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## KRP Development Holdings Limited

嘉創房地產控股有限公司

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2421)**

### ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL HIGHLIGHTS			
	2025	2024	Changes in %
<b>Revenue (RMB'000)</b>	<b><u>181,683</u></b>	226,877	-20%
<b>Profit before taxation excluding valuation loss on investment properties and impairment loss on inventories (RMB'000)</b>	<b>72,095</b>	105,349	-32%
Valuation losses on investment properties (RMB'000)	(15,581)	(7,265)	+114%
Impairment losses on inventories (RMB'000)	(3,457)	(11,999)	-71%
<b>Profit before taxation (RMB'000)</b>	<b>53,057</b>	86,085	-38%
<b>Profit for the year attributable to equity shareholders of the Company (RMB'000)</b>	<b>20,207</b>	40,069	-50%
<b>Basic and diluted earnings per share (RMB cents)</b>	<b>4.0</b>	7.9	-50%
<b>Final dividend per share (HK cents)</b>	<b><u>—</u></b>	<b><u>2.0</u></b>	-100%

The board (the “**Board**”) of directors (the “**Directors**”) of KRP Development Holdings Limited (the “**Company**”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively “**we**” or the “**Group**”) for the year ended 31 March 2025 together with the comparative figures for the year ended 31 March 2024 as follows:

**Consolidated statement of financial position**

*(Expressed in RMB)*

		<b>31 March 2025</b>	31 March 2024
	<i>Note</i>	<b>RMB’000</b>	<b>RMB’000</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>43,623</b>	1,509
Investment properties		<b>110,302</b>	118,916
Deferred tax assets		<b>120,014</b>	109,013
		<b>273,939</b>	229,438
<b>Current assets</b>			
Inventories and other contract costs	5	<b>878,392</b>	965,907
Prepayments, deposits and other receivables	4	<b>18,519</b>	17,275
Financial assets measured at fair value through profit or loss		<b>50,000</b>	—
Cash and bank deposits	6	<b>133,118</b>	175,162
		<b>1,080,029</b>	1,158,344
<b>Current liabilities</b>			
Trade and other payables	7	<b>35,162</b>	56,966
Lease liabilities		<b>17</b>	103
Contract liabilities		<b>4,477</b>	20,583
Current tax payable		<b>434,252</b>	440,856
		<b>473,908</b>	518,508
<b>Net current assets</b>		<b>606,121</b>	639,836
<b>Total assets less current liabilities</b>		<b>880,060</b>	869,274

**Consolidated statement of financial position (Continued)***(Expressed in RMB)*

	<b>31 March 2025 RMB'000</b>	31 March 2024 RMB'000
<b>Non-current liabilities</b>		
Provision for long service payment payable	<b>40</b>	17
Lease liabilities	<b>—</b>	9
Deferred tax liabilities	<b>19,875</b>	20,025
	<b>19,915</b>	20,051
<b>NET ASSETS</b>	<b>860,145</b>	849,223
<b>CAPITAL AND RESERVES</b>		
Share capital	<b>4,394</b>	4,394
Reserves	<b>855,751</b>	844,829
<b>TOTAL EQUITY</b>	<b>860,145</b>	849,223

**Consolidated statement of profit or loss**  
**for the year ended 31 March 2025**  
*(Expressed in RMB)*

		<b>2025</b>	<b>2024</b>
	<i>Note</i>	<b><i>RMB'000</i></b>	<b><i>RMB'000</i></b>
<b>Revenue</b>	8	<b>181,683</b>	226,877
Cost of revenue		<u>(75,394)</u>	<u>(81,153)</u>
<b>Gross profit</b>		<b>106,289</b>	145,724
Other net gains		<b>5,142</b>	4,476
Selling expenses		<b>(16,438)</b>	(15,798)
General and administrative expenses		<b>(26,007)</b>	(31,634)
Valuation losses on investment properties		<b>(15,581)</b>	(7,265)
Impairment losses on inventories		<u><b>(3,457)</b></u>	<u>(11,999)</u>
<b>Operating profit</b>		<b>49,948</b>	83,504
Finance income		<b>3,111</b>	2,883
Finance costs		<u><b>(2)</b></u>	<u>(302)</u>
<b>Finance income, net</b>	9	<u><b>3,109</b></u>	<u>2,581</u>
<b>Profit before taxation</b>		<b>53,057</b>	86,085
Income tax charge	10	<u><b>(32,850)</b></u>	<u>(46,016)</u>
<b>Profit for the year</b>		<u><b>20,207</b></u>	<u>40,069</u>
Earnings per share — Basic and diluted <i>(RMB cents)</i>	11	<u><b>4.0</b></u>	<u>7.9</u>

**Consolidated statement of profit or loss and other comprehensive income  
for the year ended 31 March 2025**

*(Expressed in RMB)*

	<b>2025</b> <b>RMB'000</b>	2024 <b>RMB'000</b>
<b>Profit for the year</b>	<b>20,207</b>	40,069
<b>Other comprehensive income for the year:</b>		
<i>Items that will not be reclassified to profit or loss:</i>		
Remeasurement of provision for long service payments	<b>(12)</b>	77
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statement of operations outside Chinese Mainland	<b>86</b>	(585)
<b>Other comprehensive income for the year</b>	<b>74</b>	(508)
<b>Total comprehensive income for the year</b>	<b>20,281</b>	39,561

## NOTES:

### 1 BASIS OF PREPARATION

The consolidated results set out in this announcement do not constitute the Group's consolidated financial statements for the year ended 31 March 2025 but are extracted from those financial statements.

The Group's consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with effect from 23 March 2023, after the successful spin-off of the Company from the previous ultimate holding company, Karrie International Holdings Limited (“**KIHL**”) which is incorporated in Bermuda with its shares listed on the Stock Exchange.

A uniform set of accounting policies is adopted when preparing the consolidated financial statements.

The consolidated financial statements for the year ended 31 March 2025 comprise the company and its subsidiaries. The measurement basis used in the preparation of the financial statements is the historical cost basis except for investment properties, financial assets and employee benefit liabilities which have been measured at fair value.

## 2 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period of the Group, which include:

- Amendments to HKAS 1, *Presentation of financial statements — Classification of liabilities as current or non-current* (“**2020 amendments**”) and amendments to HKAS 1, *Presentation of financial statements — Non-current liabilities with covenants* (“**2022 amendments**”)
- Amendments to HKFRS 16, *Leases — Lease liability in a sale and leaseback*
- Amendments to HKAS 7, *Statement of cash flows* and HKFRS 7, *Financial instruments: Disclosures — Supplier finance arrangements*

None of these developments have had a material effect on how the group’s results and financial position for the current or prior periods have been prepared or presented in this annual financial report. The group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

## 3 SEGMENT REPORTING

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group’s most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group’s various lines of business and geographical locations.

The Group manages its business as a whole as property development is the only reporting segment. The financial statements are presented in a manner consistent with the way in which information is reported retaining to the Group’s senior executive management for the purpose of resource allocation and performance assessment.

A measurement of segment assets and liabilities is not provided regularly to the Group’s most senior executive management and accordingly, no segment assets or liabilities information is presented.

#### 4 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Prepayments	12,324	10,880
Deposits	1,012	714
Other receivables	5,183	5,681
	<u>18,519</u>	<u>17,275</u>

#### 5 INVENTORIES AND OTHER CONTRACT COSTS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Properties under development for sale	223,343	174,698
Completed properties held for sale	654,618	790,038
	<u>877,961</u>	<u>964,736</u>
Other contract costs	431	1,171
	<u>878,392</u>	<u>965,907</u>

The analysis of the amount of inventories recognised as an expense and included in profit or loss is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Carrying amount of properties sold	75,394	81,153
Write down of inventories	3,457	11,999
	<u>78,851</u>	<u>93,152</u>



## 6 CASH AND BANK DEPOSITS

Cash and bank deposits comprise:

	2025 RMB'000	2024 RMB'000
Restricted deposits ( <i>note (i)</i> )	2,566	3,796
Deposits with banks with less than three months to maturity when placed	36,362	6,759
Cash at bank and in hand	94,190	164,607
	<u>133,118</u>	<u>175,162</u>

*Notes:*

- (i) As at 31 March 2025, the balance mainly represented the restricted cash for guarantees issued to a bank to secure the mortgage arrangements of a property buyer who may have the opportunity to default payment.

As at 31 March 2024, in accordance with relevant government requirements, certain property development subsidiaries of the group are required to set up designated bank accounts with certain amount of pre-sale proceeds for the construction of the relevant properties. The restricted deposits represent the pre-sale proceeds to secure the future payments of the group's property development projects. Such restricted deposits will be released for the payments for construction costs of the related property development projects or upon completion of the construction.

- (ii) The remittance of bank balances of RMB71,969,000 (2024: RMB126,655,000) as at 31 March 2025 placed with banks in the People's Republic of China (the "PRC") are subject to the relevant rules and regulations of foreign exchange control promulgated by the PRC government.

## 7 TRADE AND OTHER PAYABLES

	<b>2025</b> <b><i>RMB'000</i></b>	<b>2024</b> <b><i>RMB'000</i></b>
Trade payables	—	54
Other payables and accruals	<b>35,162</b>	<b>56,912</b>
	<b><u>35,162</u></b>	<b><u>56,966</u></b>

Apart from the retention money of RMB330,000 (2024: RMB536,000) which were expected to be settled for more than one year, all of the other payables and accruals as at 31 March 2025 and 2024 were expected to be settled within one year.

Ageing analysis of trade payables as at the end of the reporting period, based on invoice date, is as follows:

	<b>2025</b> <b><i>RMB'000</i></b>	<b>2024</b> <b><i>RMB'000</i></b>
Within 6 months	—	13
Over 12 months	—	41
	<b><u>—</u></b>	<b><u>54</u></b>

## 8 REVENUE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Recognised at a point in time under HKFRS 15:</b>		
Sale of properties	<u>181,683</u>	<u>226,877</u>

The principal activities of the Group are property sales and development in Dongguan, Huizhou and Foshan in the PRC.

Revenue represents the income from sale of properties, net of sales related taxes and discounts allowed.

As at 31 March 2025, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts are RMB10,654,000 (2024: RMB30,674,000). These amounts represent revenue expected to be recognised in the future from pre-completion sales contracts. The Group will recognise the expected revenue in future when the properties are accepted by the customer, or deemed as accepted according to the contract, whichever is earlier.

For the years ended 31 March 2025 and 2024, the Group's customer base is diversified and does not have a customer with whom transactions have exceeded 10% of the Group's revenue.

## 9 FINANCE INCOME, NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Finance costs		
— Interest expense from financial liabilities measured at amortised cost	—	276
— Interest expense on lease liabilities	<u>2</u>	<u>26</u>
	2	302
Finance income		
— Interest income from financial assets measured at amortised cost	<u>(3,111)</u>	<u>(2,883)</u>
Finance income, net	<u>(3,109)</u>	<u>(2,581)</u>

## 10 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Taxation in the consolidated statement of profit or loss represents:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Current taxation</b>		
Taxes in the PRC		
— provision for Enterprise Income Tax (“EIT”)	14,519	25,467
— provision for Land Appreciation Tax (“LAT”)	29,482	33,887
<b>Deferred taxation</b>		
Origination and reversal of temporary differences	<u>(11,151)</u>	<u>(13,338)</u>
Total income tax charge	<u><u>32,850</u></u>	<u><u>46,016</u></u>

### (i) EIT

The provision for EIT is calculated at 25% based on the estimated taxable income for the subsidiaries operated in the PRC during the year.

### (ii) LAT

LAT is levied on properties developed by the Group for sale, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including cost of land use rights, property development costs and borrowing costs.

### (iii) Hong Kong Profits Tax

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit for the year for the subsidiaries incorporated in and operated in Hong Kong. No provision for Hong Kong profits tax for the year as the subsidiaries incorporated in and operated in Hong Kong did not have any assessable profits for the year.

### (iv) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

## 11 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of ordinary shares in issue during the year.

As there were no potential dilutive ordinary shares during the years ended 31 March 2025 and 2024, the amount of diluted earnings per share is equal to basic earnings per share.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit attributable to equity shareholders of the Company	<u>20,207</u>	<u>40,069</u>
Weighted average number of ordinary shares in issue ( <i>in thousand shares</i> )	<u>505,365</u>	<u>505,365</u>
Basic earnings per share ( <i>RMB cents</i> )	<u>4.0</u>	<u>7.9</u>
Diluted earnings per share ( <i>RMB cents</i> )	<u>4.0</u>	<u>7.9</u>

## 12 DIVIDENDS

(i) **Dividends payable to equity shareholders of the Company attributable to the year**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
No final dividend proposed after the end of the reporting period (2024: HK2.0 cents equivalent to approximately RMB1.9 cents per ordinary share)	<u>—</u>	<u>9,359</u>

The final dividend proposed after the end of the reporting period had not been recognised as a liability at the end of the reporting period.

**(ii) Dividends payable to equity shareholders of the company attributable to the previous financial year, approved and paid during the year**

	<b>2025</b> <b><i>RMB'000</i></b>	<b>2024</b> <b><i>RMB'000</i></b>
Final dividend in respect of the previous financial year, approved and paid during the year, of HK 2.0 cents (equivalent to approximately RMB1.9 cents) per ordinary share (2024: HK 4.0 cents (equivalent to approximately RMB3.5 cents))	<u><u>9,359</u></u>	<u><u>18,892</u></u>

## PRINCIPAL BUSINESS AND RESULTS

**For the year ended 31 March 2025, the Group principally engaged in:**

A boutique residential property developer which mainly engaged in the development and sales of residential properties in the developing residential markets in Dongguan, Huizhou and Foshan in the PRC.

### **(1) BUSINESS REVIEW**

- (a) For the year ended 31 March 2025, revenue of the Group amounted to RMB181,683,000 (for the year ended 31 March 2024: RMB226,877,000), which decreased by approximately 20% as compared to last year. Profit attributable to the equity shareholders of the Company amounted to RMB20,207,000 (for the year ended 31 March 2024: RMB40,069,000), which decreased by approximately 50% as compared to last year.

Given that the PRC real estate industry is currently undergoing significant adjustment, the Group made a valuation losses on investment properties amounted to RMB15,581,000, and impairment loss on inventories amounted to RMB3,457,000, for the year ended 31 March 2025, amounted to RMB19,038,000 in aggregate. This is the main reason attributable to the decrease in profit attributable to the equity shareholders of the Company for the year ended 31 March 2025. These valuation adjustments, however, are non-cash in nature and will not have any material adverse effect on the Group's working capital.

- (b) As at 31 March 2025, the Group had land bank of approximately 230,791 square meter (“sq.m.”) (as at 31 March 2024: 242,494 sq.m.), which mainly included the land parcel located at Hecheng Sub-district, Gaoming District, Foshan (the “**Foshan Project**”), Phases 4 and 5 of Castfast Villas, Dongguan, and Louvre Mansion, Huizhou. In addition, the Group also has an industrial land located in Yantian Village, Fenggang Town, Dongguan with a total land area of approximately 23,862 sq.m. with a potential for further development.
- (c) For the residential project of Phase 3 of Castfast Villas, Dongguan, a total of 13 units were delivered during the year ended 31 March 2025, recording a revenue of RMB36,570,000, involving an area of approximately 1,976 sq.m. at an average selling price of approximately RMB20,200 per sq.m..

- (d) 59 units of a three-old renewal residential project, Phase 4 of Castfast Villas, Dongguan, were delivered during the Year, recording a total revenue of RMB119,649,000, involving a total area of approximately 6,328 sq.m. at an average selling price of approximately RMB20,600 per sq.m..
- (e) 7 units of another three-old renewal residential project, Phase 5 of Castfast Villas, Dongguan, were delivered during the Year, recording a total revenue of RMB21,778,000, involving a total area of approximately 1,014 sq.m. at an average selling price of approximately RMB23,400 per sq.m..
- (f) Louvre Mansion, Huizhou, has been completed, with a total saleable residential area of approximately 30,300 sq.m. and 6 units were delivered during the Year, recording a total revenue of RMB3,686,000, involving a total area of approximately 531 sq.m. at an average selling price of approximately RMB7,600 per sq.m..
- (g) In terms of the Foshan Project, the Group has been continuously engaged in close communication with the local government and closely monitoring changes in the market, duly promoting subsequent development in a timely manner, in order to ensure the risks are controllable and maximise the efficiency of resources allocation.
- (h) Although the overall economy in the PRC recorded a 5% growth, the recovery of the real estate industry still takes time, both the saleable area and transacted amount have been constantly under pressure. Together with the debt issues of certain corporations affecting the purchasers' sentiment, the entire industry is undergoing significant adjustment. In light of these influences, the Group's annual sales and profits both experienced decreases.
- (i) The PRC government constantly issued policies in 2024, including a number of easing measures, such as coordinating the digestion of existing real estates, optimizing incremental housing supply, reducing down-payment ratios, and adjusting residential purchase restrictions and interest rates, etc.. Together with the easing of monetary policies and financial support, purchasers' confidence and market sentiment are gradually improving.
- (j) The Group adheres to its due and stable principles, upholds the principle of "no over-expansion, no risky investment, no high risk", and places emphasis on its core strategies of "focus on development, solidity, resilient growth and diversity".



(k) Principal operating strategies of the Group are as follows:

- |                         |  |
|-------------------------|--|
| “Focus on Development”: | Focus on core cities in the Greater Bay Area, lead by city upgrades and rural revitalisation, cope with policies of the local government and livelihood needs, seek common development and achieve win-win situation.  |
| “Solidity”:             | Enhance internal control and risk management, promote overall operation efficiency and quality by ways of optimizing operation and project management.   |
| “Resilient Growth”:     | Solid financial structure, no material borrowings during the Year, maintain healthy cash flow and stable gearing ratio. Disposal of the Company’s wholly-owned subsidiary, Dongguan City Jiaxuntong Computer Products Limited* (東莞嘉訊通電腦產品有限公司), has been completed in August 2024, further enhancing the Group’s liquidity.  |
| “Diversity”:            | <p>Under the prevailing market conditions, the Group is fully aware that single residential product hardly supports long-term development. Future development of the community requires more comprehensive consideration of consolidating livelihood, lifestyle and cultural experiences. The Group will constantly explore the possibilities of combining residential projects with nearby cultural, tourism and livelihood facilities, boost the attractiveness of the entire district, and expand non-residential business space.</p> <p>In addition, in order to cope with market trends and consumption upgrades, we are preliminarily accessing the introduction of a new business model which encompasses both innovation and brand elements, materializing business model optimisation and diversified income sources expansion.</p> |

- (l) In order to boost competitiveness, adapt to business changes, enhance of team performance and leverage on technology, talent cultivation is crucial and talent training is important. New employees must receive orientation training. The Group also provides various specific training during the Year, including professional skills and safety information, such as “ICAC Anti-corruption Business Ethics” and “Training on AI Tools and Software”.
- (m) In terms of sustainability, the Group adheres to implementing the theories of environmental protection and low carbon on building design, construction management and daily operation, building green communities and promoting carbon neutral to the supply chains and contractor cooperation to assume corporate social responsibility.

## **Conclusion**

Although faced with continuous macroeconomic downturn and industry challenges, the Group still recorded profit and maintained healthy financial condition, effective operation and liquidity. Looking ahead, the real estate industry in the PRC needs time to restore confidence and fundamentals, yet the Group will cope with the challenges with solid foundation and flexible strategies. It will actively observe social and market trends, seek new opportunities of business development in a timely manner and work towards diversified, high quality and synergies.

## **(2) DIVIDEND POLICY**

Any distribution of dividends is subject to various factors, including but not limited to operating results, capital demands, cash flows, future business development requirements of the Group and any other factors which the Directors may consider relevant. The Directors will, at their discretion and based on actual circumstances, cautiously evaluate such distributions to ensure that they are in the interest of the Company and shareholders.

## **(3) PROSPECTS**

Driven by a series of supporting policies, the real estate market in the PRC is gradually improving from the downtrend but the recovery progress is still subject to inventory pressure and market confidence is yet to be rebuilt. The Group will continue to seek improvement with caution and maintain a healthy financial foundation, to be well equipped for the next phase of development.

We are duly assessing the development potential of consolidating various types of projects, including the room for synergy of residential projects with cultural and tourism related facilities, to enhance the attractiveness and sustainability of the overall project. In addition, the Group also notices the increasing participation of youth in trendy cultures and creative industries. As the “goods economy” is gradually forming across the globe, the consumption pattern is also changing. The Group will consider to leverage on the advantages of its own resources and industry chain to explore potential market opportunities, with an aim to create more room for expansion its diversified business in the future.

## **FINANCIAL RESOURCES**

### **Net Gearing Ratio**

As at 31 March 2025 and 31 March 2024, net gearing ratio (calculated based on total bank borrowing and lease liabilities less cash and bank deposits and pledged deposits divided by total equity at the end of the year multiplied by 100%) was not applicable as we were at a net cash position.

### **Resources Available**

Currently, the Group is confident that with the cash in hand and bank deposits of approximately RMB133,118,000, it is able to meet its current operational and committed capital expenditure requirements and to make strategic investments when opportunities arise.

### **Exchange Rate Exposure**

The Group operates primarily in the PRC and most of its business transactions, assets and liabilities are denominated in RMB. Currency risk arises from commercial transactions, recognised assets and liabilities and net investments in foreign operations that are denominated in a currency that is not the entity’s functional currency. Management considers that the Group is mainly exposed to foreign currency risk with respect to United States Dollars and Hong Kong dollars. The management will continue to monitor foreign exchange exposure and will take measures to minimise the currency translation risk. The conversion rate of Reniminbi to foreign currencies is subject to the rules and regulations of foreign exchange control promulgated by the PRC Government.

### **Financial Guarantees**

As at 31 March 2025, the Group has provided guarantees to banks to secure the mortgage arrangements of certain property purchasers. As at 31 March 2025, the outstanding guarantees to the banks amounted to RMB242,453,000 (2024: RMB347,753,000) which will be released upon the completion of the transfer procedures with the property purchasers in respect of the legal title of the properties.

The Directors are of the view that the Group would not sustain a loss under these guarantees as the bank has the rights to sell the property and recovers the outstanding loan balance from the sale proceeds if the property purchasers are in default on payment. The Group has not recognised any deferred income in respect of these guarantees as the fair value of these guarantees is considered to be insignificant.

### **Contingent Liabilities**

As at 31 March 2025, the Group had no significant contingent liabilities.

### **SUBSEQUENT EVENT AFTER THE REPORTING PERIOD**

The Company has no significant event after the year ended 31 March 2025 and up to the date of this announcement.

### **EMPLOYEES AND REMUNERATION POLICIES**

The Group had approximately 65 employees on average during the year ended 31 March 2025. The Group enter into individual employment contracts with our employees to cover matters such as wages, salaries, benefits and terms for termination. We generally formulate our employees' remuneration package to include a salary and bonus. We determine salary levels based on each employee's qualification, position, seniority and periodic performance reviews. In our performance reviews, we mainly assess the value that the employee has created for our Group during the performance period and any other meaningful contributions that the employee has made to our Group. As required by the relevant PRC regulations, we make contributions to mandatory social security funds for the benefit of our PRC employees that provide for pension insurance, medical insurance, unemployment insurance, personal injury insurance, maternity insurance and housing provident funds.

In addition, to cope with domestic development in the PRC and the actual need for talent retention, the Group establishes a "Cooperative Home" to encourage and finance potential high calibre of the Group who have settled down locally in buying a flat as a means to retain talents in light of the competitive labour market in the PRC.

### **Performance Based Incentives**

The Group has also adopted performance-based bonus system and objective performance assessment. Employees with outstanding performance will now receive more bonus than before such system was implemented.

### **DIVIDEND**

The Board does not recommend to pay a final dividend (2023/24 final dividend: HK2.0 cents per share).

## **CLOSURES OF REGISTER OF MEMBERS**

For the purposes of ascertaining the entitlement to attend and vote at the AGM to be held on 5 September 2025, the register of members of the Company will be closed from Monday, 1 September 2025 to Friday, 5 September 2025 (both dates inclusive) during which period no transfer of shares will be registered. In order to qualify to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Friday, 29 August 2025.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 March 2025.

## **CORPORATE GOVERNANCE**

Throughout the year ended 31 March 2025, the Board is of the view that the Company had applied the principles and complied with all the applicable code provisions set out in Part 2 of Appendix C1 to the Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited.

## AUDIT COMMITTEE

The Company has established an audit committee currently comprising three independent non-executive Directors whose duties include resolving issues in relation to audit such as reviewing and supervising the Company's financial reporting process and internal control systems. The audit committee of the Board (the "**Audit Committee**") and the management have reviewed the accounting principles and major policies adopted by the Group and have discussed the auditing, internal control and financial reporting in the current year with the external auditors. The Audit Committee has reviewed the consolidated annual results of the Group for the year ended 31 March 2025.

## REVIEW OF ANNUAL RESULTS

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and its annual results for the year ended 31 March 2025. The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2025 as set out in the preliminary results announcement have been agreed by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by KPMG 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 opinion or assurance conclusion has been expressed by KPMG on the preliminary results announcement.

## APPRECIATION

We would like to thank our customers, suppliers, bankers, shareholders and others who have extended their invaluable support to the Group, and my fellow Directors, managers and all staff for their considerable contributions to the Group.

By Order of the Board  
**KRP Development Holdings Limited**  
**Ho Wai Hon, Brian**  
*Executive Director*

Hong Kong, 19 June 2025

*As at the date of this announcement, the executive Directors are Mr. Ho Man Chung, Mr. Ho Wai Hon, Brian, Ms. Yiu Yuet Fung and Mr. Zhu Nianhua; the non-executive Directors are Mr. Ho Cheuk Fai and Ms. Ho Man Yiu; and the independent non-executive Directors are Mr. Choi Wai Hin, Mr. Yam Chung Shing and Ms. Leung Man Lai, Lily.*

\* *For identification purpose only*