

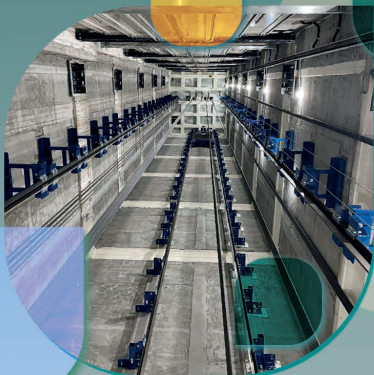
安全貨倉有限公司

SAFETY GODOWN COMPANY, LIMITED

(Stock code : 237)

INTERIM REPORT 2025/26

LU
PLAZA



CORPORATE RESULTS

For the six months ended 30 September 2025, Safety Godown Company, Limited (the “Company”, together with its subsidiaries, collectively referred to as the “Group”) recorded a loss attributable to owners of the Company HK\$17,560,000 (corresponding period in 2024: profit of HK\$184,000), representing a turnaround from profit to loss. Total revenue decreased by 10% from HK\$93,409,000 to HK\$84,100,000. The Group recorded a loss per share of HK4.34 cents for the period, compared with earnings per share of HK0.05 cents for the corresponding period last year.

The Group’s core earnings after taxation (a non-HKFRS Accounting Standards financial measure) excluding fair value loss on investment properties increased from HK\$73,884,000 for the corresponding period in 2024 to HK\$96,140,000 for the period.

The Group recorded a loss before taxation of HK\$7,213,000 (corresponding period in 2024: profit of HK\$7,351,000) and a net loss after taxation of HK\$17,560,000 (corresponding period in 2024: profit of HK\$184,000).

INTERIM DIVIDEND

The board of directors of the Company (the “Board”) declared an interim dividend of HK3 cents per share for the period (corresponding period in 2024: HK3 cents per share), payable to the shareholders of the Company whose names appear on the register of members on 19 December 2025. The interim dividend will be paid on 14 January 2026.

BUSINESS REVIEW

Godown Operations Segment

During the period, the Group’s godown operations segment recorded a slight improvement in results as compared to the corresponding period of last year, with the revenue of HK\$8,467,000, representing an increase of HK\$678,000 or 9% from HK\$7,789,000 in the corresponding period of last year. Although the local private consumption market has yet to fully recover and trade tariff disputes persist, the negative impacts from both factors have moderated as compared to the beginning of the year. However, the selection criteria of customers for service providers have become increasingly stringent, with continuously rising demands regarding both pricing and service quality, such that the Group still encountered considerable price competition. The average storage volume during the period was approximately 9,900 cubic meters.

BUSINESS REVIEW (continued)

Property Investment Segment

During the period, rental income decreased from HK\$55,777,000 for the same period last year to HK\$53,650,000, representing a decline of 4%. The rental level of commercial buildings in Hong Kong was impacted by oversupply in the office market. As of the end of August 2025, the overall office vacancy rate stood at approximately 13.5%, which resulted in lingering downward pressure on rental level and occupancy rate for investment properties. The vacancy rate at Lu Plaza increased by 3%, while rental income from other properties remained broadly stable.

Treasury Investment Segment

The segment recorded the revenue of HK\$21,983,000 and the profit of HK\$77,612,000 during the period. The revenue decreased by 26% from HK\$29,843,000 in the corresponding period of last year, while the profit increased by 52% from HK\$51,184,000 in the corresponding period of last year. The increase in profit was primarily attributable to the fair value gain (including both realised and unrealised gain of HK\$7,826,000 and HK\$46,949,000 respectively) of HK\$54,775,000 recorded by the investment portfolio during the period, representing a significant increase from HK\$21,625,000 in the corresponding period of last year. Despite a decrease in interest income from bank deposits (mainly due to the drop in interest rate, representing a reduction of HK\$9,387,000 compared with the same period last year), the overall performance was satisfactory to a certain extent.

OUTLOOK

The warehouse and logistics market is still subject to numerous uncertainties as affected by both local economic conditions and the international environment. As enterprises continue to adjust their operational models, the Group must also invest continuously in upgrading its facilities to meet market demands. Although the business outlook is slightly more optimistic than expected previously, a cautious approach remains necessary.

Regarding the property leasing market, it is expected that the property sector in Hong Kong is still driven by the supply-demand relationship in the foreseeable future. Consequently, the Group does not look forward to a resumption of growth in rental income. The Group is prioritizing its efforts in maintaining the occupancy rate while preserving and enhancing its property quality within cost-effective parameters, in order to navigate the increasingly intensified market competition. In the long run, the recovery in the rental income of investment property depends on the determination to accelerate the economic transformation in Hong Kong, the extent of improvement in the business environment for local enterprises, and the implementation of policies on economic development by the government to draw benefits as expected.

In respect of treasury investment, given the volatility in the price of financial assets and the potential decline in deposit interest rates and bond coupon rates as affected by the rate cut plan of the U.S. Federal Reserve, the Group finds it difficult to ascertain whether its earnings can be sustained in the second half of the year.

FINANCIAL REVIEW

Condensed consolidated statement of profit or loss and other comprehensive income

The Group's total revenue for the six months ended 30 September 2025 amounted to HK\$84,100,000, comprising income from the godown operations segment of HK\$8,467,000, the property investment segment of HK\$53,650,000, and the treasury investment segment of HK\$21,983,000 (including interest income of HK\$14,879,000 and dividend income of HK\$7,104,000). Compared with the corresponding period in 2024, income from godown operations increased by 9%, while income from the property investment and treasury investment segments declined by 4% and 26%, respectively.

The Group recorded a fair value loss on investment properties of HK\$113,700,000 (six months ended 30 September 2024: HK\$73,700,000), which was reflected in the condensed consolidated statement of profit or loss and other comprehensive income for the period.

Staff costs increased by 3% to HK\$10,141,000 (six months ended 30 September 2024: HK\$9,806,000).

Depreciation of property, plant and equipment decreased by 19% to HK\$9,297,000 (six months ended 30 September 2024: HK\$11,502,000), as certain assets with significant costs had already been fully depreciated.

Other expenses increased by 13% to HK\$14,434,000 (six months ended 30 September 2024: HK\$12,816,000), primarily due to higher property management fees and an increase in property management fee subsidy expenses (reversal of provisions from prior periods was included in the corresponding period).

Condensed consolidated statement of financial position

The Group's net asset value was recorded at HK\$3,546,010,000, mainly comprising HK\$2,329,100,000 in investment properties, HK\$138,198,000 in property, plant and equipment (primarily the Group's self occupied godown building situated at Kwai Chung), HK\$428,554,000 in financial assets at fair value through profit or loss ("FVTPL"), HK\$783,610,000 in bank deposits and other current assets (including bank balances and cash, and other deposits).

The carrying amount of the investment properties was reduced due to a downward adjustment in their fair values, as determined by an independent professional valuer on an open market basis as at 30 September 2025.

Financial assets at FVTPL increased to HK\$428,554,000 (31 March 2025: HK\$316,994,000), representing a 35% growth in the overall balance. The increase was attributable to both fair value gains and additional investments in listed equity investment, listed investment funds, and bonds. Total bank balances and cash, bank deposits and other deposits remained relatively stable at HK\$819,453,000 (31 March 2025: HK\$824,299,000).

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2025, the Group had bank and other deposits together with cash and bank balances of HK\$819,453,000 (31 March 2025: HK\$824,299,000), while the total current liabilities amounted to HK\$74,569,000 (31 March 2025: HK\$54,212,000). The current ratio stood at 16.91 times (31 March 2025: 21.37 times) and the Group had no external borrowings.

The Group's net assets amounted to HK\$3,546,010,000 (31 March 2025: HK\$3,583,820,000), with the net asset value per share remaining relatively steady at HK\$8.76 (31 March 2025: HK\$8.85).

EMPLOYEES

As at 30 September 2025, the Group had a total of 36 (31 March 2025: 36) employees. Staff costs (including directors' emoluments) increased by 3% to HK\$10,141,000 (six months ended 30 September 2024: HK\$9,806,000).

Remuneration is determined based on qualifications, experience, responsibilities and individual performance of employees concerned. The Group's remuneration policies are reviewed periodically on the basis of the nature of job, market trend, company performance and individual performance. The Group also offers suitable training to staff and provides bonuses based on staff performance and results of the Group. The Group does not have any share scheme for employees.

EXPOSURE TO FOREIGN EXCHANGE

The Group's foreign currency exposure primarily arises from investment securities and deposits denominated in US Dollar. While the Hong Kong Dollar is pegged to the US Dollar, the management continuously monitors the stability of the peg and is of the opinion that the foreign exchange risk associated with US dollar-denominated financial instruments is currently insignificant. The Group also maintains deposits and investment securities denominated in Australian Dollar and Japanese Yen, which give rise to foreign exchange exposures against Hong Kong Dollar; however, such exposures remain minimal. The Group continues to monitor these exposures and adopts appropriate measures in a timely and effective manner to manage potential currency risks. During the period, the Group recorded a foreign exchange gain of HK\$1,318,000 (six months ended 30 September 2024: nil).

CONTINGENT LIABILITIES

As at 30 September 2025, the Group did not have any significant contingent liabilities (31 March 2025: nil).

PLEDGE OF ASSETS

As at 30 September 2025, the Group did not have any pledge of assets (31 March 2025: nil).

DIRECTORS' INTERESTS IN SECURITIES

As at 30 September 2025, the interests of the directors of the Company (the “Directors”) and their associates in the shares of the Company as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”), were as follows:

Name of directors	Personal interests	Number of issued ordinary shares of the Company held (long position)			Total interests	Approximately percentage of issued shares of the Company ¹
		Family interests	Corporate interests	Other interests		
Mr. Lu Wing Yee, Wayne	28,301,580	–	–	–	28,301,580	6.988%
Ms. Lu Wing Man, Melissa	19,447,500	–	–	–	19,447,500	4.802%
Mr. Lam Ming Leung	30,000	–	–	–	30,000	0.0074%
Mr. Wong Wilkie	120,000	–	–	–	120,000	0.0296%

Notes:

1. Based on 405,000,000 shares in issue as at 30 September 2025.

Other than as disclosed above, none of the directors, chief executives nor their associates had any interests or short positions in any shares or underlying shares of the Company or its associated corporations as defined in Part XV of the SFO as at 30 September 2025.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 30 September 2025, according to the record in the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO, other than the interests of certain Directors disclosed under the section headed “Directors’ Interests in Securities” above, the following shareholders had notified the Company of their relevant interests in the issued shares of the Company:

Name of substantial shareholders	Capacity	Number of issued ordinary shares held (Long Position)		Approximately percentage of issued shares of the Company ³
		Direct interest	Indirect interest	
Kian Nan Financial Limited	Beneficial interest	147,610,335	–	36.45%
Earngold Limited	Beneficial interest	31,050,000	–	7.67%
Lusin And Company Limited	Beneficial interest	51,244,519	–	12.65%
Chelton Trading Limited	Interest of controlled corporation	–	31,050,000 ¹	7.67%
Gladiator Investments Co.	Interest of controlled corporation	–	31,050,000 ¹	7.67%
Ms. Chan Koon Fung	Beneficial owner/Interest of controlled corporation	8,968,500	229,904,854 ²	58.98%

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES (continued)

Notes:

1. The shares were held by Earngold Limited. Each of Chelton Trading Limited and Gladiator Investments Co. owned as to 50% of Earngold Limited and, therefore, they were taken to be interested in 31,050,000 shares held by Earngold Limited.
2. Among these 229,904,854 shares, (a) Ms. Chan Koon Fung was taken to be interested in 31,050,000 shares through Earngold Limited which was held by Chelton Trading Limited (directly owned 50%) and Gladiator Investments Co. (directly owned 50%), in both of which Ms. Chan directly owned 50%; (b) she was taken to be interested in 147,610,335 shares which were held by Kian Nan Financial Limited, in which Ms. Chan owned 38.98%; and (c) she was taken to be interested in 51,244,519 shares which were held by Lusin And Company Limited, in which Ms. Chan owned 38.75%.
3. Based on 405,000,000 shares in issue as at 30 September 2025.

Other than as disclosed above, at 30 September 2025, no other person was recorded in the register of substantial shareholders required to be kept by the Company under Section 336 of the SFO as having any interests or short positions in the issued shares of the Company.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 17 December 2025 to Friday, 19 December 2025, both days inclusive, during which period no transfer of shares can be registered. In order to qualify for the interim dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrars, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 16 December 2025.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's shares during the period.

REVIEW OF RESULTS

The Group's unaudited condensed consolidated financial statements for the period have been reviewed by Deloitte Touche Tohmatsu ("DTT"), Certified Public Accountants, the external independent auditor of the Company, whose review report is contained on page 9 of this interim report. The Audit Committee has reviewed with the management and DTT the Company's unaudited consolidated financial statements and interim report for the period, including the accounting policies and practices adopted by the Group.

CORPORATE GOVERNANCE PRACTICES

The Board is committed to achieving and maintaining high standards of corporate governance practices for the purpose of providing a framework and solid foundation for its business operations and developments. Effective corporate governance provides integrity, transparency and accountability which contributes to the corporate success and enhancement of shareholder value.

The Company has complied with all the applicable code provisions set out in the Corporate Governance Code (the “CG Code”) contained in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) that were in force throughout the period, except for the following deviations from code provisions C.2.1 to C.2.9, C.3.3, and C.6.3 which were re-complied with on 1 July 2025.

CG Code Provisions C.2.1 to C.2.9 stipulate that (i) the roles of chairman of the board and chief executive should be separate and should not be performed by the same individual and (ii) the division of responsibilities between the chairman of the board and the chief executive should be clearly established.

Since 5 April 2015, the position of the Chairman of the Board and the Chief Executive Officer of the Company have been vacant until the appointment of Mr. Lu Wing Yee, Wayne as the Chairman of the Board and Ms. Lu Wing Man, Melissa as the Managing Director on 1 July 2025. During the period up to 30 June 2025, the Board collectively performed the responsibilities of the Chairman, and with the assistance of the senior management, the Executive Directors continued to monitor the businesses and operations of the Group. As such, the Company re-complied with Code Provisions C.2.1 to C.2.9 from 1 July 2025 onwards.

CG Code Provision C.3.3 stipulates that issuers should have formal letters of appointment for directors setting out the key terms and conditions of their appointment. But the Company did not have formal letters of appointment for Directors during the period up to 30 June 2025. On 1 July 2025, formal letters of appointment were signed between the Company and each Director. As such, the Company re-complied with Code Provision C.3.3 from 1 July 2025 onwards.

CG Code Provision C.6.3 stipulates that the company secretary should report to the chairman of the board and/or the chief executive. As the positions of the Chairman of the Board and the Chief Executive Officer were vacant during the period up to 30 June 2025, the Company Secretary reported to the Executive Directors of the Company. Upon the filling of such vacancies on 1 July 2025, the Company has re-complied with Code Provision C.6.3 from 1 July 2025 onwards.

The Board will continuously review and improve the corporate governance practices and standards of the Company to ensure that business activities and decision making processes are regulated in a proper and prudent manner.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 of the Listing Rules as the Company's code of conduct governing dealings by all Directors in the securities of the Company. All the Directors have confirmed in writing that they had complied with the required standard as set out in the Model Code throughout the period.

Lu Wing Yee, Wayne
Chairman and Executive Director

Hong Kong
27 November 2025

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Deloitte.

德勤

TO THE BOARD OF DIRECTORS OF SAFETY GODOWN COMPANY, LIMITED

(incorporated in Hong Kong with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Safety Godown Company, Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 10 to 23, which comprise the condensed consolidated statement of financial position as of 30 September 2025 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” as issued by the HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
27 November 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

	<i>Notes</i>	Six months ended	
		30 September 2025 (unaudited) HK\$'000	30 September 2024 (unaudited) HK\$'000
Revenue	3	<u>84,100</u>	<u>93,409</u>
Income from godown operations		8,467	7,789
Income from property investment		53,650	55,777
Interest income		14,879	24,063
Dividend income		7,104	5,780
Other gains and losses		54,941	21,766
Exchange gain, net		1,318	–
Decrease in fair value of investment properties		(113,700)	(73,700)
Staff costs		(10,141)	(9,806)
Depreciation of property, plant and equipment		(9,297)	(11,502)
Other expenses		<u>(14,434)</u>	<u>(12,816)</u>
(Loss) profit before taxation	5	(7,213)	7,351
Taxation	6	<u>(10,347)</u>	<u>(7,167)</u>
(Loss) profit and total comprehensive (expense) income for the period attributable to owners of the Company		<u>(17,560)</u>	<u>184</u>
(Loss) earnings per share – Basic (HK cents)	8	<u>(4.34)</u>	<u>0.05</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 SEPTEMBER 2025

	Notes	30 September 2025 (unaudited) HK\$'000	31 March 2025 (audited) HK\$'000
Non-current assets			
Investment properties	9	2,329,100	2,442,800
Property, plant and equipment	10	138,198	145,934
		<u>2,467,298</u>	<u>2,588,734</u>
Current assets			
Financial assets at fair value through profit or loss ("FVTPL")		428,554	316,994
Trade and other receivables	11	12,735	16,770
Tax recoverable		–	484
Bank deposits		783,610	771,615
Other deposits		10,782	33,723
Bank balances and cash		25,061	18,961
		<u>1,260,742</u>	<u>1,158,547</u>
Current liabilities			
Other payables		49,911	36,046
Tax payable		24,658	18,166
		<u>74,569</u>	<u>54,212</u>
Net current assets		<u>1,186,173</u>	<u>1,104,335</u>
		<u>3,653,471</u>	<u>3,693,069</u>
Capital and reserves			
Share capital	12	178,216	178,216
Reserves		3,367,794	3,405,604
Equity attributable to owners of the Company		<u>3,546,010</u>	<u>3,583,820</u>
Non-current liabilities			
Long-term tenants' deposits received		16,778	18,994
Deferred tax liabilities		89,630	89,080
Provision for long service payments		1,053	1,175
		<u>107,461</u>	<u>109,249</u>
		<u>3,653,471</u>	<u>3,693,069</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

	Share capital <i>HK\$'000</i>	Property revaluation reserve <i>HK\$'000</i>	Retained profits <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 April 2024 (audited)	<u>178,216</u>	<u>691,888</u>	<u>3,009,600</u>	<u>3,879,704</u>
Profit and total comprehensive income for the period	–	–	184	184
Dividends appropriation (<i>note 7</i>)	<u>–</u>	<u>–</u>	<u>(18,225)</u>	<u>(18,225)</u>
At 30 September 2024 (unaudited)	<u>178,216</u>	<u>691,888</u>	<u>2,991,559</u>	<u>3,861,663</u>
At 1 April 2025 (audited)	<u>178,216</u>	<u>691,888</u>	<u>2,713,716</u>	<u>3,583,820</u>
Loss and total comprehensive expense for the period	–	–	(17,560)	(17,560)
Dividends appropriation (<i>note 7</i>)	<u>–</u>	<u>–</u>	<u>(20,250)</u>	<u>(20,250)</u>
At 30 September 2025 (unaudited)	<u>178,216</u>	<u>691,888</u>	<u>2,675,906</u>	<u>3,546,010</u>

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

	Six months ended	
	30 September	30 September
	2025	2024
	(unaudited)	(unaudited)
	<i>HK\$'000</i>	<i>HK\$'000</i>
Operating activities		
(Loss) profit before taxation	(7,213)	7,351
Adjustments for:		
Unrealised gain on financial assets at FVTPL	(46,949)	(23,389)
Decrease in fair value of investment properties	113,700	73,700
Depreciation of property, plant and equipment	9,297	11,502
Reduction of provision for long service payment	(122)	(215)
Loss on written off of property, plant and equipment	2	8
	<hr/>	<hr/>
Operating cash flows before movements in working capital	68,715	68,957
Increase in financial assets at FVTPL	(64,611)	(30,244)
Other movements in working capital	15,558	(16,841)
	<hr/>	<hr/>
Cash generated from operations	19,662	21,872
Income tax paid	(2,821)	(2,011)
	<hr/>	<hr/>
Net cash from operating activities	16,841	19,861
	<hr/>	<hr/>
Investing activities		
Withdrawal of bank deposits	5,208,032	1,536,254
Placement of bank deposits	(5,220,027)	(1,526,466)
Withdrawal of other deposits	107,249	31,285
Placement of other deposits	(84,308)	(38,700)
Purchase of property, plant and equipment	(1,563)	(8,868)
	<hr/>	<hr/>
Net cash from (used in) investing activities	9,383	(6,495)
	<hr/>	<hr/>
Cash used in a financing activity		
Dividends paid	(20,124)	(18,427)
	<hr/>	<hr/>
Net increase (decrease) in cash and cash equivalents	6,100	(5,061)
	<hr/>	<hr/>
Cash and cash equivalents at beginning of the period	18,961	18,281
	<hr/>	<hr/>
Cash and cash equivalents at end of the period,		
represented by bank balances and cash	<u>25,061</u>	<u>13,220</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) as well as the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The financial information relating to the year ended 31 March 2025 that is included in these condensed consolidated financial statements as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements is as follows:

The Company has delivered the financial statements for the year ended 31 March 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain investment properties and financial instruments, which are measured at fair values.

Other than change in accounting policy resulting from application of amendments to HKFRS Accounting Standards, the accounting policies applied and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2025 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31 March 2025.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to an HKFRS Accounting Standard 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 Group’s condensed consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to an HKFRS Accounting Standard in the current period has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Income from godown operations (<i>note a</i>)	8,467	7,789
Income from property investment	53,650	55,777
Dividend income from listed and unlisted investments	7,104	5,780
Bank interest income	13,192	22,579
Other interest income	1,687	1,484
	<u>84,100</u>	<u>93,409</u>

Note:

- (a) Disaggregation of the Group's revenue from contracts with customers and geographical market

	Six months ended 30 September	
	2025	2024
	HK\$'000	HK\$'000
Income from godown operations		
Types of goods or services		
(time of revenue recognition):		
Inward and outward coolie income		
(recognised at a point in time)	688	518
Transportation income and other income		
(recognised at a point in time)	911	703
Storage service income (recognised over time)	6,868	6,568
	<u>8,467</u>	<u>7,789</u>
Geographical market:		
Hong Kong	8,467	7,789

For contracts entered into with customers on inward and outward coolie income and transportation and other income, the relevant services specified in the contracts are based on customer's specifications with no alternative use and the Group does not have an enforceable right to payment prior to the completion of relevant services to customers. Revenue from inward and outward coolie income and transportation and other income are therefore recognised at a point in time when the physical possession of the asset is transferred, being at the point that the services are completed and the Group has the present right to payment and collection of the consideration is probable.

Revenue from storage service income is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation, as the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs. The Group bills a fixed amount for each day of service provided. The Group elected to apply the practical expedient by recognising revenue in the amount to which the Group has the right to invoice. As permitted under HKFRS 15 "Revenue from Contracts with Customers", the transaction price allocated to these unsatisfied contracts is not disclosed.

4. SEGMENT INFORMATION

The Group's operating and reportable segments, based on information reported to the chief operating decision makers, being the executive directors of the Company, for the purposes of resources allocation and performance assessment of each operating segment are as follows:

Godown operations	– Operation of godowns
Property investment	– Leasing of investment properties
Treasury investment	– Securities trading and investment

Segment information about these operating and reportable segments is presented below:

For the six months ended 30 September 2025

	Godown operations <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Treasury investment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Revenue				
Segment revenue	<u>8,467</u>	<u>53,650</u>	<u>21,983</u>	<u>84,100</u>
Segment profit (loss)	<u>382</u>	<u>(81,394)</u>	<u>77,612</u>	<u>(3,400)</u>
Central administrative costs				<u>(3,813)</u>
Loss before taxation				<u>(7,213)</u>

As at 30 September 2025

	Godown operations <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Treasury investment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Assets				
Segment assets	122,499	2,355,114	1,224,362	3,701,975
Bank balances and cash				25,061
Unallocated other assets				<u>1,004</u>
Consolidated total assets				<u>3,728,040</u>
Liabilities				
Segment liabilities	1,840	43,987	11,621	57,448
Tax payable				24,658
Deferred tax liabilities				89,630
Unallocated other liabilities				<u>10,294</u>
Consolidated total liabilities				<u>182,030</u>

4. SEGMENT INFORMATION (continued)

For the six months ended 30 September 2024

	Godown operations <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Treasury investment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Revenue				
Segment revenue	<u>7,789</u>	<u>55,777</u>	<u>29,843</u>	<u>93,409</u>
Segment (loss) profit	<u>(457)</u>	<u>(39,589)</u>	<u>51,184</u>	11,138
Central administrative costs				<u>(3,787)</u>
Profit before taxation				<u>7,351</u>

As at 31 March 2025

	Godown operations <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Treasury investment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Assets				
Segment assets	129,092	2,473,364	1,124,751	3,727,207
Bank balances and cash				18,961
Unallocated other assets				<u>1,113</u>
Consolidated total assets				<u>3,747,281</u>
Liabilities				
Segment liabilities	2,399	44,399	111	46,909
Tax payable				18,166
Deferred tax liabilities				89,080
Unallocated other liabilities				<u>9,306</u>
Consolidated total liabilities				<u>163,461</u>

Segment profit/loss represents the profit earned/loss incurred by each segment without allocation of central administrative costs, which include directors' emoluments, other expenses that are not directly related to the core business and income tax expenses. This is the measure reported to the chief operating decision makers for the purposes of resources allocation and performance assessment.

5. (LOSS) PROFIT BEFORE TAXATION

Six months ended	
30 September 2025	30 September 2024
HK\$'000	HK\$'000

(Loss) profit before taxation has been arrived at after crediting:

Exchange gain, net	1,318	–
Fair value gain on financial assets at FVTPL (<i>note</i>)	54,775	21,625
	<u>54,775</u>	<u>21,625</u>

Note: Amount included in other gains and losses.

6. TAXATION

Six months ended	
30 September 2025	30 September 2024
HK\$'000	HK\$'000

The charge comprises:

Hong Kong Profits Tax	9,797	6,534
Deferred taxation	550	633
	<u>10,347</u>	<u>7,167</u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the current and prior periods.

7. DIVIDENDS

Six months ended	
30 September 2025	30 September 2024
HK\$'000	HK\$'000

Dividends appropriation:

Final dividend appropriation in respect of the year
ended 31 March 2025 of HK5 cents (2024: HK4.5 cents)
per ordinary share

20,250	18,225
--------	--------

Subsequent to the end of the current interim period, the directors of the Company have determined that an interim dividend of HK3 cents (six months ended 30 September 2024: HK3 cents) per share, amounting to HK\$12,150,000 (six months ended 30 September 2024: HK\$12,150,000) will be paid to the shareholders of the Company, whose names appear in the register of members on 19 December 2025.

8. (LOSS) EARNINGS PER SHARE – BASIC

The calculation of basic (loss) earnings per share is based on the loss for the period attributable to owners of the Company of HK\$17,560,000 (six months ended 30 September 2024: profit of HK\$184,000) and on 405,000,000 (six months ended 30 September 2024: 405,000,000) shares in issue throughout the period.

No diluted (loss) earnings per share has been presented as there were no potential ordinary shares in issue in both periods.

9. INVESTMENT PROPERTIES

30 September 2025	31 March 2025
HK\$'000	HK\$'000

AT FAIR VALUE

At beginning of the period/year	2,442,800	2,812,400
Additions	–	14,401
Transfer from property, plant and equipment	–	11,312
Decrease in fair value recognised in profit or loss	(113,700)	(395,313)
At end of the period/year	2,329,100	2,442,800

9. INVESTMENT PROPERTIES (continued)

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

In determining the fair value of the relevant properties, the Group engages independent qualified professional valuers to perform the valuation. The management of the Company works closely with the independent qualified professional valuers to establish the appropriate valuation techniques and inputs to the model.

The fair value of the Group's investment properties as at 30 September 2025 amounting to HK\$2,329,100,000 (31 March 2025: HK\$2,442,800,000) have been arrived at on the basis of valuations carried out on that date by Colliers International (Hong Kong) Limited, Chartered Surveyors ("Colliers"), independent qualified professional valuers, not connected to the Group. The directors of Colliers, who carried out the valuations, are members of the Hong Kong Institute of Surveyors. The fair values of the investment properties were determined based on the income approach and market comparison approach, where appropriate. For income approach, the valuations were arrived on the basis of capitalisation of the rental income receivable and reversionary income potential by adopting appropriate capitalisation rates. For market comparison approach, the valuations were arrived at by reference to the comparable sale transactions as available in the relevant market. Market comparison approach rests on the wide acceptance of the market transactions as the best indicator and pre-supposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors.

The revaluation gave rise to a loss arising from changes in fair value of HK\$113,700,000 (six months ended 30 September 2024: HK\$73,700,000) which has been included in the condensed consolidated statement of profit or loss and other comprehensive income.

There has been no change from the valuation technique used in prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

10. PROPERTY, PLANT AND EQUIPMENT

During the current period, the Group acquired additional property, plant and equipment of HK\$1,563,000 (six months ended 30 September 2024: HK\$8,868,000).

During the current period, the Group wrote-off certain furniture, fixtures and equipment with an aggregate carrying amount of HK\$2,000 (six months ended 30 September 2024: HK\$8,000), resulting in a loss on written off of HK\$2,000 (six months ended 30 September 2024: HK\$8,000).

11. TRADE AND OTHER RECEIVABLES

The Group has a policy of allowing a credit period of 60 days to its customers in respect of godown operations and 30 days for tenants on presentation of invoices. Before accepting any new customer, the Group will assess the potential customer's credit quality.

An analysis of trade receivables (net of allowance for credit losses) by age, presented based on the billing date are as follows:

	30 September 2025 <i>HK\$'000</i>	31 March 2025 <i>HK\$'000</i>
Within 60 days	2,141	4,771
61 – 90 days	268	1,239
Over 90 days	143	68
	<u>2,552</u>	<u>6,078</u>

12. SHARE CAPITAL

	Number of shares <i>'000</i>	Amount <i>HK\$'000</i>
Ordinary shares, issued and fully paid:		
At 30 September 2024, 31 March 2025 and 30 September 2025	<u>405,000</u>	<u>178,216</u>

13. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

In estimating the fair value, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group obtains the quoted prices from brokers/financial institutions. The management works closely with the investment fund manager to establish the appropriate valuation techniques and inputs.

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities;
- Level 2 fair value measurements are those derived from 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
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs
	30 September	31 March			
	2025	2025			
	HK\$'000	HK\$'000			
Financial assets at FVTPL					
Listed equity investments	176,516	89,677	Level 1	Quoted bid prices in an active market.	N/A
Listed investment funds	125,520	113,426	Level 1	Quoted bid prices in an active market.	N/A
Unlisted investment funds	18,064	17,383	Level 2	Redemption values quoted by the relevant investment funds with reference to the underlying assets of funds.	N/A
	7,765	8,482	Level 3	Net assets value with reference to the net asset value of the underlying fund.	The increase in the net assets value would result in an increase in fair value.
Unlisted debt instruments	100,689	88,026	Level 2	Quoted prices in market that are not active.	The increase in quoted prices would result in an increase in fair value.

13. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (continued)

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as of the date of the events or change in circumstances that caused the transfer.

Reconciliation of Level 3 fair value measurements of financial assets:

	Six months ended	
	30 September 2025 HK\$'000	30 September 2024 HK\$'000
At the beginning of the period	8,482	8,351
Additions	78	—
Net (loss) gain in profit or loss (<i>note</i>)	(795)	369
	<hr/>	<hr/>
At the end of the period	7,765	8,720
	<hr/>	<hr/>

Note: Out of the net gain for the period included in profit or loss, loss of HK\$795,000 was related to unlisted investment funds held at the end of the current reporting period (six months ended 30 September 2024: gain of HK\$369,000). Such fair value (loss) gain is included in "other gains and losses".

There were no transfers between Levels 1, 2 and 3 in the current period and prior year.

The directors of the Company consider that the carrying amounts of other financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate their fair values. The fair values of these financial assets and liabilities have been determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

14. COMMITMENTS

As at the end of the current interim period, the Group had no commitment to acquire property, plant and equipment (31 March 2025: HK\$595,000) but had commitment to contribute funds for an unlisted investment fund of HK\$1,333,000 (31 March 2025: HK\$1,411,000).

15. RELATED PARTY DISCLOSURES

The remuneration of directors and other members of key management during the period was HK\$2,078,000 (six months ended 30 September 2024: HK\$1,952,000).

During the six months ended 30 September 2024, the Group received rental income amounting to HK\$18,000 from a company which is controlled by Ms. Chan Koon Fung (spouse of the late Chairman Mr. Lu Sin), and Mr. Lu Wing Yee, Wayne and Ms. Lu Wing Man, Melissa, executive directors of the Company.

CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Lu Wing Yee, Wayne

(appointed as chairman with effect
from 1 July 2025)

Ms. Lu Wing Man, Melissa

(appointed as managing director with effect
from 1 July 2025)

Non-executive Director

Mr. Lee Ka Sze, Carmelo

Independent Non-executive Directors

Mr. Lam Ming Leung

Mr. Leung Man Chiu, Lawrence

Mr. Wong Wilkie

COMPANY SECRETARY

Ms. Mui Ngar May Joel

BANKERS

The Hongkong and Shanghai Banking
Corporation Limited

Bank of China (Hong Kong) Limited

Industrial and Commercial Bank of

China (Asia) Limited

MUFG Bank, Ltd.

SOLICITORS

Woo Kwan Lee & Lo

AUDITORS

Deloitte Touche Tohmatsu

Registered Public Interest Entity Auditors

AUDIT COMMITTEE

Mr. Leung Man Chiu, Lawrence (*Chairman*)

Mr. Lee Ka Sze, Carmelo

Mr. Lam Ming Leung

Mr. Wong Wilkie

REMUNERATION AND NOMINATION COMMITTEE

Mr. Lam Ming Leung (*Chairman*)

Mr. Lee Ka Sze, Carmelo

Mr. Leung Man Chiu, Lawrence

Ms. Lu Wing Man, Melissa

(appointed with effect from 1 July 2025)

Mr. Wong Wilkie

(appointed with effect from 1 July 2025)

REGISTERED OFFICE

Unit 1801, 18th Floor, Lu Plaza

2 Wing Yip Street, Kwun Tong, Kowloon

Hong Kong

SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Finance Centre,

16 Harcourt Road, Hong Kong

WEBSITE

www.safetygodown.com

STOCK CODE

237