# ZHONGZHENG INTERNATIONAL COMPANY LIMITED
# 中證國際有限公司

*(Incorporated in Bermuda with limited liability)*
**(Stock code: 943)**

## PROFIT ALERT – REDUCTION IN LOSS

This announcement is made by the board (the "**Board**") of directors of Zhongzheng International Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform the shareholders (the "**Shareholders**") and potential investors of the Company that, based on a preliminary review of the latest unaudited consolidated management accounts of the Group for the six months ended 31 December 2024 ("**HY2024/25**") and information currently available to the Board, the Group is expected to record a consolidated loss attributable to the owners of the Company in the range of HK$85 million to HK$95 million as compared with that of approximately HK$694 million for the six months ended 31 December 2023 ("**HY2023/24**"). The expected loss comprised loss attributable to owners of the Company from (i) continuing operations of approximately HK$36.9 million (HY2023/24: HK$20.5 million); and (ii) discontinued operations of approximately HK$52.2 million (HY2023/24: HK$673.7 million).

The loss attributable to owners of the Company from continuing operations for HY2024/25 has increased mainly due to the recognition of an impairment loss on other receivables and an impairment of loan and interest receivables, amounting to approximately HK$16.1 million (HY2023/24: nil) and HK$2.6 million (HY2023/24: nil), respectively. These impairments were non-cash items and were determined based on the assessment of expected credit loss (subject to finalisation) conducted by an independent valuer engaged by the Company. Save for the said impairments, improvement was seen in the Group's continuing operations for HY2024/25, with revenue of approximately HK$64.0 million (HY2023/24: HK$47.3 million) and gross profit of approximately HK$16.3 million (HY2023/24: HK$14.2 million).

The Group's discontinued operations related to the disposal of the entire equity interest in Hong Kong Zhongzheng City Investment Limited (together with its subsidiaries, the "**Disposal Group**") and shareholder's loans due from Shenzhen Zhongzheng Ruifeng Management Co., Ltd. (the "**Disposal**"). Reference is made to the announcement of the Company dated 22 July 2024 in relation to, among other things, the completion of the Disposal on the even date (the "**Completion**"). Upon Completion, the Group had discontinued its property development and primary land development businesses in the People's Republic of China.

The loss attributable to the owners of the Company from discontinued operations for HY2024/25 of approximately HK$52.2 million was resulted from (i) loss from discontinued operations of approximately HK$7.6 million (HY2023/24: HK$908.5 million) for the period within HY2024/25 prior to Completion; and (ii) a loss on the Disposal of approximately HK$48.1 million (HY2023/24: nil) recognised during the period upon Completion. The loss on the Disposal recognised for HY2024/25 was determined based on the financial position of the Disposal Group as of the date of Completion. Details regarding the circumstances leading to the loss on Disposal had been set out in the Company's annual report for the year ended 30 June 2024.

The Company is still in the process of finalising the Group's interim results for HY2024/25. The information contained in this announcement is only based on a preliminary review of the unaudited consolidated management accounts of the Group for the HY2024/25 which have not been audited or reviewed by the external auditors of the Company. Shareholders and potential investors are advised to read carefully the unaudited interim results announcement of the Company for HY2024/25 which is expected to be published on 28 February 2025.

**Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.**

By order of the Board
**Zhongzheng International Company Limited**
**Liu Liyang**
*Executive Director*

Hong Kong, 25 February 2025

*As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Tam Lup Wai, Franky and Mr. Liu Liyang; one non-executive Director, namely Mr. Lim Kim Chai, J.P.; and four independent non-executive Directors, namely Mr. Hau Chi Kit, Mr. Leung Chi Hung, Mr. Li Hon Kuen and Ms. Yang Yan Tung Doris.*