Hong Kong.

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 subsidiary is 25%.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

10. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted earnings (loss) per share attributable to the owners of the Company are based on the following data:

Six months ended 30 September	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Earnings (loss)		
Earnings (loss) attributable to owners of the Company, used in the basic and diluted earnings (loss) per share calculation	210	(11,698)
Six months ended 30 September	2025 (Unaudited)	2024 (Unaudited)
Shares		
Weighted average number of ordinary shares during the period used in the basic and diluted earnings (loss) per share calculation ('000)	146,707	147,013

Note: For the six months ended 30 September 2025 and 2024, diluted earnings (loss) per share is same as basic earnings (loss) per share. For the six months ended 30 September 2025, the effect of the outstanding share options, which was anti-dilutive, was not included in the computation of diluted earnings per share. For the six months ended 30 September 2024, the computation of diluted loss per share does not assume the exercise of the Company's share options since their exercise would result in a decrease in loss per share.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

11. DIVIDENDS

In accordance with the laws of the Cayman Islands and the Company's articles of association, the Company's share premium account is distributable to the shareholders provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

A final dividend of HK2.0 cents per share in respect of the year ended 31 March 2025 (2024: HK2.5 cents per share), amounting to approximately HK\$2,934,000 (2024: HK\$3,679,000), was recognised during the Period.

The Directors do not recommend the payment of interim dividend for the Period (30 September 2024: nil).

12. PROPERTY AND EQUIPMENT, RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(i) Property and equipment and right-of-use assets

During the Period, the Group had addition of furniture and fixtures of approximately HK\$43,000 (2024: HK\$59,000). Additions to the right-of-use assets amounted to approximately HK\$1,250,000 (2024: HK\$15,078,000) and there was a written off of right-of-use assets of approximately HK\$509,000 (2024: nil) due to early termination of a lease.

As at 30 September 2025, the carrying amounts of property and equipment and right-of-use assets were approximately HK\$909,000 (31 March 2025: HK\$1,112,000) and HK\$9,837,000 (31 March 2025: HK\$11,818,000) respectively.

The Group's depreciation during the Period amounted to approximately HK\$246,000 (2024: HK\$301,000) and HK\$2,720,000 (2024: HK\$3,210,000) in respect of property and equipment and right-of-use assets respectively.

(ii) Lease liabilities

As at 30 September 2025, the carrying amount of lease liabilities were approximately HK\$10,338,000 (31 March 2025: HK\$12,255,000).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

12. PROPERTY AND EQUIPMENT, RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

(iii) Amounts recognised in profit or loss

	Six months ended 30 September 2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Depreciation on right-of-use assets	2,720	3,210
Finance costs on lease liabilities	502	402

(iv) Others

During the Period, the total cash outflow for leases, including interest paid on lease liabilities and payment of lease liabilities, amounted to approximately HK\$3,097,000 (2024: HK\$3,664,000).

13. TRADE RECEIVABLES AND PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Trade receivables (note)	12,508	12,467
Less: Impairment allowance	(4,540)	(4,393)
	7,968	8,074

As at 1 April 2024, the gross amount of trade receivables arising from contracts with customers amounted to approximately HK\$14,540,000.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

13. TRADE RECEIVABLES AND PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (CONTINUED)

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Prepayments, deposits and other receivables Analysed as:		
— non-current assets (rental deposits)	1,819	1,817
— current assets	2,476	3,467
	4,295	5,284
	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Deposits and other receivables	2,235	1,950
Prepayments	1,195	1,533
Receivables from brokers	865	1,801
	4,295	5,284

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

13. TRADE RECEIVABLES AND PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (CONTINUED)

Note:

The trade receivables are, in general, due upon the issuance of invoices. The Group does not hold any collateral over these balances. The following is an ageing analysis of trade receivables net of allowance for impairment of trade receivables presented based on the invoice date.

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Within 90 days	7,179	6,393
91–180 days	618	1,455
Over 180 days	171	226
Total	7,968	8,074

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. The expected credit losses on trade receivables are estimated collectively grouped by past due statuses. In determining the expected loss rates, the management considers the using a provision matrix by reference to ageing of the trade receivables, historical settlement records, subsequent settlement status, expected timing and amount of realisation of outstanding balances as well as forward looking information that may impact the customers' ability to repay the outstanding balances at the reporting date.

The movement in the allowance for impairment of trade receivables is set out below:

	For the six months ended 30 September 2025 HK\$'000 (Unaudited)	For the year ended 31 March 2025 HK\$'000 (Audited)
At the beginning of the period/year	4,393	2,947
Impairment loss recognised on trade receivables	147	2,263
Amount written-off as uncollectible	—	(817)
At the end of the period/year	4,540	4,393

During the year ended 31 March 2025, trade receivables of approximately HK\$817,000 were written off. The Group writes off trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the trade receivables that have been written off is subject to enforcement activities.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Financial assets mandatorily measured at fair value through profit or loss		
— Listed equity securities, Hong Kong	532	523
— Unlisted equity investment (note)	—	—
	532	523

Note:

As at 30 September 2025 and 31 March 2025, the Directors considered that there is evidence indicating that the investment in Ace Eight Acquisition Corporation has no realistic prospect of recovery. As such, the Directors considered that the fair value of the investment was nil.

15. OTHER PAYABLES AND ACCRUALS

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Bonus payable	70	1,507
Other payables	637	799
Accruals	374	385
Dividend payable	2,934	—
	4,015	2,691

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

16. SHARE CAPITAL

Details of the share capital of the Company are as follows:

	Number of shares '000	Amount HK\$'000
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 April 2024 (Audited), 31 March 2025 (Audited), 1 April 2025 (Audited) and 30 September 2025 (Unaudited)	200,000	2,000
Issued and fully paid:		
At 1 April 2024 (Audited)	145,543	1,455
Exercise of share options (note i)	1,777	18
Share repurchase (note ii)	(558)	(5)
At 31 March 2025 (Audited) and 1 April 2025 (Audited)	146,762	1,468
Share repurchase (notes ii and iii)	(56)	(1)
At 30 September 2025 (Unaudited)	146,706	1,467

Notes:

- (i) During the year ended 31 March 2025, share options were exercised at subscription prices of approximately HK\$0.09 per ordinary share, resulting in the issue of 1,776,970 ordinary shares for proceeds of approximately HK\$161,000. An amount of approximately HK\$674,000 was transferred from share option reserve to the share premium account upon exercise of the share options.
- (ii) During the year ended 31 March 2025, a total of 586,000 shares were repurchased by the Company at an aggregate consideration of approximately HK\$255,000, 170,000, 8,000, 302,000 and 78,000 repurchased shares were cancelled in August 2024, September 2024, January 2025 and March 2025 respectively. As at 31 March 2025, 28,000 shares were repurchased but not yet cancelled and were subsequently cancelled in June 2025.
- (iii) During the Period, a total of 28,000 shares were repurchased by the Company at an aggregate consideration of approximately HK\$10,000. The repurchased shares were cancelled in June 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

17. RELATED PARTY TRANSACTIONS

(a) Transactions

		Six months ended 30 September	
		2025	2024
		HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
Notes			
Somerley Group Limited ("SGL")			
— Office sharing income and reimbursement of other premises expenses	(i)	366	376
— Management fee income	(ii)	60	75
— Corporate finance advisory fee income	(iii)	600	—

Notes:

- (i) During the Period, the Group charged SGL office sharing and other premises expenses of approximately HK\$366,000 (2024: HK\$376,000). It is calculated based on the office areas occupied and sharing of common area by SGL.
- (ii) During the Period, the Group charged SGL the management fee of approximately HK\$60,000 (2024: HK\$75,000) as reimbursement of expenses incurred for the senior management, executive oversight and other administrative services as provided to SGL.
- (iii) During the six months ended 30 September 2025, the Group provided corporate finance advisory service to SGL and charged SGL the corporate finance advisory fee of approximately HK\$600,000 (2024: nil).

(b) Balances with related parties

Amount due from ultimate holding company of approximately HK\$1,303,000 (31 March 2025: HK\$877,000) is non-trade in nature, unsecured, non-interest bearing and recoverable on demand.

Amount due from ultimate holding company of approximately HK\$1,036,000 (31 March 2025: HK\$436,000) is trade in nature, unsecured, non-interest bearing and recoverable on demand.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

17. RELATED PARTY TRANSACTIONS (CONTINUED)

(c) Compensation of key management personnel

Other than the emoluments paid to the directors of the Company, who are considered as the key management of the Company as set out in note 8, the Company did not have any other compensation to the key management personnel.

The emoluments of the directors of the Company and key executives are determined with regards to the performance of individuals.

18. SHARE-BASED PAYMENT TRANSACTIONS

Pre-IPO Share Option Scheme

On 19 May 2016, the Company entered into the conditional granted options under Pre-IPO Share Option Scheme (the "Scheme") to directors, employees and other staff of the Group as the grantees ("Grantees of the Pre-IPO Share Option Scheme"), pursuant to a written resolution passed on 11 May 2016. Pursuant to the Scheme, in consideration of HK\$1 paid by each grantee, the Company granted 13,061,735 share options to the Grantees of the Pre-IPO Share Option Scheme, the maximum number of share options available under the Scheme. The exercise of these share options would entitle the Grantees of the Pre-IPO Share Option Scheme to purchase in aggregate 13,061,735 shares of the Company.

The share options are valid after the listing date (i.e. 29 March 2017) of the Company to 10 May 2024. According to the Scheme, not more than 5,524,294 Shares comprised in the options under the Scheme shall vest unto the Grantees of the Pre-IPO Share Option Scheme and become exercisable with price of HK\$0.28 during the period commencing from the listing date of the Company and ending on expiry of the option period ("1st vesting period") and the remaining Shares comprised in the options under the Scheme (being not more than 7,537,441 Shares) shall vest unto the Grantees of the Pre-IPO Share Option Scheme and become exercisable during the period commencing on (i) the date on which the listing date of the Company of the Shares of the Company is transferred to the Main Board; or (ii) 1 January 2020, whichever is earlier, and ending on the expiry of the option period ("2nd vesting period").

As the capital distribution of an amount per share exceeded the profit attributable to equity holders of the Company per Share in respect of the financial year ended 31 March 2023, the exercise price of share options was adjusted from approximately HK\$0.16 to approximately HK\$0.09 during the year ended 31 March 2024 pursuant to the terms of the Scheme.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

18. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Pre-IPO Share Option Scheme (Continued)

The estimated fair value of the options granted on 19 May 2016 is approximately HK\$4,485,000. The fair value was calculated using the Binomial model. The inputs into the model were as follow:

Share options granted on 19 May 2016:

Weighted average share price at grant date	HK\$0.54
Exercise price	HK\$0.28
Option life	96 months
Expected volatility	64.92%
Risk-free interest rate	1.32%
Expected dividend yield	0%

Expected volatility was determined by using the average of industry annualised historical stock price volatility.

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the director's best estimate. The value of an option varies with different variables of certain subjective assumptions.

The following table discloses movements of the Company's share options under Pre-IPO Share Option Scheme held by the Grantees of the Pre-IPO Share Option Scheme:

	Date of grant of share options	Outstanding as at 1 April 2024	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding as at 31 March 2025
2nd vesting period						
Directors	19/05/2016	1,776,970	—	(1,776,970)	—	—
						—
Exercisable at the end of the year						—
Weighted average exercise price		0.09	—	0.09	—	—

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

18. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

2023 Share Option Scheme

Pursuant to the ordinary resolution of the shareholders of the Company passed on 15 September 2023, the Company has adopted the 2023 Share Option Scheme to recognise and acknowledge the contributions of the eligible employees ("Grantee of the 2023 Share Option Scheme") to the Group by granting share options under the 2023 Share Option Scheme to them as incentives or rewards. The amount payable by the Grantees of the 2023 Share Option Scheme to the Company for each acceptance of grant of option is HK\$1.

The total number of shares issued and to be issued upon exercise of options granted and to be granted to each participant under the 2023 Share Option Scheme in any 12-month period shall not exceed 1% of the shares in issue at the relevant time. For options granted or to be granted to a substantial shareholder or any of their respective associates or associates of independent non-executive directors, the said limit is reduced to 0.1% of the shares in issue. Any further grant of share options in excess of such limits is subject to shareholders' approval in general meeting.

Subject to early termination by the Company in a general meeting or otherwise in accordance with the terms of the 2023 Share Option Scheme, the 2023 Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date on which the 2023 Share Option Scheme is adopted by an ordinary resolution of the shareholders of the Company on 15 September 2023 and will expire on 14 September 2033.

The estimated fair value of the options granted on 18 December 2023 is approximately HK\$3,686,000. The fair value was calculated using the Binomial model. The inputs into the model were as follow:

Share options granted on 18 December 2023:

Share price at grant date	HK\$0.72
Exercise price	HK\$0.72
Option life	60 months
Expected volatility	67.69%
Risk-free interest rate	3.20%
Expected dividend yield	0%

Expected volatility was determined by using the average of industry annualised historical stock price volatility.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

18. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

2023 Share Option Scheme (Continued)

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the director's best estimate. The value of an option varies with different variables of certain subjective assumptions.

The following table discloses movements of the Company's share options under 2023 Share Option Scheme held by the Grantees of the 2023 Share Option Scheme:

	Date of grant of share options	Outstanding as at 1 April 2024	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding as at 31 March 2025
1st vesting period						
Director	18/12/2023	528,000	—	—	—	528,000
Other employees	18/12/2023	3,333,000	—	—	(577,500)	2,755,500
2nd vesting period						
Director	18/12/2023	528,000	—	—	—	528,000
Other employees	18/12/2023	3,333,000	—	—	(726,000)	2,607,000
3rd vesting period						
Director	18/12/2023	544,000	—	—	—	544,000
Other employees	18/12/2023	3,434,000	—	—	(748,000)	2,686,000
		11,700,000	—	—	(2,051,500)	9,648,500
Exercisable at the end of the year						3,283,500
Weighted average exercise price		0.72	—	—	0.72	0.72

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

18. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

2023 Share Option Scheme (Continued)

	Date of grant of share options	Outstanding as at 1 April 2025	Granted during the period	Exercised during the period	Lapsed during the period	Outstanding as at 30 September 2025
1st vesting period						
Directors	18/12/2023	528,000	—	—	—	528,000
Other employees	18/12/2023	2,755,500	—	—	(99,000)	2,656,500
2nd vesting period						
Directors	18/12/2023	528,000	—	—	—	528,000
Other employees	18/12/2023	2,607,000	—	—	(99,000)	2,508,000
3rd vesting period						
Directors	18/12/2023	544,000	—	—	—	544,000
Other employees	18/12/2023	2,686,000	—	—	(102,000)	2,584,000
		<u>9,648,500</u>	<u>—</u>	<u>—</u>	<u>(300,000)</u>	<u>9,348,500</u>
Exercisable at the end of the period						<u>3,184,500</u>
Weighted average exercise price		0.72	—	—	0.72	0.72

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

19. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The following table provides an analysis of financial instruments that are measured at fair value at the end of each reporting period, grouped into Levels 1 to 3 based on the degree to which the fair value is observable in accordance to the Group's accounting policy.

	30 September 2025 (Unaudited)			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Financial asset				
Financial assets at fair value through profit or loss				
— Listed equity securities	532	—	—	532

	31 March 2025 (Audited)			
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	Total HK\$'000
Financial asset				
Financial assets at fair value through profit or loss				
— Listed equity securities	523	—	—	523

During the Period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (31 March 2025: nil).

The valuation techniques and input used in the fair value measurement of financial instruments are as set out below:

Financial asset	Fair value of	Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable inputs	Relationship of key inputs and significant unobservable inputs to fair value
Financial assets at FVTPL					
— Listed equity securities, Hong Kong	HK\$532,000 (31 March 2025: HK\$523,000)	Level 1	Quoted closing price in an active market	N/A	N/A

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate to their corresponding fair value due to short-term maturities as at 30 September 2025 and 31 March 2025.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Board is committed to achieving and maintaining high standards of corporate governance practices and procedures. The Board believes that good corporate governance practices are essential to enhance stakeholders' confidence and support. During the Period, the Company has complied with the code provisions prescribed in the establishment and implementation of the corporate governance guidelines containing principles and code provisions of the Corporate Governance Code as set out in Part 2 of Appendix C1 to the GEM Listing Rules.

BOARD OF DIRECTORS AND CHANGE OF DIRECTOR INFORMATION

During the Period and up to the date of this report, the Directors are as follows:

Executive Directors

Mr. SABINE Martin Nevil (*Chairman*)

Mr. CHEUNG Tei Sing Jamie (*Vice Chairman*)

Mr. CHOW Wai Hung Kenneth (*Chief Executive Officer*)

Ms. LEUNG Lim Ng Jenny

Mr. WONG C-Tsun

Independent non-executive Directors

Mr. CHENG Yuk Wo

Mr. YUEN Kam Tim Francis

Mr. LAW Cheuk Kin Stephen

Mr. CHENG Yuk Wo resigned as an independent non-executive director of CSI Properties Limited (stock code: 497.HK) on 28 August 2025.

Save as disclosed above, there was no change in the information of the Directors or chief executive of the Company required to be disclosed pursuant to rule 17.50A(1) of the Listing Rules subsequent to the date of the Company's latest annual report.

CORPORATE GOVERNANCE AND OTHER INFORMATION

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in securities of the Company by the Directors (the "Required Standard of Dealings"). Having made specific enquiries to all the Directors, each of them has confirmed that they have complied with the Required Standard of Dealings throughout the Period and up to the date of this report.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company repurchased a total of 28,000 Shares on the Stock Exchange at an aggregate consideration of HK\$9,760 during the Period at prices ranging from HK\$0.315 to HK\$0.400 pursuant to the mandates granted by shareholders at annual general meeting of the Company held on 10 September 2024, with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share of the Company. The share repurchase was financed by the Company with its existing available cash. The particulars of the share repurchase are as follows:

Month	Number of shares repurchased	Highest purchase price per share (HK\$)	Lowest purchase price per share (HK\$)	Aggregated amount of purchase price (HK\$)
April 2025	28,000	0.400	0.315	9,760
Total	28,000			9,760

An aggregate of 56,000 Shares (including 28,000 Shares repurchased on 17 March 2025) was cancelled on 20 June 2025. As at 30 September 2025, no Shares were repurchased but not yet cancelled.

Saved as disclosed above, during the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities (including sale of treasury shares) of the Company. As at 30 September 2025, the Company did not hold any treasury shares.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 30 September 2025, the Directors and chief executive and/or any of their respective associates had the following interests and short positions in the shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the GEM Listing Rules were as follows:

Long position in ordinary shares of the Company

Name of Directors	Capacity/Nature of interests	Number of ordinary share(s) held	Number of underlying shares held pursuant to share options	Approximate percentage of the total number of issued shares of the Company
SABINE Martin Nevil ("Mr. Sabine")	Interest of a controlled corporation	84,938,190 (Note 1)	—	57.90%
	Beneficial owner	342,000	—	0.23%
	A concert party to an agreement to buy shares described in s317(1)(a)	2,929,157 (Note 2)	—	2.00%
CHEUNG Tei Sing Jamie ("Mr. Cheung")	Beneficial owner	2,879,157	—	1.96%
	A concert party to an agreement to buy shares described in s317(1)(a)	85,330,190 (Notes 1 & 2)	—	58.16%
CHOW Wai Hung Kenneth	Beneficial owner	5,631,253	—	3.84%
	Beneficial owner	—	700,000 (Note 3)	0.48%
LEUNG Lim Ng Jenny	Beneficial owner	1,126,256	—	0.77%
	Beneficial owner	—	450,000 (Note 3)	0.31%
WONG C-Tsun	Beneficial owner	1,126,256	—	0.77%
	Beneficial owner	—	450,000 (Note 3)	0.31%

CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

1. SGL is directly interested in 84,938,190 Shares. SGL is wholly-owned by Mr. Sabine, Mr. FLETCHER John Wilfred Sword ("Mr. Fletcher"), Mr. Cheung and Ms. FONG Sau Man Cecilia.
2. Mr. Sabine, Mr. Fletcher and Mr. Cheung are acting in concert in respect of their interests in the Company and therefore each of Mr. Sabine, Mr. Fletcher and Mr. Cheung is deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO. Mr. Sabine, Mr. Cheung and Mr. Fletcher are directly interested in 342,000 Shares, 2,879,157 Shares and 50,000 Shares, respectively.
3. These share options were granted by the Company on 18 December 2023 under the share option scheme adopted on 15 September 2023.

Long position in the ordinary shares of the associated corporations

Name of Directors	Name of the associated corporations	Capacity/Nature of interests	Number of ordinary share(s) held	Approximate percentage of the total issued shares of the associated corporations
SABINE Martin Nevil (Note)	Somerley China Associates Limited (Note)	Interest of a controlled corporation	2	100%
	Somerley Group Limited (Note)	Beneficial owner; A concert party to an agreement to buy shares described in s317(1)(a)	9,500,000	90.48%
CHEUNG Tei Sing Jamie (Note)	Somerley China Associates Limited (Note)	Interest of a controlled corporation	2	100%
	Somerley Group Limited (Note)	Beneficial owner; A concert party to an agreement to buy shares described in s317(1)(a)	9,500,000	90.48%

Note: SGL is the holding company of the Company and an associated corporation of the Company by virtue of the SFO. SGL wholly owns Somerley China Associates Limited so Somerley China Associates Limited is also an associated corporation by virtue of the SFO. Mr. Sabine, Mr. Fletcher and Mr. Cheung are acting in concert in respect of their interests in the Company and they hold approximately 90.48% of the shares of SGL. Therefore, Mr. Sabine and Mr. Cheung are interested in SGL and Somerley China Associates Limited by virtue of the SFO.

Save as disclosed above, as at 30 September 2025, none of the Directors or chief executive and/or any of their respective associates had any interest or short position in the shares, underlying shares and debentures of the Company and/or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or the GEM Listing Rules.

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

As at 30 September 2025, substantial shareholders (not being the Directors or chief executive) had interests or short positions in the shares or underlying shares of the Company which would be required to be disclosed to the Company under the provisions 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, were as follows:

Long position in ordinary shares of the Company

Name of substantial shareholders	Capacity/Nature of interests	Number of ordinary share(s) held	Number of underlying shares held pursuant to share options	Approximate percentage of the total number of issued shares of the Company
Somerley Group Limited	Beneficial owner	84,938,190 (Note 1)	—	57.90%
SABINE Maureen Alice ("Dr. Sabine")	Interest of a spouse	88,209,347 (Note 2)	—	60.13%
FLETCHER John Wilfred Sword	A concert party to an agreement to buy shares described in s317(1)(a)	88,209,347 (Note 1)	—	60.13%
FLETCHER Jacqueline ("Mrs. Fletcher")	Interest of a spouse	88,209,347 (Note 3)	—	60.13%
CHOI Helen Oi Yan ("Mrs. Cheung")	Interest of a spouse	88,209,347 (Note 4)	—	60.13%

CORPORATE GOVERNANCE AND OTHER INFORMATION

Notes:

1. SGL is directly interested in 84,938,190 Shares and SGL is wholly-owned by Mr. Sabine, Mr. Fletcher, Mr. Cheung and Ms. FONG Sau Man Cecilia. Mr. Sabine, Mr. Fletcher and Mr. Cheung are acting in concert in respect of their interests in the Company. Mr. Sabine, Mr. Cheung and Mr. Fletcher are directly interested in 342,000 Shares, 2,879,157 Shares and 50,000 Shares, respectively. Therefore each of Mr. Sabine, Mr. Fletcher and Mr. Cheung is deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO.
2. Dr. Sabine is the spouse of Mr. Sabine. By virtue of the SFO, Dr. Sabine is deemed to be interested in the Shares held by Mr. Sabine.
3. Mrs. Fletcher is the spouse of Mr. Fletcher. By virtue of the SFO, Mrs. Fletcher is deemed to be interested in the Shares held by Mr. Fletcher.
4. Mrs. Cheung is the spouse of Mr. Cheung. By virtue of the SFO, Mrs. Cheung is deemed to be interested in the Shares held by Mr. Cheung.

Save as disclosed above, the Directors and chief executive are not aware that there is any party who, as at 30 September 2025, had an interest or short position in the shares or underlying shares of the Company which would be required to be disclosed to the Company under the provisions 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.

SHARE OPTION SCHEMES

2023 Share Option Scheme

Pursuant to the ordinary resolution of the Shareholders passed on 15 September 2023, the Company has adopted a share option scheme to recognise and acknowledge the contributions of the eligible employees to the Group by granting share options to them as incentives or rewards (the “2023 Share Option Scheme”). Details of which can refer to the supplemental circular of the Company dated 16 August 2023.

Purpose

The 2023 Share Option Scheme is an incentive scheme and is established to recognise, motivate and provide incentives to those who make contributions to the Group. The purpose of the 2023 Share Option Scheme is to attract and retain the best available high calibre personnel of the Group, to provide additional incentives to eligible employees who have contributed or will contribute to the Group, to promote the overall success of the business of the Group and to encourage eligible employees to work towards enhancing the value of the Company and the Shares for the benefit of the Company and the Shareholders as a whole.

Participants

Under the 2023 Share Option Scheme, the share options shall only be granted to eligible employees of the Group. Eligible employees mean any employees (whether full time or part time, including any directors but excluding any independent non-executive directors) of the Company or any of its subsidiaries, including persons who are granted options under the 2023 Share Option Scheme as inducement to enter into employment contracts of the Group. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option within a period specified in the grant letter which shall not be later than twenty-one days from the date of offer.

Maximum entitlement of each participant

The total number of shares issued and to be issued upon exercise of options granted and to be granted to each Participant under the 2023 Share Option Scheme in any 12-month period shall not exceed 1% of the shares in issue at the relevant time. For options granted or to be granted to a substantial shareholder or any of their respective associates or associates of independent non-executive Directors, the said limit is reduced to 0.1% of the shares in issue. Any further grant of share options in excess of such limits is subject to Shareholders' approval in general meeting.

Exercise price, option period, vesting period and exercise period

The exercise price shall be determined on the date of grant by the directors, which shall be at least the highest of: (i) the closing price of the shares of the Company as stated in the Stock Exchange on the date of grant, which must be a trading day; (ii) the average closing price of the Shares of the Company as stated in the Stock Exchange's daily quotations sheets for five trading days immediately preceding the date of grant; (iii) the nominal value of a Share of the Company on the date of grant.

The option period in respect of any particular grant of options shall be determined by the Board and, in the absence of such determination, from the offer date to the earlier of (i) the date on which such options lapse under the provisions in the 2023 Share Option Scheme and (ii) 10 years from the offer date.

CORPORATE GOVERNANCE AND OTHER INFORMATION

The vesting period for options shall be determined by the Board and in any case, shall not be less than twelve months. The Board may at its discretion grant a shorter vesting period to an eligible participant in the certain circumstances under the provisions in the 2023 Share Option Scheme.

Subject to the provisions of the 2023 Share Option Scheme and the terms and conditions of the relevant grant, options may be exercised by an eligible participant, in whole or in part, at any time during the option period, which is a period to be determined by the Board at its absolute discretion (provided that the period shall not be more than ten years from the date of grant) and notified by the Board to an eligible participant as the period during which an Option may be exercised (subject to any restrictions on the exercise of the Option as may be imposed by the Board).

Duration

Subject to early termination by the Company in a general meeting or otherwise in accordance with the terms of the 2023 Share Option Scheme, the 2023 Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date on which the 2023 Share Option Scheme is adopted by an ordinary resolution of the Shareholders on 15 September 2023 and will expire on 14 September 2033 (the "Scheme Period").

2023 Grant

On 18 December 2023, 11,700,000 share options under 2023 Share Option Scheme (the "2023 Share Options") were granted to eligible employees of the Group (the "2023 Grantees"). Each 2023 Share Option shall entitle the 2023 Grantee of such 2023 Share Option to subscribe for one Share upon exercise of such 2023 Share Option at an exercise price of HK\$0.72 per Share. The closing price of the shares immediately before the date on which the 2023 Share Options were granted was HK\$0.72 per Share. There is neither performance target nor clawback mechanism attached to the 2023 Share Options.

The option period of the 2023 Share Options shall be five years from 18 December 2023, and the 2023 Share Options shall lapse at the expiry of the validity period or earlier under certain circumstances as set out in the 2023 Share Option Scheme.

No 2023 Share Options can be exercised within the first 12 months from 18 December 2023. Each 2023 Grantee will be able to exercise the 2023 Share Options during the following option period: (i) the vesting period of first 33% of 2023 Share Options is from 18 December 2023 to 17 December 2024 and can be exercised at any time after the expiration of 12 months from 18 December 2023 to 17 December 2028; (ii) the vesting period of second 33% of 2023 Share Options is from 18 December 2023 to 17 December 2025 and can be exercised at any time after the expiration of 24 months from 18 December 2023 to 17 December 2028; and (iii) the vesting period of remaining 34% of 2023 Share Options is from 18 December 2023 to 17 December 2026 and can be exercised at any time after the expiration of 36 months from 18 December 2023 to 17 December 2028.

Details of the share option movements under the 2023 Share Option Scheme during the Period are as follows:

					Number of share options					
Name or category of grantees	Date of grant	Fair value of options	Exercise Price (HK\$)	Exercise Period	Balance as at 01.04.2025	Granted during the Period	Exercised during the Period	Lapsed during the Period	Cancelled during the Period	Balance as at 30.09.2025
		at the date of grant (HK\$)								
Directors										
CHOW Wai Hung	18/12/2023	88,236	0.72	18/12/2024–17/12/2028	231,000	—	—	—	—	231,000
Kenneth	18/12/2023	91,616	0.72	18/12/2025–17/12/2028	231,000	—	—	—	—	231,000
	18/12/2023	97,490	0.72	18/12/2026–17/12/2028	238,000	—	—	—	—	238,000
LEUNG Lim Ng Jenny	18/12/2023	47,583	0.72	18/12/2024–17/12/2028	148,500	—	—	—	—	148,500
	18/12/2023	46,279	0.72	18/12/2025–17/12/2028	148,500	—	—	—	—	148,500
	18/12/2023	45,578	0.72	18/12/2026–17/12/2028	153,000	—	—	—	—	153,000
WONG C-Tsun	18/12/2023	47,583	0.72	18/12/2024–17/12/2028	148,500	—	—	—	—	148,500
	18/12/2023	46,279	0.72	18/12/2025–17/12/2028	148,500	—	—	—	—	148,500
	18/12/2023	45,578	0.72	18/12/2026–17/12/2028	153,000	—	—	—	—	153,000
Subtotal					1,600,000	—	—	—	—	1,600,000
Other Eligible Employees										
In aggregate	18/12/2023	1,067,962	0.72	18/12/2024–17/12/2028	2,755,500	—	—	(99,000)	—	2,656,500
	18/12/2023	1,038,708	0.72	18/12/2025–17/12/2028	2,607,000	—	—	(99,000)	—	2,508,000
	18/12/2023	1,022,979	0.72	18/12/2026–17/12/2028	2,686,000	—	—	(102,000)	—	2,584,000
Total					9,648,500	—	—	(300,000)	—	9,348,500

CORPORATE GOVERNANCE AND OTHER INFORMATION

Save as disclosed above, no 2023 Share Option were granted, vested, exercised, cancelled or lapsed under the 2023 Share Option Scheme during the Period. The 2023 Share Option Scheme has a remaining life of approximately 7.8 years as at the date of this report.

The total number of Shares available for issue in respect of the 2023 Share Options under the 2023 Share Option Scheme was 8,998,500, which represents approximately 6.1% of the Shares in issue as at the date of this report.

During the Period, the Company did not grant any share options under 2023 Share Option Scheme. Therefore, the disclosure of the number of shares that may be issued in respect of the share options granted under 2023 Share Option Scheme of the Company during the Period divided by the weighted average number of shares in issue for the Period as required under rule 23.07(3) of the GEM Listing Rules is not applicable.

The number of options available for grant under the 2023 Share Option scheme were 4,670,529, 4,970,529 and 5,320,529, representing approximately 3.2%, 3.4% and 3.6% of the Shares in issue as at 1 April 2025, 30 September 2025 and as at the date of this report, respectively.

As at the date of this report, the total number of Shares available for issue under the 2023 Share Option Scheme (including the Shares available for issue in respect of the 2023 Share Options granted but not yet exercised and the options which may be granted) was 14,319,029, representing 9.8% of the Shares in issue.

RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as share option schemes disclosed above, at no time during the Period and up to the date of this report was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate. Save as disclosed above, at no time during the Period had the Directors and the chief executive (including their spouses and children under 18 years of age) any interest in, or been granted or exercised, any rights to subscribe for the shares (or warrants or debentures, as applicable) of the Company or any of its associated corporations (within the meaning of the SFO).

COMPETING INTERESTS

The Directors are not aware that any of the Directors, the controlling shareholders of the Company and their respective close associates (as defined in the GEM Listing Rules) competes or may compete with the business of the Group and has or may have any other conflict of interest with the Group during the Period.

AUDIT COMMITTEE

The Company has established an audit committee (the “Audit Committee”) with specific written terms of reference formulated in accordance with the requirements of rules 5.28 to 5.29 of the GEM Listing Rules. The Audit Committee currently consists of all the three independent non-executive Directors, namely Mr. CHENG Yuk Wo, Mr. YUEN Kam Tim Francis and Mr. LAW Cheuk Kin Stephen. Mr. CHENG Yuk Wo is the chairman of the Audit Committee. The primary duties of the Audit Committee are reviewing the annual reports and accounts, half-year reports and if prepared for publication, quarterly reports of the Group, making recommendations to the Board on the appointment and dismissal of external auditors, providing advice in respect of financial reporting, supervising risk management and internal control systems of the Group, reviewing the effectiveness of the internal audit function and monitoring any continuing connected transactions.

The Company has engaged the external auditor of the Company, Crowe (HK) CPA Limited (“Crowe”), to review the Group’s unaudited condensed consolidated financial statements for the Period. Based on Crowe’s review, nothing has come to Crowe’s attention that causes Crowe to believe that the unaudited condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

The Audit Committee has reviewed the unaudited consolidated results and the interim report of the Group for the Period with the management and is of the view that such results comply with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available and within the knowledge of the Directors, the Company has maintained sufficient public float in its shares as at the latest practicable date prior to the issue of this report.

By order of the Board
Somerley Capital Holdings Limited
SABINE Martin Nevil
Chairman

Hong Kong, 21 November 2025

As at the date of this report, the executive Directors are Mr. SABINE Martin Nevil, Mr. CHEUNG Tei Sing Jamie, Mr. CHOW Wai Hung Kenneth, Ms. LEUNG Lim Ng Jenny and Mr. WONG C-Tsun; the independent non-executive Directors are Mr. CHENG Yuk Wo, Mr. YUEN Kam Tim Francis and Mr. LAW Cheuk Kin Stephen.