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## **CHEVALIER INTERNATIONAL HOLDINGS LIMITED**

**其士國際集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 25)**

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

#### **RESULTS**

The board of directors (the “Board”) of Chevalier International Holdings Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (together, the “Group”) for the year ended 31 March 2025, together with the comparative figures summarised as follows:

#### **CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2025**

	Note	<b>2025 HK\$'000</b>	<b>2024 HK\$'000</b>
<b>Revenue</b>	4	<b>9,265,045</b>	8,196,207
Cost of sales		<b>(8,626,053)</b>	(7,341,510)
Gross profit		<b>638,992</b>	854,697
Other income	5	<b>112,289</b>	92,783
Other losses, net	6	<b>(490,008)</b>	(507,063)
Selling and distribution costs		<b>(179,093)</b>	(199,262)
Administrative expenses		<b>(382,983)</b>	(395,643)
Operating loss		<b>(300,803)</b>	(154,488)
Share of results of associates		<b>133,018</b>	169,739
Share of results of joint ventures		<b>(51,531)</b>	(49,127)
		<b>(219,316)</b>	(33,876)

	Note	2025 HK\$'000	2024 HK\$'000
Finance income	7	114,177	89,706
Finance costs	7	<u>(258,738)</u>	<u>(217,082)</u>
Finance costs, net	7	<u><u>(144,561)</u></u>	<u><u>(127,376)</u></u>
Loss before taxation	8	(363,877)	(161,252)
Taxation	9	<u>(138,739)</u>	<u>(161,512)</u>
<b>Loss for the year</b>		<u><u>(502,616)</u></u>	<u><u>(322,764)</u></u>
<b>Attributable to:</b>			
Shareholders of the Company		(473,089)	(370,390)
Non-controlling interests		<u>(29,527)</u>	<u>47,626</u>
		<u><u>(502,616)</u></u>	<u><u>(322,764)</u></u>
<b>Loss per share</b>			
– basic and diluted (HK\$ per share)	10	<u><u>(1.57)</u></u>	<u><u>(1.23)</u></u>

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2025**

	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
<b>Loss for the year</b>	<b>(502,616)</b>	(322,764)
<b>Other comprehensive (expenses)/income for the year</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Exchange difference attributable to non-controlling interests on translation of operations of overseas subsidiaries	(2,129)	(13,606)
Change in fair value of investments at fair value through other comprehensive income	(8,131)	4,061
Fair value surplus of property, plant and equipment upon transfer to investment properties	–	13,940
Share of a joint venture's fair value surplus of property, plant and equipment upon transfer to investment properties	415	–
Remeasurement of defined benefit plan obligations	(3,377)	–
<b>Items that may be reclassified subsequently to profit or loss</b>		
Exchange difference on translation of operations of overseas subsidiaries, associates and joint ventures	(58,267)	(179,914)
Other comprehensive expenses for the year, net of tax	(71,489)	(175,519)
<b>Total comprehensive expenses for the year</b>	<b>(574,105)</b>	(498,283)
<b>Attributable to:</b>		
Shareholders of the Company	(542,378)	(532,303)
Non-controlling interests	(31,727)	34,020
	<b>(574,105)</b>	(498,283)

Note:

Items shown within other comprehensive (expenses)/income are disclosed net of tax.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2025**

	Note	2025 HK\$'000	2024 HK\$'000
<b>Non-current assets</b>			
Investment properties		5,748,044	4,943,096
Property, plant and equipment		2,557,954	2,743,653
Goodwill		447,894	513,831
Other intangible assets		22,642	19,668
Interests in associates		727,956	741,397
Interests in joint ventures		1,256,127	961,002
Investments at fair value through other comprehensive income		44,015	54,151
Investments at fair value through profit or loss		501,198	871,908
Investments at amortised cost		508,972	209,492
Properties under development		204,656	187,274
Deferred tax assets		55,307	62,503
Amount due from a non-controlling interest		9,806	10,625
Reinsurance contract assets		101,560	41,804
Other non-current assets		103,627	186,748
		<u>12,289,758</u>	<u>11,547,152</u>
<b>Current assets</b>			
Amounts due from associates		16,957	30,907
Amounts due from joint ventures		5,747	135,894
Amounts due from non-controlling interests		34,582	35,610
Investments at fair value through profit or loss		1,400,941	839,894
Investments at amortised cost		153,200	304,237
Inventories		205,250	222,572
Properties for sale		964,474	770,019
Properties under development		555,421	1,917,266
Debtors, contract assets, deposits paid and prepayments	12	2,458,600	1,996,842
Derivative financial instruments		65	—
Reinsurance contract assets		21,730	68,432
Prepaid tax		26,693	23,473
Bank balances and cash		1,889,668	2,472,257
		<u>7,733,328</u>	<u>8,817,403</u>
Assets held-for-sale	17	126,439	—
		<u>7,859,767</u>	<u>8,817,403</u>

	Note	2025 HK\$'000	2024 HK\$'000
<b>Current liabilities</b>			
Amounts due to joint ventures		22,177	17,665
Amounts due to non-controlling interests		259,539	259,233
Derivative financial instruments		–	425
Creditors, bills payable, deposits received, contract liabilities, accruals and provisions	13	3,320,566	3,062,000
Insurance contract liabilities		379,967	364,710
Current income tax liabilities		120,175	110,691
Bank and other borrowings		1,445,356	1,044,471
Lease liabilities		17,837	19,105
		<u>5,565,617</u>	<u>4,878,300</u>
<b>Net current assets</b>		<u>2,294,150</u>	<u>3,939,103</u>
<b>Total assets less current liabilities</b>		<u>14,583,908</u>	<u>15,486,255</u>
<b>Capital and reserves</b>			
Share capital		376,586	377,411
Reserves		8,796,090	9,407,178
		<u>9,172,676</u>	<u>9,784,589</u>
Shareholders' funds		9,172,676	9,784,589
Non-controlling interests		496,102	557,747
		<u>9,668,778</u>	<u>10,342,336</u>
<b>Total equity</b>		<u>9,668,778</u>	<u>10,342,336</u>
<b>Non-current liabilities</b>			
Amounts due to non-controlling interests		286,114	270,193
Insurance contract liabilities		950,242	904,789
Bank and other borrowings		3,113,909	3,426,434
Lease liabilities		49,009	63,157
Deferred tax liabilities		515,856	479,346
		<u>4,915,130</u>	<u>5,143,919</u>
<b>Total equity and non-current liabilities</b>		<u>14,583,908</u>	<u>15,486,255</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 1 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). These financial statements also complied with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622) and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, investments at fair value through other comprehensive income and financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss, and the actuarial valuation of reinsurance contract assets, insurance contract liabilities and long service payment provision.

### 2 MATERIAL ACCOUNTING POLICY INFORMATION

#### (a) Amendments to standards and interpretation that are effective for the Group’s financial year beginning on 1 April 2024

The HKICPA has issued the following amendments to standards and interpretation for the financial year of the Group beginning on 1 April 2024:

- HKAS 1 (amendments), “Classification of Liabilities as Current or Non-current” and “Non-current Liabilities with Covenants”
- HKAS 7 and HKFRS 7 (amendments), “Supplier Finance Arrangements”
- HKFRS 16 (amendments), “Lease Liability in a Sale and Leaseback”
- HK Int 5 (revised), “Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause”

The adoption of the above amendments to standards and interpretation neither have significant impact on the Group’s consolidated results and financial position nor any substantial changes in the Group’s accounting policies and the presentation of the consolidated financial statements.

**(b) New standards, amendments to standards and interpretation that have been issued but are not yet effective and have not been early adopted by the Group**

The following new standards, amendments to standards and interpretation have been issued but are not yet effective for the financial year of the Group beginning on 1 April 2024 and have not been early adopted:

- HKAS 21 and HKFRS 1 (amendments), “Lack of Exchangeability”<sup>1</sup>
- HKFRS 9 and HKFRS 7 (amendments), “Classification and Measurement of Financial Instruments” and “Contracts Referencing Nature-dependent Electricity”<sup>2</sup>
- HKFRS 10 and HKAS 28 (amendments), “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture”<sup>4</sup>
- HKFRS 18, “Presentation and Disclosure in Financial Statements”<sup>3</sup>
- HK Int 5 (amendments), “Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause”<sup>3</sup>
- Annual Improvements to HKFRS Accounting Standards – Volume 11<sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>4</sup> Effective for annual periods beginning on or after a date to be determined

The Group anticipates that the application of new standards, amendments to standards and interpretation that have been issued but are not yet effective may have no material impact on the results of operations and financial position, except for HKFRS 18, which is expected to have certain impacts to the presentation of the Group’s consolidated financial statements.

### 3 SEGMENT INFORMATION

The operating segments are determined based on the reports reviewed by the Directors, the chief operating decision-maker, that are used to make strategic decisions. The Directors consider the business from a product/service perspective.

Principal activities of the segments are as follows:

Construction and engineering: Construction and engineering work for aluminium windows and curtain walls, building construction, building supplies, civil engineering, electrical and mechanical engineering, environmental engineering, and lifts and escalators.

Property investment: Properties rental business.

Property development and operations: Property development and management, cold storage and logistics and hotel operations.

Healthcare investment: Senior housing business and medical office building investment.

Car dealership: Retailing, trading and servicing of motor vehicles.

Insurance and investment: General insurance business (except aircraft, aircraft liabilities and credit insurance) and investment in securities.

Others: Sale and servicing of information technology equipment and business machines, food trading, food and beverage and freight forwarding services.

Segment revenue is measured in a manner consistent with that in the consolidated income statement, except that it also includes the Group's share of revenue of associates and joint ventures on a proportionate consolidated basis. The sales from associates and joint ventures to the Group and sales between individual associates and joint ventures are not eliminated.

The Directors assess the performance of the operating segments based on a measure of segment results. This measurement includes the Group's share of results of associates and joint ventures on a proportionate consolidated basis. Unallocated corporate expenses, unallocated finance income and costs and unallocated taxation are not included in segment results.

Segment assets mainly consist of current assets and non-current assets as disclosed in the consolidated statement of financial position except prepaid tax, unallocated bank balances and cash, deferred tax assets and other unallocated assets.

Segment liabilities mainly consist of current liabilities and non-current liabilities as disclosed in the consolidated statement of financial position except current income tax liabilities, bank and other borrowings and deferred tax liabilities.



**(a) Revenue and results**

	Construction and engineering HK\$'000	Property investment HK\$'000	Property development and operations HK\$'000	Healthcare investment HK\$'000	Car dealership HK\$'000	Insurance and investment HK\$'000	Others HK\$'000	Total HK\$'000
<b>For the year ended 31 March 2025</b>								
<b>REVENUE</b>								
Total revenue	5,397,650	205,851	781,983	884,977	1,083,395	550,579	439,024	9,343,459
Inter-segment revenue (note)	(12,600)	(2,042)	(44,613)	–	–	(11,304)	(7,855)	(78,414)
Group revenue	5,385,050	203,809	737,370	884,977	1,083,395	539,275	431,169	9,265,045
Share of revenue of associates and joint ventures	1,303,898	–	47,252	127,493	418,545	–	210,953	2,108,141
Proportionate revenue from a joint venture eliminated	(1,989)	–	–	–	–	–	–	(1,989)
Segment revenue	6,686,959	203,809	784,622	1,012,470	1,501,940	539,275	642,122	11,371,197
<b>Revenue from contracts with customers:</b>								
– recognised at a point in time	24,947	–	336,882	4,087	1,043,176	1,001	392,397	1,802,490
– recognised over time	5,360,068	–	393,526	880,890	6,241	–	36,795	6,677,520
Revenue from other sources	35	203,809	6,962	–	33,978	538,274	1,977	785,035
Group revenue	5,385,050	203,809	737,370	884,977	1,083,395	539,275	431,169	9,265,045
<b>RESULTS</b>								
Segment profit/(loss) before finance costs, net	275,731	188,775	(281,312)	(432,882)	(7,694)	113,825	(19,713)	(163,270)
Finance income	8,775	2,992	14,502	5,358	1,796	30,140	2,358	65,921
Finance costs	(1,345)	(18,960)	–	(22,066)	(6,669)	–	(2,807)	(51,847)
Segment profit/(loss) before taxation	283,161	172,807	(266,810)	(449,590)	(12,567)	143,965	(20,162)	(149,196)
Taxation	(21,927)	(47,206)	(31,130)	(13,035)	279	(19,602)	(6,031)	(138,652)
Segment profit/(loss) after taxation	261,234	125,601	(297,940)	(462,625)	(12,288)	124,363	(26,193)	(287,848)
<b>Included in segment profit/(loss) are:</b>								
Share of results of associates	141,980	–	–	–	–	–	(8,962)	133,018
Share of results of joint ventures	566	–	(34,730)	(21,048)	3,681	–	–	(51,531)
Depreciation and amortisation, net of amounts allocated to contract work	(14,860)	(1,054)	(68,808)	(77,670)	(18,454)	(102)	(12,091)	(193,039)
Provision recognised for properties for sale to net realisable value	–	–	(109,380)	–	–	–	–	(109,380)
Provision recognised for properties under development	–	–	(180,855)	–	–	–	–	(180,855)
Impairment loss on property, plant and equipment	–	–	–	–	(6,227)	–	–	(6,227)
Impairment loss on investments at amortised cost	–	–	–	–	–	(2,918)	–	(2,918)
Impairment loss on other non-current assets	–	–	–	(5,825)	–	–	–	(5,825)
Impairment loss on goodwill	–	–	–	(31,160)	–	–	–	(31,160)
Increase/(decrease) in fair value of investment properties, net	–	52,779	(13,018)	779	(2,321)	–	4,379	42,598
Unrealised (loss)/gain on investments at fair value through profit or loss, net	–	–	–	(350,000)	–	23,495	–	(326,505)
Provision (recognised)/written back for inventories to net realisable value, net	(5)	–	–	–	1,749	–	(246)	1,498
Provision written back/(recognised) for trade and other debtors, net	15,227	(475)	(206)	(4,810)	–	–	(146)	9,590

	Construction and engineering HK\$'000	Property investment HK\$'000	Property development and operations HK\$'000	Healthcare investment HK\$'000	Car dealership HK\$'000	Insurance and investment HK\$'000	Others HK\$'000	Total HK\$'000
<b>For the year ended 31 March 2024</b>								
<b>REVENUE</b>								
Total revenue	4,093,682	193,338	667,903	831,295	1,552,983	560,585	425,674	8,325,460
Inter-segment revenue (note)	(52,544)	(1,740)	(45,022)	–	–	(22,578)	(7,369)	(129,253)
Group revenue	4,041,138	191,598	622,881	831,295	1,552,983	538,007	418,305	8,196,207
Share of revenue of associates and joint ventures	1,389,449	–	37,629	125,023	413,372	–	174,008	2,139,481
Proportionate revenue from a joint venture eliminated	(816)	–	–	–	–	–	–	(816)
<b>Segment revenue</b>	<b>5,429,771</b>	<b>191,598</b>	<b>660,510</b>	<b>956,318</b>	<b>1,966,355</b>	<b>538,007</b>	<b>592,313</b>	<b>10,334,872</b>
<b>Revenue from contracts with customers:</b>								
– recognised at a point in time	21,120	–	193,368	2,968	1,499,733	774	380,187	2,098,150
– recognised over time	4,019,983	–	421,788	822,404	18,619	–	36,597	5,319,391
<b>Revenue from other sources</b>	<b>35</b>	<b>191,598</b>	<b>7,725</b>	<b>5,923</b>	<b>34,631</b>	<b>537,233</b>	<b>1,521</b>	<b>778,666</b>
<b>Group revenue</b>	<b>4,041,138</b>	<b>191,598</b>	<b>622,881</b>	<b>831,295</b>	<b>1,552,983</b>	<b>538,007</b>	<b>418,305</b>	<b>8,196,207</b>
<b>RESULTS</b>								
<b>Segment profit/(loss) before finance costs, net</b>								
Finance income	6,172	2,789	12,009	4,544	2,515	38,630	1,907	68,566
Finance costs	(1,909)	(26,194)	–	(41,438)	(9,429)	–	(3,407)	(82,377)
Segment profit/(loss) before taxation	310,897	85,597	(91,502)	(366,281)	(28,978)	152,855	(47,154)	15,434
Taxation	(28,604)	(48,649)	(52,780)	(4,409)	408	(18,626)	(8,145)	(160,805)
<b>Segment profit/(loss) after taxation</b>	<b>282,293</b>	<b>36,948</b>	<b>(144,282)</b>	<b>(370,690)</b>	<b>(28,570)</b>	<b>134,229</b>	<b>(55,299)</b>	<b>(145,371)</b>
<b>Included in segment profit/(loss) are:</b>								
Share of results of associates	188,240	–	–	–	–	–	(18,501)	169,739
Share of results of joint ventures	594	–	(7,747)	(42,368)	394	–	–	(49,127)
Depreciation and amortisation, net of amounts allocated to contract work	(12,351)	(1,091)	(68,888)	(68,451)	(25,797)	(68)	(15,349)	(191,995)
Provision recognised for properties for sale to net realisable value	–	–	(27,991)	–	–	–	–	(27,991)
Provision recognised for properties under development	–	–	(190,500)	–	–	–	–	(190,500)
Impairment loss on property, plant and equipment	–	–	–	(1,915)	(7,784)	–	(18,449)	(28,148)
Impairment loss on goodwill	–	–	–	(89,661)	–	–	–	(89,661)
(Decrease)/increase in fair value of investment properties, net	–	(32,016)	27,399	(2,349)	(3,270)	–	13,259	3,023
Unrealised loss on investments at fair value through profit or loss, net	–	–	–	(122,402)	–	(29,328)	–	(151,730)
Provision (recognised)/written back for inventories to net realisable value, net	(34)	–	–	–	4,834	–	(1,143)	3,657
Provision (recognised)/written back for trade and other debtors, net	(31,601)	–	251	(8,022)	–	–	(86)	(39,458)

Note:

Inter-segment revenue is charged at prices determined by the Directors with reference to market prices.

Total segment revenue is reconciled to the Group's revenue in the consolidated income statement as follows:

	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
Total segment revenue	<b>11,371,197</b>	10,334,872
Add: Proportionate revenue from a joint venture eliminated	<b>1,989</b>	816
Less: Share of revenue of associates and joint ventures		
Maintenance and other services	<b>790,315</b>	736,860
Construction and installation contracts	<b>513,583</b>	652,589
Sales of motor vehicles and others	<b>418,545</b>	413,372
Food and beverage	<b>210,953</b>	174,008
Leasing of properties	<b>129,134</b>	126,547
Hotel operations	<b>23,830</b>	29,524
Sales of properties	<b>21,781</b>	6,581
	<b>2,108,141</b>	2,139,481
Total revenue in the consolidated income statement (note 4)	<b>9,265,045</b>	8,196,207

Reconciliation of segment loss after taxation to loss for the year is provided as follows:

	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
Segment loss after taxation	<b>(287,848)</b>	(145,371)
Unallocated corporate expenses	<b>(56,046)</b>	(63,121)
Unallocated finance income	<b>48,256</b>	21,140
Unallocated finance costs	<b>(206,891)</b>	(134,705)
Unallocated taxation	<b>(87)</b>	(707)
Loss for the year	<b>(502,616)</b>	(322,764)

**(b) Assets and liabilities**

	Construction and engineering HK\$'000	Property investment HK\$'000	Property development and operations HK\$'000	Healthcare investment HK\$'000	Car dealership HK\$'000	Insurance and investment HK\$'000	Others HK\$'000	Total HK\$'000
<b>At 31 March 2025</b>								
<b>ASSETS</b>								
Segment assets	3,085,793	6,047,819	3,648,544	3,064,572	863,871	2,470,576	503,602	19,684,777
Included in segment assets are:								
Interests in associates	727,956	-	-	-	-	-	-	727,956
Interests in joint ventures	15,353	-	603,961	558,817	77,996	-	-	1,256,127
Amount due from an associate	16,957	-	-	-	-	-	-	16,957
Amounts due from joint ventures	-	-	4,785	-	962	-	-	5,747
Additions to non-current assets (note)	75,979	23,777	6,481	66,412	25,242	311	4,744	202,946
<b>LIABILITIES</b>								
Segment liabilities	2,418,142	88,588	412,760	431,086	427,909	1,393,534	113,432	5,285,451
Included in segment liabilities are:								
Amounts due to joint ventures	-	-	22,177	-	-	-	-	22,177
<b>At 31 March 2024</b>								
<b>ASSETS</b>								
Segment assets	2,680,519	5,260,688	4,592,888	3,340,199	918,437	2,408,145	510,606	19,711,482
Included in segment assets are:								
Interests in associates	741,397	-	-	-	-	-	-	741,397
Interests in joint ventures	14,788	-	264,697	606,889	74,628	-	-	961,002
Amounts due from associates	20,107	-	-	-	-	-	10,800	30,907
Amounts due from joint ventures	-	-	135,894	-	-	-	-	135,894
Additions to non-current assets (note)	80,897	4,317	40,059	80,274	24,756	163	4,665	235,131
<b>LIABILITIES</b>								
Segment liabilities	2,253,196	96,255	347,469	387,771	433,769	1,330,790	112,027	4,961,277
Included in segment liabilities are:								
Amounts due to joint ventures	-	-	17,512	-	153	-	-	17,665

**Note:**

Non-current assets represent non-current assets other than financial instruments, interests in associates, interests in joint ventures, deferred tax assets, amount due from a non-controlling interest and reinsurance contract assets.

Reconciliation of segment assets and liabilities to total assets and liabilities is provided as follows:

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Segment assets	<b>19,684,777</b>	19,711,482
Prepaid tax	<b>26,693</b>	23,473
Unallocated bank balances and cash	<b>364,248</b>	548,956
Deferred tax assets	<b>55,307</b>	62,503
Other unallocated assets	<b>18,500</b>	18,141
	<hr/>	<hr/>
Total assets	<b>20,149,525</b>	20,364,555
	<hr/>	<hr/>
Segment liabilities	<b>5,285,451</b>	4,961,277
Current income tax liabilities	<b>120,175</b>	110,691
Bank and other borrowings	<b>4,559,265</b>	4,470,905
Deferred tax liabilities	<b>515,856</b>	479,346
	<hr/>	<hr/>
Total liabilities	<b>10,480,747</b>	10,022,219
	<hr/>	<hr/>

**(c) Geographical information**

The Group's operations in construction and engineering businesses are mainly carried out in Hong Kong, Mainland China, Macau and Australia. Property investment businesses are mainly carried out in Hong Kong, Mainland China, Canada, Singapore and the United Kingdom. Property development and operations businesses are mainly carried out in Hong Kong, Mainland China and Canada. Healthcare investment businesses are carried out in Hong Kong and the United States of America ("USA"). Car dealership businesses are carried out in Mainland China and Canada. Insurance and investment businesses are mainly carried out in Hong Kong. Other businesses are mainly carried out in Hong Kong, the USA, Mainland China and Thailand.

The associates' and joint ventures' operations in construction and engineering businesses are mainly carried out in Hong Kong, Mainland China, Singapore and Macau. Property development and operations businesses are mainly carried out in Hong Kong and Mainland China. Healthcare investment businesses are carried out in the USA. Car dealership businesses are carried out in Mainland China. Other businesses are mainly carried out in Hong Kong and Australia.

	Segment revenue by geographical areas							
	Company and subsidiaries HK\$'000	Associates and joint ventures HK\$'000	2025 Total HK\$'000	%	Company and subsidiaries HK\$'000	Associates and joint ventures HK\$'000	2024 Total HK\$'000	%
Hong Kong	6,244,722	810,144 <sup>#</sup>	7,054,866	62	4,343,680	734,445 <sup>#</sup>	5,078,125	50
Mainland China	1,087,370	830,413	1,917,783	17	1,431,331	1,000,394	2,431,725	24
USA	998,405	127,493	1,125,898	10	948,386	125,023	1,073,409	10
Macau	414,746	16,129	430,875	4	927,456	17,086	944,542	9
Canada	354,536	–	354,536	3	403,703	–	403,703	4
Singapore	14,647	292,330	306,977	3	14,035	237,338	251,373	2
Australia	77,993	29,150	107,143	1	54,591	23,916	78,507	1
Thailand	49,701	–	49,701	0	44,602	–	44,602	0
United Kingdom	22,925	–	22,925	0	28,423	–	28,423	0
Vietnam	–	493	493	0	–	463	463	0
	<u>9,265,045</u>	<u>2,106,152</u>	<u>11,371,197</u>	<u>100</u>	<u>8,196,207</u>	<u>2,138,665</u>	<u>10,334,872</u>	<u>100</u>

<sup>#</sup> The proportionate revenue from a joint venture is eliminated.

The Group had two customers that each contributed more than 10% of the Group's total revenue. Revenue from these customers accounted for HK\$1,050.4 million and HK\$967.8 million, respectively, or 11.3% and 10.4% of the total revenue of the Group for the year ended 31 March 2025 (2024: One customer is accounted for HK\$870.3 million or 10.6% of the total revenue of the Group).

The following is an analysis of the carrying amounts of non-current assets, excluding financial instruments, interests in associates, interests in joint ventures, deferred tax assets, amount due from a non-controlling interest and reinsurance contract assets analysed by geographical areas:

	Non-current assets	
	2025 HK\$'000	2024 HK\$'000
Hong Kong	4,196,736	3,565,607
Mainland China	2,209,065	2,115,987
USA	1,364,683	1,599,175
United Kingdom	497,696	474,240
Singapore	494,466	487,200
Canada	272,711	302,830
Macau	39,686	40,397
Thailand	8,161	6,587
Australia	1,613	2,247
	<u>9,084,817</u>	<u>8,594,270</u>

#### 4 REVENUE

	2025 HK\$'000	2024 HK\$'000
Revenue represents amounts received and receivable from:		
Construction and installation contracts	5,096,270	3,886,381
Sales of information technology equipment, motor vehicles and others	1,327,176	1,668,583
Senior housing and rehabilitation operations	884,978	825,372
Insurance contracts and insurance brokerage	465,245	482,265
Maintenance and property management services	461,215	450,499
Warehouse, logistics and freight forwarding services	342,316	363,516
Sales of properties	309,259	163,925
Leasing of properties	229,369	211,905
Dividend and interest income from investments	74,029	61,668
Hotel operations	56,285	52,270
Leasing of vehicles and equipment	18,903	25,748
Food and beverage	—	4,075
Total revenue (note 3)	<u>9,265,045</u>	<u>8,196,207</u>

#### 5 OTHER INCOME

	2025 HK\$'000	2024 HK\$'000
Sales and marketing services income from an associate	41,139	39,486
Management fee income from an associate and joint ventures	24,627	24,228
Service fee income from associates	1,880	503
Government grants	22,412	7,494
Compensation income	4,308	—
Handling fee income	2,835	4,467
Syndicated insurance income	4,850	6,960
Secondment fee income from an associate	1,933	1,806
Others	8,305	7,839
	<u>112,289</u>	<u>92,783</u>

## 6 OTHER LOSSES, NET

	2025 HK\$'000	2024 HK\$'000
Loss on investments at fair value through profit or loss, net	(317,649)	(148,304)
Gain/(loss) on derivative financial instruments	490	(1,221)
Increase in fair value of investment properties, net	42,598	3,023
Gain on transfer of properties for sale to investment properties	–	11,575
Loss on transfer of properties under development to investment properties	(658)	–
Gain on disposal of property, plant and equipment, net	193	1,389
Loss on other intangible assets expired	(19)	–
Loss on disposal of investment properties	(3,840)	–
Impairment loss on property, plant and equipment	(6,227)	(28,148)
Impairment loss on investments at amortised cost	(2,918)	–
Impairment loss on other non-current assets	(5,825)	–
Impairment loss on goodwill	(31,160)	(89,661)
Gain on bargain purchase (note 14)	1,331	–
Written off of property, plant and equipment	(2,165)	–
Provision for loss of interest in a joint venture	–	(21,800)
Provision recognised for amount due from an associate	(14,002)	–
Provision written back/(recognised) for trade and other debtors, net	9,590	(39,458)
Provision recognised for properties under development	(180,855)	(190,500)
Gain on disposal of the Certificates of Need for senior housing	24,469	–
Exchange loss, net	(1,666)	(3,958)
Others	(1,695)	–
	<u>(490,008)</u>	<u>(507,063)</u>

## 7 FINANCE COSTS, NET

	2025 HK\$'000	2024 HK\$'000
Interest expenses on lease liabilities, bank overdrafts, non-controlling interests and bank and other borrowings	281,266	263,141
Less: Amounts capitalised to properties under development (note)	<u>(22,528)</u>	<u>(46,059)</u>
	258,738	217,082
Less: Interest income from bank deposits, promissory notes, an associate, a joint venture, a non-controlling interest, compensation income and an investment at amortised cost	<u>(114,177)</u>	<u>(89,706)</u>
	<u>144,561</u>	<u>127,376</u>

Note:

The capitalisation rate applied to funds borrowed and used for the development of properties was 5.68% per annum (2024: between 5.52% and 5.91% per annum).



## 8 LOSS BEFORE TAXATION

	2025 HK\$'000	2024 HK\$'000
Loss before taxation has been arrived at after charging/ (crediting) the following:		
Cost of construction contracts	4,957,673	3,670,850
Cost of inventories sold	1,014,549	1,471,508
Cost of properties sold	298,493	133,233
Gross rental income of HK\$229,369,000 (2024: HK\$211,905,000) from properties less direct operating expenses	(185,552)	(180,970)
Net insurance result		
– insurance service result		
– insurance revenue	(464,243)	(481,491)
– insurance service expenses	363,267	414,695
– net expenses/(income) from reinsurance contracts held	33,384	(32,103)
	(67,592)	(98,899)
– finance expenses from insurance contracts issued	49,150	22,536
– finance income from reinsurance contracts held	(5,495)	(1,337)
	(23,937)	(77,700)
Staff costs	1,626,331	1,521,048
Less: Amounts allocated to contract work	(336,546)	(311,855)
	1,289,785	1,209,193
Depreciation of property, plant and equipment	203,280	198,909
Less: Amounts allocated to contract work	(7,776)	(4,393)
	195,504	194,516

	2025 HK\$'000	2024 HK\$'000
Short-term lease payments in respect of leasing of		
– premises	7,314	6,039
– equipment	2,582	2,861
	<b>9,896</b>	8,900
Auditors' remuneration		
– audit services (Company's auditor and its affiliates)	6,944	8,913
– audit services (other auditors)	8,576	8,996
– non-audit services (Company's auditor and its affiliates)	351	446
– non-audit services (other auditors)	2,572	3,018
– (over)/under-provision in prior years	(79)	412
	<b>18,364</b>	21,785
Amortisation of other intangible assets	2,731	2,594
Less: Amounts allocated to contract work	(71)	(50)
	<b>2,660</b>	2,544
Provision written back for inventories to net realisable value, net	(1,498)	(3,657)
Provision recognised for properties for sale to net realisable value	<b>109,380</b>	27,991

## 9 TAXATION

	2025 HK\$'000	2024 HK\$'000
Current tax		
Hong Kong	79,202	64,092
Mainland China	1,634	14,724
Macau	3,731	20,805
Overseas	14,731	11,006
Over-provision in prior years	(9,020)	(1,116)
	<b>90,278</b>	109,511
Deferred tax		
Origination and reversal of temporary differences and unused tax losses	48,461	52,001
	<b>138,739</b>	161,512

Hong Kong profits tax is calculated at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits. Taxation on Mainland China, Macau and overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the tax jurisdictions in which the Group operates.

## 10 LOSS PER SHARE

The loss per share is calculated by dividing the loss attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the years ended 31 March 2025 and 2024.

	2025 HK\$'000	2024 HK\$'000
Loss attributable to shareholders of the Company	<u>(473,089)</u>	<u>(370,390)</u>
	2025	2024
Weighted average number of ordinary shares in issue ('000 shares)	<u>301,576</u>	<u>301,928</u>
Basic and diluted loss per share (HK\$)	<u>(1.57)</u>	<u>(1.23)</u>

There were no potential diluted ordinary shares in existence for the years ended 31 March 2025 and 2024.

## 11 DIVIDENDS

	2025 HK\$'000	2024 HK\$'000
Interim dividend of HK\$0.08 (2024: HK\$0.06) per share paid	24,101	18,116
Final dividend of HK\$0.08 (2024: HK\$0.14) per share proposed	<u>24,101</u>	<u>42,270</u>
	<u>48,202</u>	<u>60,386</u>

Final dividend of HK\$0.08 per share totalling HK\$24,101,000 has been proposed by the Directors and is subject to approval by the shareholders in the forthcoming annual general meeting. The amount will be reflected as an appropriation of retained profits for the year ending 31 March 2026.

## 12 DEBTORS, CONTRACT ASSETS, DEPOSITS PAID AND PREPAYMENTS

	2025 HK\$'000	2024 HK\$'000
Trade debtors	1,080,157	773,656
Less: Provision for impairment	(20,255)	(59,153)
Trade debtors, net	1,059,902	714,503
Retention receivables	536,726	409,676
Contract assets	278,453	271,171
Other debtors, deposits paid and prepayments	657,227	668,328
Less: Provision for impairment	(73,708)	(66,836)
Other debtors, deposits paid and prepayments, net	583,519	601,492
	2,458,600	1,996,842

The Group has established different credit policies for customers in each of its core businesses. The average credit period granted to trade debtors is 0-90 days.

The ageing analysis of trade debtors, net of impairment provision, is presented based on the invoice date as follows:

	2025 HK\$'000	2024 HK\$'000
Up to 60 days	776,724	626,915
61 – 90 days	204,413	24,792
Over 90 days	78,765	62,796
	1,059,902	714,503

### 13 CREDITORS, BILLS PAYABLE, DEPOSITS RECEIVED, CONTRACT LIABILITIES, ACCRUALS AND PROVISIONS

	2025 HK\$'000	2024 HK\$'000
Trade creditors and bills payable	400,304	367,003
Retention payables	371,617	295,952
Deposits received	48,335	80,275
Contract liabilities	102,693	223,387
Accrued contract costs	1,377,110	1,250,066
Other creditors, accruals and provisions	1,020,507	845,317
	<u>3,320,566</u>	<u>3,062,000</u>

The ageing analysis of trade creditors and bills payable is presented based on the invoice date as follows:

	2025 HK\$'000	2024 HK\$'000
Up to 60 days	376,895	329,632
61 – 90 days	5,016	12,342
Over 90 days	18,393	25,029
	<u>400,304</u>	<u>367,003</u>

### 14 ACQUISITION OF A SUBSIDIARY

On 30 October 2024, the Group entered into an agreement to acquire 80% of a company, which engaged in trading of motor vehicles and provision of maintenance services in Chengdu, the PRC at a total consideration of RMB6,400,000 (equivalent to approximately HK\$6,912,000). The transaction was completed on 30 October 2024.

	2025 HK\$'000
Cash consideration	<u>6,912</u>
Net assets acquired:	
Property, plant and equipment	3,665
Inventories	19,637
Debtors, deposits paid and prepayments	8,586
Bank balances and cash	12,278
Creditors, bills payable, deposits received, contract liabilities and accruals	(17,342)
Bank and other borrowings	(16,520)
Non-controlling interest	(2,061)
Net assets acquired	<u>8,243</u>

	<b>2025</b> <b>HK\$'000</b>
Gain on bargain purchase arising on acquisition:	
Consideration transferred	<b>(6,912)</b>
Net assets acquired	<b>8,243</b>
	<hr/>
Gain on bargain purchase (note 6)	<b>1,331</b>
	<hr/> <hr/>
Net cash inflow arising from the acquisition:	
Cash consideration paid	<b>(6,912)</b>
Bank balances and cash	<b>12,278</b>
	<hr/>
	<b>5,366</b>
	<hr/> <hr/>

## **15 CONTINGENT LIABILITIES**

The Group had contingent liabilities in respect of guarantees issued for utilised borrowings in relation to:

	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
Banking facilities granted to an associate	<b>805</b>	565
Mortgage term loan granted to a joint venture	<b>161,294</b>	–
Guarantees given to banks and housing provident fund management centres for mortgage facilities granted to certain buyers of properties	<b>77,907</b>	19,267
	<hr/>	<hr/>
	<b>240,006</b>	19,832
	<hr/> <hr/>	<hr/> <hr/>

In respect of a completed engineering contract, the Group has contingent liabilities arising from the claims lodged by a subcontractor for an unprovided amount of approximately HK\$27 million (2024: HK\$27 million). The ultimate outflow, if any, to settle this possible obligation is subject to the final outcome of the legal proceedings and is uncertain.

## 16 COMMITMENTS

The Group had commitments as follows:

	2025 HK\$'000	2024 HK\$'000
Contracted but not provided for in the consolidated financial statements in respect of		
– property development projects	36,372	23,848
– property, plant and equipment	9,179	12,196
– investment properties	11,606	18,929
– investment at amortised cost	2,963	123,389
	<u>60,120</u>	<u>178,362</u>

The Group's share of commitments of a joint venture was as follows:

	2025 HK\$'000	2024 HK\$'000
Contracted but not provided for (note)	<u>55,683</u>	<u>378,613</u>

Note:

Commitments in relation to a joint venture's commitments

As at 31 March 2025, there are commitments to provide funding for a joint venture's commitments on a property development project in Hong Kong, if called, for up to HK\$502,800,000 (2024: HK\$930,073,000), of which include share of commitments of the joint venture of HK\$55,683,000 (2024: HK\$378,613,000).

## 17 ASSETS HELD-FOR-SALE

On 10 December 2024, OR4 Laurelhurst, LLC, a wholly owned subsidiary of the Group, entered into an agreement with an independent third party to dispose of a senior housing property located in Oregon, the USA and its related business operation for a total consideration of US\$35 million (equivalent to approximately HK\$273 million), subject to closing adjustments. As a result, they were classified as assets held-for-sale as at 31 March 2025. The assets held-for-sale have been stated at the lower of carrying amount and fair value less costs to sell. The transaction is expected to be completed by August 2025.

	2025 HK\$'000
Assets	
Property, plant and equipment	114,981
Other non-current assets	2,190
Goodwill	<u>9,268</u>
Assets of a subsidiary reclassified as held-for-sale	<u>126,439</u>

## **18 EVENTS AFTER THE END OF THE REPORTING PERIOD**

In May 2025, Macleh (Chevalier) Ltd, a wholly owned subsidiary of the Group, entered into a sale and purchase agreement with an independent third party to dispose the lands and premises located in Canada for a total consideration of CAD13.65 million (equivalent to approximately HK\$75.1 million). The transaction is expected to be completed in October 2025.

### **DIVIDEND**

The Board recommends the payment of a final dividend of HK\$0.08 (2024: HK\$0.14) per share payable in cash to shareholders whose names appear on the Register of Members of the Company on Friday, 12 September 2025. Together with an interim dividend of HK\$0.08 (2024: HK\$0.06) per share paid on Friday, 20 December 2024, the total dividends for the year amounted to HK\$0.16 (2024: HK\$0.20) per share.

Subject to the approval by shareholders at the forthcoming annual general meeting of the Company to be held on Wednesday, 27 August 2025 (the “AGM”), the proposed final dividend will be payable in cash to shareholders on or about Friday, 19 September 2025.

### **CLOSURE OF REGISTER OF MEMBERS**

For determining the entitlement to attend and vote at the AGM, the Register of Members of the Company will be closed from Friday, 22 August 2025 to Wednesday, 27 August 2025, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office 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 Thursday, 21 August 2025.

For determining entitlement to the proposed final dividend (subject to the passing of an ordinary resolution by the shareholders of the Company at the AGM), the Register of Members of the Company will be closed from Thursday, 11 September 2025 to Friday, 12 September 2025, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s branch share registrar and transfer office 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 Wednesday, 10 September 2025.



## **MANAGEMENT DISCUSSION AND ANALYSIS**

The Group's consolidated revenue increased from HK\$8,196 million for the year ended 31 March 2024 to HK\$9,265 million for the year ended 31 March 2025. Total segment revenue, which includes the Group's share of revenue of associates and joint ventures, increased to HK\$11,371 million from HK\$10,335 million. Loss after tax of the Group for the year ended 31 March 2025 amounted to HK\$503 million (2024: loss after tax of HK\$323 million). The loss in the consolidated results was mainly due to the recognition of loss on investments at fair value through profit or loss of the Group and the provision for properties under development of the Group for the year ended 31 March 2025. Loss after tax attributable to the Company's shareholders for the year ended 31 March 2025 was HK\$473 million (2024: loss after tax attributable to the Company's shareholders of HK\$370 million) which translates into a loss per share of HK\$1.57 (2024: loss per share of HK\$1.23).

### **CONSTRUCTION AND ENGINEERING**

The Construction and Engineering segment's revenue for the year ended 31 March 2025 reported an increase of 23.1% from HK\$5,430 million to HK\$6,687 million as compared to last year due to progress status with several projects are now well into the mid to late stage while the segment profit before net finance costs recorded a drop of 10.1% from HK\$307 million to HK\$276 million.

The building construction division reported a performance improvement during the year due to the Group's joint venture construction of over 6,300 units of light public housing located at Yau Pok Road in Yuen Long, Tuen Mun Area 3A, and Choi Hing Road in Ngau Tau Kok. Speedy delivery of the light public housing units are made possible by the implementation of Modular Integrated Construction (MiC) technology which enhances construction speed, efficiency, and quality while incorporating sustainable features such as green living environments, energy efficiency, and water-saving measures.

The electrical and mechanical engineering (E&M) division's performance declined during the year due to the provision for a project. Leveraging its expertise, the division secured contracts with leading casinos and luxury hotels for the modernisation of MEP (Mechanical, Electrical, and Plumbing) systems. By offering comprehensive end-to-end E&M services, from design and installation to testing and commissioning, the division is playing a pivotal role in transforming these properties into world-class hospitality destinations.

During the year, the aluminium windows and curtain walls division reported substantial improvement as compared to last year. This division has completed the façade works of the Hong Kong Airport's Third Runway Project and on track to complete the West Kowloon Express Rail Link ("XRL") project within this coming year. West Kowloon XRL, designed by Zaha Hadid Architects, is located above the city's only high-speed rail station, West Kowloon Station, which is one of the largest commercial development in Hong Kong's construction history. In addition to progress in the Hong Kong market, our Australian branch has made significant strides in completing the façade works for the "CC School" project in Sydney, which includes six classroom buildings for Carlingford West Public School and Cumberland High School. Meanwhile, the landmark Harbourside Redevelopment project in Sydney's Darling Harbour has proudly entered the on-site installation stage. Looking ahead, the Australian branch is expected to maintain strong momentum, with continued involvement in more Tier 1 and Tier 2 construction projects.

The building supplies division continued to deliver positive results during the year. This division provides an extensive variety of quality building materials and equipment, including panel water tanks, kitchen cabinets, ceiling systems and waterproofing materials, together with related design and installation services. During the year, the division showcased Kryton's advanced waterproofing solutions at Eco Expo Asia, organised by the Hong Kong Trade Development Council, reinforcing its dedication to sustainable innovation. Kryton's Krystol's technology delivers durable waterproofing for new and restoration projects, with proven success in major developments like Hong Kong's West Kowloon Lyric Theatre Complex.

The environmental engineering division recorded positive results during the year, successfully delivering Hong Kong's first water reclamation plant at Shek Wu Hui. The project encompassed the full E&M scope, including design, supply, installation, testing, and commissioning, converting treated sewage into reclaimed water for non-potable use in the North East New Territories. The completion of Phase 1 marks a significant milestone in sustainable water reuse. In order to capture opportunities, this division will continue to join forces with other well-established expertises in the market for mega projects launched by the HKSAR Government.

During the year, the lifts and escalators division's capability to deliver large-scale, reliable mobility solutions is showcased by the smooth delivery of the comprehensive vertical transportation systems for the Kai Tak Sports Park, Hong Kong's landmark sports and entertainment hub. 135 elevators and escalators are strategically positioned across the entire 28-hectare complex comprising of three major sports buildings and three main shopping towers to ensure optimal crowd flow, exemplifying this division.

As at 31 March 2025, the total value of all outstanding construction and engineering contracts for the Group amounted to HK\$6,117 million. Major contracts include:

1. Construction of the extension of the operating theatre block for Tuen Mun Hospital, New Territories;

2. Construction of a property development at THE SOUTHSIDE, Package Five, Aberdeen Inland Lot No. 467, Wong Chuk Hang, Hong Kong;
3. Construction of a proposed composite development at 51-57 Maidstone Road, To Kwa Wan, Kowloon;
4. Electrical works for construction of Siu Ho Wan water treatment works extension and Siu Ho Wan raw water booster pumping station;
5. Operations and maintenance of on-site chlorine generation plants at Sheung Shui, Silver Mine Bay and Siu Ho Wan water treatment works;
6. LV Electrical and HVAC installation works for Basement, Podium and Tower 3 of Galaxy Resort & Casino Phase 4 at Cotai, Macau;
7. Design, supply and installation of curtain wall for International Gateway Centre, West Kowloon;
8. Design, fabrication, supply and installation of Tower Façade for proposed residential development at TMTL 518, Castle Peak Road, Castle Peak Bay Area 48, Tuen Mun, New Territories;
9. Supply and installation of kitchen cabinet for Phase 13, LOHAS Park, Tseung Kwan O, New Territories; and
10. Supply and installation of kitchen cabinet for proposed residential development at NKIL, 6577 Kai Tak Area 4A, Site 1, Kai Tak, Kowloon.

## **PROPERTY INVESTMENT**

Segment revenue increased by 6.3% from HK\$192 million to HK\$204 million as compared to last year. Segment profit before net finance costs reported a significant improvement by 73.4% from HK\$109 million to HK\$189 million due to overall fair value remaining steady as compared to last year which suffered a significant decline against the year before last. The Group's leasing business generated stable income from its diversified property portfolio across Hong Kong, Mainland China, Singapore, Canada, and the United Kingdom.

In Hong Kong, the Group's core investment properties, experienced stable demand, low attrition, and high occupancy rates, which contributed to the segment's reliable earnings.

In London, the Group owns two Grade-A commercial/office buildings at prime locations with a combined net internal area of 29,356 square feet. One of the properties, situated in the heart of the City of London and within walking distance from The Bank of England, is multi-let to reputable institutions with a weighted average unexpired lease term of over three years. The other one at 1 Hammersmith Broadway sits right above the Hammersmith Station transportation hub, and certain floors are currently licensed to a single occupier group and is operated as serviced offices.

“Prince Wesidence” is the Group’s residential development project located at 292A-D Prince Edward Road West, Ho Man Tin, Kowloon. Completed in late 2024, the development comprises 58 units of various layouts, offering both city and distant mountain views. Market response has been promising, achieving an occupancy rate of over 90%.

## **PROPERTY DEVELOPMENT AND OPERATIONS**

The Property Development and Operations segment recorded an increase in revenue from HK\$661 million to HK\$785 million, representing an increase of 18.8% as compared to last year. Increase in segment revenue was mainly contributed by increased sales of residential units of Phase III of “Chevalier City” in Changchun, Mainland China and “SABLIER” in Tai Kok Tsui, Hong Kong. Segment loss before net finance costs increased from a loss of HK\$104 million to a loss of HK\$281 million, representing an increase of 170.2%. The increase in segment loss was mainly due to the impairment of properties values in Hang Lok Lane project in Sha Tin, New Territories and the industrial site in Fanling, New Territories as well as the lower unit price achieved for the remaining units sold in Phase III of “Chevalier City” in Changchun and “SABLIER” in Hong Kong.

The site located at On Kui Street, Fanling, New Territories will be developed into a high-spec industrial building with premium facilities which follows an “industry-driven and infrastructure-led” approach, contributing to Hong Kong’s tech-driven development.

Phase III of “Chevalier City” comprises 10 residential blocks, offering approximately 1,100 units across 100,000 square metres, with unit sizes ranging from 36 to 125 square metres. Since its launch, over 90% of Phase III units have been sold. The construction work of Phase V completed at the end of 2024 and the project is expected to be launched for sale soon.

The Group holds a 50% stake in a joint venture company established solely for the redevelopment of an industrial building located at 18-20 Sze Shan Street, Yau Tong, Kowloon. The project involves transforming approximately 300,000 square feet gross floor area into a mixed residential development comprising two residential blocks, car parking spaces, commercial non-domestic floor spaces, and government accommodations. Demolition works for the existing industrial building has completed and the foundation work has commenced.

The cold storage and logistics division experienced a decline due to industry challenges such as high operational costs, cross-border shopping trends, geopolitical supply chain disruptions, and weakened local retail and catering sectors. Reduced food imports and increased competition from small and medium-sized operators further pressured performance. To adapt, this division focused on client engagement, market monitoring, and service quality while upgrading equipment.

With its reliable and professional service, the property management division continues to win the trust of customers and has secured four new contracts from the Hong Kong Housing Authority, for the management of residential units across Hong Kong Island and the New Territories.

## **HEALTHCARE INVESTMENT**

The revenue of the Healthcare Investment segment recorded a year-on-year revenue growth of 5.9% from HK\$956 million to HK\$1,012 million, mainly due to increased occupancy at senior housing facilities in Oregon, US. Segment loss before net finance costs deteriorated as compared to last year from a loss of HK\$329 million to a loss of HK\$433 million due to non-cash fair value loss on financial instrument in “Ventria Residence” project which is in accordance with the appropriate accounting standards. Although occupancy at the US senior housing facilities has improved, fixed and operating costs remained high. To enhance the performance of the Group’s healthcare investments in the US, the Group will closely monitor changes in the local economy, demographics and market conditions, and rebalance its investment portfolios as appropriate.

As at 31 March 2025, the Group owned 26 senior housing facilities across six states in the US providing around 2,300 units/beds covering a wide spectrum of services including independent living, assisted living, memory care and skilled nursing. The Group has interests in three medical office buildings located in New York, Pennsylvania and Rhode Island comprising a total gross floor area of approximately 428,000 square feet.

During the year, the Group entered into an agreement with an independent third party to dispose a senior housing property located in Portland, Oregon, US at a consideration of US\$35 million (equivalent to approximately HK\$273 million) (subject to closing adjustments). The net proceeds from the disposal of the senior housing property will be allocated as general working capital for the Group. The Group will continue to capitalise on its investment in the US when opportunities arise.

“Ventria Residence”, a collaborative project between the Group and the Hong Kong-Macau Conference of the Seventh-day Adventist Church, officially opened in November 2024. Integrating the Continuing Care Retirement Community (CCRC) model with premium home-based eldercare services, “Ventria Residence” operates under the “Medical-social integration” concept, allowing residents to transition seamlessly between living arrangements within the same building, ensuring they can enjoy their retirement years in a familiar community.

Strategically located in Happy Valley, “Ventria Residence” features 168 serviced units, ranging from 262 to 695 square feet. Residents can choose from independent living units or opt for assisted living or memory care services at the “Ventria Garden” Care and Attention Home, all within the same premises, tailored to their evolving needs.

## **CAR DEALERSHIP**

Revenue of car dealership declined from HK\$1,966 million to HK\$1,502 million, representing a decrease of 23.6% as compared to last year, due to the decrease in the sales volume. The segment loss before net finance costs improved from a loss of HK\$22 million to a loss of HK\$8 million as compared to last year.

In Mainland China, underperformance stemmed from decreased sales as a result of intense electric vehicles (EVs) competition. Interests in traditional fuel vehicles is diminishing and to address this, the division opened two new AION EV shops during the year and will continue to transition to carry more EV vehicles if and when the opportunities arise.

In Canada, high interest rates and the cost of new vehicles have dampened consumers’ interest in purchasing new cars given the current weak economic landscape. The division has been addressing this by focusing on used car sales and also on improving its service and parts businesses.

## **INSURANCE AND INVESTMENT**

Revenue of the Insurance and Investment segment, which includes the investment portfolios of both the insurance business and the Company, increased marginally from HK\$538 million to HK\$539 million. The growth in our investment segment was partially offset by a decline in revenue from the insurance business due to fierce competition and challenging market conditions during the year. Segment profit was steady from last year with a minimal decline from HK\$114.2 million to HK\$113.8 million, representing a marginal drop of 0.4%. Amid challenging geopolitical fragmentation, which affected adversely the local economy and business environment, the Group will continue to maintain steady returns by leveraging its long-standing reputation and strong relationship with business partners.

The Group’s employees’ compensation insurance business continued to make a significant contribution to the segment’s revenue. During the period under review, the segment underwrote employees’ compensation insurance for several large projects. The investment portfolios of the insurance business and the Company consist mainly of investment-grade fixed-income securities with attractive yields and longer duration, complemented by blue-chip equities and select small private fund investments. As of 31 March 2025, the portfolios generated improved positive returns, including unrealised mark-to-market movements. The Group’s investment policy emphasises a disciplined approach to ensure consistent returns over an extended time horizon.



## OTHERS

This segment's revenue increased from HK\$592 million to HK\$642 million, representing a growth of 8.4% as compared to last year. Segment loss before net finance costs declined from a loss of HK\$46 million to a loss of HK\$20 million due to the one time write-off from the exiting of a food and beverages outlet last year.

Freight logistics services division continues to enhance our strategy by offering value-added services to key vertical markets within the shipping industry. Aviation parts transport and warehouse management have rebounded significantly from the setbacks caused by the COVID-driven slowdown in air activities. Meanwhile, life science transportation continues to grow steadily, supported by the Hong Kong Government's initiative to establish the city as a research and development hub for pharmaceuticals and biomedical advancements. E-commerce remains buoyant; however, due to the long credit lines required by e-commerce customers, this division has had to carefully control growth in this sector.

Over the past year, the information and technology division achieved major milestones by securing key digital transformation projects. A standout accomplishment was upgrading the IP Phone System of a government department, integrating over 5,000 extensions to enhance interdepartmental communication and support client growth. The division also expanded its AI capabilities, advancing conversational AI and exploring AIoT (Artificial Intelligence of Things) to help of small and medium-sized enterprise clients. Additionally, the division delivered diverse digital solutions, including AI chatbots, voice recognition, smart systems, AI-powered document intelligence, and multifunctional print management systems. By forging strategic partnerships with leading tech brands and startups, the division strengthened its ability to provide customised, end-to-end IT solutions. These efforts support clients in Hong Kong and across the Asia Pacific region, empowering their digital transformation journeys through innovation and collaboration. The division remains committed to driving technological advancement.

Looking forward, the global economic landscape will be shaped by multiple factors, such as geopolitical tensions, inflation volatility, and interest rate fluctuations. Simultaneously, accelerated technological advancements, particularly in AI and green technologies, is transforming the competitive landscapes. Changing consumer preferences also reshape demand patterns. In response, the Group will adopt a proactive stance, combining operational agility with strategic foresight. We will closely monitor macroeconomic indicators and geopolitical developments to mitigate potential disruptions. Our focus will remain on harnessing technological innovation to enhance efficiency and create new value streams. Sustainability will be embedded across our operations, not just as compliance but as a driver of competitive advantage. By maintaining financial discipline while investing in future-ready capabilities, we aim to turn market volatility into strategic opportunities, ensuring resilient growth amid uncertainty.

## FINANCIAL REVIEW

As of 31 March 2025, the Group's net assets attributable to the Company's shareholders amounted to HK\$9,173 million, representing a decrease of HK\$612 million from the previous year's figure of HK\$9,785 million. The decline was primarily due to a loss attributable to the Company's shareholders of HK\$473 million, exchange difference on translation of operations of overseas subsidiaries, associates and joint ventures amounting to HK\$58 million and dividend payments of HK\$66 million.

As at 31 March 2025, bank balances and cash decreased to HK\$1,890 million (2024: HK\$2,472 million). Bank and other borrowings increased to HK\$4,559 million as at 31 March 2025 (2024: HK\$4,471 million) as a result of drawn down of bank loans during the year. 82.0%, 10.2% and 6.0% of the balance as at 31 March 2025 (2024: 80.5%, 10.7% and 6.5%) were denominated in Hong Kong dollar, United States dollar and British Pound respectively.

The portion of the Group's bank and other borrowings due within one year or repayable on demand increased from 23.4% as at 31 March 2024 to 31.7% as at 31 March 2025.

## EMPLOYEES AND REMUNERATION POLICIES

The Group employed approximately 3,600 full-time staff globally as at 31 March 2025. Total staff costs amounted to HK\$1,626 million for the year ended 31 March 2025. The remuneration policies of the Group are reviewed periodically on the basis of the nature of job, market trend, company performance and individual performance. Other staff benefits include bonuses awarded on a discretionary basis, medical schemes and retirement schemes.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year, the Company bought back a total of 660,000 shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with aggregate consideration paid (before expenses) amounting to HK\$3,169,080. The repurchases were made as the Board considered that the trading price of the shares did not reflect their intrinsic value and business prospects of the Group, this is therefore a good opportunity for the Company to repurchase the shares to enhance share value and improve shareholder return. Details of those transactions are as follows:

Month	Number of shares repurchased	Price per share		Total price paid HK\$
		Highest HK\$	Lowest HK\$	
September 2024	632,000	5.23	4.30	3,023,580
October 2024	28,000	5.20	5.18	145,500

Save as disclosed above, no purchase, sale or redemption of listed securities of the Company by the Company or any of its subsidiaries during the year.



## **CORPORATE GOVERNANCE PRACTICES**

The Company has adopted the applicable code provisions as set out in the Corporate Governance Code contained in Appendix C1 of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange. In the opinion of the Directors, the Company has complied with the code provisions throughout the year ended 31 March 2025, except for the following deviation:

Code Provision C.2.1 stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same person. The Chairman is responsible for overseeing the Board while the Managing Director is responsible for managing the Group’s businesses. Mr. Kuok Hoi Sang serves as both the Chairman and Managing Director of the Company. The Board believes that with Mr. Kuok’s comprehensive knowledge in the history of various business segments, and his extensive experience in the operation of the Group, vesting the roles of both Chairman and Managing Director in Mr. Kuok provides the Company with strong and consistent leadership and facilitates the implementation and execution of the Group’s business strategies which is in the best interest of the Company. Following the appointment of Mr. Tam Kwok Wing as Managing Director on 1 January 2025, the Company has complied with the Code Provision C.2.1 that the roles of Chairman and Chief Executive are performed by different individuals.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 of the Listing Rules. Following a specific enquiry of all Directors, each of the Directors confirmed that he/she has complied with the Model Code throughout the year.

## **AUDIT COMMITTEE**

The Audit Committee comprises of four Independent Non-Executive Directors of the Company, namely Ms. Kwan Angelina Agnes as committee chairman, Professor Poon Chung Kwong, Mr. Irons Sze and Mr. Sun Leland Li Hsun as committee members.

During the year, the Audit Committee reviewed with the management the whistle-blower policy and the accounting policies and practices adopted by the Group, and discussed auditing, risk management, internal controls systems and financial reporting matters including the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 September 2024, and the audited consolidated financial statements of the Group for the year ended 31 March 2025 at the Audit Committee Meeting held on 23 June 2025. They also reviewed and approved the engagement of external auditors for providing non-audit services, the remuneration in respect of audit and non-audit services provided by external auditors, risk management and internal control systems and the effectiveness of the internal audit function.

## **PUBLICATION OF ANNUAL RESULTS ON THE STOCK EXCHANGE'S WEBSITE**

The annual results announcement of the Company for the year ended 31 March 2025 is published on the Stock Exchange's website at <https://www.hkexnews.hk> and the Company's website at <https://www.chevalier.com>. The annual report of the Company for the year ended 31 March 2025 containing all applicable information required by the Listing Rules will be despatched to the shareholders of the Company and published on the above websites in due course.

## **APPRECIATION**

I extend my heartfelt gratitude to our business partners, directors, management, and staff for their unwavering trust and support.

By Order of the Board  
**Chevalier International Holdings Limited**  
**KUOK Hoi Sang**  
*Chairman*

Hong Kong, 26 June 2025

*As at the date of this announcement, the Board comprises Messrs Kuok Hoi Sang (Chairman), Chow Vee Tsung, Oscar (Vice Chairman), Tam Kwok Wing (Managing Director), Ho Chung Leung, Ma Chi Wing and Miss Lily Chow as Executive Directors; Professor Poon Chung Kwong, Mr. Irons Sze, Mr. Sun Leland Li Hsun and Ms. Kwan Angelina Agnes as Independent Non-Executive Directors.*

\* *For identification purpose only*