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Amuse Group Holding Limited

佰悅集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8545)

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

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG
LIMITED (THE “STOCK 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 Stock 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 that 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 Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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

This announcement will remain on the Stock Exchange’s website at www.hkexnews.hk, the GEM website at www.hkgem.com, on the “Latest Company Announcements” page for at least seven days from the date of its posting. This announcement will also be published on the Company’s website at www.amusegroupholding.com.

The board of Directors (the “Board”) of the Company is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 September 2025 (the “Period”), together with the comparative figures for the six months ended 30 September 2024 (the “Corresponding Period”), which have not been audited nor reviewed by the independent auditor but have been reviewed and approved by the audit committee of the Company (the “Audit Committee”), are set out as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

		Six months ended 30 September 2025	2024
	<i>Notes</i>	HK\$'000	HK\$'000
Revenue	4	91,629	59,027
Cost of sales		(72,652)	(47,566)
Gross profit		18,977	11,461
Other income and other gains	5	2,518	2,480
Selling expenses		(5,417)	(2,386)
Administrative and other expenses		(12,232)	(10,223)
(Loss)/gain on change in fair value of financial assets at fair value through profit and loss		(1,642)	1,025
Impairment loss on interest in an associate		–	(501)
Share of results of associates		(119)	592
Profit from operations		2,085	2,448
Finance costs	6(a)	(96)	(158)
Profit before taxation	6	1,989	2,290
Income tax expense	7	(829)	(754)
Profit and total comprehensive income for the period		1,160	1,536
Profit per share			
— Basic and diluted (<i>HK cents</i>)	8	0.10	0.13

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

		As at 30 September 2025 HK\$'000	As at 31 March 2025 HK\$'000
	Notes		
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	9	7,436	16,013
Goodwill		5,378	5,378
Interests in joint venture		—	—
Interest in associate		3,857	3,976
Deferred tax assets		294	294
Rental deposits	11	388	388
		<u>17,353</u>	<u>26,049</u>
Current assets			
Inventories		3,594	3,005
Trade receivables	10	6,044	10,674
Prepayment, deposits and other receivables	11	53,173	60,496
Financial assets at fair value through profit or loss	12	38,465	5,071
Tax recoverable		496	1,093
Bank deposits and cash	13	123,191	123,739
		<u>224,963</u>	<u>204,078</u>
Assets classified as held for sale	14	<u>6,278</u>	<u>—</u>
		<u>231,241</u>	<u>204,078</u>
Current liabilities			
Trade payables	15	8,498	9,464
Other payables and accrued expenses	15	5,675	3,437
Contract liabilities	16	35,886	15,690
Bank borrowing		—	2,953
Lease liabilities		1,376	2,477
Tax payable		1,117	649
		<u>52,552</u>	<u>34,670</u>
Net current assets		<u>178,689</u>	<u>169,408</u>
Total assets less current liabilities		<u>196,042</u>	<u>195,457</u>

	As at 30 September 2025 <i>Notes</i> HK\$'000	As at 31 March 2025 <i>HK\$'000</i>
Non-current liabilities		
Lease liabilities	342	917
Deferred tax liabilities	51	51
	<u>393</u>	<u>968</u>
NET ASSETS	195,649	194,489
EQUITY		
Share capital	11,923	11,923
Reserves	183,726	182,566
TOTAL EQUITY	195,649	194,489

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2025

	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Merger reserve <i>HK\$'000</i>	Retained profits <i>HK\$'000</i>	Total equity <i>HK\$'000</i>
Balance at 1 April 2024	11,923	75,068	129	109,480	196,600
Profit and total comprehensive income for the period	<u>–</u>	<u>–</u>	<u>–</u>	<u>1,536</u>	<u>1,536</u>
Balance at 30 September 2024	<u>11,923</u>	<u>75,068</u>	<u>129</u>	<u>111,016</u>	<u>198,136</u>
Balance at 1 April 2025	11,923	75,068	129	107,369	194,489
Profit and total comprehensive income for the period	<u>–</u>	<u>–</u>	<u>–</u>	<u>1,160</u>	<u>1,160</u>
Balance at 30 September 2025	<u>11,923</u>	<u>75,068</u>	<u>129</u>	<u>108,529</u>	<u>195,649</u>

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30 September 2025

		Six months ended 30 September	
		2025	2024
	Note	HK\$'000	HK\$'000
Net cash generated from operating activities		25,278	16,606
Investing activities			
Interest received		1,345	1,984
Placement of bank deposits with original maturities over three months		(26,639)	(29,726)
Withdrawal of bank deposits with original maturities over three months		38,712	79,182
Deposits received for disposal of a property		12,700	–
Acquisition of equipment, furniture and fixtures		(110)	(63)
Payment for purchase of financials asset		(35,036)	–
Net cash (used in)/generated from investing activities		(9,028)	51,377
Financing activities			
Repayment of bank borrowing		(2,953)	(59)
Payment of lease liabilities		(1,748)	(1,644)
Interest paid		(24)	(87)
Net cash used in financing activities		(4,725)	(1,790)
Net increase in cash and cash equivalents		11,525	66,193
Cash and cash equivalents at beginning of the period		53,122	23,514
Cash and cash equivalents at the end of the period	13	64,647	89,707

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2025

1. GENERAL INFORMATION

The Company is incorporated in the Cayman Islands with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman KY1-1205, Cayman Islands and the principal place of business of the Company is at Flat B-E, 33/F., Plaza 88, No. 88 Yeung UK Road, Tsuen Wan, New Territories, Hong Kong.

The Company is an investment holding company. The Group is principally engaged in design, marketing, distribution and retail sales of toys and related products, and provision of agency services.

The measurement basis used in the preparation of the unaudited condensed consolidated financial statements is the historical cost basis, except certain financial assets are stated at fair value. The unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$") and all figures are rounded to the nearest thousand ("HK\$'000") unless otherwise indicated.

2. BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the GEM Listing Rules, including compliance with Hong Kong Accounting Standard ("HKAS") 34, Interim financial reporting, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 13 November 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in note 3.

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

This interim financial report contains unaudited condensed consolidated interim financial statements and selected explanatory notes. 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 2025 annual consolidated financial statements. The unaudited condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

The interim financial report has not been audited nor reviewed by the independent auditor but has been reviewed by the Audit Committee.

The financial information relating to the financial year ended 31 March 2025 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. Statutory financial statements for the year ended 31 March 2025 are available from the Company's principal place of business. The auditors have expressed an unqualified opinion on those financial statements in their report dated 27 June 2025.

3. APPLICATION OF NEW AND AMENDMENTS TO HKFRS

(a) Amendments to HKFRSs that are mandatorily effective for the current year

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

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
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The application of the amendments to HKFRSs in the current period has had no material effect on the Group's financial positions and financial performance for the current and prior period and/or on the disclosures set out in these consolidated financial statements.

(b) New and amendments to HKFRSs in issue but not yet effective

At the date of authorisation of the unaudited condensed consolidated interim financial statements, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to HKFRS Accounting Standards	Annual Improvement to HKFRS Accounting Standards — Volume 11 ¹
Amendments to HKFRS 9 and HKFRS 7	Amendments to Contracts Referencing Nature — Dependent Electricity ¹
HKFRS 18	Presentation and Disclosure in Financial Statements ²
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ²
Amendments to HK Int 5	Amendments to Hong Kong Interpretation 5 Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ²
Amendments to HKFRS 10 and HKAS 28	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ Effective for annual periods beginning on or after 1 January 2026.

² Effective for annual periods beginning on or after 1 January 2027.

³ Effective for annual periods beginning on or after a date to be determined.

The Group is in the process of making an assessment of what the impact of these developments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's unaudited condensed consolidated financial statements.

4. REVENUE AND BUSINESS SEGMENT

(a) Revenue

The principal activities of the Group are design, marketing, distribution and retail sales of toys and related products, and provision of agency services.

Disaggregation of revenue from contracts with the scope of HKFRS 15

Disaggregation of revenue from contracts with customers which are recognised at a point in time and over time by major products or service line is as follows:

	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Types of goods or service		
Sales of ODM toys to license holders	32,269	27,789
Distribution of imported toys and related products	40,134	17,650
Sales of own licensed toys and related products	15,726	9,588
Revenue of agency services related to engineering projects	3,500	4,000
Total	91,629	59,027
Timing of revenue recognition		
At a point in time	88,129	55,027
Over time	3,500	4,000
Total	91,629	59,027

The Group's customers are primarily toys distributors based in Japan and Mainland China of the People's Republic of China (the "PRC"). The percentage of revenue contributed by the Group's five largest customers for the period amounted to approximately 50% (the Corresponding Period: 60%).

The Group primarily manages its business by three (the Corresponding Period: three) divisions, namely sales of ODM toys, sales of own licensed toys, and distribution of imported toys. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has identified three (the Corresponding Period: three) reportable segments, which are sales of ODM toys to license holders, distribution of imported toys and related products, and sales of own licensed toys and related products. No operating segments have been aggregated to form the reportable segments.

For the purpose of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results based on the revenue and expenses which are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

Segment assets and segment liabilities is not reported or used by the Group's most senior executive management.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 September 2025 and 2024 is set out below:

	Sales of ODM toys		Distribution of imported toys and related products		Sales of own licensed toys and related products		Unallocated		Total	
	Six months ended 30 September		Six months ended 30 September		Six months ended 30 September		Six months ended 30 September		Six months ended 30 September	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from external customers	32,269	27,789	40,134	17,650	15,726	9,588	3,500	4,000	91,629	59,027
Inter-segment revenue	-	-	12,884	7,370	12,539	7,252	-	-	25,423	14,622
Segment revenue	<u>32,269</u>	<u>27,789</u>	<u>53,018</u>	<u>25,020</u>	<u>28,265</u>	<u>16,840</u>	<u>3,500</u>	<u>4,000</u>	<u>117,052</u>	<u>73,649</u>
Segment profit/(loss)	<u>(2,750)</u>	<u>(2,256)</u>	<u>864</u>	<u>1,330</u>	<u>(226)</u>	<u>(4,153)</u>	<u>3,440</u>	<u>3,931</u>	<u>1,328</u>	<u>(1,148)</u>
Depreciation for the period	<u>251</u>	<u>358</u>	<u>958</u>	<u>1,791</u>	<u>1,076</u>	<u>1,974</u>	<u>123</u>	<u>-</u>	<u>2,408</u>	<u>4,123</u>
Segment assets										
Non-current assets (other than financial instruments), including: Interests in associates	-	-	-	-	-	-	-	17,263	-	17,263
Additions to property, plant and equipment	<u>15</u>	<u>63</u>	<u>15</u>	<u>-</u>	<u>15</u>	<u>-</u>	<u>65</u>	<u>-</u>	<u>110</u>	<u>63</u>

Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its sales contracts for goods such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for sales of goods that had an original expected duration of one year or less.

(b) Reconciliations of segment profit

	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Other segment information		
Segment loss derived from the Group's external customers	(2,112)	(5,079)
Other income and other gains	2,518	2,480
(Loss)/Gain on change in fair value of financial assets at FVTPL		
— Contingent Consideration Receivable	(1,179)	—
— Listed securities	(378)	1,025
— Funds	(85)	—
Impairment loss on interest in an associate	—	(501)
Share of results of associate	(119)	592
Finance costs	(96)	(158)
Unallocated	3,440	3,931
	<u>1,989</u>	<u>2,290</u>
Consolidated profit before taxation	<u>1,989</u>	<u>2,290</u>

(c) Information about major customers

Revenue from customers during the period contributing over 10% of the Group's revenue is as follows:

	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Customer A — sales of products	<u>34,177</u>	<u>28,298</u>

5. OTHER INCOME AND OTHER GAINS

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Bank interest income	1,345	1,984
Compensation income	124	–
Exchange gain, net	410	258
Freight charge income	93	101
Gain on disposal of financial assets at FVTPL	118	–
Government grant (<i>Note</i>)	200	83
Rental income	160	–
Sundry income	68	54
	<u>2,518</u>	<u>2,480</u>

Note:

During the period ended 30 September 2025, the Group recognised government grants of approximately HK\$200,000 (30 September 2024: HK\$83,000) in respect of the SME Export Marketing Fund, which encourages SMEs to expand their markets outside Hong Kong by participation in export promotion activities, provided by Hong Kong SAR Government. There are no unfulfilled conditions or contingencies related to these grants.

6. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
(a) Finance costs		
Interest on bank borrowings	24	87
Interest on lease liabilities	72	71
	<u>96</u>	<u>158</u>
(b) Staff costs (including directors' remuneration)		
Salaries, wages and other benefits	7,279	6,311
Contributions to defined contributions retirement plans	218	199
	<u>7,497</u>	<u>6,510</u>
(c) Other items		
Depreciation of property, plant and equipment	884	2,651
Depreciation of right-of-use assets	1,524	1,472
Auditor's remuneration	310	310

7. INCOME TAX EXPENSE

	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
Current tax — Hong Kong profits tax	<u>829</u>	<u>754</u>

Hong Kong Profits Tax is calculated at 16.5% (2024: 16.5%) of the estimated assessable profits for the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered profits tax rates regime. Under the two-tiered profits tax rates regime, the first HK\$2,000,000 of profits of the qualifying entity are taxed at 8.25% (2024: 8.25%), and the profits above HK\$2,000,000 are taxed at 16.5% (2024: 16.5%).

8. PROFIT PER SHARE

The calculation of basic profit per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$1,160,000 (the Corresponding Period: HK\$1,536,000) and weighted average of 1,192,307,692 ordinary shares in issue during the Period (the Corresponding Period: 1,192,307,692 shares).

The weighted average number of ordinary shares is calculated as follows:

	At 30 September	
	2025	2024
Issued ordinary share at 1 April	<u>1,192,307,692</u>	<u>1,192,307,692</u>
Weighted average number of shares at 30 September	<u>1,192,307,692</u>	<u>1,192,307,692</u>

There was no difference between basic and diluted earnings per share as the Company did not have any dilutive potential shares outstanding during the Period and the Corresponding Period.

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2025, the Group acquired items of plant and machinery with a cost of HK\$110,000 (six months ended 30 September 2024: HK\$63,000).

On June 2025, the Group signed a sale and purchase agreement to sell a property with the carrying amount of approximately HK\$6,278,000 at the consideration of HK\$12,700,000. The carrying amount were transferred to assets classified as held for sale, refer to Note 14 for detail.

10. TRADE RECEIVABLES

	As at 30 September 2025 <i>HK\$'000</i>	As at 31 March 2025 <i>HK\$'000</i>
Trade receivables — gross	6,216	10,846
Less: ECL allowance	<u>(172)</u>	<u>(172)</u>
Trade receivables — net	<u><u>6,044</u></u>	<u><u>10,674</u></u>

Ageing analysis

Details of the ageing analysis of trade receivables (net of ECL allowance), based on the invoice date, as of the end of the reporting period are as follows:

	As at 30 September 2025 <i>HK\$'000</i>	As at 31 March 2025 <i>HK\$'000</i>
Trade receivables		
Less than 30 days	2,846	1,904
31 to 60 days	1,396	2,493
61 to 90 days	3	4,723
Over 91 days	<u>1,799</u>	<u>1,554</u>
	<u><u>6,044</u></u>	<u><u>10,674</u></u>

The movement in the ECL allowance on trade receivables is as follows:

	As at 30 September 2025 <i>HK\$'000</i>	As at 31 March 2025 <i>HK\$'000</i>
At the beginning of the period/year	172	5
ECL allowance recognised	<u>—</u>	<u>167</u>
At the end of the period/year	<u><u>172</u></u>	<u><u>172</u></u>

11. PREPAYMENT, DEPOSITS AND OTHER RECEIVABLES

	As at 30 September 2025 HK\$'000	As at 31 March 2025 HK\$'000
Other receivables	1,051	3,611
Trade deposits	43,821	48,023
Rental deposits	1,013	1,024
Other deposits	159	276
Prepayments	8,027	8,460
Less: ECL allowance	(510)	(510)
Total prepayment, deposits and other receivables	53,561	60,884
Less: non-current rental deposits	(388)	(388)
Current portion	53,173	60,496

Apart from rental deposits due over one year included under non-current assets, all of the prepayments, deposits and other receivables are expected to be recovered or recognised as expenses within one year.

The movement in the ECL allowance on other receivables is as follows:

	As at 30 September 2025 HK\$'000	As at 31 March 2025 HK\$'000
At the beginning of the period/year	510	157
ECL allowance recognised	–	510
Eliminated on write-off of related receivables	–	(157)
At the end of the period/year	510	510

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 September 2025 HK\$'000	As at 31 March 2025 HK\$'000
At fair value:		
Contingent consideration receivable	–	1,179
Equity securities listed in Hong Kong	3,724	3,892
Funds	34,741	–
	<u>38,465</u>	<u>5,071</u>

The fair value of the Group's contingent consideration receivable and investments in listed securities have been measured as described below.

Contingent consideration receivable represents the profit guarantee given by the vendor to the Group in relation to the acquisition of Forever Profits Development Limited ("Forever Profits"). Contingent consideration receivable has been designated as financial assets at FVTPL upon initial recognition and is measured at fair value at the end of the reporting period. The movement of the fair value of contingent consideration receivable is as follow:

	HK\$'000
At 1 April 2024	2,100
Loss on change in fair value	<u>(921)</u>
At 31 March 2025 and 1 April 2025	1,179
Loss on change in fair value	<u>(1,179)</u>
At 30 September 2025	<u><u>–</u></u>

Pursuant to the sale and purchase agreement in respect of the acquisition of Forever Profits, the vendor irrevocably and unconditionally guarantees to the Group that the net profit after tax from 30 June 2023 to 30 June 2025 is not less than HK\$2,500,000 (the "Guaranteed Sum") per year (the "Profit Guarantee").

In case the Profit Guarantee is not fulfilled for the corresponding periods, the vendor shall pay off the difference between the Guaranteed Sum and the net profit after tax of Forever Profits to the Group. Accordingly, the Group recognised contingent consideration receivable at the acquisition date.

The fair value of the contingent consideration receivable as at 31 March 2025 is determined based on the valuation using the discounted cash flow approach and loss arising on fair value change amounted to approximately HK\$921,000 was recognised in the condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 31 March 2025.

The following table presents financial assets and liabilities measured at fair value in the condensed consolidated statement of financial position in accordance with the fair value hierarchy. The hierarchy groups financial assets and liabilities into three levels based on the observability and significance of inputs to the fair value measurements. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices), and not using significant unobservable inputs.
- Level 3: significant unobservable inputs for the asset or liability (significant unobservable inputs).

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The financial assets measured at fair value in the condensed consolidated statement of financial position on a recurring basis are grouped into the fair value hierarchy as follows:

	As at 30 September 2025			
	Level 1	Level 2	Level 3	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Financial assets at FVTPL				
— Contingent consideration receivable	—	—	—	—
— Listed equity investments				
— Hong Kong	3,724	—	—	3,724
— Funds	34,741	—	—	34,741
	<u>38,465</u>	<u>—</u>	<u>—</u>	<u>38,465</u>

	As at 31 March 2025			Total HK\$'000
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000	
Financial assets at FVTPL				
— Contingent consideration receivable	–	–	1,179	1,179
— Listed equity investments				
— Hong Kong	3,892	–	–	3,892
	<u>3,892</u>	<u>–</u>	<u>–</u>	<u>3,892</u>
	<u>3,892</u>	<u>–</u>	<u>1,179</u>	<u>5,071</u>

The contingent consideration receivable of the Group was revalued to zero at 30 September 2025 due to the expiration of the Profit Guarantee on 30 June 2025, by using the discounted cash flow approach.

13. BANK DEPOSITS AND CASH

Bank deposits and cash comprise:

	As at 30 September 2025 HK\$'000	As at 31 March 2025 HK\$'000
Cash at bank and on hand	<u>123,191</u>	<u>123,739</u>
Cash and cash equivalents in the consolidated cash flow statement	64,647	53,122
Bank deposits with original maturities over three months	<u>58,544</u>	<u>70,617</u>
	<u>123,191</u>	<u>123,739</u>

14. ASSETS CLASSIFIED AS HELD FOR SALE

	As at 30 September 2025 HK\$'000	As at 31 March 2025 HK\$'000
Building	<u>6,278</u>	<u>--</u>

On 17 June 2025, Bestone Creative Development Limited, an indirect wholly-owned subsidiary of the Company and Niken Investment Co. Limited (the “Niken”), the purchaser, a company incorporated in Hong Kong with limited liability which is directly wholly-owned by Mr. Li Wai Keung (the executive director and Chief Executive Officer of the Company), entered into a sale and purchase agreement, pursuant to which Bestone Creative Development Limited has conditionally agreed to sell and Niken has conditionally agreed to purchase the subject building located at Flat C, 59th Floor, Tower 2, The Dynasty, No. 18 Yeung UK Road, Tsuen Wan, New Territories, Hong Kong at the consideration of HK\$12,700,000. The Group expected that the sale of buildings is to be completed within one year and thus the carrying amount of buildings of approximately HK\$6,278,000 were transferred from property, plant and equipment.

15. TRADE, OTHER PAYABLES AND ACCRUED EXPENSES

	As at 30 September 2025 HK\$'000	As at 31 March 2025 HK\$'000
Trade payables	8,498	9,464
Other payables and accrued expenses	<u>5,675</u>	<u>3,437</u>
	<u>14,173</u>	<u>12,901</u>

Ageing analysis

The Group was granted by its suppliers with credit periods ranging from 30–60 days. As at the end of the reporting period, the ageing analysis of trade payables, based on the invoice date, is as follows:

	As at 30 September 2025 HK\$'000	As at 31 March 2025 HK\$'000
Less than 30 days	1,050	984
31 to 60 days	1,045	1,039
61 to 90 days	1,337	4,606
Over 91 days but within one year	3,056	2,056
Over one year	<u>2,010</u>	<u>779</u>
	<u>8,498</u>	<u>9,464</u>

16. CONTRACT LIABILITIES

	As at 30 September 2025 <i>HK\$'000</i>	As at 31 March 2025 <i>HK\$'000</i>
Contract liabilities arising from deposits received from sales of toys and related products	<u>35,886</u>	<u>15,690</u>

Receiving a trade deposit by the Group before the delivery of goods gives rise to contract liabilities at the inception of a contract, until the revenue recognised exceeds the amount of the deposit. The amount of deposit is negotiated on a case by case basis with customers.

All contract liabilities are expected to be recognised as revenue within one year.

17. DIVIDENDS

No dividends were paid or declared by the Company or any of the subsidiaries during the six months ended 30 September 2025 and 30 September 2024.

18. FAIR VALUE MEASUREMENT

The carrying amounts of the Group's financial instruments carried at amortised cost were not materially different from their fair values as at 30 September 2025 and 31 March 2025.

19. COMMITMENTS

At 30 September 2025 and 31 March 2025, the Group has no operating lease commitment as lessee and capital commitment.

MANAGEMENT DISCUSSION AND ANALYSIS

Business review and outlook

The Group is principally engaged in design, marketing, distribution, retail sales of toys and related products and provision of agency services related to engineering projects.

Business Review

For the Period as compared to the Corresponding Period, the Group's revenue increased by approximately 55.2% while gross profit ratio increased by approximately 65.6%.

The Group has set up a Wholly Foreign-Owned Enterprise (WFOE) company on Mainland China and an International Business Company in USA. In order to border the distribution market, the Group will connect US/Western businesses to China's vast market and Asian enterprises to the lucrative US landscape. We plan to simplify entry with expert regulatory guidance, localized digital strategies, and proven e-commerce channels.

Business in the sales of ODM toys to license holder

The Group's revenue in the sales of ODM toys to license holders increased by approximately 16.1% to approximately HK\$32,269,000 (the Corresponding Period: approximately HK\$27,789,000).

The increase in revenue from this segment was primarily because of a significant increase in orders directly from our Japanese client. This is due to the thriving figure toys market in Japan, which has seen a notable expansion from 2024 to 2025, driven by the enthusiasm of adult collectors and tourists.

Business in the distribution of imported toys and related products

The Group's revenue in the distribution of imported toys and related products increased by approximately 127.4% to approximately HK\$40,134,000 (the Corresponding Period: approximately HK\$17,650,000).

The increase in revenue from the distribution of imported toys and related products was mainly attributable to the sustained depreciation of the Japanese yen resulted in a significant increase in global demand for toy products, leading to a substantial surge in revenue. This development represents the most substantial demand-side stimulus recorded in the history of the figure toy industry.

Business in the sales of own licensed toys and related products

The Group's revenue in the sales of own licensed toys and related products increased by approximately 64.0% to approximately HK\$15,726,000 (the Corresponding Period: approximately HK\$9,588,000).

The increase in revenue from the sales of own licensed toys and related products was primarily because of the return of a decision that is both strategically sound and highly defensible, with a focus on high-end robotic figure toys. It help the Group focuses on maximising revenue per SKU rather than on volume, builds a technological advantage that competitors cannot easily overcome, and future-proofs the business by aligning with the growing adult collector market and the demand for experiential products.

Business in the agency services related to engineering projects

The Group's revenue in agency services related to engineering projects is approximately HK\$3,500,000 (the Corresponding Period: approximately HK\$4,000,000).

The revenue from this segment was primarily contributed by consultancy services for a construction project. The scope of the consultancy service included (i) Engineering Consultancy, (ii) Management Guidance, (iii) Progress Control, and (iv) Quality Control.

Financial Analysis

Revenue

Revenue increased by approximately 55.2% to approximately HK\$91,629,000 for the Period from approximately HK\$59,027,000 for the Corresponding Period.

The increase in revenue were mainly due to:

- i) The significant increase in orders from our Japanese customer is directly attributable to the substantial growth of Japan's figure toy market in 2024–2025. This growth can be attributed to the unwavering enthusiasm of adult collectors and the sustained influx of international tourists.
- ii) The sustained depreciation of the Japanese yen has had a significant impact on global demand, generating unparalleled demand for the figure toy sector and driving exceptional revenue performance across the Group.
- iii) The strategic shift towards high-end robotic figure toys. This decision is both commercially robust and defensible: it prioritises revenue per SKU over volume, erects insurmountable technological barriers against competition, and perfectly positions the Group to capture the long-term premium spent by sophisticated adult collectors seeking immersive, experiential products.

Cost of sales

Cost of sales increased by approximately 52.7% to approximately HK\$72,652,000 for the Period from approximately HK\$47,566,000 for the Corresponding Period. The increase of cost of sales is in line with the increase of revenue.

Gross profit

Gross profit increased by approximately 65.6% to approximately HK\$18,977,000 for the Period from approximately HK\$11,461,000 for the Corresponding Period. The gross profit margin increased to 20.7% for the Period from approximately 19.4% for the Corresponding Period due to the gross profit margin in the sales of ODM toys has improvement. Gross profit margin can be affected by the complexity and the quantity of product production orders.

Other income and other gains

Other income and other gains has remained relatively stable and only observed a net increase by approximately 1.5% to approximately HK\$2,518,000 for the Period from approximately HK\$2,480,000 for the Corresponding Period.

Selling expenses

Selling expenses increased sharply by approximately 127.0% to approximately HK\$5,417,000 for the Period from approximately HK\$2,386,000 for the Corresponding Period. The increase was mainly due to the increase of event promotion and branding development expenditure.

Administrative expenses

Administrative expenses increased by approximately 19.7% to approximately HK\$12,232,000 for the Period from approximately HK\$10,223,000 for the Corresponding Period. The increased was mainly due to the new expenditure in the new US operation company commenced in the Period.

Event after the reporting period

There is no other significant event subsequent to 30 September 2025 which would materially affect the Group's operating and financial performance.

Liquidity, financial resources and funding

As at 30 September 2025, the Group had cash and bank deposits of approximately HK\$123,191,000 (31 March 2025: approximately HK\$123,739,000), which were cash at banks and on hand and bank deposits.

As at 30 September 2025, no bank deposit was pledged (31 March 2025: nil).

As at 30 September 2025, the Group's indebtedness comprised none bank loans (31 March 2025: approximately HK\$2,953,000) and lease liabilities of approximately HK\$1,718,000 (31 March 2025: approximately HK\$3,394,000).

The Group's gearing ratio, which is calculated by total debt (defined as bank and other debts incurred not in the ordinary course of business) divided by total equity, was Nil as at 30 September 2025 (31 March 2025: 0.02 times).

Capital structure

As at 30 September 2025 and 31 March 2025, the capital structure of the Company comprised issued share capital and reserves.

Future plans for material investments and capital assets

Save as disclosed in the prospectus of the Company dated 18 May 2018 (the "Prospectus"), the Group had no definite plans for material investments and capital assets.

Contingent liabilities

The Group had no material contingent liabilities as at 30 September 2025 (31 March 2025: nil).

Exposure to exchange rate fluctuation

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group mainly operates in Hong Kong with most of the transactions denominated and settled in HK\$.

During the Period, the Group's exposure to foreign currency risk primarily arose from certain financial instruments including trade and other receivables, cash and cash equivalents and trade and other payables which are denominated in JPY, RMB and/or US\$. During the Period and the Corresponding Period, the Group did not adopt any hedging strategy but the management continuously monitored the foreign exchange risk exposure on a case-by-case basis. The Group did not use any hedging contracts to engage in speculative activities during the Period and the Corresponding Period.

Charge on group's assets

As at 30 September 2025, the Group has no assets that have been charged (31 March 2025: HK\$5,539,000).

Information on employees

As at 30 September 2025, the Group had 36 employees (31 March 2025: 35) working in Hong Kong. Employees are remunerated according to their performance and work experience. On top of basic salary, commission, discretionary bonus and share option may be granted to eligible staff by reference to the Group's performance as well as individual's performance. The remuneration of the Directors for the Period amounted to approximately HK\$2,878,000 (the Corresponding Period: approximately HK\$2,845,000).

Interim dividend

The Board does not recommend the payment of interim dividend for the Period (the Corresponding Period: Nil).

Principal risks and uncertainties

The business operations and results of the Group may be affected by various factors, some of which are external causes and some are inherent to the business. The principal risks and uncertainties are summarised as follows:

Principal risks and uncertainties facing the Group

- Failure to obtain new orders could materially affect the Group's financial performance
- The Group relies on the performance of senior management team
- Ineffective quality control over the suppliers and products may result in negative impact on the business and operation of the Group
- The Group may be exposed to delays and/or defaults of payments by customers which would adversely affect cash flows or financial results
- Failure to renew existing license rights and/or obtain new license rights for own licensed toys will have adverse impact on financial performance of the Group

Directors' approach to addressing these risks and uncertainties

- The Group has constantly built up good relationships with key customers and actively solicited new customers
- The Group has constantly provided training to senior management team to enhance their performance
- The Group has professional and well trained engineer team to working closely and timely with suppliers in order to maintain its product in high standard of quality
- The Group only offer credit period for customers with long term relationship and well credit record. Most of the customers are traded on cash basis
- The Group has a dedicated team to work closely with existing licensor, obtained outstanding results in the joint events with the licensors. The Group has kept up good relationship and also developing new relationship with potential new licensors in the market

Outlook

The Group will make steady progress in accordance with the plans formulated before the Listing and its actual operational conditions, so as to facilitate effective implementation of the business objectives of the Company and bring benefits from it.

The Board will proactively seek potential business opportunities and explore the possibility to expand the Group's network not limited to ACG figure toys market, that will broaden the sources of income of the Group and enhance value to the Shareholders.

In the future, the Board believes that the Group will achieve another breakthrough in terms of its business performance by leveraging on its advantages, in particular with its wide variety of high-end toy products.

OTHER INFORMATION

Interests and Short Positions of Directors and Chief Executive in the Shares, Underlying Shares and Debentures of the Company

As at 30 September 2025, the interests or short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO"), Chapter 571), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors to be notified to the Company and the Stock Exchange, were as follows:

Name of Director	Nature of interest/ Holding capacity	Number of ordinary shares held	Percentage of issued share capital of the Company (Note 1)
Mr. Li Wai Keung ("Mr. Li") (Note 1)	Interest of a controlled corporation	220,640,000 (L) (Note 2, 3)	18.51%

Notes:

1. As at 30 September 2025, the Company issued ordinary share capital was HK\$11,923,077 divided into 1,192,307,692 Shares of HK\$0.01 each.
2. Mr. Li is wholly and beneficially interested in the said shares through his wholly owned company, Infinite Force Holdings Ltd (“Infinite Force”), which is the beneficial owner of 220,640,000 Shares.
3. The letter “L” denotes the person’s long position in the Shares.

Save as disclosed above, as at 30 September 2025, none of the Directors or chief executive of the Company had any other interest or a short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded in the register kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

Interests and Short Positions of Substantial Shareholders in the Shares, Underlying Shares and Debentures of the Company

As at 30 September 2025, person (other than the Directors) who had interests or short positions in the shares and underlying shares of the Company, being 5% or more of the Company’s issued share capital, was recorded in the register required to be kept under section 336 of the SFO were as follows:

Name of Shareholders	Nature of interest/ Holding capacity	Number of ordinary shares held	Percentage of issued share capital of the Company (Note 1)
Infinite Force	Beneficial owner	220,640,000 (L) (Note 2, 3)	18.51%
Ms. Fong Wing Yan (“Ms. Fong”)	Interest of spouse	220,640,000 (L) (Note 4)	18.51%
Ms. Lam Hoi Yan	Beneficial owner	65,000,000 (L)	5.45%

Notes:

1. As at 30 September 2025, the Company's issued ordinary share capital was HK\$11,923,077 divided into 1,192,307,692 Shares of HK\$0.01 each.
2. Infinite Force, a company incorporated in the British Virgin Islands on 18 October 2016 and an investment holding company, is wholly and beneficially owned by Mr. Li who is the Chairman and an executive Director. Therefore, Mr. Li is deemed to be interested in the 220,640,000 Shares held by Infinite Force by virtue of his 100% shareholding interest in Infinite Force.
3. The letter "L" denotes the person's long position in the Shares.
4. Ms. Fong is the spouse of Mr. Li. She is deemed to be interested in the Shares in which Mr. Li is interested under Part XV of the SFO.

Purchase, sale or redemption of listed securities of the Company

The Company had not redeemed any of its ordinary shares during the Period. Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's ordinary shares during the Period.

Directors' and controlling shareholders' interest in competing business

None of the Directors, the directors of the Company's subsidiaries, the Company's controlling shareholders, or any of their respective close associates, as defined in the GEM Listing Rules, has interest in any business that competes or may compete, either directly or indirectly, with the businesses of the Group or has any other conflict of interests with the Group (other than being a Director and/or a director of its subsidiaries and their respective associates) during the Period.

Directors' securities transactions

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company had made specific enquiry of all the Directors and the Company was not aware of any non-compliance with the required standard of dealings regarding securities transactions by the Directors during the Period.

Share Option Scheme

The Company's share option scheme (the "Share Option Scheme") was approved by a resolution of the Company's shareholders passed on 11 May 2018. The principal terms of the Share Option Scheme, a summary of which is set out in Appendix VI to the Prospectus, are in compliance with the provisions under Chapter 23 of the GEM Listing Rules.

As of 30 September 2025 and up to the date of this announcement, there were no options granted, exercised, lapsed or cancelled under the Share Option Scheme. There was no outstanding share option not yet exercised under the Share Option Scheme.

Corporate governance practice

The Company has applied the principles and code provisions in the Corporate Governance Code and Corporate Governance Report (the "Code") as set out in Appendix 15 to the GEM Listing Rules. In the opinion of the Board, the Company has complied with the Code during the Period except for the deviation from the code provision A.2.1 of the Code. Mr. Li is the chairman of the Board and the chief executive officer of the Company and he has been managing the Group's business and supervising the overall operations of the Group since 2004. The Directors consider that vesting the roles of the chairman of the Board and the chief executive officer of the Company in Mr. Li is beneficial to the management and business development of the Group and will provide a strong and consistent leadership to the Group. The Board will continue to review and consider splitting the roles of the chairman of the Board and the chief executive officer at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

Audit committee

The Audit Committee has reviewed the unaudited condensed consolidated financial statements for the six months ended 30 September 2025 of the Group with the management and is of the view that such unaudited condensed consolidated financial statements complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

By order of the Board
Amuse Group Holding Limited
Li Wai Keung
Chairman and Executive Director

Hong Kong, 13 November 2025

As at the date of this announcement, the Board composition is as follows:

Chairman and executive Director:

Mr. Li Wai Keung

Executive Directors:

Mr. To Hoi Pan

Ms. Lee Kwai Fong

Non-executive Director:

Mr. Chu Wai Tak

Independent non-executive Directors:

Ms. Chow Chi Ling Janice

Mr. Yu Pui Hang

Mr. Tung Man