

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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



China New Holdings Limited

中新控股有限公司

(formerly known as Royal Century Resources Holdings Limited 仁德資源控股有限公司)

(incorporated in Hong Kong with limited liability)

(Stock Code: 8125)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2025

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

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

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

The board of directors (the “**Directors**” and the “**Board**”, respectively) of China New Holdings Limited (formerly known as Royal Century Resources Holdings Limited) (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) announces the audited annual results of the Company and its subsidiaries for the year ended 31 March 2025.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	4	164,543	87,603
Cost of sales		<u>(161,065)</u>	<u>(78,573)</u>
Gross profit		3,478	9,030
Other income		75	952
Other gains, net		1,641	2,837
Impairment of intangible assets, net of reversal		(210)	(639)
Reversal of allowance for expected credit loss (“ECL”) on loan and interest receivables		349	174
Allowance for ECL on trade receivables		(390)	(332)
Allowance for ECL on contract assets		(203)	(45)
Change in fair value of an investment property		–	500
Administrative expenses		(26,392)	(22,167)
Finance costs		<u>(48)</u>	<u>(734)</u>
Loss before tax	6	(21,700)	(10,424)
Income tax credit	5	<u>22</u>	<u>634</u>
Loss for the year attributable to owners of the Company		<u>(21,678)</u>	<u>(9,790)</u>
Other comprehensive expense (income) for the year			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Release of exchange reserve upon deregistration of subsidiaries		<u>–</u>	<u>18</u>
Total comprehensive expense for the year attributable to owners of the Company		<u>(21,678)</u>	<u>(9,772)</u>
		HK\$	HK\$
			(Restated)
Loss per share:			
Basic and diluted	8	<u>(0.48)</u>	<u>(0.61)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Property, plant and equipment		3,703	7,712
Right-of-use assets		–	1,809
Goodwill		–	–
Intangible assets		2,250	2,460
		<u>5,953</u>	<u>11,981</u>
Current assets			
Loan and interest receivables	9	2,761	2,142
Inventories		6,102	1,102
Trade and other receivables	10	41,128	23,280
Contract assets		12,556	6,517
Cash and bank balances		43,249	45,690
		<u>105,796</u>	<u>78,731</u>
Current liabilities			
Trade and other payables	11	47,678	13,839
Contract liabilities		4,491	1,050
Income tax payable		126	113
Lease liabilities		–	1,902
		<u>52,295</u>	<u>16,904</u>
Net current assets		<u>53,501</u>	<u>61,827</u>
Total assets less current liabilities		<u>59,454</u>	<u>73,808</u>

		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current liabilities			
Deferred tax liabilities		<u>272</u>	<u>307</u>
NET ASSETS		<u>59,182</u>	<u>73,501</u>
Equity			
Share capital	12	248,173	240,814
Reserves		<u>(188,991)</u>	<u>(167,313)</u>
TOTAL EQUITY		<u>59,182</u>	<u>73,501</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2025

1. GENERAL INFORMATION

China New Holdings Limited (formerly known as Royal Century Resources Holdings Limited) (the “**Company**”) was incorporated in Hong Kong as a company with limited liability and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The address of the registered office and principal place of business of the Company is located at Unit 12, 5/F, Tower 1, Harbour Centre, 1 Hok Cheung Street, Hung Hom, Kowloon, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (together the “**Group**”) are principally engaged in:

- (i) provision of design, fitting out and engineering and procurement of furnishings and related products services;
- (ii) leasing of construction equipment and provision of related installation services;
- (iii) sourcing and merchandising of fine and rare wines; and
- (iv) provision of financial services comprising securities advisory services, securities dealing and brokerage services and asset management services and money lending.

The consolidated financial statements are presented in thousands (“**HK\$’000**”) of Hong Kong dollars (“**HK\$**”), unless otherwise stated, which is also the functional currency of the Company and its Hong Kong subsidiaries.

2. APPLICATION OF NEW AND REVISED TO HKFRS ACCOUNTING STANDARDS

(a) Application of new and revised HKFRS Accounting Standards

The Group has applied the Amendments to Reference to the Conceptual Framework in HKFRS and the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)</i>
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i>
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The adoption listed above did not have any impact on the amount recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) New and revised HKFRS Accounting Standards in issue but not yet effective

The Group has not applied any new and revised HKFRS Accounting Standards that have been issued but are not yet effective for the financial year beginning on 1 April 2024. These new and revised HKFRS Accounting Standards include the following which may be relevant to the Group.

HKFRS 18	<i>Presentation and Disclosure in Financial Statements³</i>
HKFRS 19	<i>Subsidiaries without Public Accountability: Disclosures³</i>
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments²</i>
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity²</i>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture⁴</i>
Amendments to HKAS 21	<i>Lack of Exchangeability¹</i>
Amendments to HKFRS Accounting Standards	<i>Annual Improvements to HKFRS Accounting Standards – Volume 11²</i>

¹ *Effective for annual periods beginning on or after 1 January 2025*

² *Effective for annual periods beginning on or after 1 January 2026*

³ *Effective for annual periods beginning on or after 1 January 2027*

⁴ *No mandatory effective date yet determined but available for adoption*

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

3. SEGMENT INFORMATION

Information reported to the executive directors, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The directors of the Company have chosen to organise the Group around differences in services.

Specifically, the Group's reportable and operating segments are as follows:

- (a) Provision of design, fitting out, engineering and procurement of furnishings and related products services ("**Design, fitting out and engineering services**");
- (b) Leasing of construction equipment and provision of related installation services ("**Leasing of construction equipment**");
- (c) Sourcing and merchandising of fine and rare wines ("**Wines merchandising**"); and
- (d) Financial services business comprising securities advisory services, securities dealing and brokerage services and asset management services and money lending ("**Financial services business**").

For the purposes of assessing segment performance and allocating resources among segments, the Company's executive Directors monitor the results, assets and liabilities attributable to each reportable segment on the following bases:

Revenues and expenses are allocated to the operating segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation of assets attributable to those segments. The measure used for reporting segment results is loss before tax without allocation of other unallocated corporate expenses and income.

Segments assets include all assets except for corporate assets which are managed on a group basis. All liabilities are allocated to reportable segment liabilities other than unallocated head office and corporate liabilities which are managed on a group basis and certain other payables and accrued charges.

For the purpose of assessing the performance of the operating segments and allocation of resources among segments, the Group's results are further adjusted for items not specifically attributed to individual segments and other head office and corporate administrative costs.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

For the year ended 31 March 2025

	Design, fitting out and engineering services <i>HK\$'000</i>	Leasing of construction equipment <i>HK\$'000</i>	Wines merchandising <i>HK\$'000</i>	Financial services business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue	<u>155,634</u>	<u>8,639</u>	<u>–</u>	<u>270</u>	<u>164,543</u>
Segment operating loss	(168)	(8,934)	(44)	(4,992)	(14,138)
Impairment of intangible assets	<u>–</u>	<u>–</u>	<u>–</u>	<u>(50)</u>	<u>(50)</u>
Segment loss	<u>(168)</u>	<u>(8,934)</u>	<u>(44)</u>	<u>(5,042)</u>	<u>(14,188)</u>
Unallocated:					
Other income					19
Other gains, net					152
Corporate administrative expenses					(7,635)
Finance costs					<u>(48)</u>
Loss before tax					<u>(21,700)</u>

For the year ended 31 March 2024

	Design, fitting out and engineering services <i>HK\$'000</i>	Leasing of construction equipment <i>HK\$'000</i>	Wines merchandising <i>HK\$'000</i>	Financial services business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue	<u>71,972</u>	<u>12,966</u>	<u>2,214</u>	<u>451</u>	<u>87,603</u>
Segment operating (loss) profit	(6,386)	3,746	551	(276)	(2,365)
Impairment of intangible assets	<u>–</u>	<u>–</u>	<u>–</u>	<u>(779)</u>	<u>(779)</u>
Segment (loss) profit	<u>(6,386)</u>	<u>3,746</u>	<u>551</u>	<u>(1,055)</u>	(3,144)
Unallocated:					
Other income					952
Other gains, net					(27)
Corporate administrative expenses					(8,571)
Change in fair value of investment property					500
Finance costs					<u>(134)</u>
Loss before tax					<u>(10,424)</u>

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

As at 31 March 2025

	Design, fitting out and engineering services <i>HK\$'000</i>	Leasing of construction equipment <i>HK\$'000</i>	Wines merchandising <i>HK\$'000</i>	Financial services business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment assets					
Non-current assets					
Property, plant and equipment	4	3,696	–	–	3,700
Intangible assets	–	–	–	1,670	1,670
	4	3,696	–	1,670	5,370
Current assets	42,971	8,972	5,259	3,013	60,215
Segment assets	<u>42,975</u>	<u>12,668</u>	<u>5,259</u>	<u>4,683</u>	<u>65,585</u>
Unallocated:					
Cash and bank balances					43,249
Others					<u>2,915</u>
Total assets per consolidated statement of financial position					<u><u>111,749</u></u>
Segment liabilities					
Non-current liability					
Deferred tax liabilities	–	–	–	276	276
Current liabilities	15,279	3,154	–	25	18,458
Segment liabilities	<u>15,279</u>	<u>3,154</u>	<u>–</u>	<u>301</u>	<u>18,734</u>
Unallocated:					
Others					<u>33,833</u>
Total liabilities per consolidated statement of financial position					<u><u>52,567</u></u>

As at 31 March 2024

	Design, fitting out and engineering services <i>HK\$'000</i>	Leasing of construction equipment <i>HK\$'000</i>	Wines merchandising <i>HK\$'000</i>	Financial services business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment assets					
Non-current assets					
Property, plant and equipment	5	7,702	–	–	7,707
Intangible assets	–	–	–	1,720	1,720
	5	7,702	–	1,720	9,427
Current assets	17,840	11,597	259	2,242	31,938
Segment assets	<u>17,845</u>	<u>19,299</u>	<u>259</u>	<u>3,962</u>	41,365
Unallocated:					
Cash and bank balances					45,690
Others					<u>3,657</u>
Total assets per consolidated statement of financial position					<u>90,712</u>
Segment liabilities					
Non-current liability					
Deferred tax liabilities	–	–	–	284	284
Current liabilities	6,490	522	–	77	7,089
Segment liabilities	<u>6,490</u>	<u>522</u>	<u>–</u>	<u>361</u>	7,373
Unallocated:					
Others					<u>9,838</u>
Total liabilities per consolidated statement of financial position					<u>17,211</u>

For the purpose of monitoring segment performance and allocating resources among segments:

- all assets are allocated to reportable segments other than certain property, plant and equipment, certain right-of-use assets, certain prepayments, deposits and other receivables and cash and bank balances as these assets are managed on a group basis.
- all liabilities are allocated to reportable segments other than certain accrued expenses and other payables, certain lease liabilities, certain income tax payable and certain deferred tax liabilities as these liabilities are managed on a group basis.

Geographical information

The Group's operations are principally located in Hong Kong and Macau.

The Group's revenue from external customers is presented based on the location of customers. The geographical location of non-current assets is based on the physical location of the assets, in the case of property, plant and equipment, right-of-use assets, and the location of the operation, in the case of goodwill and intangible assets. The analysis of the Group's revenue from external customers and non-current assets by geographical location is as follows:

	Revenue from external customers		Non-current assets	
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong	87,330	46,006	5,953	11,981
Macau	77,213	41,597	–	–
	<u>164,543</u>	<u>87,603</u>	<u>5,953</u>	<u>11,981</u>

The revenue information above is based on the locations of the customers.

The non-current asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about major customers

Revenue from customers contributing 10% or more of the total revenue of the Group is as follows:

	2025 HK\$'000	2024 HK\$'000
Customer A	N/A ²	25,297 ¹
Customer B	77,213 ¹	29,352 ¹
Customer C	N/A ²	12,245 ¹
Customer D	<u>61,222¹</u>	<u>N/A²</u>

¹ Revenue from design, fitting out and engineering services income.

² Revenue from the customer is less than 10% of the Group's total revenue in the respective year.

4. REVENUE

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

	2025 HK\$'000	2024 HK\$'000
Design, fitting out and engineering services income	155,634	71,972
Rental income from leasing of construction equipment	8,639	12,966
Sales of fine and rare wines	–	2,214
Interest income from money lending	<u>270</u>	<u>451</u>
	<u>164,543</u>	<u>87,603</u>

Revenue from contracts with customers within HKFRS 15:

Revenue recognised at a point in time

– Sales of fine and rare wines	–	2,214
--------------------------------	---	-------

Revenue recognised over time

– Design, fitting out and engineering services income	<u>155,634</u>	<u>71,972</u>
	155,634	74,186

Revenue from other sources:

– Rental income from leasing of construction equipment	8,639	12,966
– Interest income from money lending calculated using effective interest method	<u>270</u>	<u>451</u>
	<u>164,543</u>	<u>87,603</u>

The revenue from contracts with customers within HKFRS 15 is based on fixed price.

The Group has applied practical expedient in paragraph 121 of HKFRS 15 to exempt the disclosure of revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date to its fitting out and engineering services income and sale of fine and rare wines as the performance obligation is part of a contract that has an original expected duration of one year or less.

5. INCOME TAX CREDIT

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax		
Hong Kong Profits Tax	(13)	–
Macau Complementary Income Tax	<u>–</u>	<u>(20)</u>
	<u>(13)</u>	<u>(20)</u>
Deferred tax	<u>35</u>	<u>654</u>
Income tax credit for the year	<u>22</u>	<u>634</u>

- (a) Under the two-tiered profits tax rates regime in Hong Kong, the first HK\$2,000,000 of profits of a qualifying group entity are taxed at 8.25% and profits above HK\$2,000,000 are taxed at 16.5%. The profits of other group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime continue to be taxed at a flat rate of 16.5%.
- (b) Pursuant to the rules and regulations of the British Virgin Islands (the “BVI”), the Group is not subject to any income tax in the BVI.
- (c) Macau Complementary Income Tax is calculated at the progressive rate on the estimated assessable profits. The tax rate is 12% for the year.

6. LOSS BEFORE TAX

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Salaries and wages included in cost of sales	742	821
Salaries and wages included in administrative expenses:		
Directors' emoluments	2,730	2,191
Salaries, wages and other benefits (excluding directors' emoluments)	4,203	4,303
Contribution to defined contribution plans* (excluding directors' emoluments)	<u>129</u>	<u>190</u>
	<u>7,804</u>	<u>7,505</u>
Cost of inventories sold	15,988	9,866
Depreciation of property, plant and equipment	5,122	6,397
Depreciation of right-of-use assets	1,809	4,095
Auditor's remuneration	650	650
Compensation gain on disposal/write-off of construction equipment	(1,489)	(2,779)
Gain on disposal of right-of-use assets upon early termination	–	(253)
(Gain)/loss on dissolution of subsidiaries	(152)	43
Written-off of other receivables	–	135
Lease payment under short-term leases on premises	<u>3,190</u>	<u>301</u>

* *There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.*

7. DIVIDEND

No dividend was paid or proposed during the years ended 31 March 2024 and 2025, nor has any dividend been proposed since the end of the reporting period.

8. LOSS PER SHARE

The weighted average number of ordinary shares of approximately 44,573,000 (2024: 15,997,000 (restated)) in issue during the year ended 31 March 2025, as adjusted to reflect the effect of the share consolidation as disclosed in notes 12 and 14. Comparative figures have also been restated and adjusted on the assumption that the share consolidation on 19 February 2025 had been effective in the prior year.

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss attributable to owners of the Company for the purpose of basic and diluted loss per share	<u>(21,678)</u>	<u>(9,790)</u>
	2025 <i>'000</i>	2024 <i>'000</i> (Restated)
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u>44,698</u>	<u>15,997</u>
	2025 <i>HK\$</i>	2024 <i>HK\$</i> (Restated)
<i>Loss per share</i> Basic and diluted	<u>(0.48)</u>	<u>(0.61)</u>

Since there were no potential dilutive shares in issue during the years ended 31 March 2024 and 2025, basic and diluted loss per share are the same for both years.

9. LOAN AND INTEREST RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loan receivables	3,000	3,000
Interest receivables	580	310
Less: Loss allowance	<u>(819)</u>	<u>(1,168)</u>
	<u>2,761</u>	<u>2,142</u>

As at 31 March 2025, the loan portfolios of the Group consist of one (31 March 2024: two) personal loan(s) with principal amount of HK\$3 million (31 March 2024: HK\$3 million each). The Group's loan and interest receivables, which arise from the money lending business in Hong Kong, are denominated in HK\$. Loan receivables are unsecured, interest-bearing at a rate of 9% (2024: 9%) per annum and matured at the end of the reporting period. The maximum exposure to credit risk at each of the reporting dates is the carrying amount of the receivables mentioned above.

The following is an ageing analysis of loan and interest receivables, net of loss allowance, that is not considered to be impaired is as follows:

	2025	2024
	HK\$'000	HK\$'000
Past due but not impaired		
more than 180 days	2,761	2,142

The movements in the Group's loss allowance on loan and interest receivables are as follows:

	2025	2024
	HK\$	HK\$
At beginning of the year	1,168	1,540
Allowance for ECL for the year, net	(349)	(174)
Increase in allowance for ECL for the year	–	575
Reversal of allowance for ECL for the year	(349)	(749)
Waiver	–	(198)
At end of the year	819	1,168

10. TRADE AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables		
From third parties		
– Sales and service income receivables and lease income receivables	36,984	27,934
Less: Loss allowance	<u>(7,033)</u>	<u>(6,643)</u>
	<u>29,951</u>	<u>21,291</u>
Other receivables		
Deposits and prepayment	4,063	1,009
Advance to suppliers and sub-contractors	5,889	835
Prepayments of share issue expenses related to rights issue	521	–
Others	<u>704</u>	<u>145</u>
	<u>11,177</u>	<u>1,989</u>
Total trade and other receivables	<u><u>41,128</u></u>	<u><u>23,280</u></u>

The Group allows an average credit period ranging from 30 to 60 days (2024: 30 to 60 days) to its trade customers. The following is an ageing analysis of trade receivables, net of loss allowance, and based on the invoice date as at the end of the reporting period.

	2025 HK\$'000	2024 HK\$'000
Within 90 days	15,523	16,004
91 to 180 days	459	583
181 days to 270 days	1,031	518
271 days to 365 days	8,732	456
More than 365 days	<u>4,206</u>	<u>3,730</u>
	<u><u>29,951</u></u>	<u><u>21,291</u></u>

The movements in the Group's loss allowance on trade receivables are as follows:

	2025	2024
	HK\$'000	HK\$'000
At beginning of year	6,643	6,484
Allowance for ECL for the year	390	332
Written-off	<u>—</u>	<u>(173)</u>
At end of the year	<u>7,033</u>	<u>6,643</u>

11. TRADE AND OTHER PAYABLES

	2025	2024
	HK\$'000	HK\$'000
<i>Note</i>		
Trade payables	<u>12,358</u>	<u>4,766</u>
Other payables		
Deposits received	487	472
Accrued expenses and other payables	9,091	8,601
Temporary receipt (a)	<u>25,742</u>	<u>—</u>
	<u>35,320</u>	<u>9,073</u>
Total trade and other payables	<u>47,678</u>	<u>13,839</u>

Note

- (a) The balance represents the temporary receipt from the proceeds from rights issue. Details of the rights issue are set out in note 14 to this announcement.

The following is an ageing analysis of trade payables based on the invoice date at the end of the reporting period:

	2025	2024
	HK\$'000	HK\$'000
Within 30 days	5,649	1,495
More than 30 days but within 90 days	38	1,403
Over 90 days	<u>6,671</u>	<u>1,868</u>
	<u>12,358</u>	<u>4,766</u>

The average credit period for purchases of goods and services is 90 days (2024: 90 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

12. SHARE CAPITAL

	<i>Notes</i>	Number of shares '000	Amounts HK\$'000
Authorised:			
At 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025		N/A	N/A
Issued and fully paid:			
At 1 April 2023		156,780	205,523
Share consolidation	(a)	(125,424)	–
Rights issue	(b)	156,780	36,059
Share issue expenses		–	(768)
At 31 March 2024 and 1 April 2024		188,136	240,814
Issue of shares under specific mandate	(c)	37,627	7,563
Share issue expenses		–	(204)
Share consolidation	(d)	(180,610)	–
At 31 March 2025		<u>45,153</u>	<u>248,173</u>

Notes

- (a) Pursuant to an ordinary resolution passed on 2 November 2023, the share consolidation was approved by the shareholders of the Company and has become effective on 3 November 2023. Immediately after the share consolidation, the total number of issued shares of the Company was adjusted from 156,780,000 to 31,356,000.
- (b) Pursuant to an ordinary resolution passed on 2 November 2023, a rights issue of five rights shares for every one existing share held by members on the register of members on 7 November 2023 was approved by the shareholders of the Company and was made, at an issue price of HK\$0.23 per rights share, resulting in the issue of 156,780,000 shares for a total cash consideration, before expenses, of approximately HK\$36,059,000.

- (c) Pursuant to an ordinary resolution passed on 6 March 2024, the placing of shares under the specific mandate was approved by the shareholders of the Company. The placing of shares under the specific mandate was completed on 23 April 2024, and the Company issued 37,627,200 ordinary shares to independent third parties at a subscription price of HK\$0.201 on the same date.
- (d) On 13 December 2024, the directors of the Company proposed to implement a share consolidation on the basis that every five issued shares would be consolidated into one consolidated share. Pursuant to an ordinary resolution passed on 17 February 2025, the Share Consolidation was approved by the shareholders of the Company and has become effective on 19 February 2025. Immediately after the Share Consolidation, the total number of issued shares of the Company was adjusted from 225,763,200 to 45,152,640.

13. COMMITMENTS

At the end of the reporting period, the Group did not have any significant contractual commitments.

14. EVENTS AFTER THE REPORTING PERIOD

As announced by the Company on 13 December 2024, among other things, the Company proposed (i) to implement a share consolidation (the “**Share Consolidation**”) on the basis that every five issued existing shares of the Company be consolidated into one consolidated share (the “**Consolidated Share**”) and (ii) to raise approximately HK\$39.15 million before expenses by way of a rights issue (the “**Rights Issue**”) of 135,457,920 rights shares (the “**Rights Shares**”) at a subscription price of HK\$0.289 per Rights Share on the basis of three Rights Shares for every one Consolidated Share held by the qualifying shareholders on the record date.

The Share Consolidation and the Rights Issue were approved by the independent shareholders at a general meeting convened by the Company on 17 February 2025 and the Share Consolidation was completed on 19 February 2025. Immediately after the share consolidation, the total number of issued shares of the Company was adjusted from 225,763,200 to 45,152,640.

Subsequent to the end of the reporting period, the Rights Issue was completed on 10 April 2025. Immediately after the Right Issue, the total number of issued shares of the Company was increased from 45,152,640 to 180,610,560.

15. COMPARATIVE FIGURES

Certain comparative financial information has been reclassified in order to conform with current year’s presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The total revenue for the year ended 31 March 2025 of the Group was approximately HK\$164.5 million (2024: HK\$87.6 million) which represents approximately HK\$76.9 million or 87.8% increase as compared with last year.

Breakdown of revenue by segments is as follows:

	For the year ended 31 March	
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Design, fitting out and engineering services	155,634	71,972
Leasing of construction equipment	8,639	12,966
Wines merchandising	–	2,214
Financial services	270	451
	<u>164,543</u>	<u>87,603</u>

The revenue generated from the design, fitting out and engineering services business has increased by approximately HK\$83.7 million, whilst the income from the leasing of construction equipment business has decreased by approximately HK\$4.3 million, the income from the Wine merchandising business has decreased by approximately HK\$2.2 million, and the income from the Financial services has decreased by approximately 0.2 million, leaving the Group's revenue to increase by approximately HK\$76.9 million:

- (1) The increase in revenue generated from the design, fitting out and engineering services was mainly due to the increase in the number of works attributable to the increase in contract sum of construction contracts being awarded from private sector projects during the year.
- (2) The decrease in revenue from the leasing of construction equipment was mainly due to certain projects close to their final phase, which has resulted in a reduced scope of work to be undertaken and lead to the decrease in the lease out rate during the year.

- (3) The decrease in revenue generated from the wine merchandising business was mainly due to the decrease in orders from existing customers and the reallocation of the Group's resources from the wine merchandising business to the Design, fitting out and engineering services business during the year.

Gross Profit

The Group recorded a gross profit of approximately HK\$3.5 million (2024: HK\$9.0 million) for the year ended 31 March 2025, representing a decrease of approximately HK\$5.5 million.

The gross profit of the Group by segments is as follows:

	For the year ended 31 March	
	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Design, fitting out and engineering services	4,374	1,432
Leasing of construction equipment	(1,166)	6,563
Wines merchandising	–	584
Financial services	270	451
	<u>3,478</u>	<u>9,030</u>

As compared with the prior year, the decrease in the Group's gross profit margin was mainly due to (i) the reduction in profit margins for new tender projects for design, fitting out and engineering services; and (ii) decrease in lease out rate for the leasing of construction equipment, together with (iii) the price competition continues to post challenges on the operation which adversely affecting the gross profit margin during the year.

Meanwhile, the increase in the gross profit of the design, fitting out and engineering services of approximately HK\$2.9 million was mainly due to the increase in revenue attributable to the increase in contract sum of construction contracts being awarded from private sector projects, whilst the rising costs of construction materials, installation fees, and design and labor costs were additionally incurred to address the complexity of design work and frequent changes to design and construction plans, contributing to the decrease in gross profit margin during the year.

Loss for the year

Other income

The decrease in other income, gains and losses for the year ended 31 March 2025 was mainly due to the absence of rental income after disposal of investment properties in the prior year.

Other gains, net

The decrease in other gains, net for the year ended 31 March 2025 was mainly due to the decrease in the compensation gain on disposal/written off of construction equipment.

Administrative expenses

The increase in administrative expenses for the year ended 31 March 2025 was mainly due to the increase in initial start-up costs and staff costs for new headcount of the forthcoming projects.

Allowance for ECL on trade receivables and contract assets

The Group has appointed independent qualified professional valuer to perform an appraisal of the ECL of trade receivables and contract assets. During the year ended 31 March 2025, the Group recognised an allowance for ECL on trade receivables of approximately HK\$390,000 (2024: HK\$332,000) and allowance for ECL on contract assets of approximately HK\$203,000 (2024: HK\$45,000). The increase in allowance for ECL reflects the deterioration in credit risk and the uncertainty of the construction industry.

Impairment of intangible assets

For the SFO Licenses included in “intangible assets”, the Group has appointed independent qualified professional valuer to perform an appraisal of the recoverable amount of the SFO Licenses as at 31 March 2025. Same as the prior year, the recoverable amount of Financial services business segment CGU have been determined based on fair value less costs of disposal using the replacement cost approach, which is higher than value in use. The key assumptions used in estimating the fair value of Financial services business segment CGU under the replacement cost approach include the estimation of cost of obtaining such licenses and relevant transaction cost. The recoverable amount of Financial services business segment CGU based on the fair value less costs of disposal was approximately HK\$1,670,000 (31 March 2024: approximately HK\$1,720,000). Accordingly, having compared with the carrying amount of Financial services business segment CGU, impairment loss of approximately HK\$50,000 (2024: approximately HK\$779,000) was recognised for the year ended 31 March 2025.

For the cross-boundary vehicle licence included in “intangible assets”, the Group has appointed independent qualified professional valuer to perform an appraisal of the recoverable amount of the cross-boundary vehicle licence as at 31 March 2025. Same as the prior year, the recoverable amount of the cross-boundary vehicle licence has been determined on the fair value less costs of disposal using market comparable approach, which is higher than value in use. The recoverable amount of the cross-boundary vehicle licence based on the fair value less costs of disposal was approximately HK\$580,000 (2024: HK\$740,000). Accordingly, having compared with the carrying amount of the cross-boundary licence, an impairment loss of approximately HK\$160,000 (2024: a reversal of impairment loss of approximately HK\$140,000) was recognised for the year ended 31 March 2025.

BUSINESS REVIEW AND PROSPECTS

Design, fitting out and engineering services business

The Group is expected to reduce the scale of the public housing maintenance, improvement and vacant flat refurbishment works and services and is currently reformulating the mix of the design, fitting out and engineering services business and redistributing its resources to seek for other projects to sustain the Group’s design, fitting out and engineering services business.

It is the Group’s strategy to develop business relationship with the existing contractors and customers to coordinate and negotiate for further works and services as well as for introducing new contractor(s) and customer(s). The Group expects such exploration and development will further broaden and strengthen the income stream and the sustainability of the Group’s design, fitting out and engineering services business.

Leasing of construction equipment business

During the year, the revenue from the leasing of construction equipment business has been decreased due to the decrease in lease out rate of the Group's scaffolding equipment as mentioned above.

The Group has been making effort in fostering and maintaining the business relationship and cooperations with the existing customers in order to have recurring orders from the existing customers. The Group is also coordinating with the existing customers for the introduction of new customers in order to broaden the customer base of the Group and for the steady development and sustainable operation of the leasing of scaffolding equipment.

Wine merchandising business

The Group would continue to negotiate with the existing customers for the sale of fine and rare wines and seek for potential customers. The Group would carry out the wine merchandising business at a moderate level.

Financial services business

The provision of financial services business comprises securities business and money lending business.

Securities business

The Group is engaged in licensed securities business under the Securities and Futures Commission of Hong Kong ("SFC") to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities.

The Group continues to carry out the securities business at a prudent management approach due to economic uncertainties and local stock market volatility.

Money lending business

The money lending business focuses on potential corporate or personal borrowers including well-established business and wealthy and reputable individuals ranged from executives, businessmen and professionals. The potential borrower(s) are generally induced through (i) the management team of the Group; (ii) direct approaches from potential borrowers; and (iii) referral from existing borrower(s). The Group adopts a prudent approach to carry out the money lending business with sourcing of its funds from internally generated cash resources.

During the year ended 31 March 2025, the loan portfolio of the Group consists of 1 unsecured personal loan with initial principal amount of HK\$3 million. The loan is granted in prior years and is renewed with a term of 1 year in March 2021 which is unsecured and interest bearing at 9% per annum. All the borrower and its ultimate beneficial owner (if applicable) of the outstanding loan is independent third parties of the Group.

The Group has appointed independent qualified professional valuer to perform an appraisal of the ECL of loan and interest receivables. During the year ended 31 March 2025, the Group recognised a reversal of allowance for ECL of approximately HK\$349,000 (2024: HK\$174,000).

Since the outstanding loan has been overdue for repayment as at 31 March 2025, the probability of default would have increased. However, considering the forward looking rate and the credit worthiness, and by reviewing the past repayment history of the borrower where accrued interests have been settled subsequent to the period, the Group considers the loan is not credit-impaired and is categorised as Stage 2 for ECL assessment.

The Group would conduct regular review and carry out follow up actions in respect of overdue amounts to minimise the Group's exposure to credit risk and follow up closely with its borrower as to the deadlines in payment of interest of the loan.

While the Group has been in negotiation with the borrower on the repayment of the outstanding loan, the Group has issued monthly repayment notices to the borrower and demanding for the repayment of the outstanding principal and interest. The Group would make endeavour effort to collect the outstanding principal in due course.

LIQUIDITY AND FINANCIAL RESOURCES

During the year, the Group financed its operations through equity fund raising and by its internal resources.

As at 31 March 2025, the Group had net current assets of approximately HK\$53.5 million (2024: HK\$61.8 million), including cash and bank balances of approximately HK\$43.2 million (2024: HK\$45.7 million).

The current ratio, being the ratio of current assets to current liabilities, was approximately 2.0 times as at 31 March 2025 (2024: 4.7 times). The decrease in the current ratio during the year ended 31 March 2025 was mainly due to the increase in current liabilities resulting from the increase in trade and other payables.

CAPITAL STRUCTURE AND GEARING RATIO

The capital structure of the Company comprised ordinary shares only. There was no change in the capital structure of the Company during the year ended 31 March 2025. Total equity attributable to owners of the Company amounted to approximately HK\$59.2 million as at 31 March 2025 (31 March 2024: HK\$73.5 million).

As at 31 March 2025, gearing ratio is not applicable as the Group's borrowings, lease liabilities, are fully repaid during the year ended 31 March 2025.

As at 31 March 2024, the Group's borrowings comprised of lease liabilities of approximately HK\$1.9 million. The Group's gearing ratio, calculated by dividing total borrowings by total equity, was approximately 2.6%.

DIVIDEND

The Directors do not recommend the payment of any dividend for the year ended 31 March 2025.

FOREIGN EXCHANGE EXPOSURE

The operations of the Group are mainly conducted in Hong Kong dollar (“**HK\$**”), Renminbi (“**RMB**”) and Macanese pataca (“**MOP**”), and its revenue, expenses, assets, liabilities and borrowings are principally denominated in HK\$ and RMB.

The Group does 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.

CHARGES ON THE GROUP’S ASSETS

As at 31 March 2024 and 2025, the Group did not pledge any of its assets.

SIGNIFICANT ACQUISITION AND DISPOSAL

There has been no significant acquisition and disposal of assets or subsidiaries of the Group during the year ended 31 March 2025.

CONTINGENT LIABILITIES

As at 31 March 2025, the Group did not have any significant contingent liabilities.

COMMITMENTS

Details of the commitments of the Group as at 31 March 2025 are set out in note 13 to this announcement.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2025, the Group employed 23 (2024: 17) 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.

Total remuneration for the year ended 31 March 2025 (including emoluments and salaries to staff and Directors and MPF contributions) was approximately HK\$7.8 million (2024: HK\$7.5 million).

SHARE CAPITAL

The movements of share capital are set out in note 12 to this announcement.

USE OF PROCEEDS FROM RIGHTS ISSUE

As announced by the Company on 15 September 2023, among other things, the Company proposed (i) to implement a share consolidation (the “**Share Consolidation**”) on the basis that every five issued existing shares of the Company be consolidated into one consolidated share (the “**Consolidated Share**”) and (ii) to raise approximately HK\$36 million before expenses by way of a rights issue (the “**Rights Issue**”) of 156,780,000 rights shares (the “**Rights Shares**”) at a subscription price of HK\$0.23 per Rights Share on the basis of five Rights Shares for every one Consolidated Share held by the qualifying shareholders on the record date.

The net proceeds of the Rights Issue of approximately HK\$35 million will be used for (i) HK\$20 million (representing 57% of the net proceeds) for the development and expansion of the securities business under the financial services business; (ii) HK\$10 million (representing 29% of the net proceeds) as working capital for the design, fitting out and engineering services business and the leasing of construction equipment business to accommodate the anticipated increase in demand for these two business segments; and (iii) HK\$5 million (representing 14% of the net proceeds) for general corporate and administrative expenses.

The Share Consolidation and the Rights Issue were approved by the independent shareholders at an extraordinary general meeting convened by the Company on 1 November 2023 and were completed on 13 December 2023.

As at 31 March 2025, the net proceeds from the Rights Issue had been applied as follows:

	Planned (HK\$'000)	Net Proceeds Utilised during the year ended 31 March 2024 (HK\$'000)	Net Proceeds Utilised during the year ended 31 March 2025 (HK\$'000)	Unutilised (HK\$'000)	Estimate schedule (Note)
Development and expansion of the securities business	20,116	(866)	(6,718)	12,532	2026
Working capital for the engineering business and the leasing business	10,234	(10,234)	–	–	N/A
General corporate and administrative expenses	4,941	(4,941)	–	–	N/A
	<u>35,291</u>	<u>(16,041)</u>	<u>(6,718)</u>	<u>12,532</u>	

Note: The estimated schedule for utilising the remaining proceeds is based on the best estimation made by the Group on future market condition and may change with the current market condition and future development.

USE OF PROCEEDS FROM THE PLACING OF NEW SHARES UNDER SPECIFIC MANDATE

As stated in the Company's announcement dated 17 January 2024 and the circular date 20 February 2024, the Company and the placing agent entered into the placing agreements (the **"Placing Agreement"**) pursuant to which the Company conditionally agreed to issue up to 37,627,200 Shares (the **"Placing Shares"**), and the placing agent conditionally agreed, on a best effort basis, to procure the placees to subscribe for the Placing Shares at HK\$0.201 per Placing Share (the **"Placing Price"**) and on the terms and subject to the conditions set out in the placing agreement (the **"Placing"**).

The Placing Shares will be allotted and issued pursuant to the specific mandate and will be allotted to not less than six placees. The Placing was approved by the independent shareholders at an extraordinary general meeting convened by the Company on 6 March 2024. The conditions of the Placing have been fulfilled and completion took place on 23 April 2024. All the Placing Shares have been successfully placed by the placing agent to not less than six placees at the Placing Price pursuant to the terms and conditions of the Placing Agreement.

The net proceeds from the Placing (after deduction of the placing commission in respect of the Placing and other related expenses including, among others, the professional fees) are approximately HK\$7.4 million, which will be used for the purpose as set out in the Company's announcement dated 17 January 2024 and the circular date 20 February 2024. As at 31 March 2025, the net proceeds from the Placing were fully utilised.

OTHER INFORMATION

Corporate Governance Practices

The Board considers that incorporating the elements of good corporate governance in the management structures and internal control procedures of the Group could balance the interests of the shareholders, customers and employees of the Company. The Board has adopted the principles and the code provisions of the Corporate Governance Code (the **"CG Code"**) contained in Appendix C1 of the Rules (the **"GEM Listing Rules"**) Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the **"Stock Exchange"**) to ensure that business activities and decision-making processes are regulated in a proper and prudent manner. In accordance with the requirements of the GEM Listing Rules, the Company has established an audit committee, a remuneration committee, a nomination committee and a compliance committee with specific written terms of reference.

During the year ended 31 March 2025, the Company has complied with the CG Code as set out in Appendix C1 to the GEM Listing Rules except for the following deviations from the Code provisions:

- Code provision C.2.1 stipulated that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The post of chief executive of the Company has remained vacant since 21 February 2020 and as at the date of this announcement. The duties of chief executive have been performed by other executive Directors. As there is a clear division of responsibilities of each Director, the vacancy of the post of chief executive did not have any material impact on the operations of the Group. Nevertheless, the Board will review the current structure from time to time and if a candidate with suitable knowledge, skill and experience is identified, the Board will make an appointment to fill the post of chief executive as appropriate.
- Code provision C.2 stipulated that there are certain roles and responsibilities to be carried out by the chairman of the Company. Due to the vacancy of the chairman of the Company following the resignation of Mr. Chau Chi Yuen as a chairman on 29 February 2024, such roles are delegated to the executive Directors except the roles and responsibilities as stated in code provision C.2.7 of the CG Code.
- Code provision C.6.3 stipulates that the company secretary should report to the chairman of the Board and/or the chief executive officer. As the positions of the chairman of the Board and the chief executive officer have been vacant, the company secretary reports to the executive Directors of the Company since the resignation of Mr. Chan Chi Yuen as a chairman on 29 February 2024.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for dealing in securities of the Company by the Directors in accordance with Rules 5.48 to 5.67 of the GEM Listing Rules. No Director has dealt in the shares of the Company during the year. Following specific enquiry by the Company, all Directors confirmed that they have complied with such code of conduct throughout the year ended 31 March 2025.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

The Company and its subsidiaries did not purchase, redeem or sell any of the Company's listed securities during the year.

EQUITY-LINKED AGREEMENT

No equity-linked agreement was entered by the Company during the year.

SUFFICIENCY OF PUBLIC FLOAT

From information publicly available to the Company and within the knowledge of the Directors, during the year ended 31 March 2025, the Company has maintained the public float required by the GEM Listing Rules.

AUDIT COMMITTEE

The Company has an Audit Committee which was established in accordance with Rule 5.28 of the GEM Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process, risk management and internal control systems. The consolidated results of the Group for the year ended 31 March 2025 have been reviewed by the Audit Committee. The Audit Committee comprises three members namely Ms. Tsang Hau Wai (Chairman), Mr. Li Ka Chun Gordon and Ms. Chan Wai Yan. All of them are independent non-executive Directors.

SCOPE OF WORK OF GLOBAL LINK CPA LIMITED

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 March 2025 have been agreed by the Group's auditors, Global Link CPA Limited ("**Global Link**"), to the amounts set out in the Group's consolidated financial statements for the year ended 31 March 2025. The work performed by Global link in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Global Link on the preliminary announcement.

CHANGE OF DIRECTORS' INFORMATION

Upon specific enquiry by the Company and following confirmations from the Directors, save as disclosed hereunder, there is no change in the information of the Directors required to be disclosed pursuant to 17.50A(1) of the GEM Listing Rules since the Company's last published annual report.

Changes in Directors' positions held with the Company:

Directors	Changes in Positions held with the Company
Ms. Ma Man Chi	Appointed as an executive director with effect from 19 July 2024
Ms. Chen Qiuling	Appointed as an executive director with effect from 13 February 2025
Mr. Wang Jun	Resigned as an executive director with effect from 24 February 2025

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.chinanewholdings.com.hk). The annual report of the Company for the year ended 31 March 2025 containing all the information required by the GEM Listing Rules will be despatched to the Company's shareholders and published on the above websites in due course.

By order of the Board
China New Holdings Limited
(formerly known as
Royal Century Resources Holdings Limited)
Law Hok Yu
Executive director and Company Secretary

Hong Kong, 30 June 2025

As at the date of this announcement, the executive Directors are Ms. Miao Xianliu, Mr. Law Hok Yu, Ms. Ma Man Chi and Ms. Chen Qiuling; and the independent non-executive Directors are Ms. Tsang Hau Wai, Mr. Li Ka Chun Gordon and Ms. Chan Wai Yan.

This announcement will remain on the "Latest Listed Company Information" page of the HKEx website at www.hkex.com.hk for at least 7 days from the date of its posting and on the website of the Company at www.chinanewholdings.com.hk.