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**SYMPHONY**  
**SYMPHONY HOLDINGS LIMITED**

**新 豐 集 團 有 限 公 司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 01223)**

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

The board (the “**Board**”) of directors (the “**Directors**”) of Symphony Holdings Limited (the “**Company**”) announce the unaudited interim condensed consolidated financial results of the Company and its subsidiaries (collectively referred to as the “**Group**” or “**Symphony Group**”) for the six months ended 30 June 2025 (the “**Period**”) together with the comparative figures for the six months ended 30 June 2024 (the “**Corresponding Period**”), which have been reviewed by the audit committee of the Company.

**FINANCIAL HIGHLIGHTS**

- Earnings before interest, taxes, depreciation and amortisation (“**EBITDA**”) for the Period was approximately HKD73.9 million as compared with EBITDA of approximately HKD72.3 million for the Corresponding Period.
- Loss for the Period was approximately HKD12.8 million as compared with loss of approximately HKD26.7 million for the Corresponding Period.
- Total comprehensive income attributable to owners of the Company was approximately HKD45.4 million for the Period, a reversal from total comprehensive income attributable to owners of the Company of approximately HKD-83.5 million for the Corresponding Period.
- Net asset value increased from approximately HKD2,319.0 million as at 31 December 2024 to approximately HKD2,345.2 million as at 30 June 2025.

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

		<b>Six months ended 30 June</b>	
		<b>2025</b>	<b>2024</b>
		<b>HKD'000</b>	<b>HKD'000</b>
	<i>Notes</i>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	4	<b>148,229</b>	150,324
Cost of sales		<b>(7,562)</b>	(9,822)
Gross profit		<b>140,667</b>	140,502
Other income and gains	5	<b>35,724</b>	25,009
Distribution and selling expenses		<b>(29,726)</b>	(26,774)
Administrative expenses		<b>(69,427)</b>	(64,767)
Depreciation and amortisation expenses		<b>(41,611)</b>	(46,453)
Finance costs	6	<b>(39,687)</b>	(48,945)
Other expenses		<b>(270)</b>	(53)
Reversal of impairment loss on financial assets		<b>1,091</b>	82
Share of results of joint ventures		<b>(1,564)</b>	(1,148)
Share of results of associates		<b>(42)</b>	9
Fair value loss on financial assets at fair value through profit or loss		<b>(2,518)</b>	(571)
Loss before income tax expense	7	<b>(7,363)</b>	(23,109)
Income tax expense	8	<b>(5,387)</b>	(3,572)
Loss for the period		<b>(12,750)</b>	(26,681)
<b>(Loss)/profit for the period attributable to:</b>			
– Owners of the Company		<b>(13,322)</b>	(28,372)
– Non-controlling interests		<b>572</b>	1,691
Loss for the period		<b>(12,750)</b>	(26,681)
<b>Loss per share:</b>			
Basic and diluted	10	<b>HK(0.45) cent</b>	HK(0.95) cent

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2025**

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HKD'000</b>	<b>HKD'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Loss for the period	<u>(12,750)</u>	<u>(26,681)</u>
<b>Other comprehensive income for the period, net of tax</b>		
<b>Items that may be reclassified subsequently to profit or loss:</b>		
Share of other comprehensive income of joint ventures	964	(985)
Share of other comprehensive income of an associate	3	19
Exchange differences arising on translation of foreign operations	<u>57,612</u>	<u>(54,628)</u>
	<u>58,579</u>	<u>(55,594)</u>
Other comprehensive income for the period, net of tax	<u>58,579</u>	<u>(55,594)</u>
Total comprehensive income for the period	<u><b>45,829</b></u>	<u><b>(82,275)</b></u>
<b>Total comprehensive income for the period attributable to:</b>		
– Owners of the Company	45,405	(83,537)
– Non-controlling interests	<u>424</u>	<u>1,262</u>
	<u><b>45,829</b></u>	<u><b>(82,275)</b></u>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2025**

		<b>30 June 2025</b>	31 December 2024
	<i>Notes</i>	<b>HKD'000</b>	<b>HKD'000</b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Non-current assets</b>			
Property, plant and equipment		<b>1,827,169</b>	1,808,309
Investment properties		<b>618,851</b>	624,385
Right-of-use assets		<b>407,583</b>	402,875
Intangible assets		<b>108,814</b>	109,583
Interests in joint ventures		<b>32,696</b>	33,296
Interests in associates		<b>6,533</b>	6,572
Goodwill		<b>141,401</b>	141,401
Deferred tax assets		<b>11,804</b>	12,760
Club debenture		<b>1,876</b>	1,876
Statutory deposits for financial services business		<b>200</b>	200
Total non-current assets		<b>3,156,927</b>	3,141,257
<b>Current assets</b>			
Inventories		<b>35,248</b>	35,176
Trade and other receivables	11	<b>132,343</b>	127,231
Amounts due from joint ventures		<b>41,532</b>	39,222
Amount due from an associate		<b>–</b>	652
Advances to customers in margin financing	12	<b>123,657</b>	126,610
Loans receivable	13	<b>50,360</b>	45,734
Financial assets at fair value through profit or loss		<b>80,304</b>	81,709
Bank balances and cash – held on behalf of customers		<b>18,841</b>	20,265
Bank balances and cash		<b>65,838</b>	77,239
Assets classified as held for sale		<b>548,123</b>	553,838
		<b>735,414</b>	720,866
Total current assets		<b>1,283,537</b>	1,274,704

		<b>30 June 2025</b>	<b>31 December 2024</b>
	<i>Note</i>	<b>HKD'000</b>	<b>HKD'000</b>
		<b>(Unaudited)</b>	<b>(Audited)</b>
<b>Current liabilities</b>			
Trade and other payables	14	<b>349,199</b>	349,459
Amount due to a related party		<b>110</b>	106
Amounts due to directors		<b>58,365</b>	56,555
Lease liabilities		<b>17,946</b>	21,526
Bank borrowings		<b>570,721</b>	704,534
Dividend payable		<b>14,871</b>	–
Tax payable		<b>11,133</b>	30,450
		<hr/>	<hr/>
Total current liabilities		<b>1,022,345</b>	1,162,630
		<hr/>	<hr/>
Net current assets		<b>261,192</b>	112,074
		<hr/>	<hr/>
Total assets less current liabilities		<b>3,418,119</b>	3,253,331
		<hr/>	<hr/>
<b>Non-current liabilities</b>			
Lease liabilities		<b>153,815</b>	166,578
Bank borrowings		<b>580,481</b>	435,870
Deferred tax liabilities		<b>338,580</b>	331,922
		<hr/>	<hr/>
Total non-current liabilities		<b>1,072,876</b>	934,370
		<hr/>	<hr/>
<b>NET ASSETS</b>		<b>2,345,243</b>	2,318,961
		<hr/>	<hr/>
<b>Equity</b>			
Share capital		<b>297,422</b>	297,422
Reserves		<b>2,037,440</b>	2,015,594
		<hr/>	<hr/>
Total equity attributable to owners of the Company		<b>2,334,862</b>	2,313,016
Non-controlling interests		<b>10,381</b>	5,945
		<hr/>	<hr/>
<b>TOTAL EQUITY</b>		<b>2,345,243</b>	2,318,961
		<hr/>	<hr/>

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE SIX MONTHS ENDED 30 JUNE 2025

### 1. GENERAL INFORMATION

Symphony Holdings Limited (the “**Company**”) was incorporated in Bermuda on 24 November 1993 as an exempted company with limited liability under the Companies Act 1981 of Bermuda (as amended) and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 1 March 1995. Its ultimate controlling party is Mr. Cheng Tun Nei, who is the chairman and a director of the Company. The addresses of the Company’s registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is 10th Floor, Island Place Tower, 510 King’s Road, North Point, Hong Kong.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) are mainly consisted of:

- Branding: (i) development and management of “SKINS” trademarks; (ii) sourcing, manufacturing and trading of healthcare products in Hong Kong; and (iii) distribution of Japanese wine;
- Retailing: (i) management and operation of outlet malls; and (ii) property investment and holding; and
- Financial services: provisions of securities brokerage, margin financing, money lending and financial consultancy services.

### 2. BASIS OF PREPARATION

The interim condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The interim condensed consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements (the “**2024 Annual Financial Statements**”), except for those that relate to amendments to HKFRS Accounting Standards effective for the first time for the annual periods beginning on or after 1 January 2025 and expect to be reflected in the 2025 annual financial statements.

The interim condensed consolidated financial statements are presented in Hong Kong Dollars (“**HKD**”), unless otherwise stated. The interim condensed consolidated financial statements contain condensed consolidated financial statements and selected explanatory notes to the interim condensed consolidated financial statements. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2024 Annual Financial Statements. The interim condensed consolidated financial statements and notes thereon do not include all of the information required for a complete set of financial statements prepared in accordance with the HKFRS Accounting Standards and should be read in conjunction with the 2024 Annual Financial Statements.

### 3. CHANGES IN ACCOUNTING POLICIES

#### (a) Adoption of amendments to HKFRS Accounting Standards – effective 1 January 2025

The Group has adopted the following amendments to HKFRS Accounting Standards, which included Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the HKICPA relevant to the Group's accounting policies and business operations adopted for the first time prepared and presented on the Group's interim condensed consolidated financial statements for the annual periods beginning on or after 1 January 2025:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
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The application of the amendments to HKFRS Accounting Standards in the current period has no material impact on the Group's performance and financial positions for the current and prior periods and/or on the disclosures set out in the interim condensed consolidated financial statements.

#### (b) New and amendments to HKFRS Accounting Standards that have been issued but are not yet effective

The following new and amendments to HKFRS Accounting Standards, potentially relevant to the Group's accounting policies and business operations, have been issued, but are not yet effective, and have not been early adopted by the Group:

HKFRS 18	Presentation and Disclosure in Financial Statements <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-Dependent Electricity <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>
Amendment to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvement to HKFRS Accounting Standards – Volume 11 <sup>1</sup>
Amendments to HK Int 5	Hong Kong Interpretation 5 Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment of Demand Clause <sup>2</sup>

<sup>1</sup> Effective for the annual period beginning on or after 1 January 2026

<sup>2</sup> Effective for the annual period beginning on or after 1 January 2027

<sup>3</sup> Effective for the annual period beginning on or after a date to be determined

The Directors of the Company (the “**Directors**”) do not anticipate that the adoption of these new and amendments to HKFRS Accounting Standards that have been issued but not yet effective will have any material impact on the interim condensed consolidated financial statements.

#### 4. SEGMENT INFORMATION

In accordance with the Group's internal financial reporting process to both Directors and key management personnel of the Company (collectively referred to as the “**Chief Operating Decision Maker**”), the Group's operating segments are broadly classified into different reportable segments based on the categories of products or services provided in different geographical locations with reference to the requirements under HKFRS 8 “Operating Segments” (“**HKFRS 8**”).

The classification of reportable segments is determined by the Chief Operating Decision Maker to monitor the results individually for the purpose of making decisions of resources allocation and performance assessment of the reportable segments. Financial information of the reportable segments is disaggregated into segment revenue and results, segment assets and segment liabilities, which is regularly provided to the Chief Operating Decision Maker to serve the above purpose.

A summary of the reportable segments under HKFRS 8 is classified as follows:

- Branding: (i) development and management of “SKINS” trademarks; (ii) sourcing, manufacturing and trading of healthcare products in Hong Kong; and (iii) distribution of Japanese wine;
- Retailing: (i) management and operation of outlet malls; and (ii) properties investment and holding; and
- Financial services: provisions of securities brokerage, margin financing, money lending and financial consultancy services.

##### (A) Segment revenue and results (business segments)

The following table provides an analysis of the reportable segment revenue and reportable segment (loss)/profit of different reportable segments recognised during the period:

*For the six months ended 30 June 2025 (Unaudited)*

	Branding HKD'000	Retailing HKD'000	Financial services HKD'000	Inter- segment elimination HKD'000	Consolidated HKD'000
Revenue from external customers	20,166	119,793	8,270	–	148,229
Inter-segment revenue*	1	2,718	–	(2,719)	–
Reportable segment revenue	20,167	122,511	8,270	(2,719)	148,229
Reportable segment (loss)/profit	(2,503)	11,317	(1,863)	–	6,951
<b>Reconciliation:</b>					
Interest income					(1,758)
Central administrative expenses					(10,950)
Share of results of joint ventures					(1,564)
Share of results of associates					(42)
Loss before income tax expense					(7,363)



*For the six months ended 30 June 2024 (Unaudited)*

	Branding HKD'000	Retailing HKD'000	Financial services HKD'000	Inter- segment elimination HKD'000	Consolidated HKD'000
Revenue from external customers	23,234	118,174	8,916	–	150,324
Inter-segment revenue*	<u>90</u>	<u>2,714</u>	<u>–</u>	<u>(2,804)</u>	<u>–</u>
Reportable segment revenue	<u>23,324</u>	<u>120,888</u>	<u>8,916</u>	<u>(2,804)</u>	<u>150,324</u>
Reportable segment (loss)/profit	<u>(785)</u>	<u>13,395</u>	<u>(437)</u>	<u>–</u>	12,173
<b>Reconciliation:</b>					
Interest income					2,326
Central administrative expenses					(36,469)
Share of results of joint ventures					(1,148)
Share of results of associates					<u>9</u>
Loss before income tax expense					<u>(23,109)</u>

\* Inter-segment revenue transactions are priced with reference to prices charged to external parties for similar orders based on similar terms and conditions of sales agreement entered.

**(B) Segment revenue and results (disaggregation of revenue)**

The following table provides an analysis of the reportable segment revenue recognised during the period is disaggregated by primary geographical markets, major products and services lines and timing of revenue recognition. The following table also includes a reconciliation of disaggregated revenue of different reportable segments recognised during the period, mainly into two categories: (i) revenue from contracts with customers within the scope of HKFRS 15 “Revenue from Contracts with Customers” (“**HKFRS 15**”); and (ii) revenue from other sources not within the scope of HKFRS 15:

*For the six months ended 30 June 2025 (Unaudited)*

*Revenue from contracts with customers within the scope of HKFRS 15*

	Branding HKD'000	Retailing HKD'000	Financial services HKD'000	Consolidated HKD'000
<b>Primary geographical markets:</b>				
The People's Republic of China (the “ <b>PRC</b> ”)	495	94,825	–	95,320
Hong Kong (Place of domicile)	9,845	–	2,674	12,519
United States of America	1,806	–	–	1,806
Other Asian countries ( <i>Note</i> )	2,740	–	–	2,740
Others ( <i>Note</i> )	5,280	–	–	5,280
Total	<u>20,166</u>	<u>94,825</u>	<u>2,674</u>	<u>117,665</u>
<b>Major products and services:</b>				
Sales of goods	18,561	–	–	18,561
Commission income from concessionaire sales	–	94,468	–	94,468
Royalty income	1,605	–	–	1,605
Securities brokerage commission	–	–	706	706
Financial consultancy income	–	–	1,968	1,968
Other services income	–	357	–	357
Total	<u>20,166</u>	<u>94,825</u>	<u>2,674</u>	<u>117,665</u>
<b>Timing of revenue recognition:</b>				
At a point in time	18,561	–	706	19,267
Transferred over time	1,605	94,825	1,968	98,398
Total	<u>20,166</u>	<u>94,825</u>	<u>2,674</u>	<u>117,665</u>

*Revenue from other sources not within the scope of HKFRS 15*

	Branding HKD'000	Retailing HKD'000	Financial services HKD'000	Consolidated HKD'000
<b>Primary geographical markets:</b>				
The PRC	–	24,968	–	24,968
Hong Kong (Place of domicile)	–	–	5,596	5,596
Total	–	24,968	5,596	30,564
<b>Major products and services:</b>				
Rental income	–	24,968	–	24,968
Interest income	–	–	5,596	5,596
Total	–	24,968	5,596	30,564

*For the six months ended 30 June 2024 (Unaudited)*

*Revenue from contracts with customers within the scope of HKFRS 15*

	Branding HKD'000	Retailing HKD'000	Financial services HKD'000	Consolidated HKD'000
<b>Primary geographical markets:</b>				
The PRC	1,612	89,564	–	91,176
Hong Kong (Place of domicile)	10,726	13	3,256	13,995
United States of America	2,224	–	–	2,224
Other Asian countries ( <i>Note</i> )	2,884	–	–	2,884
Others ( <i>Note</i> )	5,788	–	–	5,788
Total	23,234	89,577	3,256	116,067
<b>Major products and services:</b>				
Sales of goods	20,958	–	–	20,958
Commission income from concessionaire sales	–	89,249	–	89,249
Royalty income	2,270	–	–	2,270
Securities brokerage commission	–	–	434	434
Financial consultancy income	–	–	2,822	2,822
Other services income	6	328	–	334
Total	23,234	89,577	3,256	116,067
<b>Timing of revenue recognition:</b>				
At a point in time	20,958	–	434	21,392
Transferred over time	2,276	89,577	2,822	94,675
Total	23,234	89,577	3,256	116,067

*Revenue from other sources not within the scope of HKFRS 15*

	Branding HKD'000	Retailing HKD'000	Financial services HKD'000	Consolidated HKD'000
<b>Primary geographical markets:</b>				
The PRC	–	24,981	–	24,981
Hong Kong (Place of domicile)	–	3,616	5,660	9,276
	<hr/>	<hr/>	<hr/>	<hr/>
Total	–	28,597	5,660	34,257
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
<b>Major products and services:</b>				
Rental income	–	28,597	–	28,597
Interest income	–	–	5,660	5,660
	<hr/>	<hr/>	<hr/>	<hr/>
Total	–	28,597	5,660	34,257
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

*Note:* The geographical information for the revenue attributed to each country recognised during the period is not available as the associated costs to capture such information would be excessive.

**(C) Segment assets**

The following table provides an analysis of the reportable segment assets of different reportable segments recognised as at 30 June 2025 and 31 December 2024:

	30 June 2025 HKD'000 (Unaudited)	31 December 2024 HKD'000 (Audited)
Branding	243,511	241,604
Retailing	2,977,017	2,956,000
Financial services	324,243	325,874
	<hr/>	<hr/>
Total reportable segment assets	3,544,771	3,523,478
Unallocated	160,279	171,617
Assets classified as held for sale	735,414	720,866
	<hr/>	<hr/>
Consolidated total assets	4,440,464	4,415,961
	<hr/> <hr/>	<hr/> <hr/>

**(D) Segment liabilities**

The following table provides an analysis of the reportable segment liabilities of different reportable segments recognised as at 30 June 2025 and 31 December 2024:

	<b>30 June 2025 HKD'000 (Unaudited)</b>	<b>31 December 2024 HKD'000 (Audited)</b>
Branding	43,008	43,595
Retailing	452,212	472,271
Financial services	25,731	21,688
Total reportable segment liabilities	520,951	537,554
Unallocated	1,574,270	1,559,446
Consolidated total liabilities	2,095,221	2,097,000

**5. OTHER INCOME AND GAINS**

	<b>Six months ended 30 June 2025 HKD'000 (Unaudited)</b>	<b>2024 HKD'000 (Unaudited)</b>
Foreign exchange gain	–	1,331
Interest income	1,758	2,326
Dividend income from financial assets at fair value through profit or loss	296	–
Government grants	4,130	11,810
Reimbursement income of operating outlet malls	8,059	7,531
Reversal of tax provisions	19,249	–
Others	2,232	2,011
	35,724	25,009

**6. FINANCE COSTS**

An analysis of finance costs recognised during the period is as follows:

	<b>Six months ended 30 June 2025 HKD'000 (Unaudited)</b>	<b>2024 HKD'000 (Unaudited)</b>
Interest expenses on bank borrowings	32,222	41,546
Interest expenses on lease liabilities	6,098	6,323
Interest expenses on amounts due to directors	1,367	1,076
	39,687	48,945

## 7. LOSS BEFORE INCOME TAX EXPENSE

Loss before income tax expense during the period is arrived at after charging/(crediting) as follows:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HKD'000</b>	<b>HKD'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
Depreciation of property, plant and equipment	<b>33,454</b>	38,421
Depreciation of right-of-use assets	<b>7,153</b>	7,029
Amortisation of intangible assets	<b>1,003</b>	1,003
Provision of allowance of inventories	<b>170</b>	394
Write off of property, plant and equipment	<b>5</b>	29
Cost of inventories recognised as expenses	<b>7,562</b>	9,822
Foreign exchange loss/(gain)	<b>2,223</b>	(1,331)
Short-term leases expenses	<b>647</b>	1,325
Directors' emoluments	<b>3,815</b>	3,300
Employees' costs (excluding Directors' emoluments)	<b>27,149</b>	29,272
Interest income	<b>(1,758)</b>	(2,326)
Fair value loss on financial assets at fair value through profit or loss	<b>2,518</b>	571
Reimbursement income of operating outlet malls	<b>(8,059)</b>	(7,531)

## 8. INCOME TAX EXPENSE

	2025 HKD'000 (Unaudited)	2024 HKD'000 (Unaudited)
<b>Current tax:</b>		
Hong Kong		
– Profits Tax		
– Provision for the period	201	176
– (Over)/under provision in respect of prior periods	(119)	40
	<u>82</u>	<u>216</u>
The PRC and other jurisdictions		
– PRC Enterprise Income Tax		
– Provision for the period	4,471	2,609
– Under provision in respect of prior periods	–	112
	<u>4,471</u>	<u>2,721</u>
<b>Foreign tax:</b>		
– Provision for the period	–	18
– Over provision in respect of prior periods	(30)	–
	<u>(30)</u>	<u>18</u>
<b>Deferred tax:</b>		
Hong Kong and the PRC		
– Profits Tax and PRC Enterprise Income Tax		
– Provision for the period	864	617
	<u>864</u>	<u>617</u>
Income tax expense	<u><u>5,387</u></u>	<u><u>3,572</u></u>

### Hong Kong Profits Tax

The provision for Hong Kong Profits Tax was calculated by applying the statutory tax rate of 16.5% on the estimated taxable profits arising in Hong Kong for both current and prior periods. According to the definition of “connected entity” under the Two-tiered Profit Tax Regime, the management has elected one of Company’s subsidiaries to apply for the two-tiered profits tax rates to calculate the provision for Hong Kong Profits Tax for both current and prior periods in the following manner.

For this elected subsidiary, the first HKD2,000,000 of the estimated taxable profits arising in Hong Kong was taxed at 8.25% and the remaining estimated taxable profits was taxed at 16.5%. The provision for Hong Kong Profits Tax for this elected subsidiary was calculated on the same basis for the prior period.

## **PRC Enterprise Income Tax**

All of the group entities operating in the PRC were calculated by applying the statutory tax rate of 25% on the estimated taxable profits arising in the PRC for both current and prior periods, except for one of the Company's subsidiary incorporated in Hong Kong engaged in the property investment business in the PRC, which is subject to the withholding tax rate of 10% on its gross rental income, net of value-added tax, earned in the PRC for both current and prior periods, based on the existing tax legislation, interpretation and practices in respect thereof.

Up to date of approval and authorisation for issuance of the interim condensed consolidated financial statements, the above subsidiary engaged in the property investment business in the PRC has not filed any tax returns for reporting its PRC Enterprise Income Tax in respect of its rental income earned in the PRC. The PRC tax authority has the right to levy penalty for any late filing of tax returns. The amount of such potential penalty cannot be reliably estimated as the range of which is wide. However, for all newly signed tenancy agreements between the Group and the tenants since the financial period of 2016, a new clause has been added in the agreements to require the tenants to pay the PRC Enterprise Income Tax based on 10% of its gross rental income, net of value-added tax, earned in the PRC on behalf of the Group, based on the existing tax legislation, interpretation and practices in respect thereof. According to the management experience and the above measures adopted, the amount of such potential penalty, if any, will not be material to the interim condensed consolidated financial statements. In addition, pursuant to the signed sales and purchase agreement in respect of the acquisition of the above subsidiary in the second half of the financial year of 2014, both of the vendor and the guarantor have undertaken to indemnify the Group for any tax liability arising from the late filing of tax returns prior to the completion date of the acquisition.

## **Foreign tax**

Taxation arising in other jurisdictions was calculated by applying the statutory tax rates that were expected to be applicable in the relevant jurisdictions, where those overseas subsidiaries operate, on the estimated taxable profits for both current and prior periods.

## **9. DIVIDENDS**

For the six months ended 30 June 2025 and 2024, the Board does not recommend the payment of an interim dividend to the shareholders of the Company (the “**Shareholders**”).

The final dividend of HKD0.005 (six months ended 30 June 2024: HKD0.005) per ordinary share of the Company in respect of the financial year ended 31 December 2024 (six months ended 30 June 2024: 31 December 2023), in total of approximately HKD14,871,000 (six months ended 30 June 2024: HKD14,871,000), was declared and approved by the Shareholders at the annual general meeting of the Company held on 20 June 2025 (six months ended 30 June 2024: 28 June 2024) and will subsequently be paid in September 2025 (six months ended 30 June 2024: September 2024).



## 10. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b><i>HKD'000</i></b>	<b><i>HKD'000</i></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Loss:</b>		
Loss for the period attributable to owners of the Company	<b>(13,322)</b>	<b>(28,372)</b>
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Number of shares:</b>		
Weighted average number of ordinary shares for the purpose of calculating the basic and diluted loss per share ('000)	<b>2,974,225</b>	<b>2,974,225</b>
	<b><i>HK cent</i></b>	<b><i>HK cent</i></b>
<b>Loss per share:</b>		
Basic and diluted	<b>(0.45)</b>	<b>(0.95)</b>

The Company did not have any dilutive potential ordinary shares for the six months ended 30 June 2025 and 2024. Accordingly, the diluted loss per share are the same as the basic loss per share.

# 11. TRADE AND OTHER RECEIVABLES

	30 June 2025 HKD'000 (Unaudited)	31 December 2024 HKD'000 (Audited)
<b>Trade receivables arising from:</b>		
– Other than financial services segment	19,621	24,728
– Financial services segment	8,130	6,696
	<hr/>	<hr/>
Total gross carrying amount	27,751	31,424
Less: Loss allowance	(5,179)	(5,611)
	<hr/>	<hr/>
Total net carrying amount after loss allowance	22,572	25,813
	<hr/>	<hr/>
<b>Prepayments, deposits and other receivables:</b>		
Total gross carrying amount	119,217	110,677
Less: Loss allowance	(9,446)	(9,259)
	<hr/>	<hr/>
Total net carrying amount after loss allowance	109,771	101,418
	<hr/>	<hr/>
Total trade and other receivables	132,343	127,231
	<hr/> <hr/>	<hr/> <hr/>

*Note:* As at 30 June 2025, other receivables consist of consideration receivables of approximately HKD34,900,000 (31 December 2024: HKD34,524,000) in relation to the disposal of intangible assets in prior years.

The following is an ageing analysis of trade receivables, net of loss allowance, which is presented based on the invoice date or transaction date, where applicable, at the end of reporting period:

	30 June 2025 HKD'000 (Unaudited)	31 December 2024 HKD'000 (Audited)
0 to 30 days	11,819	15,218
31 to 60 days	1,986	1,045
61 to 90 days	586	631
Over 90 days	8,181	8,919
	<hr/>	<hr/>
	22,572	25,813
	<hr/> <hr/>	<hr/> <hr/>

## 12. ADVANCES TO CUSTOMERS IN MARGIN FINANCING

	30 June 2025 HKD'000 (Unaudited)	31 December 2024 HKD'000 (Audited)
Directors and their associates	26,793	26,033
Other margin clients	96,864	100,577
	<u>123,657</u>	<u>126,610</u>

As at 30 June 2025 and 31 December 2024, the carrying amount of advances to customers in margin financing arising from the margin financing business in Hong Kong was secured by listed equity securities, carried at average interest rates from Hong Kong Dollar Prime Rate (“**Prime Rate**”) to Prime Rate plus 3% per annum and repayable on demand.

Based on the result of the ECL calculation, with reference to the discounted market value of listed equity securities, no provision of loss allowance was recognised for both current period and prior year given that no significant default events of failure to repay the margin calls from any margin clients and the discounted market value of listed equity securities pledged were sufficiently covered the outstanding loan balances as at 30 June 2025 and 31 December 2024.

No ageing analysis is disclosed for advances to customers in margin financing as, in the opinion of the Directors, an ageing analysis is not meaningful in the view of the business nature of margin financing. The maximum exposure of credit risk against the Group is the carrying amount at the end of reporting period.

## 13. LOANS RECEIVABLE

	30 June 2025 HKD'000 (Unaudited)	31 December 2024 HKD'000 (Audited)
<b>Secured:</b>		
Total gross carrying amount	55,016	51,187
Less: Loss allowance	<u>(4,656)</u>	<u>(5,453)</u>
	<u>50,360</u>	<u>45,734</u>

As at 30 June 2025 and 31 December 2024, the carrying amount of loans receivable arising from the money lending business in Hong Kong was secured by mortgages over the borrowers’ properties and listed equity securities in Hong Kong, carried at interest rates from 5% to 18% (31 December 2024: 5% to 18%) per annum and repayable within one year from the dates of advances to the borrowers or on demand.

#### 14. TRADE AND OTHER PAYABLES

	<b>30 June 2025 HKD'000 (Unaudited)</b>	31 December 2024 HKD'000 (Audited)
<b>Trade payables arising from:</b>		
– Other than financial services segment	<b>168,616</b>	172,419
– Financial services segment	<b>23,928</b>	20,224
	<hr/>	<hr/>
Total trade payables	<b>192,544</b>	192,643
	<hr/>	<hr/>
Accruals, receipts in advance, temporary receipts and other payables	<b>156,655</b>	156,816
	<hr/>	<hr/>
Total trade and other payables	<b>349,199</b>	349,459
	<hr/> <hr/>	<hr/> <hr/>

The following is an ageing analysis of trade payables arising from other than financial services segment, which is presented based on the invoice date or transaction date, where applicable, at the end of reporting period:

	<b>30 June 2025 HKD'000 (Unaudited)</b>	31 December 2024 HKD'000 (Audited)
0 to 30 days	<b>135,715</b>	136,600
31 to 60 days	<b>24,847</b>	31,792
61 to 90 days	<b>7,591</b>	3,310
Over 90 days	<b>463</b>	717
	<hr/>	<hr/>
	<b>168,616</b>	172,419
	<hr/> <hr/>	<hr/> <hr/>

No ageing analysis is disclosed for the trade payables arising from financial services segment as, in the opinion of the Directors, an ageing analysis is not meaningful in the view of the business nature of dealing in securities and margin financing.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

During the first half of 2025, the global economy presented a complicated situation amidst the combined impact of trade frictions and structural adjustments, coupled with the high interest rate environment, continuing to put industry operation under pressure. In the face of multiple challenges, Symphony Group upheld its down-to-earth and innovative business motto, and demonstrated remarkable cyclical adaptation and operational resilience through strategic business layout.

Our core retail brand “Park Outlets” gave full play to the operational synergies between outlets model and community business. “Park Outlets” in Xiamen maintained its strong growth momentum. All major brands in the mall hit a record high of single-day sales in January to successfully reach the milestone of achieving total sales of over RMB100 million for the first month of the year for four consecutive years. Upon re-opening after completion of store upgrading, the flagship stores of international sportswear brands in our outlets recoded a new regional high in single-day sales. By introducing first-tier international brands to optimize its business portfolio, “Park Outlets” in Shenyang achieved breakthrough in sales performance during the May Day Golden Week and Dragon Boat Festival holiday. We achieved remarkable progress in our digital transformation: AI-based market analysis system effectively improved operational decision-making accuracy; live streaming on WeChat channel drove two-way increase in member engagement rate and sales conversion rate, with the online and offline integrated business model becoming increasingly matured. Focusing on necessary household consumption, the community malls located in Chongqing and Tianjin continued to attract high-value customer group by providing catering, education and other life services. During the Period, “Park Outlets” in Xiamen was granted “Periodic Incentives for Retail Enterprises Included in Statistical Reporting System” (零售業納統企業階段性獎勵) by the Commerce Bureau, while “Park Outlets” in Shenyang won industry recognitions such as “Store for the Year of the Northern Region of Douyin Life Service” (抖音生活服務北部大區年度優質好店), highlighting their outstanding operation capability.

The brand business achieved cross-sector synergistic development. The compression sportswear brand “SKINS” optimized its global strategic layout, consolidated resources to explore the core markets, restructured its supply chain system, and deepened cooperation with international athletes and top-notch sports events. The brand proactively participated in industry events such as Xiamen China Marathon Expo and ISPO Shanghai, strengthening its position as professional sportswear technology brand.

As to health care business, leveraging on the sophisticated product system built up with over 100 self-owned and cooperated brands, Supremium Bio-Technology Limited (“SBT”) won high recognition from the local consumers. During the Period, it successfully expanded cross-border e-commerce channels, expedited the penetration into the Southeast Asia market, and facilitated the regional development of the Hong Kong brands.

With the gradual release of production capacity, Japanese wine brand “Hakuryu” made concerted efforts to enhance the construction of high-end catering channels and increase exposure in industry exhibitions, so as to continuously improve its brand recognition and explore major overseas markets.

The financial business stuck to the prudent operation principal, and strived to explore quality customer group while perfecting its risk management system. Benefiting from the recovery in the capital market in the first half of the year, the performance of the business was in line with the Company’s expectations, providing steady revenue stream for the Group.

## **FINANCIAL REVIEW**

### **Overview of interim results**

For the Period, the Group’s overall revenue decreased by approximately 1.4% to approximately HKD148.2 million (Corresponding Period: approximately HKD150.3 million).

The Group’s EBITDA increased from approximately HKD72.3 million for the Corresponding Period to approximately HKD73.9 million for the Period. The Group recorded an unaudited consolidated loss of approximately HKD12.8 million for the Period as compared with an unaudited consolidated loss of approximately HKD26.7 million for the Corresponding Period. Total comprehensive income attributable to owners of the Company for the Period amounted to approximately HKD45.4 million, representing a reversal from total comprehensive income attributable to owners of the Company of approximately HKD-83.5 million for the Corresponding Period.

The Group’s net asset value increased from approximately HKD2,319.0 million as at 31 December 2024 to approximately HKD2,345.2 million as at 30 June 2025.

### **Segment information**

#### ***Branding***

The branding segment comprised of: (i) development and management of “SKINS” trademarks; (ii) sourcing, manufacturing and trading of healthcare products in Hong Kong; and (iii) distribution of Japanese wine.

Revenue for the Period amounted to approximately HKD20.2 million (Corresponding Period: approximately HKD23.2 million), representing a decrease of approximately 13.2%. The segment gross profit margin increased from approximately 57.7% for the Corresponding Period to approximately 62.5% for the Period. Reportable segment loss for the Period amounted to approximately HKD2.5 million (Corresponding Period: reportable segment loss of approximately HKD0.8 million).

## ***Retailing***

The retailing segment comprised of: (i) management and operation of outlet malls located in Xiamen, Shenyang and Anyang of the PRC; and (ii) investment properties including commercial premises located in Hong Kong, Beijing and Shanghai of the PRC and community malls located in Chongqing and Tianjin of the PRC. The investment properties are held under long-term leases and for the purpose of either earning rental income or capital appreciation.

Revenue for the Period amounted to approximately HKD119.8 million (Corresponding Period: approximately HKD118.2 million), representing an increase of approximately 1.4%. Reportable segment profit for the Period amounted to approximately HKD11.3 million (Corresponding Period: reportable segment profit of approximately HKD13.4 million).

## ***Financial services***

The financial services segment continues to generate service income or interest income from the provision of securities brokerage, margin financing, money lending and financial consultancy services in Hong Kong.

Revenue for the Period amounted to approximately HKD8.3 million (Corresponding Period: approximately HKD8.9 million), representing a decrease of approximately 7.2%. Reportable segment loss for the Period amounted to approximately HKD1.9 million (Corresponding Period: reportable segment loss of approximately HKD0.4 million).

## **Cost of sales and gross profit**

Cost of sales comprised of the cost of goods sold. The cost of sales decreased from approximately HKD9.8 million for the Corresponding Period to approximately HKD7.6 million for the Period, representing a decrease of approximately 23.0%.

Gross profit for the Period amounted to approximately HKD140.7 million, representing an increase of approximately HKD0.2 million or approximately 0.1% as compared with approximately HKD140.5 million for the Corresponding Period.

## **Other income and gains**

Other income and gains mainly comprised of the reimbursement income of outlet malls and government grants. Other income and gains increased from approximately HKD25.0 million for the Corresponding Period to approximately HKD35.7 million for the Period, representing an increase of approximately 42.8%.

## **Distribution and selling expenses**

Distribution and selling expenses mainly comprised of the advertising and promotion expenses and employees' costs. Distribution and selling expenses increased from approximately HKD26.8 million for the Corresponding Period to approximately HKD29.7 million for the Period, representing an increase of approximately 11.0%.

## **Administrative expenses**

Administrative expenses mainly comprised of employees' costs, PRC tax surcharges and levies, professional fees and utility expenses. Administrative expenses increased from approximately HKD64.8 million for the Corresponding Period to approximately HKD69.4 million for the Period, representing an increase of approximately 7.2%.

## **Finance costs**

Finance costs mainly comprised of interest expenses on bank borrowings. Finance costs decreased from approximately HKD48.9 million for the Corresponding Period to approximately HKD39.7 million for the Period, representing a decrease of approximately 18.9%.

## **Fair value loss on financial assets at fair value through profit or loss**

Fair value loss on financial assets at fair value through profit or loss for the Period amounted to approximately HKD2.5 million, representing an increase of approximately HKD1.9 million as compared with the fair value loss of approximately HKD0.6 million for the Corresponding Period.

## **Income tax expense**

Income tax expense increased from approximately HKD3.6 million for the Corresponding Period to approximately HKD5.4 million for the Period, representing an increase of approximately 50.8%.

## **Loss for the period attributable to owners of the Company**

The Group reported loss for the period attributable to owners of the Company of approximately HKD13.3 million for the Period as compared with loss of approximately HKD28.4 million for the Corresponding Period. The reduction in loss was mainly due to the combined effect of, among others, (i) an increase in other income and gains; and (ii) the decrease in finance costs due to the decline in Hong Kong Interbank Offered Rate.



## **MARKET INFORMATION**

During the Period, revenue from the PRC, Hong Kong and other Asian countries comprised of approximately 95.2% (Corresponding Period: approximately 94.7%) of the total revenue and the remaining 4.8% (Corresponding Period: approximately 5.3%) shared between the United States of America and other countries.

## **LIQUIDITY AND FINANCIAL RESOURCES**

As at 30 June 2025, the Group had bank balances and cash amounted to approximately HKD65.8 million (31 December 2024: approximately HKD77.2 million). The Group was offered banking facilities amounted to approximately HKD1,505.6 million (31 December 2024: approximately HKD1,720.0 million).

As at 30 June 2025, the Group's bank borrowing amounted to approximately HKD1,151.2 million (31 December 2024: approximately HKD1,140.4 million). The Group had variable interest-rate bank borrowings carried at interest rates from approximately 1.79% to 6.81% (Corresponding Period: approximately 1.92% to 7.83%) per annum. The Group's gearing ratio, expressed as a percentage of the total outstanding net debt (being the total bank borrowings less bank balances and cash) to total equity, was approximately 46.3% (31 December 2024: approximately 45.8%). Bank borrowings of approximately HKD570.7 million (31 December 2024: approximately HKD704.5 million) was repayable within one year (subject to potential refinancing and/or extension of the due date(s)), while the remaining balance was repayable from two to seventeen years.

As at 30 June 2025, the Group's current assets and current liabilities were approximately HKD1,283.5 million (31 December 2024: approximately HKD1,274.7 million) and HKD1,022.3 million (31 December 2024: approximately HKD1,162.6 million) respectively. Accordingly, the Group's current ratio that expressed as the ratio of the current assets to current liabilities was approximately 1.26 as at 30 June 2025 (31 December 2024: approximately 1.10).

## **PLEDGE OF ASSETS**

As at 30 June 2025, the Group had pledged (i) certain of its leasehold land and buildings, outlet mall buildings, investment properties, right-of-use assets and assets classified as held for sale, with the respective carrying amounts of approximately HKD229.8 million, HKD1,500.7 million, HKD491.5 million, HKD406.4 million and HKD735.4 million (31 December 2024: approximately HKD235.0 million, HKD1,480.9 million, HKD477.8 million, HKD401.3 million and HKD720.9 million); (ii) shares of certain of the Company's subsidiaries; (iii) corporate guarantees provided by the Company and certain of its subsidiaries and a related party; and (iv) personal guarantee provided by a director of the Company, to secure the banking facilities offered to the Group.

## **CAPITAL COMMITMENTS**

As at 30 June 2025, the Group's capital commitment was approximately HKD6.1 million in respect of the construction costs of outlet mall buildings located in Shenyang of the PRC (31 December 2024: approximately HKD8.1 million).

Save as disclosed above, the Group had no other material capital commitments as at 30 June 2025.

## **CAPITAL EXPENDITURE**

Capital expenditure, which includes purchases of property, plant and equipment and construction costs of outlet mall buildings located in Shenyang of the PRC, was approximately HKD3.1 million for the Period (Corresponding Period: approximately HKD0.6 million).

## **CONTINGENT LIABILITIES**

Details of potential tax liabilities in connection with the potential tax penalty arising from the late filing of the PRC tax returns for reporting the PRC Enterprise Income Tax to the PRC tax authority are disclosed in Note 8 of this announcement.

## **EMPLOYEES AND REMUNERATION POLICY**

As at 30 June 2025, the Group's total number of employees was 249 (30 June 2024: 265). Employees' costs (excluding Directors' emoluments) amounted to approximately HKD27.1 million (Corresponding Period: approximately HKD29.3 million).

In addition to competitive remuneration packages, discretionary bonus and employee share options are offered to the Group's eligible staff based on their performance and individual merits. The Group also provides other benefits including insurance, medical scheme and retirement plans to its employees.

## **TREASURY POLICY**

Several principal subsidiaries of the Group are exposed to foreign currency risk primarily through sales and purchases which give rise to monetary assets and monetary liabilities that are denominated in Renminbi and United States Dollars. During the Period, the Group did not enter into any financial derivatives for hedging purpose. Nevertheless, the management monitors the Group's foreign exchange exposure from time to time. Appropriate measures would be undertaken by the management when the exchange rate fluctuations become significant.

## **INTERIM DIVIDEND**

The Board has resolved not to declare any interim dividend for the Period (Corresponding Period: Nil).

## **MATERIAL ACQUISITION, DISPOSAL, SIGNIFICANT INVESTMENTS AND FUTURE PLANS OF MATERIAL INVESTMENT**

On 25 February 2025, the Company (as purchaser) and ITOCHU Corporation (“**ITOCHU**”) (as seller) entered into a share sale and purchase agreement pursuant to which the Company agreed to purchase, and ITOCHU agreed to sell, 600,000 shares of SYM ITO Sales and Distribution Company Limited (“**SYM ITO**”, together with its subsidiaries, “**SYM ITO Group**”), representing 15% of the total issued shares of SYM ITO for a consideration of USD0.6 million (equivalent to approximately HKD4.7 million) (the “**Acquisition**”). Upon completion of the Acquisition on 28 February 2025, the Company holds 100% interest in SYM ITO and SYM ITO has become as a wholly owned subsidiary of the Company.

As ITOCHU was a connected person of the Company at the subsidiary level by virtue of being a substantial shareholder of SYM ITO, the Acquisition constituted a connected transaction for the Company under Chapter 14A of the Listing Rules. The connected transaction under the Acquisition fell within the de minimis threshold under Rule 14A.76(2) of the Listing Rules and therefore was only subject to the reporting and announcement requirements, but exempted from the circular, independent financial advice and independent shareholders’ approval requirements contemplated under Chapter 14A of the Listing Rules.

The consideration for the Acquisition was determined after arm’s length negotiation between the parties having considered, among others, (i) the net asset value of SYM ITO Group as at 31 December 2023 of approximately USD1.7 million (equivalent to approximately HKD13.3 million); (ii) the gross profit of SYM ITO Group for the year ended 31 December 2023 of approximately USD3.6 million (equivalent to approximately HKD28.1 million); and (iii) the future business prospects and future financial performance of SYM ITO Group.

SYM ITO Group is principally engaged in the designing, manufacturing, marketing and distributing of the compression and high-performance sportswear and apparels of “**SKINS**”.

The Board is of the view that the Acquisition will enable the Group to gain full control over SYM ITO Group and greater flexibility in the strategic directions and day-to-day management of SYM ITO Group, and hence, to achieve operational and management efficiency of the Group.

Going forward, by fully controlling SYM ITO through the Acquisition, the Company intends to continue to grow the “**SKINS**” business. The Group believes that there is potential in the further expansion of the “**SKINS**” business and therefore intends to launch brand image rebuilding campaign to enhance the brand awareness, and upgrade the collection mix through product development and innovation, in order to realise its potential. The Group has also been exploring potential opportunities and development, and upgrading the distribution network of “**SKINS**” products.

The Acquisition is conducive to the development of SYM ITO Group and the “**SKINS**” business, which will enable the Group to broaden its revenue base in long run by securing more opportunities throughout the development process.

By broadening the revenue base of the “SKINS” business through the aforesaid development after the Acquisition, it is positive that there will be a significant growth in the turnover of SYM ITO Group over the next few years. Further, it is expected that the operating costs of SYM ITO Group will be reduced by the enhancement of operational and management efficiency brought by the Acquisition. Therefore, by reducing loss and gradually improving the profitability of SYM ITO Group over the next few years, the Group is optimistic of the prospects of “SKINS” business and the future financial performance of SYM ITO Group subsequent to the Acquisition, and hence provide a positive contribution to the financial results of the Group.

Please refer to the announcement of the Company dated 25 February 2025 for further details.

Save as disclosed herein, the Group had no material acquisitions, disposals, significant investments and future plans of material investment during the Period.

## **FUTURE PROSPECTS**

Looking forward to the second half of the year, although the global economy will continue to face challenges arising from reshaping of trade landscape and supply chain restructuring, the Chinese economy will maintain the stable growth momentum. The government will continue to introduce targeted policies to stimulate domestic demand, optimize consumption environment, and promote service-based and green consumption, creating new growth drivers for the market. The Group will seize the opportunities brought by such policies and advance its strategic layout to drive high-quality development.

The retail segment will focus on the consumption upgrading trend, and strengthen the younger and diversified brand layout by introducing international luxury brands and local avant-garde designer brands. To innovate the marketing model, the segment plans to organize themed shopping festival and cross-sector collaborative activities by leveraging on holiday economy, and push forward the omni-channel digital transformation, realizing efficient traffic conversion with short video marketing and targeted membership outreach mechanism. The upgrading of hardware facilities will focus on the improvement of scenario experience and enhancement of synergetic effect among the stores, creating an immersive consumption environment.

The brand business will take the path of differentiated development: SKINS will promote the development of mass-market product pipeline and innovation of regional cooperation model; SBT will focus on the exploration of middle-aged and elderly health management and youth health niche markets in the Greater Bay Area and Southeast Asia; Japanese wine brand “Hakuryu” will accelerate the promotion campaign in the major and North American markets, so as to advance the penetration of the Japanese-style catering channels.

While facilitating steady development, the Group will adapt to market changes by making dynamic adjustments to its business strategy and continuously optimize its operation efficiency.

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

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

## **EVENTS AFTER THE REPORTING PERIOD**

There was no significant event affecting the Group that had occurred after 30 June 2025 and up to date of this announcement.

## **CORPORATE GOVERNANCE PRACTICES**

The Company has complied with the code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) throughout the Period except for the following deviation:

- Under code provision C.2.1 of the CG Code, the roles of the Chairman and Chief Executive Officer should be separated and should not be performed by the same individual. Mr. Cheng Tun Nei (“**Mr. Cheng**”) currently serves as both the Chairman and Chief Executive Officer of the Company. In view of the evolving business environment in which the Group operates, the Board is of the view that vesting the roles of both the Chairman and Chief Executive Officer of the Company on Mr. Cheng will provide the Group with strong and consistent leadership while enabling more effective and timely business planning and decision-making process.
- Pursuant to code provision B.2.4(b) of the CG Code, if all the independent non-executive directors of an issuer have served more than nine years on the board, the issuer should appoint a new independent non-executive director on the board at the forthcoming annual general meeting for the financial year commencing on or after 1 January 2023. During the period from 15 December 2023 to 19 June 2025, all independent non-executive Directors had served on the Board for more than nine years. Upon the appointment of Ms. Ma Yin Fan as an independent non-executive Director on 20 June 2025, the Company re-complied with code provision B.2.4(b) of the CG Code hereafter.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers (the “**Model Code**”) as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding securities transactions by directors of the Company. Having made specific inquiries with all Directors, it is confirmed that all Directors have complied with the required standards set out in the Model Code throughout the Period.

The Company has also adopted a code on no less exacting terms than the Model Code to regulate dealings in the securities of the Company by certain employees of the Group who are considered to be likely in possession of inside information in relation to the Company or its securities.

## REVIEW OF INTERIM RESULTS

The audit committee of the Company (the “**Audit Committee**”) comprises three independent non-executive Directors, namely Ms. Ma Yin Fan (the chairlady of Audit Committee), Mr. Shum Pui Kay and Mr. Wah Wang Kei Jackie. The Audit Committee has reviewed with management the accounting policies and practices adopted by the Group and has discussed the review, internal controls and financial reporting matters including the review of the interim results announcement and the interim report of the Group for the Period.

## PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and on the website of the Company at [www.symphonyholdings.com](http://www.symphonyholdings.com). The unaudited interim report for the Period containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and will be made available on the above websites on or before 30 September 2025.

By order of the Board  
**Symphony Holdings Limited**  
**Cheng Tun Nei**  
*Chairman*

Hong Kong, 29 August 2025

As at the date of this announcement, the Directors are:

*Executive Directors:*

Mr. Cheng Tun Nei  
*(Chairman and Chief Executive Officer)*  
Mr. Chan Kar Lee Gary  
Mr. Lee Cheung Ming  
Ms. Fung Kim Wan Ewim

*Independent non-executive Directors:*

Mr. Shum Pui Kay  
Mr. Wah Wang Kei Jackie  
Ms. Ma Yin Fan

\* *For identification purpose only*