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MODERN INNOVATIVE DIGITAL TECHNOLOGY COMPANY LIMITED

新質數字科技有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 2322)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

INTERIM RESULTS

The board (the “Board”) of directors (the “Directors”) of Modern Innovative Digital Technology Company Limited (the “Company”) presents the unaudited condensed consolidated financial statements of the Company and its subsidiaries (together, the “Group”) for the six months ended 30 September 2025 together with the comparative figures for the corresponding period in 2024. The unaudited condensed consolidated financial statements have been reviewed by the Company’s audit committee.

**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
		Unaudited	Unaudited
Revenue	<i>3</i>	30,040	35,644
Cost of sales		<u>(20,790)</u>	<u>(23,456)</u>
Gross profit		9,250	12,188
Other income	<i>5</i>	2,480	1,333
Impairment loss on trade and account receivables	<i>11</i>	(9,860)	(13,629)
Impairment loss on factoring receivables	<i>12</i>	–	(1,479)
(Impairment loss)/Reversal of impairment loss on finance lease receivables	<i>13</i>	(1,016)	5
Impairment loss on loan and interest receivables	<i>14</i>	(2,162)	(923)
Gain on changes in fair value of held-for-trading investments		923	76
Gain/(Loss) on disposal of held-for-trading investments		1,046	(156)
Administrative expenses		<u>(22,875)</u>	<u>(27,319)</u>

		Six months ended	
		30 September	
		2025	2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		Unaudited	Unaudited
Operating loss		(22,214)	(29,904)
Finance costs	7	<u>(391)</u>	<u>(200)</u>
Loss before taxation	6	(22,605)	(30,104)
Taxation	8	<u>(1,018)</u>	<u>(573)</u>
Loss for the period		<u>(23,623)</u>	<u>(30,677)</u>
Other comprehensive (loss)/income:			
<i>Items that may be reclassified subsequently</i>			
<i>to profit or loss:</i>			
– Exchange differences arising on translation of foreign operations		<u>(97)</u>	<u>14,622</u>
		<u>(97)</u>	<u>14,622</u>
<i>Items that may not be reclassified subsequently</i>			
<i>to profit or loss:</i>			
– Gain on revaluation of owner-occupied property upon transfer to investment property		<u>–</u>	<u>5,746</u>
Total comprehensive loss for the period		<u>(23,720)</u>	<u>(10,309)</u>
Loss for the period attributable to:			
Owners of the Company		<u>(23,623)</u>	<u>(30,677)</u>

		Six months ended	
		30 September	
		2025	2024
<i>Notes</i>		<i>HK\$'000</i>	<i>HK\$'000</i>
		Unaudited	Unaudited
Total comprehensive loss for the period attributable to:			
Owners of the Company		<u>(23,720)</u>	<u>(10,309)</u>
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted loss per share	<i>10</i>	<u>HK\$(0.57) cents</u>	<u>HK\$(0.74) cents</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025

		30 September	31 March
		2025	2025
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		Unaudited	Audited
ASSETS			
Non-current assets			
Property, plant and equipment		4,603	3,976
Investment property		71,820	71,820
Right-of-use assets		13,880	1,616
Intangible assets		500	500
Goodwill		1,000	1,000
Other non-current assets		205	205
Deferred tax assets		11,934	11,934
		103,942	91,051
Current assets			
Trade and account receivables	<i>11</i>	222,622	242,184
Factoring receivables	<i>12</i>	18,322	18,322
Finance lease receivables	<i>13</i>	19,591	19,294
Loan and interest receivables	<i>14</i>	160,781	160,078
Deposits, prepayments and other receivables		56,516	46,871
Tax recoverable		43	203
Held-for-trading investments		11,619	22,979
Cash held on behalf of clients		13,044	16,579
Cash and bank balances		55,154	59,845
		557,692	586,355
Total assets		661,634	677,406

		30 September 2025	31 March 2025
	<i>Notes</i>	HK\$'000	HK\$'000
		Unaudited	Audited
EQUITY			
Capital and reserves			
Share capital		82,412	82,412
Reserves		533,509	557,229
Total equity		615,921	639,641
LIABILITIES			
Non-current liabilities			
Lease liabilities		8,754	1,221
Deferred tax liabilities		1,861	1,861
		10,615	3,082
Current liabilities			
Trade and account payables	15	13,035	16,978
Lease liabilities		5,466	505
Accruals, other payables and deposit received		8,917	10,714
Amount due to a Director		597	306
Tax payables		7,083	6,180
		35,098	34,683
Total liabilities		45,713	37,765
Total equity and liabilities		661,634	677,406
Net current assets		522,594	551,672
Total assets less current liabilities		626,536	642,723

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

The Company is a limited liability company incorporated in Bermuda with its shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Company’s registered office is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The principal place of the Company’s business in Hong Kong is situated at Suite 2206-10, 22/F., China Resources Building, 26 Harbour Road, Wanchai, Hong Kong.

The principal activity of the Company is investment holding. The Group is principally engaged in trading, money lending, factoring, finance leasing and financial services businesses.

These unaudited condensed consolidated financial statements have been reviewed by the audit committee of the Company and approved for issue by the Board on 28 November 2025.

2 BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 September 2025 have been prepared in accordance with the applicable disclosure requirements as prescribed in Appendix 16 of the Rules (the “Listing Rules”) Governing the Listing of Securities on the Stock Exchange and the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

These condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2025.

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment property and held-for-trading investments that is measured at fair value.

The condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”), unless otherwise stated. The functional currency of the Company and its subsidiaries is HK\$.

Principal accounting policies and adoption of new/revised Hong Kong Financial Reporting Standards (“HKFRS(s)”)

The significant accounting policies that have been used in the preparation of the Group’s condensed consolidated financial statements for the six months ended 30 September 2025 are consistent with those adopted in the preparation of the Group’s annual financial statements for the year ended 31 March 2025, except as described below.

The Group has adopted and applied, for the first time, the following amendment that have been issued and effective for the accounting period beginning on 1 April 2025:

Amendments to HKAS 21 *Lack of Exchangeability*

The application of the above amendment did not have any material impact on the condensed consolidated financial statements of the Group.

The Group has not applied any new standard or amendment that is not yet effective for the current accounting period. The Directors anticipate that the application of the other new and revised standards and amendments issued but not yet effective will have no material impact on the results and financial position of the Group.

3 REVENUE

Revenue represents (i) net invoiced value of goods sold, after allowances for returns and trade discount; (ii) interest income from money lending, factoring, finance leasing and margin financing; (iii) brokerage commission income from securities dealing; and (iv) underwriting and placing commission income.

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

	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Sales of goods	20,959	24,513
Interest income from money lending, factoring, finance leasing and margin financing	8,830	10,318
Brokerage commission income from securities dealings	251	212
Underwriting and placing commission income	—	601
	30,040	35,644
Revenue from contracts with customers within HKFRS 15:		
<i>Recognised at a point of time</i>		
Sales of goods	20,959	24,513
Brokerage commission income from securities dealings	251	212
Underwriting and placing commission income	—	601
	21,210	25,326
Revenue from other sources:		
Interest income from money lending, factoring, finance leasing and margin financing calculated using effective interest method	8,830	10,318
	30,040	35,644

4 SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Board. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Group's operating businesses are structured and managed separately according to the nature of the operations. Each of the Group's reportable operating segments represents a strategic business unit that is subject to risks and returns that are different from other reportable operating segment.

The Group's reportable and operating segments are as follows:

- Trading segment engaged in trading of goods in the PRC and Hong Kong;
- Money lending and factoring segment engaged in provision of loan financing in Hong Kong, loan and factoring financing in the PRC;
- Finance leasing segment engaged in provision of finance leasing and sale-leaseback in the PRC; and
- Financial services segment engaged in provision of securities dealing broking, placing, underwriting, margin financing and asset management services in Hong Kong.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit/loss represents the profit/loss earned by each segment without allocation of incomes or expenses which are not recurring in nature and unrelated to the Group's operating performance, including central administration costs, Directors' emoluments, gain/loss on changes in fair value of held-for-trading investments, gain/loss on disposal of held-for-trading investments, finance costs, impairment loss on deposits and other receivables (non-trading nature), exchange gain/loss, rental income, sublease interest income and interest income from cash and bank balances.

For the purposes of monitoring segment performances and allocating resources between segments, all assets are allocated to operating segments other than investment property, net investment in sublease, deferred tax assets, tax recoverable, held-for-trading investments, cash and bank balances and other corporate assets. All liabilities are allocated to operating segments other than deferred tax liabilities, amount due to a Director, tax payables and other corporate liabilities.

(a) Segment revenue and results

Segment revenue and results	Six months ended 30 September 2025				
	Money lending and				Total <i>HK\$'000</i> Unaudited
	Trading	factoring	Finance	Financial	
	<i>HK\$'000</i> Unaudited	<i>HK\$'000</i> Unaudited	leasing <i>HK\$'000</i> Unaudited	services <i>HK\$'000</i> Unaudited	
Segment revenue	<u>20,959</u>	<u>6,276</u>	<u>1,788</u>	<u>1,017</u>	<u>30,040</u>
Segment results	<u>(5,609)</u>	<u>2,323</u>	<u>(497)</u>	<u>(14,267)</u>	(18,050)
Corporate expenses					<u>(8,508)</u>
Operating loss					(26,558)
Corporate income					2,026
Gain on changes in fair value of held-for-trading investments					923
Gain on disposal of held-for-trading investments					1,046
Finance costs					<u>(42)</u>
Loss before taxation					(22,605)
Taxation					<u>(1,018)</u>
Loss for the period					<u>(23,623)</u>

Six months ended 30 September 2024					
Segment revenue and results	Money lending and				Total
	Trading	factoring	Finance leasing	Financial services	
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Segment revenue	<u>23,672</u>	<u>7,975</u>	<u>1,929</u>	<u>2,068</u>	<u>35,644</u>
Segment results	<u>(11,746)</u>	<u>3,118</u>	<u>1,510</u>	<u>(15,475)</u>	(22,593)
Corporate expenses					<u>(8,431)</u>
Operating loss					(31,024)
Corporate income					1,092
Gain on changes in fair value of held-for-trading investments					76
Loss on disposal of held-for-trading investments					(156)
Finance costs					<u>(92)</u>
Loss before taxation					(30,104)
Taxation					<u>(573)</u>
Loss for the period					<u>(30,677)</u>

(b) Segment assets and liabilities

As at 30 September 2025 and six months ended 30 September 2025					
	Trading HK\$'000 Unaudited	Money lending and factoring HK\$'000 Unaudited	Finance leasing HK\$'000 Unaudited	Financial services HK\$'000 Unaudited	Total HK\$'000 Unaudited
Segment assets					
Non-current assets					
Property, plant and equipment	115	61	3,718	4	3,898
Right-of-use assets	–	–	–	12,549	12,549
Intangible assets	–	–	–	500	500
Goodwill	–	–	1,000	–	1,000
Other non-current assets	–	–	–	205	205
	<u>115</u>	<u>61</u>	<u>4,718</u>	<u>13,258</u>	<u>18,152</u>
Current assets	<u>232,219</u>	<u>179,600</u>	<u>20,503</u>	<u>23,599</u>	<u>455,921</u>
	<u><u>232,334</u></u>	<u><u>179,661</u></u>	<u><u>25,221</u></u>	<u><u>36,857</u></u>	<u><u>474,073</u></u>
Unallocated:					
Cash and bank balances					55,154
Others					<u>132,407</u>
Total assets per statement of financial position					<u><u>661,634</u></u>
Segment liabilities	<u><u>875</u></u>	<u><u>1,075</u></u>	<u><u>1,370</u></u>	<u><u>26,219</u></u>	<u><u>29,539</u></u>
Unallocated:					
Others					<u>16,174</u>
Total liabilities per statement of financial position					<u><u>45,713</u></u>
Other segment information					
Capital expenditure	–	–	1,042	–	1,042
Unallocated capital expenditure					<u>65</u>
					<u><u>1,107</u></u>
Depreciation					
– Right-of-use assets	–	–	–	2,510	2,510
– Property, plant and equipment	22	–	11	174	207
Unallocated depreciation					<u>558</u>
					<u><u>3,275</u></u>

As at 30 September 2024 and six months ended 30 September 2024					
	Trading <i>HK\$'000</i> Unaudited	Money lending and factoring <i>HK\$'000</i> Unaudited	Finance leasing <i>HK\$'000</i> Unaudited	Financial services <i>HK\$'000</i> Unaudited	Total <i>HK\$'000</i> Unaudited
Segment assets					
Non-current assets					
Property, plant and equipment	141	268	2,451	34	2,894
Right-of-use assets	–	–	–	2,832	2,832
Intangible assets	–	–	–	5,525	5,525
Goodwill	–	–	1,000	–	1,000
Other non-current assets	–	–	–	205	205
Loan and interest receivables	–	62,632	–	–	62,632
	141	62,900	3,451	8,596	75,088
Current assets	237,344	130,697	25,068	49,993	443,102
	<u>237,485</u>	<u>193,597</u>	<u>28,519</u>	<u>58,589</u>	<u>518,190</u>
Unallocated:					
Net investment in sublease					962
Cash and bank balances					98,159
Others					<u>154,352</u>
Total assets per statement of financial position					<u><u>771,663</u></u>
Segment liabilities	<u>491</u>	<u>387</u>	<u>1,756</u>	<u>33,544</u>	<u>36,178</u>
Unallocated:					
Others					<u>22,009</u>
Total liabilities per statement of financial position					<u><u>58,187</u></u>
Other segment information					
Capital expenditure	–	1	2,671	–	2,672
Unallocated capital expenditure					<u>–</u>
					<u><u>2,672</u></u>
Depreciation					
– Right-of-use assets	–	–	–	2,832	2,832
– Property, plant and equipment	107	226	267	85	685
Unallocated depreciation					<u>1,533</u>
					<u><u>5,050</u></u>

5 OTHER INCOME

	Six months ended	
	30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
Bank interest income	78	65
Sublease interest income	–	35
Rental income	1,191	243
Others	1,211	990
	<hr/>	<hr/>
	2,480	1,333
	<hr/>	<hr/>

6 LOSS BEFORE TAXATION

The Group's loss before taxation has been arrived at after charging/(crediting):

	Six months ended	
	30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
Cost of inventories sold	20,790	23,456
Salaries and wages included in administrative expenses:		
Directors' emoluments (including contribution to defined contribution plans)	3,586	2,398
Salaries, wages and other benefits (excluding directors' emoluments)	8,174	8,762
Contribution to defined contribution plans (excluding directors)	444	542
	<u>32,994</u>	<u>11,702</u>
Auditor's remuneration	68	81
Depreciation of property, plant and equipment	480	868
Depreciation of right-of-use-assets	2,795	4,182
Rental expenses in respect of short-term lease	93	274
Impairment loss/(Reversal of impairment loss) on finance lease receivables	1,016	(5)
Impairment loss on trade and account receivables	9,860	13,629
Impairment loss on factoring receivables	–	1,479
Impairment loss on loan and interest receivables	2,162	923
Gain on changes in fair value of held-for-trading investments	(923)	(76)
(Gain)/Loss on disposal of held-for-trading investments	<u>(1,046)</u>	<u>156</u>

7 FINANCE COSTS

	Six months ended	
	30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
Interest on lease liabilities	<u>391</u>	<u>200</u>

8 TAXATION

	Six months ended	
	30 September	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
Current income tax		
– Hong Kong profits tax	–	–
– PRC corporation income tax	<u>1,018</u>	<u>573</u>
	1,018	573
Deferred tax	<u>–</u>	<u>–</u>
	<u>1,018</u>	<u>573</u>

Hong Kong profits tax

Under the two-tiered profits tax rates regime, Hong Kong profits tax is provided at the rate of 8.25% on the first HK\$2,000,000 of the estimated assessable profits of the qualifying entity of the Group and 16.5% on the estimated assessable profits above HK\$2,000,000. The profits of other group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime are taxed at a flat rate of 16.5%.

No Hong Kong profits tax has been provided as the Group has no estimated assessable profits arising from Hong Kong for the six months ended 30 September 2025 and 2024.

PRC corporate income tax

The PRC corporate income tax in respect of operations in the PRC is calculated at the applicable tax rates on the estimated assessable profits for the year based on existing legislation, interpretations and practices in respect thereof.

9 INTERIM DIVIDENDS

The Directors do not recommend the payment of interim dividends for the six months ended 30 September 2025 (six months ended 30 September 2024: Nil).

10 LOSS PER SHARE

	Six months ended	
	30 September	
	2025	2024
	HK\$'000	HK\$'000
	Unaudited	Unaudited
Loss attributable to shareholders	(23,623)	(30,677)
Weighted average number of ordinary shares, for the purposes of calculating basic loss per share (<i>shares in thousands</i>)	4,120,600	4,120,600
Basic and diluted loss per share	<u>HK\$(0.57) cents</u>	<u>HK\$(0.74) cents</u>

As there are no dilutive potential ordinary shares outstanding as at 30 September 2025 and 2024, the diluted loss per share is equal to the basic loss per share.

11 TRADE AND ACCOUNT RECEIVABLES

	30 September 2025 <i>HK\$'000</i> Unaudited	31 March 2025 <i>HK\$'000</i> Audited
Receivables arising from securities broking business:		
– Loans to margin clients	37,704	42,266
– Clearing houses	–	405
	<u>37,704</u>	<u>42,671</u>
<i>Less: Impairment loss</i>	<u>(36,789)</u>	<u>(31,521)</u>
	<u>915</u>	<u>11,150</u>
Receivables arising from trading business	257,875	262,610
<i>Less: Impairment loss</i>	<u>(36,168)</u>	<u>(31,576)</u>
	<u>221,707</u>	<u>231,034</u>
Total trade and account receivables	<u>222,622</u>	<u>242,184</u>

Receivables arising from securities broking

With regard to receivables arising from securities broking, the Group seeks to maintain tight control over its outstanding receivables and has procedures and policies to assess its clients' credit quality and define credit limits for each client. All client acceptances and credit limits are approved by designated approvers according to the clients' credit quality.

The normal settlement term of cash clients and clearing houses receivables arising from the ordinary course of business of securities broking is two trading days after the trade date.

Loans to margin clients are secured by the underlying pledged securities, repayable on demand and bear interest at commercial rates. As at 30 September 2025, the total market value of securities pledged as collateral in respect of the loans to margin clients amounted to approximately HK\$1,590,000 (31 March 2025: HK\$34,832,000). Securities are assigned with specific margin ratios for calculating their margin values.

Receivables arising from trading business

The Group's trade receivables are generally with credit periods of 60 to 120 days (31 March 2025: 60 to 120 days).

The maximum exposure to credit risk at each of the end of the reporting period is the carrying amount value of the trade and account receivables. The Group does not hold any collateral as security.

The carrying amounts of trade and account receivables are denominated in following currencies:

	30 September 2025	31 March 2025
	HK\$'000	HK\$'000
	Unaudited	Audited
HK\$	915	11,150
RMB	221,707	231,034
	222,622	242,184

No ageing analysis of cash client receivables and loans to margin clients is disclosed as in the opinion of the Directors, the ageing analysis is not meaningful in view of the nature of the cash client receivables arising from securities broking and the revolving margin loans.

An aged analysis of receivables arising from trading business, net of allowance for impairment, at the end of the reporting period, based on the date of invoice (or date of revenue recognition, if earlier), is as follows:

	30 September 2025	31 March 2025
	HK\$'000	HK\$'000
	Unaudited	Audited
0 to 30 days	–	–
31 to 60 days	10,667	21,757
61 to 90 days	7,055	–
91 to 180 days	5,497	11,641
More than 180 days	198,488	197,636
	221,707	231,034

The Group applies the simplified approach to provide lifetime ECL prescribed by HKFRS 9 for all trade and account receivables. The management assessed the expected loss on trade and account receivables individually.

The individually impaired trade and account receivables are recognised based on the credit history of its customers, such as financial difficulties or default in payments, and current market conditions and are adjusted for forward-looking information that is available without undue cost or effort. The maximum exposure to credit risk at each of the end of the reporting period is the carrying value of the trade and account receivables.

The movement of provision for impairment of trade and account receivables is as follows:

	30 September	31 March
	2025	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Audited
At beginning of the reporting period	63,097	59,624
Provision for impairment	9,860	25,387
Written off	–	(21,914)
	<hr/>	<hr/>
At end of the reporting period	<u>72,957</u>	<u>63,097</u>

12 FACTORING RECEIVABLES

	30 September	31 March
	2025	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Audited
Factoring receivables	18,360	18,360
Interest receivables	1,120	1,120
	<hr/>	<hr/>
	19,480	19,480
Less: Impairment loss	(1,158)	(1,158)
	<hr/>	<hr/>
	<u>18,322</u>	<u>18,322</u>

The movement of provision for impairment of factoring receivables is as follows:

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
At beginning of the reporting period	1,158	550
Provision for impairment	–	607
Currency translation differences	–	1
	<hr/>	<hr/>
At end of reporting period	<u>1,158</u>	<u>1,158</u>

The carrying amounts of factoring receivables are denominated in RMB.

The Group applies the simplified approach to provide lifetime ECL prescribed by HKFRS 9 for factoring receivables. The management assessed the expected loss on factoring receivables individually. The maximum exposure to credit risk at each of the end of the reporting period is the carrying value of the factoring receivables.

13 FINANCE LEASE RECEIVABLES

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
Current portion of finance lease receivables	25,786	24,473
Non-current portion of finance lease receivables	–	–
	<hr/>	<hr/>
	25,786	24,473
Less: Impairment loss	<u>(6,195)</u>	<u>(5,179)</u>
	<u>19,591</u>	<u>19,294</u>

The movement of provision for impairment of finance lease receivables is as follows:

	30 September 2025 HK\$'000 Unaudited	31 March 2025 HK\$'000 Audited
At beginning of the reporting period	5,179	4,029
Provision for impairment	1,016	4,153
Written off	<u>–</u>	<u>(3,003)</u>
At end of the reporting period	<u>6,195</u>	<u>5,179</u>

As at 30 September 2025 and 31 March 2025, the finance lease receivables were secured over the leased assets mainly by machineries and equipment. The carrying amounts of finance lease receivables are denominated in RMB.

The maturity date for each finance lease contract is normally not more than 5 years. The interest rate inherent in the leases is fixed at the contract date for the entire lease term. The effective interest rate is approximately 10% to 15% (31 March 2025: 10% to 15%) per annum. The maximum exposure to credit risk at each of the end of the reporting period is the carrying value of the finance lease receivables.

There was no unguaranteed residual values of assets leased under finance leases as at 30 September 2025 and 31 March 2025. The Group applies the simplified approach to provide lifetime ECL prescribed by HKFRS 9 for finance lease receivables. The management assessed the expected loss on all finance lease receivables individually and the credit quality of finance lease receivables has been assessed by reference to historical information about counterparty default rates and fair value of collaterals, if any.

14 LOAN AND INTEREST RECEIVABLES

	30 September 2025 <i>HK\$'000</i> Unaudited	31 March 2025 <i>HK\$'000</i> Audited
Loan receivables	153,264	156,063
Interest receivables	36,900	31,236
Loan and interest receivables	190,164	187,299
Less: Impairment loss	(29,383)	(27,221)
	160,781	160,078
Current portion of loan and interest receivables	160,781	160,078
Non-current portion of loan and interest receivables	—	—
	160,781	160,078

The carrying amounts of loan and interest receivables are denominated in the following currencies:

	30 September 2025 <i>HK\$'000</i> Unaudited	31 March 2025 <i>HK\$'000</i> Audited
HK\$	32,809	33,968
RMB	127,972	126,110
	160,781	160,078

Loan receivables are interest-bearing at approximately 8% to 18% (31 March 2025: 8% to 18%) and are repayable with fixed terms agreed with the Group's customers. The maturity date for each loan contract is normally not more than 3 years and is unsecured. The maximum exposure to credit risk at each of the reporting dates is the carrying value of the loan and interest receivables.

The Group applies the general approach to provide for ECL prescribed by HKFRS 9 for loan and interest receivables, which permits the use of the 12 months ECL provision for these loan and interest receivables, unless there has been a significant increase in credit risk since initial recognition, which the Group then recognises lifetime ECL. The management assessed the expected loss on all loan and interest receivables individually and the credit quality of loan and interest receivables has been assessed by reference to historical information about counterparty default rates.

The movement of provision for impairment on loan and interest receivables are as follows:

	30 September	31 March
	2025	2025
	HK\$'000	HK\$'000
	Unaudited	Audited
At beginning of the reporting period	27,221	44,738
Provision for impairment	2,162	15,759
Written off	–	(33,276)
	<hr/>	<hr/>
At end of the reporting period	29,383	27,221
	<hr/>	<hr/>

15 ACCOUNT PAYABLES

	30 September	31 March
	2025	2025
	HK\$'000	HK\$'000
	Unaudited	Audited
Payables arising from securities broking business:		
– Cash clients account payables	2,259	6,373
– Margin clients account payables	10,498	10,605
– Clearing houses	278	–
	<hr/>	<hr/>
Total trade and account payables	13,035	16,978
	<hr/>	<hr/>

The carrying amounts account payables are denominated in HK\$.

No ageing analysis is disclosed as in the opinion of the Directors, the ageing analysis is not meaningful in view of the nature of the payables arising from securities broking. The normal settlement terms of payables due to clearing houses are two trading days after the trade date.

16 COMMITMENTS

The Group as lessee

At the end of the reporting period, the lease commitments for short-term leases are as follows:

	30 September	31 March
	2025	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Audited
Not later than 1 year	18	18

None of the leases include contingent rentals.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

The Group recorded a turnover of approximately HK\$30.0 million with a gross profit of approximately HK\$9.3 million for the six months ended 30 September 2025 as compared to approximately HK\$35.6 million and HK\$12.2 million respectively for the last corresponding period. The loss for the current period was approximately HK\$23.6 million as compared to a loss of approximately HK\$30.7 million for the last corresponding period. The decrease in loss was mainly attributable to the net effect of the followings:

- (i) a decrease in aggregate amount of impairment losses on receivables of approximately HK\$3.0 million; and
- (ii) a decrease in administrative expenses of approximately HK\$4.4 million.

As at 30 September 2025, the total assets and net assets of the Group amounted to approximately HK\$661.6 million (31 March 2025: HK\$677.4 million) and HK\$615.9 million (31 March 2025: HK\$639.6 million) respectively. The decrease in total assets and net assets were mainly caused by the loss for the period.

BUSINESS REVIEW

Trading Business

The Group is principally engaged in trading in the PRC. The Group recorded a turnover of approximately HK\$21.0 million with a loss of approximately HK\$5.6 million from its trading business for the six months ended 30 September 2025 as compared to approximately HK\$23.7 million with a loss of approximately HK\$11.7 million for the same period in 2024. Despite the decrease in revenue, the decrease in the loss recorded for the current period was mainly caused by a decrease in provision for impairment losses for trade and accounts receivables arising from trading business.

It was expected that in light with the introduction of economic enhancement measurements by the PRC government, consumption demand in the retail markets would be increased. However, the economic environment surrounding the Group's trading business was less than satisfactory. Although the PRC government announced a number of economic stimulus policies, with international trade wars including increasing tariff looming over the market again, the fundamental market sentiment is not optimistic, which compounded by the uncertainty about the pace of recovery of the economy, the consumption patterns of customers became more prudent. As the Group's trading business focuses on discretionary goods which are not mandatory for people's everyday lives, the above factors together with the Group's management hoping to minimise our credit risks with regard to the above-mentioned macroeconomic conditions and the circumstances of our individual customers, leading to a lower level of turnover and revenue recorded again during the period.

Under such circumstances, the management of the Group prudently re-assessed the individual conditions of our customers to evaluate the businesses and credit risks with reference to historical trading and repayment patterns, and conditions of the market as a whole, impairment loss on trade receivables arising from trading business amounted to approximately HK\$4.6 million was provided for during the current period. The Group will closely monitor the creditworthiness of the customers and take appropriate measures including legal proceedings against defaulting customers and seizure of the customers' assets for auctioning and selling of all seized assets, to recover sums from such customers, whenever appropriate.

Money Lending and Factoring Business

The Group offers corporate and personal loans in Hong Kong and the PRC to businesses and individuals of occupations ranging from executives, businessmen and professionals. Clients are generally solicited through (i) the directors and senior management of the subsidiaries whom are in charge of each of the lending businesses; (ii) direct approaches from clients; and (iii) referral from existing clients.

The loan portfolio consists of loans with initial terms generally ranging from 1 to 3 years and with principals of approximately HK\$3 million to HK\$25 million which are principally for the development and expansion of their businesses and their corporate and personal needs.

The Group also offers factoring loans on trade receivables in the PRC with initial terms of not more than 6 months and sizes ranging from approximately RMB10 million to RMB20 million in general. The financing purpose of the Group's clients is principally for their operation requirements.

The Group has loan portfolios in Hong Kong and the PRC with carrying amounts of approximately HK\$160.8 million and factoring receivables with carrying amounts of approximately HK\$18.3 million as at 30 September 2025. The Group recognised an aggregate interest income of approximately HK\$6.3 million and a profit of approximately HK\$2.3 million for the current period as compared to approximately HK\$8.0 million and HK\$3.2 million respectively for the last corresponding period. The decrease in the profit recorded for the current period was mainly caused by a decrease in interest income recognized.

Collaterals and guarantors would be obtained from clients as appropriate on a case-by-case basis by considering the background, repayment ability and credit worthiness of the potential clients a whole. While the Group aims to have securities over the loans granted in accordance with the industry practice and in compliance with the relevant regulations, if applicable, unsecured loans may also be granted which is considered by the Group as a balance of our product-mix and part of our portfolio. Nevertheless, the Group is conservatively prudent in assessing the creditworthiness of the unsecured loans including but not limited to the review and inspection of asset title, asset portfolio, leverage level and liquidity conditions before approval.

The management of the Group has re-assessed the individual conditions of our customers to evaluate the businesses and credit risks with reference to historical repayment patterns, and conditions of the market as a whole, provision for impairment loss on loan and interest receivables amounted to approximately HK\$2.2 million was provided for during the current period.

Finance Leasing Business

The Group is engaged in finance leasing business in the PRC and mainly offers machinery/equipment-based finance leases, the terms of which generally ranges from 1 to 5 years and with size not more than RMB30 million. The Group provides both direct leasing and sale-leaseback services to customers and the financing purpose of the Group's customers is principally for the development and expansion of their business.

The finance leasing business maintained a portfolio with carrying amount of approximately HK\$19.6 million as at 30 September 2025. The finance leasing portfolio has attributed a turnover of approximately HK\$1.8 million with a loss of approximately HK\$0.5 million to the Group during the current period as compared to approximately HK\$1.9 million and a profit of approximately HK\$1.5 million respectively for the last corresponding period. The turnaround mainly arose from the increase in impairment loss on finance lease receivables of approximately in the current period.

As the management considered asset-heavy clients faces more business risks in this turbulent economic environment and hence was more prudent in accepting new businesses, no finance lease was granted during the current period.

As previously reported, there were certain customers from the finance leasing business deeply impacted by the pandemic due to their industry nature, who default in repayments on schedules, and the Group has taken necessary legal proceedings to seize and safeguard the assets. The Group will closely monitor the creditworthiness of the clients and formulate appropriate actions for recovery of the other outstanding finance lease receivables.

Loan Portfolio Summary

In respect of our money lending and factoring business and finance leasing business, in order to diversify the clients and lower the concentration of our loan portfolio, our portfolio include corporations from different industries such as hotel management, renovation, computer software and trading and individuals. As at 30 September 2025, the Group's lending businesses has 17 clients with outstanding balances from different types of loans and fell within the following bands:

Types of loans	Number of customers
Finance leases	2
Factoring loans	1
Corporate loans	6
Personal loans	8
	<hr/>
	17
	<hr/> <hr/>
Carrying amounts of loans	Number of loans
Less than HK\$5,000,000	7
HK\$5,000,001 – HK\$10,000,000	1
HK\$10,000,001 – HK\$20,000,000	6
Above HK\$20,000,001	3
	<hr/>
	17
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As at 30 September 2025, the top five clients constituted approximately 52% of the total carrying amounts of the Group's loan portfolio of the lending businesses.

In addition to minimising the risks by restricting the Group's source of funds to its internally generated cash resources, the Group has appointed the directors and senior management personnel of the subsidiaries whom are in charge of each of the lending businesses (the "Management Teams") to be responsible for the credit assessment, granting of and supervision of loans. Each of the Management Teams have vast experiences and knowledge in the industries.

Notwithstanding the nature of the loans granted, the internal control measures are in general very similar to each other. Each loan application must go through three stages before granting to the borrower, namely (i) document collection and verification; (ii) credit risk assessment; and (iii) approval. The following is a summary of procedures the Group conducts on potential clients assessment:

- (i) identity checks must be performed on potential clients and the ultimate beneficial owner(s) of the potential clients by obtaining, including but not limited to, constitution documents, business registrations, identity cards or passports;
- (ii) background checks must be performed by understanding the business operations, occupation and employment, the source and origin of funds and obtaining address proof of the potential clients, which included utility bills, bank/credit card statements or formal correspondence issued by either a governmental department or statutory body;
- (iii) repayment ability of potential clients must be assessed through their financial statements, assets portfolio (e.g. properties held) and the related leverage level, liquidity condition, bankruptcy or winding up or litigation searches, media and news searches, past payment record (where applicable) and any other available information to evaluate their repayment ability;
- (iv) check the availability of guarantor(s), if any; and
- (v) in case of security being provided as collateral for the loan, the validity, title and value of the security must be assessed.

Furthermore, guarantors who provide personal/corporate guarantee in favour of a loan, where applicable, are also required to meet the same basic eligibility and approval criteria as the borrower of loans, and will be required to go through the same verification and approval procedures.

After credit assessment, with the terms determined (having taken into consideration factors such as the credit quality of the clients, their recoverability and the prevalent market interest rates), loan documents will be prepared and the loans will be recommended for the Management Teams' review and approval. The Management Teams will monitor on a continued basis the credit quality of such loans and may require other credit enhancement measures from the borrowers from time to time. The Management Teams are primarily responsible for the approval of loans by considering whether such loans are on normal commercial terms, fair and reasonable and in the interests of the Company and the shareholders as a whole.

The Management Teams conduct regular review and carry out follow up actions on a continuing basis in respect of overdue amounts to minimise the Group's exposure to credit risk and follows up closely with its clients as to the repayment deadlines. An aging analysis of the borrowers is prepared and reviewed on a monthly basis. As for loan collection, in case of any minor defaults, the Management Teams shall send reminders and/or demand letters to its clients. In case the default persists, the Group may engage lawyers to advise on the recovery and take out enforcement actions as and when appropriate.

Financial Services Business

The Group acquired the financial services business in December 2019 (the "Acquisition") which is principally engaged in provision of securities dealing broking, placing, underwriting, margin financing and asset management services in Hong Kong.

The financial services business attributed a turnover of approximately HK\$1.0 million with a loss of approximately HK\$14.3 million to the Group during the current period, as compared to approximately HK\$2.1 million and a loss of approximately HK\$15.5 million respectively for the last corresponding period. There were no significant changes in turnover and results of this segment from the last corresponding period to the current period.

The management has actively explored the development of financial services business in order to increase the Group's exposure within the capital markets, so as to enlarge the sources of income.

In respect of the profit guarantee given by the vendors of the Acquisition, the Group has actively negotiated with the vendors for the settlement and has instructed our lawyers to issue a writ of summons to initiate legal proceedings against the vendors for recovery of the amount receivable. Subsequently, the Company and the vendors agreed on a settlement arrangement. Whilst the vendors were still in default of the settlement of the outstanding amount, the Company is in the process of continuing negotiations with the vendors on settlement of the outstanding amounts under the profit guarantee. Further updates regarding this profit guarantee will be announced by the Company as and when appropriate.

Impairment Assessment of Expected Credit Losses

Expected credit loss models were adopted to measure the expected credit loss of trade and account receivables, factoring receivables, finance lease receivables, loan and interest receivables, and deposits and other receivables. Major inputs of the model include (i) probability of default of the debtor which include assessing the loss stages and checking forward looking assumptions; (ii) loss given default; (iii) exposure at default; and (iv) discount factor to reflect time value of money. The model was adopted in accordance with Hong Kong Financial Reporting Standard 9 and was consistently applied as the last corresponding year.

Potential Business Development

Looking forward, the Group will actively identify and explore other investment and business opportunities to broaden its assets and revenue base and may consider restructuring its business segments pursuant to the ever-changing economic environment in the PRC and Hong Kong. The Group may consider different fund-raising activities to finance such potential business development. The Group will cautiously search for investment opportunities so as to produce a steady growth in the Group's long term performance.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING

The Group generally finances its operations with internally generated resources.

As at 30 September 2025, the Group had cash and bank balances of approximately HK\$55.2 million (31 March 2025: approximately HK\$59.8 million) and total borrowings of approximately HK\$14.8 million (31 March 2025: approximately HK\$2.0 million). The Group's gearing ratio, calculated by dividing total borrowings by total equity, was 2.41% (31 March 2025: 0.32%) and liquidity ratio, being the ratio of current assets over current liabilities, was 15.89 (31 March 2025: 16.91) as at 30 September 2025.

The increase in gearing ratio and decrease in liquidity ratio was mainly due the entering into new lease agreements which led to the increase in lease liabilities.

FOREIGN EXCHANGE EXPOSURE

Operations of the Group are mainly conducted in Hong Kong dollar ("HK\$"), Renminbi ("RMB") and US dollar ("US\$"), and its revenue, expenses, assets, liabilities and borrowings are principally denominated in HK\$, RMB and US\$.

The Group did not enter into any instruments on the foreign exchange exposure. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk as appropriate.

INTERIM DIVIDENDS

The Board does not recommend the payment of interim dividends for the six months ended 30 September 2025.

CAPITAL STRUCTURE

As at 30 September 2025, the total number of issued shares of the Company was 4,120,600,000.

There was no change in the capital structure of the Company during the period.

CHARGES ON GROUP ASSETS

As at 30 September 2025, none of the Group's asset was pledged.

SIGNIFICANT ACQUISITION AND DISPOSAL OF ASSETS

Save for the acquisition and disposal of held-for-trading investments in securities, there has been no significant acquisition and disposal of assets by the Group during the period.

SECURITIES INVESTMENTS HELD

As at 30 September 2025, the Group had held-for-trading investments in securities in Hong Kong (the “Securities Investments”) with a market value of approximately HK\$11.6 million. Details of the Securities Investments as at 30 September 2025 are as follows:

Company name	Stock code	Principal activities	Number of shares held	% of shareholdings	Cost of acquisition HK\$'000	Fair value as at 30 September 2025 HK\$'000	% of net assets of the Group as at 30 September 2025	Gain/(Loss) on changes in fair value for the period HK\$'000
1. Unity Group Holdings International Limited	1539	provision of leasing services of energy saving systems and products, consultancy service and installation services of renewable energy system and trading of energy saving products	9,000,000	0.26%	4,230	3,555	0.53%	(630)
2. HSC Resources Group Limited	1850	provision of design, supply and installation of fire safety systems for buildings under construction or re-development, maintenance and repair of fire safety systems for built premises and trading of fire service accessories	2,200,000	1.27%	1,166	1,364	0.20%	35
3. SY Holdings Group Limited	6069	provision of digital financing solutions, platform-based technology services and refinancing of supply chain assets in the PRC	431,000	0.04%	(8,535)	2,511	0.37%	(9)
4. Twintek Investment Holdings Limited	6182	provision of sales of building materials and provision of construction and engineering services	3,376,000	0.42%	1,013	1,790	0.27%	777
5. Byte Metaverse Holdings Limited	8645	provision of (i) network support services mainly encompassing network infrastructure design and hardware installation, network management and security services; (ii) network connectivity services that focus on providing intranet and internet connectivity solutions and value-added services; (iii) electronic commerce (“E-Commerce”) services; and (iv) online game intellectual property (“IP”) authorisation management services	3,000,000	0.40%	1,739	2,400	0.36%	750

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 September 2025.

COMMITMENTS

Details of the Group's commitments as at 30 September 2025 are set out in Note 16 to this announcement.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2025, the Group employed 52 employees. The Group continues to maintain and upgrade the capabilities of its workforce by providing them with adequate and regular training. The Group remunerates its Directors and employees mainly based on industry practices and individual's performance and experience. On top of regular remuneration, discretionary bonus and share options may be granted to eligible staff by reference to the Group's performance as well as individual's performance.

DIRECTORS' INTERESTS IN CONTRACTS

Save as the related party transactions as disclosed in the interim report, no contracts of significance in relation to the Company's business to which the Company or any of its subsidiaries was a party in which a Director had a material interest, whether directly or indirectly, subsisted at 30 September 2025 or at any time during the period then ended.

CORPORATE GOVERNANCE

The Company endeavors in maintaining good corporate governance for the enhancement of shareholders' value. The Company has adopted the code provisions in the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the Listing Rules. The Company has complied with all the applicable code provisions in the CG Code throughout the six months ended 30 September 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

To the best knowledge of the Directors, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares during the six months ended 30 September 2025.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the period under review and up to the date of this announcement, none of the Directors had interests in any businesses apart from the Group's businesses, which compete or are likely to compete, either directly or indirectly, with the Group's businesses that need to be disclosed pursuant to Rule 8.08 of the Listing Rules.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding Directors' securities transactions.

Having made specific enquiry of all Directors, the Directors have confirmed that they have complied with the Model Code throughout the six months ended 30 September 2025.

AUDIT COMMITTEE

The Audit Committee currently comprises four independent non-executive Directors, namely Mr. Chi Chi Hung, Kenneth (Chairman), Mr. Yeung Yat Chuen, Mr. Chen Chao and Mr. Han Zhenghai. The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters including the review of the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2025.

PUBLICATION OF THE INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The results announcement of the Group for the period is published on the websites of The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>) and the Company (<http://www.midt.hk>) respectively. The 2025 interim report of the Company will be despatched to the shareholders of the Company and made available on the above websites in due course.

APPRECIATION

On behalf of the Board, I would like to thank all of our shareholders, employees, customers and suppliers for their continued support.

By order of the Board
**MODERN INNOVATIVE DIGITAL TECHNOLOGY
COMPANY LIMITED**
Mr. Ma Weihua
Chairman

Hong Kong, 28 November 2025

As at the date of this announcement, the Board comprises Mr. Ma Weihua as the Chairman and the non-executive Director; Ms. Zheng Juhua, Mr. Gong Huanghui, Ms. Cao Li and Mr. Lau Hoi Kit as the executive Directors; and Mr Han Zhenghai (Deputy Chairman), Mr. Chi Chi Hung, Kenneth, Mr. Yeung Yat Chuen and Mr. Chen Chao as the independent non-executive Directors.