



2025

INTERIM REPORT  
中期報告



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

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Main Board of the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This report, for which the directors (the “Directors”) of Sau San Tong Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading or deceptive; and (2) there are no other matters the omission of which would make any statement herein or in this report misleading.*

## RESULTS

The Board of Directors (the “Board”) of the Company announces the unaudited consolidated financial results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2025, together with the comparative figures of the corresponding period in 2024, as follows:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

Note	For the six months ended 30 September	
	2025 HK\$'000	2024 HK\$'000
Revenue	2	
– Distribution sale of cosmetic and skin care products	<b>389,296</b>	403,400
– Provision of beauty and slimming services	<b>28,235</b>	28,089
– Sale of health, beauty and related products	<b>456</b>	1,609
– Results from investments in securities	<b>17,908</b>	(27,186)
– Interest income from money lending	<b>1,422</b>	2,345
	<b>437,317</b>	408,257
Cost of sales	<b>(378,671)</b>	(392,266)
Gross profit	<b>58,646</b>	15,991
Other revenue	<b>2,596</b>	2,621
Other gains or losses	<b>2,246</b>	3,510
Selling and distribution costs	<b>(16,539)</b>	(27,216)
General and administrative expenses	<b>(26,763)</b>	(27,605)

	Note	For the six months ended 30 September	
		2025 HK\$'000	2024 HK\$'000
Profit/(loss) from operations		<b>20,186</b>	(32,699)
Finance costs		<b>(386)</b>	(263)
Profit/(loss) before taxation	3	<b>19,800</b>	(32,962)
Income tax expense	4	<b>(1,281)</b>	(1,939)
Profit/(loss) for the period		<b>18,519</b>	(34,901)
Attributable to:			
Owners of the Company		<b>16,718</b>	(36,332)
Non-controlling interests		<b>1,801</b>	1,431
Profit/(loss) for the period		<b>18,519</b>	(34,901)
		HK cents	HK cents
Earnings/(loss) per share	5		
Basic		<b>21.21</b>	(46.08)
Diluted		<b>20.43</b>	N/A

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (LOSS) (UNAUDITED)

	For the six months ended 30 September	
	2025 HK\$'000	2024 HK\$'000
Profit/(loss) for the period	<b>18,519</b>	(34,901)
<b>Other comprehensive income for the period:</b>		
Items that may be reclassified subsequently to profit or loss:		
– Exchange differences on translation of financial statements of foreign operations, net of nil tax	<b>3,895</b>	1,604
<b>Total comprehensive income/(loss) for the period</b>	<b>22,414</b>	(33,297)
<b>Attributable to:</b>		
Owners of the Company	<b>20,469</b>	(34,780)
Non-controlling interests	<b>1,945</b>	1,483
	<b>22,414</b>	(33,297)



## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		(Unaudited) 30 September 2025 Note	(Audited) 31 March 2025 HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment	6	<b>82,354</b>	85,348
Right-of-use assets		<b>10,651</b>	11,872
Investment property		<b>15,200</b>	15,200
Intangible asset		<b>14,871</b>	14,871
Goodwill	7	<b>11,872</b>	11,872
Loans and interest receivables		<b>1,777</b>	37,424
		<b>136,725</b>	176,587
<b>Current assets</b>			
Inventories		<b>12,908</b>	7,393
Financial assets at fair value through profit or loss	8	<b>85,803</b>	75,350
Trade receivables	9	<b>73,791</b>	66,986
Prepayments, deposits and other receivables		<b>67,302</b>	69,831
Loans and interest receivable		<b>49,159</b>	30,145
Amounts due from a related party		<b>3</b>	3
Current tax recoverable		<b>–</b>	529
Cash and cash equivalents		<b>366,445</b>	344,080
		<b>655,411</b>	594,317
<b>Current liabilities</b>			
Contract liabilities		<b>9,952</b>	9,567
Trade payables	10	<b>156</b>	71
Other payables and accrued charges		<b>56,156</b>	56,017
Lease liabilities		<b>5,686</b>	7,344
Interest-bearing borrowings		<b>1,207</b>	1,137
Current tax payable		<b>1,371</b>	1,359
		<b>74,528</b>	75,495

	<i>Note</i>	(Unaudited) 30 September 2025 HK\$'000	(Audited) 31 March 2025 HK\$'000
<b>Net current assets</b>		<b>580,883</b>	518,822
<b>Total assets less current liabilities</b>		<b>717,608</b>	695,409
<b>Non-current liabilities</b>			
Lease liabilities		4,568	4,783
Defined benefit plan obligations		1,003	1,003
		<b>5,571</b>	5,786
<b>NET ASSETS</b>		<b>712,037</b>	689,623
<b>CAPITAL AND RESERVES</b>			
Share capital		788	788
Reserves		734,337	713,868
Total equity attributable to owners of the Company		735,125	714,656
Non-controlling interests		(23,088)	(25,033)
<b>TOTAL EQUITY</b>		<b>712,037</b>	689,623



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six months ended 30 September 2025

	Attributable to owners of the Company											
					PRC				Non-controlling interests			
	Share capital	Share premium	Merger reserve	Exchange reserve	Share-based payment	statutory surplus reserve	Revaluation reserve	Other reserve	Accumulated losses	Total	HK\$'000	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2025	788	791,928	(3,637)	(11,451)	1,277	24,725	3,574	28,055	(120,603)	714,656	(25,033)	689,623
<b>Changes in equity for the period</b>												
Profit for the period	-	-	-	-	-	-	-	-	16,718	16,718	1,801	18,519
Other comprehensive income	-	-	-	3,751	-	-	-	-	-	3,751	144	3,895
<b>At 30 September 2025</b>	<b>788</b>	<b>791,928</b>	<b>(3,637)</b>	<b>(7,700)</b>	<b>1,277</b>	<b>24,725</b>	<b>3,574</b>	<b>28,055</b>	<b>(103,885)</b>	<b>735,125</b>	<b>(23,088)</b>	<b>712,037</b>
At 1 April 2024	788	791,928	(3,637)	(8,054)	2,224	24,725	3,574	28,055	(69,569)	770,034	(14,027)	756,007
<b>Changes in equity for the period</b>												
(Loss)/profit for the period	-	-	-	-	-	-	-	-	(36,332)	(36,332)	1,431	(34,901)
Other comprehensive income	-	-	-	1,552	-	-	-	-	-	1,552	52	1,604
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(13,626)	(13,626)
<b>At 30 September 2024</b>	<b>788</b>	<b>791,928</b>	<b>(3,637)</b>	<b>(6,502)</b>	<b>2,224</b>	<b>24,725</b>	<b>3,574</b>	<b>28,055</b>	<b>(105,901)</b>	<b>735,254</b>	<b>(26,170)</b>	<b>709,084</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

	For the six months ended 30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net cash from/(used in) operating activities	<b>21,996</b>	(39,748)
Net cash from investing activities	<b>35</b>	–
Net cash used in financing activities	<b>(632)</b>	(17,608)
 Increase/(decrease) in cash and cash equivalents	<b>21,399</b>	(57,356)
Cash and cash equivalents at 1 April	<b>344,080</b>	390,265
Effect of foreign exchange rate changes	<b>966</b>	826
 Cash and cash equivalents at 30 September	<b>366,445</b>	333,735
 Analysis of balances of cash and cash equivalents:		
Cash and bank balances	<b>366,445</b>	333,735



*Notes:*

**1. Basis of preparation and significant accounting policies**

The results have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, which collective term include all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance and also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange. They have been prepared under historical cost basis, except that the financial instruments classified as financial assets at fair value through profit or loss is stated at their fair values. The principal accounting policies used in the preparation of the results are consistent with those adopted in the preparation of the annual report of the Group for the year ended 31 March 2025.

**2. Revenue and segment information**

Revenue represents the invoiced value of goods supplied to customers, net of discounts, returns, value-added tax and other sales tax; service income from provision of beauty and slimming services, net of discounts; franchise income; net gains or losses on financial assets at fair value through profit or loss and interest income from provision of money lending service.

## 2. Revenue and segment information (Continued)

An analysis of the Group's revenue and operating results for the six months ended 30 September 2025 by business segments is as follows:

For the six months ended 30 September 2025							
Distribution	sale of cosmetic and skin care products HK\$'000	Provision of beauty and slimming services HK\$'000	Franchise operations HK\$'000	Sale of health, beauty and related products HK\$'000	Investment in securities HK\$'000	Money lending service HK\$'000	Total HK\$'000
<b>Disaggregated by timing of revenue recognition</b>							
Point in time	389,296	–	–	456	6,704	–	396,456
Over time	–	28,235	–	–	11,204	1,422	40,861
Reportable segment revenue	<b>389,296</b>	<b>28,235</b>	<b>–</b>	<b>456</b>	<b>17,908</b>	<b>1,422</b>	<b>437,317</b>
Reportable segment results	<b>5,198</b>	<b>(512)</b>	<b>(7)</b>	<b>72</b>	<b>17,949</b>	<b>(73)</b>	<b>22,627</b>
Unallocated corporate expenses							<b>(2,441)</b>
Profit from operations							<b>20,186</b>
Finance costs							<b>(386)</b>
Profit before taxation							<b>19,800</b>
Income tax expense							<b>(1,281)</b>
Profit for the period							<b>18,519</b>

**2. Revenue and segment information (Continued)**

For the six months ended 30 September 2024						
	Distribution sale of cosmetic and skin care products HK\$'000	Provision of beauty and slimming services HK\$'000	Franchise operations HK\$'000	Sale of health, beauty and related products HK\$'000	Investment in securities HK\$'000	Money lending service HK\$'000
<b>Disaggregated by timing of revenue recognition</b>						
Point in time	403,400	–	–	1,609	(1,576)	–
Over time	–	28,089	–	–	(25,610)	2,345
<b>Reportable segment revenue</b>	<b>403,400</b>	<b>28,089</b>	<b>–</b>	<b>1,609</b>	<b>(27,186)</b>	<b>2,345</b>
<b>Reportable segment results</b>	<b>4,479</b>	<b>(5,555)</b>	<b>(7)</b>	<b>58</b>	<b>(26,132)</b>	<b>(2,887)</b>
Unallocated corporate expenses						(2,655)
Loss from operations						(32,699)
Finance costs						(263)
Loss before taxation						(32,962)
Income tax expense						(1,939)
<b>Loss for the period</b>	<b></b>	<b></b>	<b></b>	<b></b>	<b></b>	<b>(34,901)</b>

### 3. Profit/(loss) before taxation

Profit/(loss) before taxation is arrived after:

	For the six months ended 30 September	
	2025 HK\$'000	2024 HK\$'000
<b>Crediting</b>		
Bank Interest income	1,579	1,901
<b>Charging</b>		
Depreciation of property, plant and equipment	3,432	3,606
Impairment losses under expected credit loss model on loans and interest receivables, net	–	1,322

### 4. Income tax expense

On 21 March 2018, the Hong Kong Legislative Council passed the Inland Revenue (Amendment) (No.7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%.

The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong profits tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

Under the Law of the People's Republic of China (the "PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both periods.

**4. Income tax expense (Continued)**

Taxation in the consolidated statement of profit or loss (unaudited) represents:

	<b>For the six months ended 30 September</b>	
	<b>2025</b> <b>HK\$'000</b>	<b>2024</b> <b>HK\$'000</b>
Hong Kong profits tax	–	855
PRC enterprise income tax	1,281	1,084
	<b>1,281</b>	<b>1,939</b>

**5. Earnings/(loss) per share**

	<b>For the six months ended 30 September</b>	
	<b>2025</b> <b>HK\$'000</b>	<b>2024</b> <b>HK\$'000</b>
<b>Earnings/(loss)</b>		
Earnings/(loss) attributable to owners of the Company, used in the basic loss per share and diluted loss per share calculation	16,718	(36,332)
<b>Shares</b>		
Weighted average number of ordinary shares in issue, used in the basic earnings/(loss) per share calculation	78,842,031	78,842,031
Dilution effect of share options	3,001,976	–
Weighted average number of ordinary shares in issue, used in the diluted earnings per share calculation	<b>81,844,007</b>	78,842,031

The assumed exercise of the outstanding share options for the six months ended 30 September 2024 have anti-dilutive effect and have therefore been excluded from the above calculation.

**6. Property, plant and equipment**

	(Unaudited) 30 September 2025 HK\$'000	(Unaudited) 30 September 2024 HK\$'000
Opening net book amount	85,348	91,849
Additions	570	429
Disposal	(153)	(212)
Depreciation	(3,432)	(3,606)
Exchange adjustments	21	42
 Closing net book amount	 82,354	 88,502

**7. Goodwill**

	Total HK\$'000
<b>Cost:</b>	
At 1 April 2024, 31 March 2025, 1 April 2025 and 30 September 2025	17,491
 <b>Accumulated impairment:</b>	
At 1 April 2024	2,721
Impairment loss	2,898
 At 31 March 2025, 1 April 2025 and 30 September 2025	 5,619
 <b>Carrying amount:</b>	
<b>At 30 September 2025</b>	<b>11,872</b>
 At 31 March 2025	 11,872

## 8. Financial assets at fair value through profit or loss

	(Unaudited) 30 September 2025 HK\$'000	(Audited) 31 March 2025 HK\$'000
Listed equity securities at fair value in Hong Kong (Note a)	82,194	72,072
Unlisted equity fund in Hong Kong	3,609	3,278
	<b>85,803</b>	<b>75,350</b>

### Note a Listed equity securities in Hong Kong

As at 30 September 2025, the Group had financial assets at fair value through profit or loss representing equity securities listed in Hong Kong of approximately HK\$85,803,000 (31 March 2025: approximately HK\$75,350,000). Details of significant investments are as follows:

Stock code	Name of investee company	Principal activities			Percentage of total share capital owned by the Group as at 30 September		Fair value loss for the six months ended 30 September		Dividend received for the six months ended 30 September	
			No. of shares held 2020	30 September 2025 %	Market value at 30 September 2025		30 September 2025 %	30 September 2025 HK\$'000	Gain/(loss) on disposal HK\$'000	30 September 2025 HK\$'000
					Cost HK\$'000	net assets as at HK\$'000				
1082	Bradaverse Education (Int'l) Investments Group Limited [Formerly known as Hong Kong Education (Int'l) Investments Limited]	Provision of private educational services, investment in securities, property investments and money lending.	14,592	2.40%	13,616	23,055	2.91%	876	-	-
1406	Clarity Medical Group Holdings Limited	Engaged in the provision of private ophthalmic healthcare services.	16,300	3.04%	9,848	5,787	0.73%	(408)	-	-
2312	China Financial Leasing Group Limited	Engaged in short to medium capital appreciation, investment in listed and unlisted securities and provision of management services.	7,538	2.17%	1,142	9,951	1.26%	9,257	6,439	-
8112	Cornerstone Financial Holdings Limited	Engaged in the advertising and media businesses.	10,512	4.58%	3,995	1,514	0.19%	(505)	-	-
8120	China Demeter Financial Investment Ltd.	Provision of food and beverage business, alcoholic beverage distribution and miscellaneous business, money lending, children education services, financial services and securities investment.	3,001	2.21%	1,562	1,350	0.17%	105	-	-

## 8. Financial assets at fair value through profit or loss (Continued)

### Note a Listed equity securities in Hong Kong (Continued)

Stock code	Name of investee company	Principal activities	Percentage of total issued share capital owned by		Percentage to the Group's total assets as at 31 March 2025			Fair value gain/(loss)	Dividend received for the year ended 31 March	
			Number of shares held	the Group as at 31 March	Market value at 31 March	for the year ended 31 March 2025				
						Cost	HK\$'000	2025	HK\$'000	%
0627	Japan Kyosei Group Company Limited	Engaged in the property development and property investment.	14,200	0.10%	1,825	23,430	2.78%	21,605	-	-
1082	Bradaverse Education (Int'l) Investments Group Limited	Engaged in the provision of private educational services, investment in securities, property investments and money lending.	14,592	2.45%	14,824 (note)	23,347	2.77%	(4,978) (note)	1,651	-
1597	China Nature Energy Technology Holdings Limited	Engaged in the research and development, integration, manufacturing and sales of pitch control systems and related components, wind power generation, wind farm operation and maintenance business, provision of energy storage management solutions and provision of wind energy related consultancy services in the PRC.	1,000	0.40%	2,025 (note)	7,150	0.85%	3,880 (note)	-	-
1406	Clarity Medical Group Holding Limited	Engaged in the provision of private ophthalmic healthcare services.	6,300	1.19%	3,794	4,284	0.51%	490	(4)	-
8112	Cornerstone Financial Holdings Limited	Engaged in the businesses of financial services and advertising and media services.	10,512	4.58%	3,995 (note)	4,573	0.54%	420 (note)	-	-

The fair values of listed equity securities are mainly determined based on the quoted market closing price available on the Main Board and GEM of the Stock Exchange at the end of the reporting period.

**Note 1:** Investment costs in these investee companies represented the initial acquisition cost for the investee companies. The investments in these investee companies were made by the Group in prior years. For that part of investments in these investee companies which were made in prior years, it was subject to fair value gain/(loss) was recognised at the financial period and year end of the respective years. The fair value gain/(loss) of these investee companies for the periods ended 30 September 2025 and years ended 31 March 2025 excluded fair value gain/(loss) being recognised in prior years.

**Note 2:** During the Period Under Review, the Company has disposed 6,540,000 China Financial Leasing Group Limited (stock code: 2312) shares through the open market at a consideration of approximately HK\$8.76 million (excluding stamp duty and related expenses).

## 9. Trade receivables

At the end of the reporting period, the ageing analysis of trade receivables based on the invoice date and net of allowance for doubtful debts, is as follows:

	(Unaudited) 30 September 2025 HK\$'000	(Audited) 31 March 2025 HK\$'000
Less than 1 month	73,088	59,306
1 to 2 months	29	201
More than 2 months but less than 4 months	322	7,211
More than 4 months but less than 12 months	352	268
More than 12 months	—	—
	<b>73,791</b>	<b>66,986</b>

Trade receivables are usually due within 30 to 90 days from the date of billing.

## 10. Trade payables

As at the end of the reporting period, the ageing analysis of trade payables is as follows:

	(Unaudited) 30 September 2025 HK\$'000	(Audited) 31 March 2025 HK\$'000
Due within 1 month or on demand	<b>156</b>	<b>71</b>

## **INTERIM DIVIDEND**

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2025 (2024: Nil).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Business Review**

For the six months ended 30 September 2025 (the “Period Under Review”), the Group’s revenue amounted to approximately HK\$437,317,000, representing an increase of 7% from approximately HK\$408,257,000 in the corresponding period in last year. This is mainly attributable to the increase in the results from investment in securities recorded net profit approximately HK\$17,908,000 (2024: the net losses of approximately HK\$27,186,000).

During the Period Under Review, the revenue generated from the provision of beauty and slimming services was approximately HK\$28,235,000 (2024: approximately HK\$28,089,000), representing an increase of approximately 1% as compared to that of the corresponding period in last year. During the Period Under Review, the sale of health, beauty and related products contributed approximately HK\$456,000 to the revenue of the Group (2024: approximately HK\$1,609,000).

During the Period Under Review, the gross profit is approximately HK\$58,646,000 representing an increase of 267% from approximately HK\$15,991,000 in the correspond period in last year.

The increase of gross profits is mainly due to the increase of revenue contributed by the results from investment in securities and the revenue generated from the provision of beauty and slimming services. The Group recorded the profit attributable to owners of the Company amounted to approximately HK\$16,718,000, compared with the loss attributable to owners of the Company amounted to approximately HK\$36,332,000 in the corresponding period in last year.

## OUTLOOK

### Beauty, Slimming and Spa Centres

During the Period Under Review, the current global economic and political landscape is complex. Hong Kong is experiencing a transformative phase in both economy and society, with shifts in demographic makeup and consumer behavior. Additionally, the rising trend of cross-border consumption is creating substantial competitive pressure on Hong Kong's beauty and slimming industry. The revenue from provision of beauty and slimming services increased by approximately 1% from approximately HK\$28,089,000 in the corresponding period in last year to approximately HK\$28,235,000 during the Period Under Review.

The Group has a long history in the operation of beauty, slimming and spa centres in Hong Kong and the PRC. With extensive experience in the industry and committed efforts for innovations, the Group has continuously introduced sophisticated services and products of the highest quality for its customers, winning the long-term favour of its customers for its beauty and slimming products and services while successfully establishing brand advantages and customer loyalty. To further fortify its leading position in the industry, the Group has introduced a number of new beauty, slimming and anti-ageing treatments and machineries from time to time.

As the first listed beauty and slimming company in Hong Kong, the Group has consistently upheld the principles of quality products, professional services and honest operation. Backed by the strengths of the brand, the Group has won numerous awards over the years and enjoys sound reputation in Hong Kong and the PRC. It was strongly trusted by its customers. With increasingly intensive market competition, some industry players have resorted to all possible means including dishonest sales methods to secure their market shares. Coupled with various beauty and slimming incidents during recent years and seriously weak and outdated government supervision, customer confidence has been impaired. This, however, has at the same time encouraged the customer demand for quality beauty and slimming services. Maintaining the strategy of winning with quality, the Group will continue to leverage on its professional and outstanding beauty and slimming technologies, bring its brand visibility to the full play, and operate with honest and honour, in order to win over the consumers' trust, secure a wider business coverage in the high-end market and thereby realise sustainable growth and return.

## **Distribution Sale of Cosmetic and Skin Care Products in the PRC**

Distribution sale of cosmetic and skin care products in the PRC is another core business of the Group and is carried out by the Group's subsidiary, Dong Fang. Dong Fang is one of the top three distributors of P&G in the greater China in terms of average sales in the PRC, and is the top distributor in the East China area. It is responsible for the overall distribution coverage in the Shanghai region and provides supply and sales services to its customers via various channels, including online platforms, electrical appliances merchants, department stores channel, local modernised retail malls, supermarkets, small-sized supermarkets, convenient stores, maternity stores and cosmetic stores headquartered or regionally headquartered in Shanghai. Products involved include OLAY skincare, Head & Shoulders, Vidal Sassoon, Pantene, Rejoice, Pampers, Crest, Safeguard, Whisper, Ariel, Oral-B and Gillette. Moreover, the Company is responsible for the SK-II business in East and West China areas, covering Shanghai city, Zhejiang Province, Jiangsu Province, Anhui Province, Henan Province, Shanxi Province, Sichuan Province and Chongqing city. In the Period Under Review, the revenue of the distribution sale of cosmetic and skin care products decreased to approximately HK\$389,296,000 (2024: approximately HK\$403,400,000). The decrease is mainly due to the retail industry slowdown in China has dampened discretionary spending and consumers became more cautious. Therefore, the retail sales in Dong Fang dropped accordingly.

## **Health, Beauty and Related Products**

The Group spares no efforts in keeping itself abreast of time and marching at the forefront of the market. Through heavily investing in the development and introduction of products embedding advanced technologies and safe ingredients to enrich its portfolio of health and beauty products, the Group targets to bring to its customers a wider array of sophisticated product choices. This in turn enhances the attraction of the brand name "Sau San Tong" and "IPRO" and ensure the Group's leading market position.

The Group will continue to launch different safe and effective products that meet the different needs of its customers, helping them to achieve beauty in a healthy way. We believe that the segment of distribution of health and beauty products will continue to make a stable contribution to the Group's results in the time ahead.

## **Securities Investments Business**

As a move to expand its diversified business, the Group has commenced the new segment of securities investments business in 2015 to put the idle funds of the Company into long and short-term investments in listed securities in Hong Kong and other recognised securities markets in the overseas as well as wealth management products purchased from banks and other financial institutions, with a view to generate additional income outside its retail business, to widen its revenue base and minimise the risks of the Group on the overall, in order to enhance the capital use of the Company as well as the interests of the Company and its shareholders on the overall. During the Period under Review, the Group has recorded net profit on financial assets at fair value through profit and profit of approximately HK\$17,908,000, as compared with the net losses of approximately HK\$27,186,000 in the corresponding period in last year.

## **Money Lending Business**

In 2016, the Group has commenced new business of money lending in order to better utilise the idle funds to generate additional returns to the Company. The Group provided both secured and unsecured loans. During the Period Under Review, the Group recorded interest income of approximately HK\$1,422,000 from money leading business, representing a decrease of 39% from approximately HK\$2,345,000 in the corresponding period in last year.

## **CAPITAL RESOURCES AND LIQUIDITY**

Cash and bank balances as at 30 September 2025 were approximately HK\$366,445,000 compared to approximately HK\$344,080,000 as at 31 March 2025. The Group did not have any bank loans as at 30 September 2025 and 31 March 2025. The net assets of the Group of approximately HK\$712,037,000 (31 March 2025: approximately HK\$689,623,000). As at 30 September 2025, the Group's current liability was approximately HK\$74,528,000, compared to approximately HK\$75,495,000 as at 31 March 2025. It includes account payables and other payables approximately HK\$56,312,000 (31 March 2025: approximately HK\$56,088,000), mainly for the daily operations of the subsidiary – Dong Fang, contract liabilities approximately HK\$9,952,000 (31 March 2025: approximately HK\$9,567,000). The liquidity ratio of the Group represented by a ratio of current assets over current liabilities was 8.79 (31 March 2025: 7.87), reflecting the adequacy of financial resources.

## **TREASURY POLICY**

The Group adopts a prudent approach towards its treasury policies. The Group evaluates the financial condition of its customers regularly to mitigate the credit risk. The average outstanding days of the Group's accounts receivable was maintained at below 90 days. To manage the liquidity risk, the Group closely monitors its liquidity position to ensure the liquidity structure of the Group's assets, liabilities and commitments and to ensure the fulfillment of its funding requirements. The Group has no investments in derivatives or structured financial products.

## **NET ASSETS**

As at 30 September 2025, the Group's net assets amounted to approximately HK\$712,037,000 compared to approximately HK\$689,623,000 as at 31 March 2025. There are no charges on the Group's assets as at 30 September 2025.

## **CONTINGENT LIABILITIES**

As at 30 September 2025, there were no material contingent liabilities.

## **EMPLOYEE INFORMATION**

As at 30 September 2025, the Group had 195 employees (2024: 198 employees). During the Period Under Review, the Group's total staff costs amounted to approximately HK\$21,437,000 (2024: approximately HK\$24,854,000).

The Group's remuneration policies are formulated on the basis of the performance and experience of individual employee and are in line with practices of local market in which the Group operates. In addition to the salary, the Group also offers to its employees other fringe benefits including share option, mandatory provident fund and medical benefits.

## USE OF PROCEEDS

The Group completed the Rights Issue on 3 March 2017 resulting in net proceeds of approximately HK\$352,000,000. Details of the use of proceeds is as follows:

Use of net proceeds	The total allocation of the net proceeds	Revised allocation of unutilised net proceeds as at 30 November 2024		Actual amount utilised during the period ended 30 September 2025		Unutilised balance as at 30 September 2025		Expected timeline for unutilised proceeds as at 30 September 2025 (Note)
		HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	
		HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	HK\$ million	
Acquisition of commercial, industrial and residential properties situated in the PRC and Hong Kong ("Properties Acquisition")	174	58	-	21	37	By 31 December 2027		
Repayment of the outstanding amount due to Dr. Cheung Yuk Shan, Shirley under the Convertible Note	20	20	-	20	- -			
Development of the Group's money lending business	40	78	-	78	- -			
Renovation of offices and shops in the PRC and Hong Kong	60	50	0.3	21.1	28.9	By 31 December 2027		
Development of securities investment business	30	30	-	30	- -			
General working capital of the Group and/or investment opportunities	28	116	15.2	111.1	4.9	By 31 December 2026		
<b>Total</b>	<b>352</b>	<b>352</b>	<b>15.5</b>	<b>281.2</b>	<b>70.8</b>			

In light of uncertain market conditions currently, the Board considers that it will be essential for the Group to cautiously control the pace, scale and scope of the Properties Acquisition given the uncertainties casted by the global economic and financial markets.

*Note:* The expected timelines for utilising the remaining net proceeds is based on the best estimation of the present and future business market situations made by the Group. It may be subject to further change based on the future development of the market conditions.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES

As at 30 September 2025, the interests or short positions of the Directors and the chief executive of the Company or their respective associates in shares and underlying shares (the "Shares") of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which are required to be notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, including interests and/or short positions which they are deemed or taken to have under such provisions of the SFO, or which will be required, pursuant to section 352 of the SFO or as otherwise notified to the Company and the Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

### Long position in underlying shares of the Company

#### *Share Option Scheme*

The interests in the underlying shares of the Company arise from share options granted to the Director and the chief executive of the Company under the Company's share option scheme, details of which are as follows:

Name of director/ chief executive	Date of grant	Exercisable period	Subscription price per share	Aggregate long position in underlying shares of the Company	Approximate percentage interest in the Company's issued share capital
Mr. Mui Wai Sum	10 February 2021	10 February 2021 – 9 February 2026	HK\$0.87	750,494	1%
Ms. Kwan Fei Ying	10 February 2021	10 February 2021 – 9 February 2026	HK\$0.87	750,494	1%

Save as disclosed above, as at 30 September 2025, none of the Directors or chief executive of the Company or their respective associates has any personal, family, corporate or other interests or short positions in the shares of the Company or its associated corporations (within the meaning of Part XV of SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Exchange pursuant to the minimum standard of dealings by Directors and the chief executive of the Company as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules, are required to be notified to the Company and the Exchange.

## SHARE OPTION SCHEME

	Date of grant	Exercisable period	Subscription price per share HK\$	At 1 April 2025	Granted during the period	At 30 September 2025
Director	10 February 2021	10 February 2021 – 9 February 2026	0.87	750,494	–	750,494
Chief Executive Officer	10 February 2021	10 February 2021 – 9 February 2026	0.87	750,494	–	750,494
Employee	10 February 2021	10 February 2021 – 9 February 2026	0.87	750,494	–	750,494
Other participant	10 February 2021	10 February 2021 – 9 February 2026	0.87	750,494	–	750,494
				3,001,976	–	3,001,976
Weighted average exercise price				HK\$0.87		HK\$0.87
Weighted average of remaining contractual life				0.87 years		1.36 years

- (i) On 26 September 2025, the Company approved and adopted by resolutions of the Shareholders a 2025 Share Option Scheme and terminated the 2016 Share Option Scheme. The 2025 Share Option Scheme shall valid for 10 years commencing from 26 September 2025 until 25 September 2035. No options were granted, vested, lapsed or cancelled under the 2025 Share Option Scheme during the period. As at 30 September 2025, there were no outstanding options under the 2025 Share Option Scheme.
- (ii) As at 30 September 2025, there were an aggregate of 3,001,976 outstanding share options under the 2016 Share Option Scheme which represent 3.8% of the issued shares of the Company (31 March 2025: 3,001,976 share options which represent 3.8% of the issued shares of the Company).
- (iii) As at the date of the Interim Report, the total number of shares available for issue under 2025 Share Option Scheme were 4,882,227, which represent 6.2% of the issued shares of the Company.

## **SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES**

As at 30 September 2025, so far was known to any Directors or chief executive of the Company, the following interests of which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who were deemed to be directly or indirectly interested in 5% or more of the issued capital of the Company, or which were recorded in the register of interests required to be kept under Section 336 of the SFO or have notified to the Company were as follows:

### **Long position in shares**

<b>Substantial shareholder</b>	<b>Capacity</b>	<b>Number of shareholding</b>	
		<b>Share</b>	<b>Percentage</b>
Yau Chung Chung	Beneficial owner	15,119,000	19.17%

Save as disclosed above, as at 30 September 2025, no person, other than the Directors of the Company and the chief executive of the Group whose interests are set out in the section "Directors' and Chief Executive's Interests and Short Position in Shares" above, had registered an interest or short position in the share capital, underlying shares and debentures of the Company that was required to be recorded pursuant to Section 336 of the SFO.

## **DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

Save as disclosed under the heading "Directors and Chief Executive's Interests and Short Positions in Shares" above, at no time during the Period under Review were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the directors to acquire such rights in any other body corporate.

## **COMPETING INTERESTS**

None of the Directors or substantial shareholders of the Company or their respective associates (as defined in the GEM Listing Rules) has any interest in a business which compete or might compete with the business of the Group.

## **CORPORATE GOVERNANCE PRACTICES**

The Company has established a formal and transparent procedure to protect the interests of the shareholders of the Company. The Company applied the principles and complied with all the code provisions as set out in the Code on Corporate Governance Practices contained in Appendix 15 of the GEM Listing Rules throughout the Quarter, except that:

Code provision D.1.2 stipulates that the management shall provide all members of the board with monthly updates. Management considers that quarterly updates and periodic instant updates when developments arising out of the ordinary business instead of monthly updates are sufficient for the Board to discharge its duties. Besides, during the Period Under Review, the Executive Directors have provided, and will continue to provide, to all Independent Non-executive Directors updates on any material changes to the position and prospects of the Company, which are considered to be sufficient to provide general updates of the Company's performance, position and prospects to the Board and allow them to give a balanced and understandable assessment of the same to serve the purpose required by the code provision D.1.2.

Code provision C.2 stipulates the role of the chairman of the Board. The Company does not have the chairman of the Board and hence does not compiled with code provision C.2.

## **AUDIT COMMITTEE**

The Group has established an audit committee with written terms of reference in compliance with the GEM Listing Rules. The audit committee comprises three Independent Non-Executive Directors, namely Mr. Au Siu Lun, Mr. Cheng Chun Hong and Ms. Tsang Tsz Nok, Aleen. The audit committee has reviewed the unaudited financial results of the Group for the six months ended 30 September 2025.

## **CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

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

On behalf of the Board

**Sau San Tong Holdings Limited**

**Mui Wai Sum**

*Executive Director*

Hong Kong, 27 November 2025

*As at the date of this report, the Board comprises executive Directors namely Mr. Mui Wai Sum and Mr. Lei Nelson; independent non-executive Directors namely Mr. Au Siu Lun, Mr. Cheng Chun Hong and Ms. Tsang Tsz Nok, Aleen.*





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