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**Chuang's China Investments Limited**

**(莊士中國投資有限公司)**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 298)**

## **ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025**

The board of Directors (the “Board”) of Chuang's China Investments Limited (the “Company”) announces the consolidated final results of the Company and its subsidiaries (collectively as the “Group”) for the year ended 31 March 2025 as follows:

### **HIGHLIGHTS FOR THE YEAR ENDED 31 MARCH 2025**

- Loss attributable to equity holders of the Company amounted to HK\$394.9 million.
- The Group had net cash of HK\$263.5 million as at 31 March 2025. Total cash resources of the Group (including bond and securities investments of HK\$26.8 million) amounted to HK\$394.6 million, and bank borrowings amounted to HK\$131.1 million.
- Net asset value per share amounted to HK\$1.24.
- Loss per share was 16.83 HK cents.

# **CONSOLIDATED INCOME STATEMENT**

*For the year ended 31 March 2025*

	<i>Note</i>	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i> <i>(Restated)</i>
Revenues	3	<b>86,044</b>	90,607
Cost of sales		<u><b>(134,519)</b></u>	<u>(207,558)</u>
Gross loss		<b>(48,475)</b>	(116,951)
Other income and net loss	5	<b>18,941</b>	(37,437)
Selling and marketing expenses		<b>(20,461)</b>	(25,344)
Administrative and other operating expenses		<b>(141,964)</b>	(82,677)
Change in fair value of investment properties		<u><b>(234,294)</b></u>	<u>(76,084)</u>
Operating loss	6	<b>(426,253)</b>	(338,493)
Finance costs	7	<b>(10,582)</b>	(6,170)
Share of result of a joint venture	8	<u><b>12,624</b></u>	<u>11,609</u>
Loss before taxation		<b>(424,211)</b>	(333,054)
Taxation credit	9	<u><b>27,745</b></u>	<u>10,011</u>
Loss for the year		<u><u><b>(396,466)</b></u></u>	<u><u>(323,043)</u></u>
Attributable to:			
Equity holders		<b>(394,944)</b>	(320,738)
Non-controlling interests		<u><b>(1,522)</b></u>	<u>(2,305)</u>
		<u><u><b>(396,466)</b></u></u>	<u><u>(323,043)</u></u>
		<b>HK cents</b>	<b>HK cents</b>
Loss per share (basic and diluted)	11	<u><u><b>(16.83)</b></u></u>	<u><u>(13.67)</u></u>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME***For the year ended 31 March 2025*

	<b>2025</b> <b>HK\$'000</b>	<b>2024</b> <b>HK\$'000</b>
<b>Loss for the year</b>	<b>(396,466)</b>	<b>(323,043)</b>
Other comprehensive income:		
Items that had been/may be reclassified subsequently to profit and loss:		
Net exchange differences	<b>(3,944)</b>	(120,065)
Share of exchange reserve of a joint venture	<b>(1,809)</b>	(13,178)
Total other comprehensive loss that had been/may be reclassified subsequently to profit and loss	<b>(5,753)</b>	(133,243)
Item that may not be reclassified subsequently to profit and loss:		
Change in fair value of financial assets at fair value through other comprehensive income	<b>(38,926)</b>	(19,744)
Total other comprehensive loss for the year	<b>(44,679)</b>	(152,987)
<b>Total comprehensive loss for the year</b>	<b>(441,145)</b>	<b>(476,030)</b>
Total comprehensive loss attributable to:		
Equity holders	<b>(438,571)</b>	(465,323)
Non-controlling interests	<b>(2,574)</b>	(10,707)
	<b>(441,145)</b>	<b>(476,030)</b>

# **CONSOLIDATED BALANCE SHEET**

*As at 31 March 2025*

	<i>Note</i>	<b>2025</b> <b>HK\$'000</b>	<b>2024</b> <b>HK\$'000</b>
<b>Non-current assets</b>			
Property, plant and equipment		<b>16,964</b>	23,337
Investment properties		<b>814,795</b>	1,062,744
Right-of-use assets		<b>1,229</b>	1,335
Properties for/under development		<b>120,000</b>	135,750
Cemetery assets		<b>270,879</b>	273,033
Joint venture		<b>296,232</b>	319,645
Financial assets at fair value through other comprehensive income		<b>84,300</b>	123,226
Loans and receivables and other deposits		<b>119,354</b>	219,910
		<b>1,723,753</b>	2,158,980
<b>Current assets</b>			
Properties for sale		<b>596,435</b>	652,354
Cemetery assets		<b>713,693</b>	716,846
Inventories		<b>49,795</b>	49,795
Debtors and prepayments	<i>12</i>	<b>42,211</b>	26,830
Financial assets at fair value through profit or loss		<b>124,021</b>	159,261
Cash and bank balances		<b>367,783</b>	920,141
		<b>1,893,938</b>	2,525,227
Investment property held for sale	<i>13</i>	<b>–</b>	10,780
		<b>1,893,938</b>	2,536,007
<b>Current liabilities</b>			
Creditors and accruals	<i>14</i>	<b>167,827</b>	246,642
Sales deposits received		<b>1,040</b>	–
Current portion of long-term bank borrowings		<b>9,500</b>	494,473
Taxation payable		<b>33,283</b>	33,294
		<b>211,650</b>	774,409
Liability held for sale	<i>13</i>	<b>–</b>	1,860
		<b>211,650</b>	776,269
<b>Net current assets</b>		<b>1,682,288</b>	1,759,738
<b>Total assets less current liabilities</b>		<b>3,406,041</b>	3,918,718

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Equity</b>		
Share capital	117,352	117,352
Reserves	<u>2,788,297</u>	<u>3,226,868</u>
Shareholders' funds	2,905,649	3,344,220
Non-controlling interests	<u>82,162</u>	<u>84,736</u>
<b>Total equity</b>	<u>2,987,811</u>	<u>3,428,956</u>
<b>Non-current liabilities</b>		
Long-term bank borrowings	121,600	157,788
Deferred taxation liabilities	222,885	252,911
Loans and payables with non-controlling interests	40,078	45,141
Other non-current liabilities	<u>33,667</u>	<u>33,922</u>
	<u>418,230</u>	<u>489,762</u>
	<u><u>3,406,041</u></u>	<u><u>3,918,718</u></u>

## NOTES:

### 1. GENERAL INFORMATION

Chuang's China Investments Limited (the "Company") is a limited liability company incorporated in Bermuda and listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business in Hong Kong is 25th Floor, Alexandra House, 18 Chater Road, Central.

As at 31 March 2025, the Company was a 61.15% owned subsidiary of Profit Stability Investments Limited, a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of Chuang's Consortium International Limited ("CCIL"), a limited liability company incorporated in Bermuda and listed on the Main Board of the Stock Exchange. The board of Directors (the "Board") regards CCIL as the ultimate holding company.

The principal activities of the Company and its subsidiaries (collectively as the "Group") are property development, investment and trading, hotel operation and management, development and operation of cemetery, sales of goods and merchandises (including art pieces), and securities investment and trading.

### 2. BASIS OF PREPARATION

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss at fair value, and in accordance with all applicable HKFRS Accounting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants.

The preparation of the consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies of the Group. The significant accounting policies adopted for the preparation of the consolidated financial statements have been consistently applied to all the years presented, except as stated below. Certain prior year's figures have been restated in order to conform to the current year's presentation.

#### (i) Effect of adopting amendments to standards and interpretation

For the year ended 31 March 2025, the Group adopted the following amendments to standards and interpretation that are effective for the accounting periods beginning on or after 1 April 2024 and relevant to the operations of the Group:

HKAS 1 (Amendment)	Classification of Liabilities as Current or Non-current
HKAS 1 (Amendment)	Non-current Liabilities with Covenants
HKAS 7 and HKFRS 7 (Amendments)	Supplier Finance Arrangements
HKFRS 16 (Amendment)	Lease Liability in a Sale and Leaseback
Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause

The Group has assessed the impact of the adoption of these amendments to standards and interpretation and considered that there was no significant impact on the Group's results and financial position nor any substantial changes in the Group's accounting policies and presentation of the consolidated financial statements.

(ii) **New standards, amendments and improvements to standards and interpretation that are not yet effective**

The following new standards, amendments and improvements to standards and interpretation have been published which are relevant to the Group's operations and are mandatory for the Group's accounting periods beginning on or after 1 April 2025, but have not been early adopted by the Group:

HKAS 21 and HKFRS 1 (Amendments)	Lack of Exchangeability (effective from 1 January 2025)
HKFRS 9 and HKFRS 7 (Amendments)	Classification and Measurement of Financial Instruments (effective from 1 January 2026)
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (no mandatory effective date)
HKFRS 18	Presentation and Disclosure in Financial Statements (effective from 1 January 2027)
HKFRS 19	Subsidiaries without Public Accountability: Disclosures (effective from 1 January 2027)
Hong Kong Interpretation 5 (Amendment)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (effective from 1 January 2027)
HKAS 7, HKFRS 1, HKFRS 7, HKFRS 9 and HKFRS 10	Annual Improvements to HKFRS Accounting Standards – Volume 11 (effective from 1 January 2026)

The Group will adopt the above new standards, amendments and improvements to standards and interpretation as and when they become effective. The Group has commenced a preliminary assessment of the likely impact of adopting the above new standards, amendments and improvements to standards and interpretation and expects the adoption will have no significant impact on the Group's results and financial position or any substantial changes in the Group's accounting policies and presentation of the consolidated financial statements. The Group will continue to assess in more details.

### 3. REVENUES

Revenues recognized during the year are as follows:

	2025 HK\$'000	2024 HK\$'000 (Restated)
Sales of properties	44,077	49,723
Rental income and management fees	20,089	19,579
Sales of cemetery assets	21,288	18,307
Interest and other income from financial assets at fair value through profit or loss	590	2,998
	<u>86,044</u>	<u>90,607</u>

### 4. SEGMENT INFORMATION

(a) **Segment information by business lines**

The chief operating decision maker (the "CODM") has been identified as the Executive Directors and senior management. The CODM reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The CODM considers the business from a business perspective, including property development, investment and trading, development and operation of cemetery, securities investment and trading and others (including hotel operation and management and sales of goods and merchandises). The CODM assesses the performance of the operating segments based on the measure of segment result.

The segment information by business lines is as follows:

	Property development, investment and trading HK\$'000	Cemetery HK\$'000	Securities investment and trading HK\$'000	Others and corporate HK\$'000	2025 Total HK\$'000
Revenues from contracts with customers:					
– Recognized at a point in time	44,077	21,288	–	–	65,365
– Recognized over time	1,581	–	–	–	1,581
Revenues from other sources	18,508	–	590	–	19,098
Revenues	<u>64,166</u>	<u>21,288</u>	<u>590</u>	<u>–</u>	<u>86,044</u>
Other income and net gain/(loss)	<u>8,622</u>	<u>381</u>	<u>(7,429)</u>	<u>17,367</u>	<u>18,941</u>
Operating (loss)/profit	(398,111)	2,232	(6,933)	(23,441)	(426,253)
Finance costs	(10,582)	–	–	–	(10,582)
Share of result of a joint venture	<u>12,624</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>12,624</u>
(Loss)/profit before taxation	(396,069)	2,232	(6,933)	(23,441)	(424,211)
Taxation credit/(charge)	<u>27,465</u>	<u>(1,071)</u>	<u>1,351</u>	<u>–</u>	<u>27,745</u>
(Loss)/profit for the year	<u>(368,604)</u>	<u>1,161</u>	<u>(5,582)</u>	<u>(23,441)</u>	<u>(396,466)</u>
Segment assets	1,709,913	1,023,337	156,454	431,755	3,321,459
Joint venture	<u>296,232</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>296,232</u>
Total assets	<u>2,006,145</u>	<u>1,023,337</u>	<u>156,454</u>	<u>431,755</u>	<u>3,617,691</u>
Total liabilities	<u>355,116</u>	<u>250,955</u>	<u>1,253</u>	<u>22,556</u>	<u>629,880</u>
Other segment items are as follows:					
Capital expenditure	47,047	7,932	–	–	54,979
Depreciation of property, plant and equipment	550	473	–	5,450	6,473
Depreciation of right-of-use assets	–	95	–	–	95
Provision for impairment of properties for/under development	12,747	–	–	–	12,747
Provision for impairment of properties for sale	59,867	–	–	–	59,867
Provision for impairment of trade debtors	352	–	–	–	352
Provision for impairment of other deposits	78,649	–	–	–	78,649
Fair value loss of investment properties	<u>234,294</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>234,294</u>



	Property development, investment and trading <i>HK\$'000</i>	Cemetery <i>HK\$'000</i>	Securities investment and trading <i>HK\$'000</i> (Restated)	Others and corporate <i>HK\$'000</i>	2024 Total <i>HK\$'000</i> (Restated)
Revenues from contracts with customers:					
– Recognized at a point in time	49,723	18,307	–	–	68,030
– Recognized over time	1,763	–	–	–	1,763
Revenues from other sources	17,816	–	2,998	–	20,814
Revenues	69,302	18,307	2,998	–	90,607
Other income and net gain/(loss)	3,856	423	(70,142)	28,426	(37,437)
Operating loss	(252,848)	(3,568)	(68,104)	(13,973)	(338,493)
Finance costs	(6,170)	–	–	–	(6,170)
Share of result of a joint venture	11,609	–	–	–	11,609
Loss before taxation	(247,409)	(3,568)	(68,104)	(13,973)	(333,054)
Taxation credit/(charge)	13,413	(828)	(2,574)	–	10,011
Loss for the year	(233,996)	(4,396)	(70,678)	(13,973)	(323,043)
Segment assets	2,283,415	1,030,435	193,118	857,594	4,364,562
Joint venture	319,645	–	–	–	319,645
Investment property held for sale	10,780	–	–	–	10,780
Total assets	2,613,840	1,030,435	193,118	857,594	4,694,987
Segment liabilities	941,109	253,504	35,109	34,449	1,264,171
Liability held for sale	1,860	–	–	–	1,860
Total liabilities	942,969	253,504	35,109	34,449	1,266,031
Other segment items are as follows:					
Capital expenditure	171,825	11,000	–	–	182,825
Depreciation of property, plant and equipment	540	458	–	5,702	6,700
Depreciation of right-of-use assets	1,709	95	–	–	1,804
Provision for impairment of properties for sale	154,756	–	–	–	154,756
Provision for impairment of trade debtors	365	3,940	–	–	4,305
Provision for impairment of other receivables	7,898	–	–	–	7,898
Fair value loss of investment properties	76,084	–	–	–	76,084

**(b) Geographical segment information**

The business of the Group operates in different geographical areas. Revenues are presented by the countries where the customers are located. Non-current assets, total assets and capital expenditure are presented by the countries where the assets are located. The segment information by geographical area is as follows:

	Revenues		Capital expenditure	
	2025 HK\$'000	2024 HK\$'000 (Restated)	2025 HK\$'000	2024 HK\$'000
Hong Kong	49,579	10,258	46,682	171,756
The People's Republic of China (the "PRC")	23,190	19,836	7,932	11,000
Malaysia	13,275	12,090	365	69
France	–	48,423	–	–
	<b>86,044</b>	<b>90,607</b>	<b>54,979</b>	<b>182,825</b>
	Non-current assets (Note)		Total assets	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Hong Kong	176,421	187,370	1,297,987	1,935,273
The PRC	1,065,668	1,364,866	2,033,520	2,491,514
Malaysia	278,010	263,608	286,184	268,200
	<b>1,520,099</b>	<b>1,815,844</b>	<b>3,617,691</b>	<b>4,694,987</b>

*Note: Non-current assets in geographical segment represent non-current assets other than financial assets at fair value through other comprehensive income, and loans and receivables and other deposits.*

**5. OTHER INCOME AND NET LOSS**

	2025 HK\$'000	2024 HK\$'000 (Restated)
Interest income from bank deposits	18,360	38,539
Dividend income from financial assets at fair value through other comprehensive income	–	7,366
Net loss of financial assets at fair value through profit or loss (note)	(8,516)	(71,267)
Net loss on disposal of an investment property (note 13)	(437)	–
Net gain on disposal of property, plant and equipment	1,002	89
Net exchange gain/(loss)	2,240	(13,446)
Forfeited deposits from sales of properties	635	–
Reversal of over-provision for construction costs payable	3,297	–
Others	2,360	1,282
	<b>18,941</b>	<b>(37,437)</b>

*Note: The amount comprises of net gain on disposal of HK\$0.7 million (2024: HK\$76.0 million) and net fair value loss of HK\$9.2 million (2024: HK\$147.3 million) for financial assets at fair value through profit or loss.*

## 6. OPERATING LOSS

	2025 HK\$'000	2024 HK\$'000
Operating loss is stated after charging:		
Cost of properties sold	42,194	32,110
Cost of cemetery assets sold	7,945	7,369
Depreciation of property, plant and equipment	6,473	6,700
Depreciation of right-of-use assets	95	1,804
Provision for impairment of properties for/under development (note)	12,747	–
Provision for impairment of properties for sale (note)	59,867	154,756
Provision for impairment of trade debtors	352	4,305
Provision for impairment of other deposits	78,649	–
Provision for impairment of other receivables	–	7,898
Staff costs, including Directors' emoluments		
Wages and salaries	29,735	32,092
Retirement benefit costs	2,003	2,182

Note: The amounts have been included in cost of sales for the years ended 31 March 2025 and 2024.

## 7. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000
Interest expenses of		
Bank borrowings	17,086	41,937
Lease liabilities	1	7
	17,087	41,944
Amounts capitalized into properties under development	(6,505)	(35,774)
	10,582	6,170

The capitalization rates applied to funds borrowed for the development of properties ranged from 5.17% to 5.74% (2024: 5.89% to 6.31%) per annum.

## 8. SHARE OF RESULT OF A JOINT VENTURE

Share of profit of a joint venture of HK\$12,624,000 (2024: HK\$11,609,000) in the consolidated income statement included the rental income from the wholly-owned subsidiary of the joint venture partner for the year ended 31 March 2025 amounting to approximately HK\$16,854,000 (2024: HK\$17,317,000).

## 9. TAXATION CREDIT

	2025 HK\$'000	2024 HK\$'000
Current taxation		
PRC corporate income tax	2,391	1,986
PRC land appreciation tax	882	–
Overseas profits tax	–	3,782
Deferred taxation	(31,018)	(15,779)
	(27,745)	(10,011)

No provision for Hong Kong profits tax has been made as the Group has either sufficient tax losses brought forward to set off against the estimated assessable profits for the year or has no estimated assessable profits for the year (2024: Same). PRC corporate income tax and overseas profits tax have been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the PRC and the countries in which the Group operates respectively. PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including costs of land and development expenditures.

Share of current taxation charge of the joint venture for the year ended 31 March 2025 of HK\$893,000 (2024: HK\$731,000) is included in the consolidated income statement as “Share of result of a joint venture”.

## 10. DIVIDENDS

On 26 June 2025, the Board had resolved not to recommend the payment of a final dividend for the year ended 31 March 2025 (2024: Nil). No interim dividend had been paid for the year ended 31 March 2025 (2024: Nil).

## 11. LOSS PER SHARE

The calculation of the loss per share is based on the loss attributable to equity holders of HK\$394,944,000 (2024: HK\$320,738,000) and the weighted average number of 2,347,035,316 (2024: 2,347,035,316) shares in issue during the year.

The diluted loss per share is equal to the basic loss per share since there are no dilutive potential shares in issue during the years.

## 12. DEBTORS AND PREPAYMENTS

Receivables from sales of properties and cemetery assets are settled in accordance with the terms of respective contracts. Rental income and management fees are received in advance.

Trade debtors of the Group mainly represent the receivables from sales of properties and cemetery assets as well as rental income and management fees from investment properties. The aging analysis of trade debtors of the Group based on the date of invoices is as follows:

	2025 HK\$'000	2024 HK\$'000
Below 30 days	136	50
31 to 60 days	12	54
61 to 90 days	1	–
Over 90 days	109	4
	<u>258</u>	<u>108</u>

Pursuant to the sale and purchase agreement of the disposal of the property projects in Panyu, the PRC as announced by the Company on 11 February 2021 and 14 May 2021, there is a deferred consideration which represented a deferred tax receivable of RMB25 million (equivalent to approximately HK\$26.8 million) which shall be settled by the purchaser to the Group on or before 14 May 2025. As such, the receivable is reclassified from loans and receivables under non-current assets to debtors and prepayments under current assets as at 31 March 2025, and it is received by the Group on the aforesaid date.

### 13. INVESTMENT PROPERTY AND LIABILITY HELD FOR SALE

On 30 March 2024, an indirect wholly-owned subsidiary of the Company entered into a sale and purchase agreement with an independent third party to dispose of a residential investment property in Panyu, the PRC, at a consideration of RMB10.0 million (equivalent to approximately HK\$10.8 million). Deposit of RMB500,000 (equivalent to approximately HK\$539,000) had been received before 31 March 2024. As such, the investment property and its related deferred taxation liability were reclassified as “Investment property held for sale” and “Liability held for sale” respectively as at 31 March 2024. The transaction was completed in May 2024, and a net loss on disposal of HK\$0.4 million was recorded in the current year.

### 14. CREDITORS AND ACCRUALS

The aging analysis of the trade creditors of the Group based on the date of invoices is as follows:

	2025 HK\$'000	2024 HK\$'000
Below 30 days	1,226	1,254
31 to 60 days	—	38
	<u>1,226</u>	<u>1,292</u>

Creditors and accruals include the construction cost payables and accruals of HK\$102,932,000 (2024: HK\$131,152,000) for the property and cemetery projects of the Group.

### 15. FINANCIAL GUARANTEES

As at 31 March 2025, certain subsidiaries had provided guarantees of HK\$3,696,000 (2024: HK\$4,396,000) to banks for mortgage loans made by the banks to the purchasers of properties sold by the subsidiaries in the PRC.

### 16. COMMITMENTS

As at 31 March 2025, the Group had commitments contracted but not provided for in respect of property projects and properties of HK\$2,868,000 (2024: HK\$49,122,000) and financial assets at fair value through profit or loss of HK\$30,199,000 (2024: HK\$37,091,000) respectively.

### 17. PLEDGE OF ASSETS

As at 31 March 2025, the Group had pledged certain assets, including investment properties with an aggregate carrying value of HK\$168,030,000 (2024: HK\$994,995,000, also included properties for sale), to secure banking facilities granted to the subsidiaries.

### 18. CAPITAL EXPENDITURE

For the year ended 31 March 2025, the Group incurred acquisition and development costs on property, plant and equipment of HK\$87,000 (2024: HK\$137,000), and property projects and cemetery assets of HK\$54,892,000 (2024: HK\$182,688,000).

## MANAGEMENT DISCUSSION AND ANALYSIS

### RESULTS REVIEW

During the year under review, the Group's revenues amounted to about HK\$86.0 million (2024: HK\$90.6 million), and comprised of the following:

- sales of properties amounted to about HK\$44.1 million (2024: HK\$49.7 million) in the current year which mainly represented the completion of the sold properties of ARUNA, Ap Lei Chau in Hong Kong;
- rental and management fee income amounted to about HK\$20.0 million (2024: HK\$19.6 million);
- revenues from securities investment and trading amounted to about HK\$0.6 million (2024: HK\$3.0 million) which represented interest and other income from bond investments; and
- sales of cemetery assets in the People's Republic of China (the "PRC") amounted to about HK\$21.3 million (2024: HK\$18.3 million).

During the year under review, gross loss of HK\$48.5 million (2024: HK\$117.0 million) was recorded which was mainly attributable to the impairment provision for properties for sale at ARUNA under the current property market conditions.

Other income and net loss amounted to a net income of about HK\$18.9 million (2024: net loss of HK\$37.4 million) which included bank interest income of HK\$18.4 million (2024: HK\$38.5 million) and net loss of bond and other investments of HK\$8.5 million (2024: HK\$71.3 million) as a result of mark to market valuation at the balance sheet date. A breakdown of other income and net loss is shown in note 5 on page 10 hereof.

The Group recorded a loss on change in fair value of investment properties of HK\$234.3 million (2024: HK\$76.1 million) mainly arising from the investment properties in Anshan, Liaoning, the PRC (2024: Same).

On the costs side, selling and marketing expenses amounted to about HK\$20.5 million (2024: HK\$25.3 million) mainly represented the selling and marketing expenses for ARUNA during the year under review. Administrative and other operating expenses amounted to about HK\$142.0 million (2024: HK\$82.7 million), which included an impairment provision of about HK\$78.6 million (2024: Nil) for a development site at Anshan, the PRC. Excluding this provision, the administrative and other operating expenses would amount to about HK\$63.4 million (2024: HK\$82.7 million), which represented a decrease of about 23.3% comparing to that of the last corresponding year. Finance costs increased to about HK\$10.6 million (2024: HK\$6.2 million) mainly due to the decrease in interest capitalization upon completion of ARUNA during the year under review. Share of profit of a joint venture was about HK\$12.6 million (2024: HK\$11.6 million). Taxation credit amounted to about HK\$27.7 million (2024: HK\$10.0 million) mainly due to the reversal of deferred taxation liabilities arising from the fair value loss of investment properties recorded during the year (2024: Same).

Taking into account the above, loss attributable to equity holders of the Company for the year ended 31 March 2025 amounted to HK\$394.9 million (2024: HK\$320.7 million). Loss per share was 16.83 HK cents (2024: 13.67 HK cents).

## **DIVIDEND**

In order to maintain a stronger cash position under the current uncertain business environment, the Board has resolved not to recommend the payment of a final dividend (2024: Nil) for the year ended 31 March 2025. No interim dividend had been paid during the year (2024: Nil).

## **BUSINESS REVIEW**

### **A. Investment Properties**

The Group holds the following portfolio of investment properties in Hong Kong, the PRC and Malaysia for steady recurring rental income.

1. *The Esplanade Place, Yip Wong Road, Tuen Mun, New Territories, Hong Kong (100% owned)*

The Esplanade Place has gross floor area (“GFA”) of about 24,375 *sq. ft.* comprising a two-storey commercial podium with 16 commercial units and 12 commercial carparking spaces, of which 9 commercial units and certain carparking spaces are leased to independent third parties with an aggregate annual rental income of about HK\$2.9 million. The Group will continue to market the remaining units and carparking spaces in order to generate rental income. As at 31 March 2025, the property was recorded at valuation of about HK\$168.0 million.

2. *Chuang’s Mid-town, Anshan, Liaoning (100% owned)*

Chuang’s Mid-town consists of a 6-level commercial podium providing an aggregate GFA of about 29,600 *sq. m.*. Above the podium stands a twin tower (Block AB and C) with 27 and 33-storey respectively, offering a total GFA of about 62,700 *sq. m.*.

The economy in Anshan remains weak, in which the business and leasing activities are progressing slowly. During the year under review, the Group had leased certain residential flats to multi tenants with aggregate rental income of about RMB0.6 million (equivalent to approximately HK\$0.7 million). The Group will explore more marketing ideas on promotion and leasing of the commercial podium as well as the residential flats of the twin tower.

Anshan is experiencing serious population loss. Based on government statistics, there is continuous net outflow of population in Anshan, and this has shed light on the decline of the property market and its gloomy outlook. Both residential and retail markets remain stagnant, with slow-moving inventory and limited buyer interest, making it increasingly challenging to sell or lease out the flats and commercial podium. In view of the sluggish market condition, comparable residential units with basic finishings are being sold at approximately RMB3,000 to RMB3,500 per



*sq. m.*. Even at such selling prices, transaction volume is unsatisfactory. As most of the residential flats in Chuang's Mid-town are bare-shell flats without basic fittings, a discount of about RMB800 to RMB1,000 per *sq. m.* should be applied. For the retail/commercial market, a number of vacant or abandoned shopping malls or hotel blocks are found at the core retail district in Anshan which implies a weak retail market. Low spending power in addition to the exaggerated development of online shopping would account for the existence of those withered malls. Both supply and demand sides have released negative signals, no matter from the view of population dropped or reduced number of commodity housing sold. As a result, the valuation of the property had further dropped to RMB307.8 million (equivalent to approximately HK\$329.4 million) as at 31 March 2025, comprising RMB94.0 million for the commercial podium and RMB213.8 million for the twin tower, and a net fair value loss of investment properties of RMB208.4 million (equivalent to approximately HK\$225.0 million) was recorded for the year under review. In light of the weak economy and property market of Anshan, the Group will identify opportunities to dispose of this project.

3. *Hotel and resort villas in Xiamen, Fujian (59.5% owned)*

This hotel complex is developed by the Group, comprising a 6-storey hotel building with 100 guest-rooms (GFA of 8,838 *sq. m.*) and 30 villas (aggregate GFA of about 9,376 *sq. m.*) in Siming District, Xiamen. As at 31 March 2025, the properties were recorded at valuation of RMB383.2 million (comprising RMB171.2 million for the hotel and RMB212.0 million for the 30 villas). The valuation attributable to the Group was about RMB228.0 million (equivalent to approximately HK\$244.0 million), whereas the total investment costs of the Group were about RMB128.5 million (equivalent to approximately HK\$137.5 million).

During the year under review, the hotel building together with 23 villas were leased to 廈門佻家鷺江酒店 (Xiamen Mega Lujiang Hotel) and is operated as “鷺江 • 佻家酒店” (Mega Lujiang Hotel). As at the date of this report, another 5 villas are leased to independent third parties and the Group is actively marketing the remaining 2 villas which are currently vacant for further rental income. The aggregate annual rental income of this hotel complex amounted to about RMB19.6 million (equivalent to approximately HK\$21.0 million).

4. *One villa, Chuang's Le Papillon, Guangzhou, Guangdong (100% owned before disposal)*

On 30 March 2024, the Group entered into a sale and purchase agreement with an independent third party for the disposal of this villa for a consideration of RMB10.0 million (equivalent to approximately HK\$10.8 million). The disposal was completed in May 2024. Net cash proceed of approximately RMB8.8 million (equivalent to approximately HK\$9.5 million) was received by the Group.



Pursuant to the sale and purchase agreement of the disposal of the property project in Panyu, the PRC as announced by the Company on 11 February 2021 and 14 May 2021, there is a deferred consideration of RMB25 million (equivalent to approximately HK\$26.8 million) which had been settled by the purchaser to the Group in May 2025.

5. *Commercial property in Shatian, Dongguan, Guangdong (100% owned)*

The Group holds a 4-storey commercial building in Shatian, Dongguan, providing a total GFA of about 4,167 *sq. m.* for commercial, retail and office usage. As at 31 March 2025, valuation of the property was RMB34.2 million (equivalent to approximately HK\$36.6 million). During the year under review, one storey was leased to 中國人壽東莞分公司 (China Life Dongguan branch) for office use up to the expiration of its tenancy on 30 June 2024. Another storey and the ground floor were leased to independent third parties for gymnasium and retail use respectively. The aggregate annual rental income was about RMB0.7 million (equivalent to approximately HK\$0.8 million). The Group will continue to carry out marketing to lease out the vacant units of the property.

6. *Wisma Chuang, Jalan Sultan Ismail, Kuala Lumpur, Malaysia (100% owned)*

Wisma Chuang is located within the prime city centre, situated right next to the landmark shopping complex, Pavilion KL, the heart of central business district and prestigious shopping area of Kuala Lumpur. It is built on a freehold land and is a 29-storey high rise office building having retail and office spaces of approximately 254,000 *sq. ft.* (on total net lettable area basis is approximately 195,000 *sq. ft.*) and 298 carparking spaces. As at 31 March 2025, the valuation of this property was MYR158.1 million (equivalent to approximately HK\$277.1 million), which represents an average value of approximately MYR811 (equivalent to approximately HK\$1,421) per *sq. ft.* of net lettable retail and office area.

Wisma Chuang is leased to multi tenants with an occupancy rate of approximately 63%, and annual rental income was approximately MYR5.5 million (equivalent to approximately HK\$9.6 million). The Group will seek appropriate strategies to accelerate return from this investment.

The Group will identify suitable opportunities to dispose of its investment properties in order to strengthen the Group's cash resources and financial position.

## **B. Property Development**

1. *ARUNA, No. 8 Ping Lan Street, Ap Lei Chau, Hong Kong (100% owned)*

The property has a site area of about 4,320 *sq. ft.* and has a developable GFA of about 40,000 *sq. ft.*. It is developed into a 27-storey residential/commercial building comprising 105 residential units with clubhouse facilities and retail units at the podium levels. Construction works had been completed and occupation permit had been obtained on 13 June 2024. Pre-sale had commenced in April 2024 and a total of

43 residential units have been launched to the market for sale. Up to the date of this report, 29 units have been sold with an aggregate sale amount of about HK\$143.5 million. During the year under review, sales of 10 residential units amounted to HK\$43.7 million had been completed with units handed-over to end-buyers and were recognized as revenues in the Group's financial statements. It is expected that the remaining 19 residential units with sales amounted to HK\$99.8 million will be completed in the financial year ending 31 March 2026. Besides, up to the date of this report, the Group has leased 12 residential units with aggregate annual rental income of HK\$2.6 million in order to generate more income from this project.

As affected by the fall in property market, a further provision for impairment of about HK\$59.9 million (2024: HK\$154.8 million) was recorded for this project during the year under review. The Group will closely monitor the property market in Hong Kong for marketing and selling the remaining residential units and the retail units.

2. *Chuang's Plaza, Anshan, Liaoning (100% owned)*

Adjacent to Chuang's Mid-town, the Group acquired through government tender the second site located in the prime city centre of Tie Dong Qu (鐵東區) with a site area of about 39,449 sq. m.. It is recorded as "Deposits" in the Group's financial statements at a historical cost of about RMB167.0 million (equivalent to approximately HK\$178.7 million). As about 1,193 sq. m. of the land title has not yet been rectified by the government authorities with the local railway corporation, the Group is holding discussions with the local authorities regarding such reduction in land area. In view of the weak economy and market condition of Anshan as detailed in the discussion of Chuang's Mid-town above, as well as the uncertainties in policies and execution aspect by the local government authorities, an impairment provision of about HK\$78.6 million (2024: Nil) was made for this development site during the year under review. The Group continues to identify opportunities to dispose of this project.

3. *Changsha, Hunan (69% owned)*

The Group owns an effective 69% interests in a property development project in Changsha, and the total historical investment cost incurred by the Group in the PRC project company was about HK\$23.8 million. The voluntary liquidation of the PRC project company is close to the final stage. Based on the assessment by the liquidation team regarding the assets and liabilities of the PRC project company and as adversely affected by the weak market condition in Changsha, there may not be much distribution available to shareholders of the PRC project company. However, the actual outcome will still be subject to finalization of the liquidation process. Taking into account the estimated net liabilities position of the PRC project company, its consolidated net value is not material in the consolidated financial statements of the Group.

4. *Chengdu, Sichuan (51% owned)*

The Group holds a 51% development interest in a project in Wuhou District, Chengdu. The Group's historical book cost in this project was about RMB123.8 million (equivalent to approximately HK\$137.9 million) after taking into account a portion of judgement payments amounting to about RMB12.9 million (equivalent to approximately HK\$13.8 million) received by the Group in August 2021 through court enforcement. A provision of about HK\$12.7 million (2024: HK\$7.9 million) was recorded during the year in view of the slow recovery progress of judgement payments. The Group will continue to explore ways in order to recover its investment.

5. *Others*

As previously reported, the Group obtained a judgement from court in Beijing for the registered owners of the courtyard house to transfer the title to the designated nominee of the Group. The transfer of one courtyard house was completed in prior years, whereas procedure for the transfer of another courtyard house is in progress. The Group keeps on monitor and follow up the status.

**C. Fortune Wealth, Sihui, Guangdong (86% owned)**

The Fortune Wealth Memorial Park operates a cemetery in Sihui with a site area of approximately 518 mu agreed by the local government authorities. Development of the project is conducted by phases. Phase I of about 100 mu has been completed with 5,485 grave plots, one mausoleum providing 550 niches, as well as an administrative and customer service building.

Development of the remaining 418 mu will be divided into Phase II to Phase V. Based on the revised master layout plan of Phase II to Phase V, about 36,726 grave plots will be constructed covering land area of 268 mu and 150 mu of road access and greenbelts. For Phase II to Phase III, land use rights of approximately 143 mu had been obtained, which will accommodate a total of about 22,212 grave plots. For Phase IV to Phase V, land use rights of approximately 5.2 mu had been obtained and additional land quota of about 119.8 mu shall be required for the construction of a total of about 14,514 grave plots. As for the 150 mu of road access and greenbelts, Fortune Wealth will ascertain the arrangement required by the local authorities. During the year under review, the construction works of roads for Phase II and Phase III are being carried out. Site formation and construction works on other parts of the land are in progress.

As at 31 March 2025, the cemetery assets (including non-controlling interests) were recorded based on the book cost of about RMB920.0 million (equivalent to approximately HK\$984.6 million).

Fortune Wealth has full license for sale not only in the PRC, but also includes overseas Chinese as well as residents of Hong Kong, Macau and Taiwan. As at 31 March 2025, about 2,532 grave plots and 521 niches were available for sale. Fortune Wealth will review its sales and marketing strategy and will take more proactive steps in its brand building and customer services.

## **D. Securities Investments**

### *1. Investments in CNT Group Limited (“CNT”) and CPM Group Limited (“CPM”)*

As at 31 March 2025, the Group owned about 19.35% interests in CNT and about 0.6% interests in CPM, both of them are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). CNT and its subsidiaries are principally engaged in the property business, and through its 75% owned subsidiary, CPM, is principally engaged in the manufacture and sale of paint products under its own brand names with focus on the PRC market.

With reference to the respective closing share prices of CNT and CPM as at 31 March 2025 of HK\$0.225 (2024: HK\$0.33) and HK\$0.213 (2024: HK\$0.26), the aggregate book value of the Group’s investments in CNT and CPM is about HK\$84.2 million (2024: HK\$123.2 million). The change in book value is accounted for as “Reserve” in the financial statements.

### *2. Investments in listed corporate bonds and other investments*

As at 31 March 2025, investments of the Group amounted to HK\$124.0 million, comprised as to HK\$26.6 million for investments in listed corporate bonds, HK\$0.2 million for investments in securities listed on the Stock Exchange and the balance of HK\$97.2 million for other investments.

The Group has redeemed/disposed and accepted restructuring exchange of certain listed corporate bond investments since the last financial year. During the year under review, the Group recorded net loss before tax of HK\$7.9 million for investments, comprising interest and other income from bond investments of HK\$0.6 million, net gain on disposals of investments of HK\$0.7 million, and unrealized net fair value loss on investments of HK\$9.2 million mainly as a result of mark to market valuation of investments held as at the balance sheet date. The unrealized fair value loss is accounting loss with no immediate cash flow impact to the Group. Subsequent to the year ended, the Group continues to seek and secure opportunities to slim down the bond portfolio by disposing of all the bonds of Greenland Global Investment Limited to the market at a profit.

The other investments of the Group (of which about HK\$19.4 million are denominated in Renminbi, and about HK\$77.8 million are denominated in United States dollar) comprised of FinTech companies, venture capital investment platforms, high technology companies and investment funds which are not listed or just listed in the markets. On top of the amount of RMB6 million received in the prior year, the Group had fully redeemed the investment with original principal amount of RMB30 million during the year under review. The Group will continue to monitor the performance of its respective investment portfolios from time to time.

## **FINANCIAL REVIEW**

### **Net asset value**

As at 31 March 2025, the net asset value attributable to equity holders of the Company amounted to HK\$2,905.6 million. Net asset value per share amounted to HK\$1.24.

### **Financial Resources**

As at 31 March 2025, the Group had cash and bank balances of HK\$367.8 million (2024: HK\$920.1 million) and held bond and securities investments amounting to HK\$26.8 million (2024: HK\$18.7 million), totaling HK\$394.6 million (2024: HK\$938.8 million). As at the same date, bank borrowings of the Group amounted to HK\$131.1 million (2024: HK\$652.3 million). On this basis, the Group had net cash of HK\$263.5 million (2024: HK\$286.5 million) and the calculation of net debt to equity ratio was therefore not applicable (2024: Same).

Approximately 85.4% of the Group's cash, bank balances, bond and securities investments were in Hong Kong dollar and United States dollar, 12.7% were in Renminbi and the balance of 1.9% were in other currencies. All the Group's bank borrowings were in Hong Kong dollar.

Based on the agreed scheduled repayment dates in the loan agreements and ignoring the effect of any repayment on demand clause, approximately 7.3% of the Group's bank borrowings were repayable within the first year, 7.3% were repayable within the second year, and the balance of 85.4% were repayable within the third to fifth years.

### **Foreign Exchange Risk**

As disclosed in the "Business Review" section of this announcement, besides Hong Kong, the Group also conducts its businesses in the PRC and Malaysia, with the income and the major cost items in those places being denominated in their local foreign currencies. Therefore, it is expected that any fluctuation of these foreign currencies' exchange rates would not have material effect on the operations of the Group. However, as the Group's consolidated financial statements are presented in Hong Kong dollar, and the Group has some monetary assets and liabilities denominated in foreign currencies, the Group's financial position is subject to exchange exposure to these foreign currencies. The Group would closely monitor this risk exposure from time to time.

## **PROSPECTS**

The Group continues to hold a cautious view about the global economic outlook. In the PRC, with various supportive policies including reduction in down payments and mortgage rates, and relaxation of purchase restrictions implemented by the central government, the property market has gradually stabilized and shown signs of steady recovery. In Hong Kong, with the new measures including various talent admission schemes and the relaxation of mortgage lending restrictions implemented by the Hong Kong government, as well as the interest rate reductions, it is expected that the property market will gradually recover. Against such backdrop, the Group will continue to optimize its operations and will also continue to identify opportunities to enhance its cash resources and maximize return for its shareholders.

## **CLOSING OF REGISTER**

The annual general meeting of the Company (“AGM”) is scheduled on Monday, 15 September 2025. For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Wednesday, 10 September 2025 to Monday, 15 September 2025, both dates inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company’s share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 9 September 2025.

## **STAFF**

The Group puts emphasis on training and cultivating elite talent. We are committed to providing a dynamic and enthusiastic working atmosphere and increase hiring talents of all fields. As at 31 March 2025, the Group employed 72 staff. The Group provides its staff with other benefits including discretionary bonus, double pay, contributory provident fund, share options and medical insurance. Staff training is also provided as and when required.

## **DEALING IN THE COMPANY’S SECURITIES**

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company’s listed shares during the year.

## **CORPORATE GOVERNANCE**

The Company has complied throughout the year ended 31 March 2025 with the code provisions set out in the Appendix C1 – Corporate Governance Code (the “CG Code”) of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

An audit committee has been established by the Company to review and supervise the Company’s financial reporting process, risk management and internal controls and review the relationship with the auditor. The audit committee has held meetings in accordance with the relevant requirements and reviewed the consolidated results of the Group for the year ended 31 March 2025. The current members of the audit committee are Mr. Abraham Shek Lai Him, Mr. Andrew Fan Chun Wah and Dr. Ng Kit Chong, the Independent Non-Executive Directors of the Company.

The Company has also adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix C3 of the Listing Rules. Having made specific enquiries of all Directors of the Company, the Company received confirmations from all Directors that they have complied with the required standard as set out in the Model Code.



Pursuant to Code B.3.5 of the CG Code which will be effective on 1 July 2025, Miss Ann Li Mee Sum, an Executive Director, is appointed as a member of the nomination committee of the Company (the “Nomination Committee”) with effect from 1 July 2025. The members of the Nomination Committee will comprise Mr. Abraham Shek Lai Him, Mr. Andrew Fan Chun Wah, Dr. Ng Kit Chong and Miss Ann Li Mee Sum.

## **REVIEW OF PRELIMINARY ANNOUNCEMENT**

The figures in this preliminary announcement of the Group’s results for the year ended 31 March 2025 have been agreed by the Group’s auditor, PricewaterhouseCoopers, to the amounts set out in the Group’s draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers 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 PricewaterhouseCoopers on this preliminary announcement.

## **PUBLICATION OF RESULTS ON THE STOCK EXCHANGE’S WEBSITE**

The annual report of the Company for the year ended 31 March 2025 containing all applicable information required by paragraph 45 of Appendix D2 of the Listing Rules will be published on the website of the Stock Exchange in due course.

By order of the Board of  
**Chuang’s China Investments Limited**  
**Albert Chuang Ka Pun**  
*Chairman*

Hong Kong, 26 June 2025

*As at the date of this announcement, Mr. Albert Chuang Ka Pun, Miss Ann Li Mee Sum, Mr. Edwin Chuang Ka Fung and Mr. Geoffrey Chuang Ka Kam are the Executive Directors of the Company, Mr. Dominic Lai is the Non-Executive Director of the Company, and Mr. Abraham Shek Lai Him, Mr. Andrew Fan Chun Wah and Dr. Ng Kit Chong are the Independent Non-Executive Directors of the Company.*