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## **New Century Group Hong Kong Limited**

**新世紀集團香港有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 234)**

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

The board of directors (the “Board”) of New Century Group Hong Kong Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2025 together with comparative figures for the previous year as follows:

#### **CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

*Year ended 31 March 2025*

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	<b>2024</b> <b>HK\$'000</b>
<b>CONTINUING OPERATIONS</b>			
REVENUE	5	<b>90,263</b>	88,291
Other income	5	<b>17,377</b>	15,434
Administrative and operating expenses		<b>(44,531)</b>	(46,731)
Foreign exchange differences, net		–	(547)
Fair value gains/(losses) on investment properties, net		<b>(69,400)</b>	10,149
Finance costs		<b>(2)</b>	(1)
Provision for impairment losses on loan and interest receivables and repossessed assets, net		<b>(37,059)</b>	(37,964)
<b>PROFIT/(LOSS) BEFORE TAX</b>			
FROM CONTINUING OPERATIONS	6	<b>(43,352)</b>	28,631
Income tax expense	7	<b>(2,671)</b>	(2,943)

\* For identification purpose only

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)***Year ended 31 March 2025*

	<i>Note</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
PROFIT/(LOSS) FOR THE YEAR			
FROM CONTINUING OPERATIONS		<b>(46,023)</b>	25,688
<b>DISCONTINUED OPERATION</b>			
Loss for the year from a discontinued operation		–	(531)
Gain on disposal of a subsidiary		–	9,834
		<u>          </u>	<u>          </u>
PROFIT/(LOSS) FOR THE YEAR		<b><u>(46,023)</u></b>	<b><u>34,991</u></b>
Attributable to:			
Owners of the Company		<b>(55,659)</b>	22,413
Non-controlling interests		<b>9,636</b>	12,578
		<u>          </u>	<u>          </u>
		<b><u>(46,023)</u></b>	<b><u>34,991</u></b>
<b>EARNINGS/(LOSS) PER SHARE</b>			
<b>ATTRIBUTABLE TO ORDINARY</b>			
<b>EQUITY HOLDERS OF THE COMPANY</b>	9		
Basic			
– For profit/(loss) for the year		<b><u>HK(0.96) cent</u></b>	<b><u>HK0.39 cent</u></b>
– For profit/(loss) from continuing operations		<b><u>HK(0.96) cent</u></b>	<b><u>HK0.29 cent</u></b>
Diluted			
– For profit/(loss) for the year		<b><u>HK(0.96) cent</u></b>	<b><u>HK0.39 cent</u></b>
– For profit/(loss) from continuing operations		<b><u>HK(0.96) cent</u></b>	<b><u>HK0.29 cent</u></b>

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March 2025

	2025 HK\$'000	2024 HK\$'000
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<b>(46,023)</b>	34,991
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Exchange differences on translation of foreign operations	(365)	(3,415)
Reclassification adjustment for a foreign operation disposed of during the year	—	(9,487)
Net other comprehensive loss that may be reclassified to profit or loss in subsequent periods	(365)	(12,902)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:		
Change in fair value of an equity investment designated at fair value through other comprehensive income	87	362
<b>OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF TAX</b>	<b>(278)</b>	(12,540)
<b>TOTAL COMPREHENSIVE INCOME/ (LOSS) FOR THE YEAR</b>	<b>(46,301)</b>	22,451
Attributable to:		
Owners of the Company	(55,937)	13,729
Non-controlling interests	9,636	8,722
	<b>(46,301)</b>	22,451

# **CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

31 March 2025

	<i>Note</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>108,348</b>	113,429
Investment properties		<b>485,560</b>	555,300
Equity investment designated at fair value through other comprehensive income		<b>3,434</b>	3,347
Prepayments and other receivables		<b>453</b>	445
Loan receivables	10	<b>71,446</b>	81,904
Deferred tax assets		<b>7,534</b>	2,002
Total non-current assets		<b>676,775</b>	756,427
<b>CURRENT ASSETS</b>			
Lease receivables		<b>1,057</b>	1,242
Amounts due from security brokers		<b>13,583</b>	9,341
Loan and interest receivables	10	<b>505,892</b>	642,612
Prepayments, deposits and other receivables		<b>9,993</b>	8,757
Reposessed assets		<b>88,249</b>	80,982
Equity investments at fair value through profit or loss		<b>11,424</b>	15,375
Tax recoverable		<b>–</b>	3,200
Cash and cash equivalents		<b>682,206</b>	518,251
Total current assets		<b>1,312,404</b>	1,279,760
<b>CURRENT LIABILITIES</b>			
Accruals, other payables and deposits received		<b>8,576</b>	10,425
Lease liabilities		<b>83</b>	–
Tax payable		<b>3,318</b>	279
Due to the intermediate holding company		<b>80,000</b>	80,000
Loan advanced from a non-controlling shareholder of the Group's subsidiary		<b>–</b>	24,087
Total current liabilities		<b>91,977</b>	114,791
<b>NET CURRENT ASSETS</b>		<b>1,220,427</b>	1,164,969
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,897,202</b>	1,921,396

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)***31 March 2025*

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>NON-CURRENT LIABILITIES</b>		
Deposits received	<b>1,209</b>	2,620
Deferred tax liabilities	<b>16,209</b>	16,851
Lease liabilities	<b>73</b>	—
	<hr/>	<hr/>
Total non-current liabilities	<b>17,491</b>	19,471
	<hr/>	<hr/>
Net assets	<b>1,879,711</b>	1,901,925
	<hr/> <hr/>	<hr/> <hr/>
<b>EQUITY</b>		
<b>Equity attributable to owners of the Company</b>		
Issued capital	<b>14,451</b>	14,451
Reserves	<b>1,491,488</b>	1,547,425
	<hr/>	<hr/>
	<b>1,505,939</b>	1,561,876
<b>Non-controlling interests</b>	<b>373,772</b>	340,049
	<hr/>	<hr/>
Total equity	<b>1,879,711</b>	1,901,925
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*Notes:*

## **1. CORPORATE AND GROUP INFORMATION**

New Century Group Hong Kong Limited is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The principal activities of the Company comprise investment holding and securities trading. The principal activities of its subsidiaries comprise money lending, property investment and securities trading. During the prior year, the Group ceased to engage in the provision of chartering services of cruise ships.

The Company is a subsidiary of New Century Investment Pacific Limited, a company incorporated in the British Virgin Islands. New Century Investment Pacific Limited is an indirect wholly owned subsidiary of Huang Group (BVI) Limited, a company incorporated in the British Virgin Islands. In the opinion of the directors, Huang Group (BVI) Limited, which is beneficially and wholly owned by a discretionary trust, is the ultimate holding company of the Company.

## **2. BASIS OF PREPARATION**

The financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants, and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, equity investments at fair value through profit or loss and an equity investment designated at fair value through other comprehensive income which have been measured at fair value. The financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

### **Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, any non-controlling interest and the exchange translation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

### 3 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised HKFRS Accounting Standards for the first time for the current year's financial statements.

Amendments to HKFRS 16	<i>Lease Liability in a Sale and Leaseback</i>
Amendments to HKAS 1	<i>Classification of Liabilities as Current or Non-current</i> (the "2020 Amendments")
Amendments to HKAS 1	<i>Non-current Liabilities with Covenants</i> (the "2022 Amendments")
Amendments to HKAS 7 and HKFRS 7	<i>Supplier Finance Arrangements</i>

The nature and the impact of the revised HKFRS Accounting Standards are described below:

- (a) Amendments to HKFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. Since the Group has no sale and leaseback transactions with variable lease payments that do not depend on an index or a rate occurring from the date of initial application of HKFRS 16, the amendments did not have any impact on the financial position or performance of the Group.
- (b) The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The Group has reassessed the terms and conditions of its liabilities as at 1 April 2023 and 2024 and concluded that the classification of its liabilities as current or non-current remained unchanged upon initial application of the amendments. Accordingly, the amendments did not have any impact on the financial position or performance of the Group.

- (c) Amendments to HKAS 7 and HKFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As the Group does not have supplier finance arrangements, the amendments did not have any impact on the Group's financial statements.

#### **4. OPERATING SEGMENT INFORMATION**

For management purposes, the Group is organised into business units based on their businesses and has three reportable operating segments as follows:

- (a) the money lending segment engages in the provision of mortgage loans and unsecured personal loans;
- (b) the property investment segment invests in prime office space and commercial shops for their rental income potential; and
- (c) the securities trading segment engages in the trading of marketable securities for short-term investment purposes.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax from continuing operations. The adjusted profit/loss before tax from continuing operations is measured consistently with the Group's profit/loss before tax from continuing operations except that bank interest income, corporate income as well as corporate expenses are excluded from such measurement.

Segment assets exclude cash and cash equivalents, tax recoverable, deferred tax assets, and other unallocated corporate assets as these assets are managed on a group basis.

Segment liabilities exclude a loan advanced from a non-controlling shareholder of the Group's subsidiary, an amount due to the intermediate holding company, tax payable, deferred tax liabilities and other unallocated corporate liabilities as these liabilities are managed on a group basis.

Intersegment revenue are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

	Money lending		Property investment		Securities trading		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Segment revenue</b>								
Revenue from external customers	69,716	72,744	14,914	15,288	5,633	259	90,263	88,291
Intersegment revenue	–	–	2,520	2,520	–	–	2,520	2,520
Other income	364	238	590	139	60	65	1,014	442
Total segment revenue and other income	70,080	72,982	18,024	17,947	5,693	324	93,797	91,253
<i>Reconciliation:</i>								
Elimination of intersegment revenue							(2,520)	(2,520)
Total revenue and other income from continuing operations							91,277	88,733
<b>Segment results</b>	20,898	20,766	(57,788)	21,644	5,693	315	(31,197)	42,725
<i>Reconciliation:</i>								
Bank interest income							16,363	14,982
Corporate and other unallocated income							–	10
Corporate and other unallocated expenses							(28,518)	(29,086)
Profit/(loss) before tax from continuing operations							(43,352)	28,631
<b>Segment assets</b>	672,747	811,751	487,585	557,517	25,006	24,716	1,185,338	1,393,984
<i>Reconciliation:</i>								
Corporate and other unallocated assets							803,841	642,203
Total assets							1,989,179	2,036,187
<b>Segment liabilities</b>	3,245	6,001	4,094	4,457	–	–	7,339	10,458
<i>Reconciliation:</i>								
Corporate and other unallocated liabilities							102,129	123,804
Total liabilities							109,468	134,262
<b>Other segment information</b>								
Depreciation	35	247	–	–	–	–	35	247
Fair value losses/(gains) on investment properties, net	–	–	69,400	(10,149)	–	–	69,400	(10,149)
Fair value gains on equity investments at fair value through profit or loss, net	–	–	–	–	(4,140)	(74)	(4,140)	(74)
Provision for impairment losses on loan and interest receivables and repossessed assets, net	37,059	37,964	–	–	–	–	37,059	37,964
Capital expenditure*	–	28	–	531	–	–	–	559

\* Capital expenditure consists of additions to office equipment and investment properties.

## Geographical information

### (a) Revenue from external customers and other income

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Hong Kong	<b>88,717</b>	86,120
Southeast Asia except Hong Kong	<b>2,560</b>	2,613
	<hr/>	<hr/>
Total revenue and other income	<b>91,277</b>	88,733
	<hr/> <hr/>	<hr/> <hr/>

The revenue and other income information of continuing operations above is based on the locations of the customers.

### (b) Non-current assets

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
Hong Kong	<b>468,947</b>	553,878
Southeast Asia except Hong Kong	<b>196,860</b>	197,200
	<hr/>	<hr/>
Total non-current assets	<b>665,807</b>	751,078
	<hr/> <hr/>	<hr/> <hr/>

The non-current asset information of continuing operations above is based on the locations of the assets and excludes an equity investment designated at fair value through other comprehensive income and deferred tax assets.

## 5. REVENUE AND OTHER INCOME

Revenue represents interest income from mortgage loans and unsecured personal loans, gross rental income from investment properties, net fair value gains on equity investments at fair value through profit or loss and dividend income from equity investments at fair value through profit or loss during the year.

An analysis of revenue and other income from continuing operations is as follows:

	2025 HK\$'000	2024 HK\$'000
<b>Revenue</b>		
Interest income from mortgage loans and unsecured personal loans	69,716	72,744
Gross rental income from investment properties	14,914	15,288
Fair value gains on equity investments at fair value through profit or loss, net	4,140	74
Dividend income from equity investments at fair value through profit or loss	1,493	185
Total	90,263	88,291
<b>Other income</b>		
Bank interest income	16,363	14,982
Forfeiture of rental deposits from a tenant	565	–
Bad debt recovery	331	186
Others	118	266
Total	17,377	15,434

## 6. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax from continuing operations is arrived at after charging/(crediting):

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Depreciation	5,262	5,573
Auditor's remuneration:		
Audit services	1,780	1,900
Non-audit services	750	470
	<u>2,530</u>	<u>2,370</u>
Total	<u>2,530</u>	<u>2,370</u>
Employee benefit expense (including directors' remuneration):		
Salaries and allowances	21,599	21,629
Pension scheme contributions*	1,030	1,034
	<u>22,629</u>	<u>22,663</u>
Total	<u>22,629</u>	<u>22,663</u>
Lease payments not included in the measurement of lease liabilities	558	504
Foreign exchange differences, net	–	547
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties	3,258	3,334
Fair value losses/(gains) on investment properties, net	69,400	(10,149)
Provision for impairment losses on loan and interest receivables and repossessed assets, net	37,059	37,964
	<u><u>37,059</u></u>	<u><u>37,964</u></u>

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

## 7. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the year, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 (2024: HK\$2,000,000) of assessable profits of this subsidiary are taxed at 8.25% (2024: 8.25%) and the remaining assessable profits are taxed at 16.5% (2024: 16.5%). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates.

	2025 HK\$'000	2024 HK\$'000
Current – Hong Kong		
Charge for the year	8,672	5,606
Underprovision in prior years	14	–
Current – Elsewhere		
Charge for the year	271	280
Overprovision in prior years	(112)	–
Deferred	(6,174)	(2,943)
Total tax charge for the year from continuing operations	2,671	2,943

## 8. DIVIDEND

The directors do not recommend the payment of any dividend for the year ended 31 March 2025 (2024: Nil).

## 9. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings/(loss) per share amounts is based on the profit/(loss) for the year attributable to ordinary equity holders of the Company, and the number of ordinary shares of 5,780,368,705 (2024: 5,780,368,705) in issue during the year.

No adjustment has been made to the basic earnings/(loss) per share amounts presented for the years ended 31 March 2025 and 2024 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic earnings/(loss) per share amounts presented.

The calculation of the basic earnings/(loss) per share is based on:

	<b>2025</b> <b>HK\$'000</b>	2024 <b>HK\$'000</b>
<b>Earnings/(loss)</b>		
Profit/(loss) attributable to ordinary equity holders of the Company, used in the basic and diluted earnings/(loss) per share calculation:		
From continuing operations	<b>(55,659)</b>	16,971
From a discontinued operation	<u>—</u>	<u>5,442</u>
<b>Total</b>	<b><u>(55,659)</u></b>	<b><u>22,413</u></b>

	<b>2025</b>	2024
<b>Shares</b>		
Number of ordinary shares in issue during the year, used in the basic and diluted earnings/(loss) per share calculation	<b><u>5,780,368,705</u></b>	<b><u>5,780,368,705</u></b>

#### **10. LOAN AND INTEREST RECEIVABLES**

	<b>2025</b> <b>HK\$'000</b>	2024 <b>HK\$'000</b>
Loan and interest receivables	<b>592,015</b>	741,494
Less: Provision for impairment losses on loan and interest receivables	<u><b>(14,677)</b></u>	<u>(16,978)</u>
Loan and interest receivables, net of provision	<b>577,338</b>	724,516
Less: Non-current portion	<u><b>(71,446)</b></u>	<u>(81,904)</u>
Current portion	<b><u>505,892</u></b>	<b><u>642,612</u></b>

The Group's loan and interest receivables, which arose from the money lending business of providing mortgage loans and unsecured personal loans in Hong Kong, are denominated in Hong Kong dollars.

Except for loan and interest receivables of HK\$10,339,000 (2024: HK\$11,577,000) as at 31 March 2025, which are unsecured, interest-bearing and are repayable with fixed terms agreed with customers, all loan and interest receivables are secured by collateral provided by customers, interest-bearing and repayable with fixed terms agreed with the customers. The maximum exposure to credit risk at each of the reporting dates is the carrying value of the loan and interest receivables mentioned above.

As at 31 March 2025, loan and interest receivables of HK\$7,345,000 (2024: HK\$6,622,000) were past due. Except for overdue unsecured personal loan and interest receivables of HK\$654,000 (2024: HK\$811,000) with no collateral, the overdue balances of HK\$6,691,000 (2024: HK\$5,811,000) were mortgage loans and were related to a number of third-party customers.

A maturity profile of the loan and interest receivables as at the end of each reporting period, based on the maturity date, net of provision, is as follows:

	<b>2025</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Current	<b>505,892</b>	642,612
Over 1 year and within 5 years	<b>29,930</b>	37,684
Over 5 years	<b>41,516</b>	44,220
	<hr/>	<hr/>
Total	<b>577,338</b>	724,516
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## **CHAIRMAN'S STATEMENT**

It is a privilege to share an overview of the financial performance of New Century Group Hong Kong Limited (the “Company”) and its subsidiaries (the “Group”) for the year ended 31 March 2025 (the “Year”).

### **Delivering Resilience Across Our Core Businesses**

The Year tested the Group’s adaptability and strength during significant uncertainty. While Hong Kong’s economy showed modest expansion, it remained under pressure from persistent geopolitical tensions, a tightening global financial environment, and restrained consumer confidence. The retail sector faced challenges as shopping behaviours shifted rapidly, with more consumers opting for online channels and prioritising cost-conscious spending. Additionally, a notable shift of consumer expenditure towards Mainland China dampened local retail activity even with increased visitor arrivals. Together, these factors led to a cautious retail market and limited investment appetite.

The residential property market also encountered headwinds throughout the Year. The Centa-City Leading Index declined by 6.9% from 147.1 as at 31 March 2024 to 136.9 as at 31 March 2025, due to high mortgage rates, cautious buyer sentiment and an oversupply of completed but unsold units. The Hong Kong Monetary Authority reported a 27% rise in residential mortgage loans in negative equity, increasing from 32,073 cases as at 31 March 2024 to 40,741 cases as at 31 March 2025. These trends highlight financial stress within the housing sector and reinforce the importance of vigilant risk control.

The challenges in the residential property market significantly affected our money lending business. Declining property values and high mortgage rates increased pressure on borrowers. In response to these heightened credit risks and continuing market uncertainties, the Group adopted a more cautious lending approach, reducing the number of mortgage loans granted during the Year to 28, as compared to 40 last year. To manage credit risk, the Group takes legal actions and obtains repossession of collateral to recover credit-impaired loan and interest receivables. This reflects the Group’s proactive efforts to mitigate credit losses and actively manage the process of loan recovery, although the ultimate outcome depends on the realisation of value from these repossessed assets amid ongoing challenges.

Turning to property investment, this segment faced obstacles from reduced leasing demand and intensified competition. In Hong Kong, the closure of retail outlets and changing consumer preferences led to lower rental demand and occupancy in retail spaces, while office premises experienced elevated vacancy rates amid oversupply. Rental prices came under downward pressure across commercial properties, contributing to significant fair value reductions on our Hong Kong investment properties. It is worth noting that our mortgaged properties and repossessed assets under the money lending portfolio – which include commercial, industrial, and residential properties – were subject to similar market pressures. Meanwhile, our Singapore investment properties remained stable with a steady fair value.

In contrast, our securities trading segment delivered robust profits by leveraging market volatility and favourable policy developments. The Hang Seng Index recorded significant gains supported by robust showings in technology, healthcare, and consumer sectors. Renewed investor interest in Chinese enterprises and encouraging policy developments further enhanced market sentiment, positively influencing the Group's results and partially offsetting pressures in other areas.

Although the Group recorded a shift from a profit to a loss attributable to owners, it showed resilience in the face of difficult macroeconomic and market conditions. The change from a profit to a loss mainly arose from substantial fair value declines in investment properties, the absence of last year's fair value gains on the Group's investment properties and gain on the disposal of a subsidiary, and reduced mortgage interest income from a smaller loan portfolio. These were partially offset by an improvement in securities trading profits, less advertising and promotion expenses incurred, and increased bank interest income from strategic cash management, underscoring the Group's prudent risk management.

### **Building Sustainable Growth and Lasting Value**

Preparing for what lies ahead, the Group adopts a positive yet vigilant stance about the property market and economic environment amid ongoing challenges. Recent government measures – such as the reduction of stamp duties for properties valued up to HK\$4,000,000 and the easing of transaction restrictions – have begun to stimulate activity, particularly in the primary residential market. Early 2025 data indicates a rebound in transaction volumes and a modest recovery in rental demand, supported by stabilising interest rates and expectations of US Federal Reserve rate cuts. Nevertheless, escalating geopolitical tensions, including recent US military actions against Iran, add layers of uncertainty to the global economic outlook, warranting continued caution. These uncertainties are expected to continue influencing borrower sentiment and credit risk, prompting the Group to closely monitor our money lending portfolio.

On a positive note, supportive government policies and improving economic conditions are expected to benefit our property investment portfolio over time. Infrastructure projects and innovation-driven initiatives should gradually enhance commercial property demand, helping to stabilise rental income and property values. While office vacancies remain high due to an abundant new supply, gradual market absorption is anticipated as economic growth gains momentum. Meanwhile, the retail sector has shown signs of recovery with gradual rental improvements. The government's ongoing support for small and medium enterprises – through funding schemes, digital transformation initiatives and lease incentives – strengthens business resilience and tenant retention, fostering a more stable leasing environment across both retail and office sectors.

In securities trading, positive policy signals from Mainland China, including encouragement of listings in Hong Kong and proactive fiscal and monetary support, are expected to enhance market liquidity and investor confidence. The Stock Connect programmes facilitate greater cross-border capital flows, while the shift of Chinese companies from the US to Hong Kong listings reinforces the city's role as a regional financial hub. These factors create favourable conditions for securities trading, and the Group remains well-positioned to capitalise on these opportunities through active portfolio management.

The Group will continue to adopt a strategic approach to asset management and portfolio optimisation, focusing on risk mitigation and maintaining stable income streams amid uncertainties, thereby creating lasting value for our shareholders.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Financial Review**

#### *Revenue*

During the Year, the Group's revenue slightly increased by 2.2% to HK\$90,263,000 (2024: HK\$88,291,000), comprising interest income of HK\$69,716,000 (2024: HK\$72,744,000) from money lending, rental income of HK\$14,914,000 (2024: HK\$15,288,000) from investment properties, fair value gains of HK\$4,140,000 (2024: HK\$74,000) on listed equity investments, along with dividend income of HK\$1,493,000 (2024: HK\$185,000) from listed equity investments. The Group's revenue increased by HK\$1,972,000 primarily due to an increase in fair value gains by HK\$4,066,000 on listed equity investments and an increase in dividend income by HK\$1,308,000 from listed equity investments, which were partially offset by a decrease in interest income by HK\$3,028,000 from money lending.

### *Other Income*

Other income increased by 12.6% to HK\$17,377,000 for the Year (2024: HK\$15,434,000). The increase was driven by an increase in bank interest income by HK\$1,381,000 to HK\$16,363,000 (2024: HK\$14,982,000), income from forfeiture of rental deposits from a tenant totalling HK\$565,000 (2024: Nil) upon early termination by the tenant of the lease of shop units at Dundas Square, Mongkok, and a bad debt recovered from a defaulted borrower amounting to HK\$331,000 (2024: HK\$186,000).

### *Administrative and Operating Expenses*

The Group's administrative and operating expenses decreased by 4.7% to HK\$44,531,000 for the Year (2024: HK\$46,731,000). These expenses mainly consisted of employee benefit expenses (including directors' remuneration), depreciation of property, plant and equipment, advertising and promotion expenses, auditor's remuneration, building management fees, and other administrative expenses. The decline was primarily driven by a reduction in advertising and promotion expenses, which fell by 44.4% to HK\$2,539,000 (2024: HK\$4,565,000).

### *Fair Value Gains/(Losses) on Investment Properties, Net*

The Group recorded net fair value losses on investment properties of HK\$69,400,000 for the Year, as compared to net fair value gains of HK\$10,149,000 last year. The shift from fair value gains to fair value losses was due to the combined effect of an increase in fair value losses on Hong Kong investment properties to HK\$69,400,000 (2024: HK\$13,131,000) while the fair value of Singapore investment properties remained unchanged for the Year (2024: fair value gains of HK\$23,280,000).

### *Provision for Impairment Losses on Loan and Interest Receivables and Repossessed Assets, Net*

The Group recorded a provision for impairment losses of HK\$37,059,000, net, on loan and interest receivables and repossessed assets for the Year, which decreased by 2.4%, as compared to HK\$37,964,000 last year. The decrease in impairment losses was mainly due to the reduction in loan portfolio.

### *Profit/(Loss) Attributable to Owners of the Company*

The Group recorded a loss attributable to owners of the Company of HK\$55,659,000 for the Year, as compared to a profit attributable to owners of the Company of HK\$22,413,000 last year. The change from a profit to a loss was mainly attributable to the fair value losses on the Group's investment properties of HK\$69,400,000, which was partially offset by an increase in profit to HK\$5,693,000 (2024: HK\$315,000) in the securities trading business. There were also fair value gains of HK\$10,149,000 on the Group's investment properties and a gain of HK\$9,834,000 on the disposal of a subsidiary recorded last year.

## **Business Review**

### *Money Lending*

The Group's money lending business is conducted through ETC Finance Limited, an indirect non-wholly owned subsidiary of the Company, holding a licence for conducting money lending activities under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). This business primarily provides mortgage loans to high-quality customers, supported by a rigorous loan approval process and ongoing portfolio monitoring. Prior to loan approval, comprehensive due diligence is performed to assess borrower credibility and collateral value. The Group actively manages repayments and recovery efforts to mitigate credit risk. The challenges in the residential property market significantly affected our money lending business. The money lending segment continues to be the primary revenue source for the Group, contributing around 77.2% to total revenue for the Year (2024: 82.4%). Due to the decline in the loan portfolio, revenue of money lending decreased by 4.2% to HK\$69,716,000 (2024: HK\$72,744,000). Interest income from mortgage loans and unsecured personal loans amounted to HK\$67,341,000 (2024: HK\$70,370,000) and HK\$2,375,000 (2024: HK\$2,374,000), respectively.

During the Year, the Group granted 28 (2024: 40) mortgage loans secured by various types of real estate located in Hong Kong, including residential, commercial and industrial properties and car parking spaces, to individuals and corporations. The total principal sums was HK\$188,530,000 (2024: HK\$255,960,000), with principal amounts ranging from HK\$400,000 to HK\$45,000,000 (2024: HK\$460,000 to HK\$55,000,000), at interest rates ranging from 9.5% to 12.5% per annum (2024: 8.0% to 13.0% per annum), with maturity profiles varying from 12 to 180 months (2024: 12 to 180 months).

The Group also provides a small portion of unsecured personal loans to individuals who are mainly owners of real estate assets under the Home Ownership Scheme and the Tenant Purchase Scheme, as well as private residential properties. During the Year, the Group granted 7 (2024: 5) unsecured personal loans in total principal sums of HK\$5,230,000 (2024: HK\$2,520,000) to individuals with principal amounts ranging from HK\$200,000 to HK\$1,150,000 (2024: HK\$100,000 to HK\$1,200,000) at interest rates ranging from 18.0% to 22.0% per annum (2024: 20.0% to 22.0% per annum) with maturity profiles varying from 36 to 120 months (2024: 36 to 120 months).

The Group's loan and interest receivables (after provision for impairment losses) decreased by 20.3% to HK\$577,338,000 as at 31 March 2025 as compared to HK\$724,516,000 as at 31 March 2024. As at 31 March 2025, there were 93 mortgage loan customers (2024: 114 customers) with loan and interest receivables of HK\$568,258,000 (2024: HK\$715,029,000) and 21 unsecured personal loan customers (2024: 22 customers) with loan and interest receivables of HK\$9,080,000 (2024: HK\$9,487,000), representing 98.4% (2024: 98.7%) and 1.6% (2024: 1.3%) of the total loan and interest receivables (after provision for impairment losses), respectively.

In terms of the Group's loan and interest receivables of HK\$577,338,000 (after provision for impairment losses) as at 31 March 2025 (2024: HK\$724,516,000), the loan and interest receivables from the largest customer and the five largest customers accounted for 9.9% (2024: 7.6%) and 33.7% (2024: 26.0%), respectively.

At the end of the reporting period, provisions for impairment losses on loan and interest receivables and repossessed assets were assessed. The provision for impairment losses on loan and interest receivables was assessed by an independent professionally qualified valuer using expected credit loss model of Hong Kong Financial Reporting Standard 9. For the provision for impairment losses on repossessed assets, the estimated market value of the underlying collateral was determined based on actual transaction prices listed on provisional sales and purchase agreements and valuation carried out by an independent professionally qualified valuer.

Regarding mortgage loans, a provision for impairment losses of HK\$38,984,000 (2024: HK\$25,771,000) was recorded for the Year. Increase in provision for impairment losses on mortgage loans was mainly due to an increase in credit-impaired loan and interest receivables. Regarding unsecured personal loans, a reversal of impairment losses of HK\$831,000 (2024: HK\$218,000) was recorded for the Year due to a reduction in credit-impaired loan and interest receivables. As a result, the Group recorded a total net provision for impairment losses of HK\$38,153,000 (2024: HK\$25,553,000) on loan and interest receivables for the Year.

The Group actively manages credit-impaired loans by taking prompt legal actions for any default loan cases and obtaining repossession and legal rights to rent or sell collateral. As at 31 March 2025, the gross carrying amount of repossessed assets increased by 30.5% to HK\$134,463,000 (2024: HK\$103,035,000) involving 16 loan cases (2024: 10). A net reversal of impairment losses totalling HK\$1,094,000 (2024: a net provision of HK\$12,411,000) on repossessed assets was recorded for the Year.

The total net provision for impairment losses, combining loan and interest receivables with repossessed assets, amounted to HK\$37,059,000 for the Year, slightly lower than HK\$37,964,000 recorded last year. This modest decrease reflects ongoing adjustments in the Group's credit risk estimates, including repossession of collateral of certain non-performing loans for recovery management, and demonstrates the Group's continued commitment to prudent credit risk management in a dynamic market environment.

Taking all these factors mentioned above into account, the money lending segment stood at a profit of HK\$20,898,000 for the Year (2024: HK\$20,766,000).

### *Property Investment*

The Group's investment properties, which consist of prime office space and commercial retail units in Hong Kong and Singapore, were affected by various unfavourable market conditions during the Year. Retail properties in Hong Kong experienced notable pressure on fair values, driven by softer tenant demand, cautious leasing sentiment and structural changes in consumer behaviour. Elevated vacancy rates and subdued rental growth in the retail sector contributed significantly to the decline in property valuations. Office properties also faced challenges from oversupply and moderate leasing demand. In contrast, Singapore investment properties remained relatively stable, supported by steady occupancy and tenant interest. These factors collectively influenced the fair value adjustments and overall performance of the Group's investment property portfolio during the Year.

The Group's segment revenue from property investment dropped by 2.4% to HK\$14,914,000 for the Year, as compared to HK\$15,288,000 last year. In Hong Kong, the rental income from investment properties decreased by 2.5% to HK\$12,355,000 (2024: HK\$12,675,000). The decrease was mainly due to (i) an early move-out by a tenant from two shop units at Dundas Square, Mongkok, in early June 2024, resulting in these units being vacant for some time and (ii) a rental reduction offered to a tenant at Chi Fu Building, Mongkok since June 2024. However, the decrease was partially offset by the increase in monthly rentals charged to tenants at Kwai Chung Plaza, Kwai Chung upon renewal of tenancy agreements. In Singapore, the rental income from investment properties decreased by 2.1% to HK\$2,559,000 (2024: HK\$2,613,000) due to two shop units being vacant for some time after the expiration of the previous lease in March 2024. However, the decrease was partially offset by the increase in monthly rentals charged to tenants of shop units upon renewal of tenancy agreements. As a result, the overall average occupancy rate declined to 95.8% (2024: 96.9%) and the overall average annual rental yield increased to 3.1% (2024: 2.8%) for the Group's investment properties during the Year.

At the end of each reporting period, the fair value of investment properties is assessed through valuations conducted by independent professionally qualified valuers. There was a change from net fair value gains of HK\$10,149,000 last year to net fair value losses of HK\$69,400,000 for the Year, which was due to an increase in fair value losses on Hong Kong investment properties to HK\$69,400,000 (2024: HK\$13,131,000) while there was no change in the fair value of Singapore investment properties throughout the Year (2024: fair value gains of HK\$23,280,000).

As a result of the considerable declines in fair value of investment properties in Hong Kong, the property investment segment recorded a shift from a profit of HK\$21,644,000 last year to a loss of HK\$57,788,000 for the Year.

#### *Securities Trading*

The Hong Kong blue-chip equity market remains a critical indicator of investor sentiment and economic conditions in the region. Supported by ongoing government initiatives and improving economic fundamentals, the sector has demonstrated notable resilience amid global market volatility.

The Group's portfolio of listed equity investments consisted primarily of the blue-chip stocks in the Hong Kong stock market.

During the Year, the Hang Seng Index showed significant recovery, surging by 39.8% from 16,541 points as at 31 March 2024 to 23,119 points as at 31 March 2025. The securities trading segment recorded an increase in profit by HK\$5,378,000 to HK\$5,693,000 for the Year (2024: HK\$315,000). The increase in profit was mainly attributable to an increase in net fair value gains on equity investments at fair value through profit or loss ("FVTPL") to HK\$4,140,000 (2024: HK\$74,000) and an increase in dividend income from equity investments at FVTPL to HK\$1,493,000 (2024: HK\$185,000).

As at 31 March 2025, the Group's equity investments at FVTPL amounted to HK\$11,424,000 (2024: HK\$15,375,000) measured at market value. There was no individual equity investment at FVTPL held by the Group with market value exceeding 5% of the net asset value of the Group. The details of the Group's equity investments at FVTPL as at 31 March 2025 were as below:

Name of stock listed on the stock exchange of Hong Kong (Stock Code)	Number of shares held	Percentage of shareholding held	Investment cost HK\$'000	Market value HK\$'000	Percentage to net assets value of the Group
CK Hutchison Holdings Limited (0001)	40,000	0.0010	1,679	1,748	0.09
Henderson Land Development Company Limited (0012)	70,000	0.0014	1,751	1,561	0.08
Sun Hung Kai Properties Limited (0016)	20,000	0.0007	1,566	1,475	0.08
China Construction Bank Corporation (0939)	200,000	0.0001	1,225	1,376	0.07
China Mobile Limited (0941)	20,000	0.0001	1,459	1,675	0.09
CK Asset Holdings Limited (1113)	55,000	0.0016	1,769	1,727	0.09
Ping An Insurance (Group) Company of China, Ltd. (2318)	20,000	0.0003	931	926	0.05
Bank of China Limited (3988)	200,000	0.0002	749	936	0.05
			<u>11,129</u>	<u>11,424</u>	<u>0.60</u>

### Contingent Liabilities

As at 31 March 2025, the Company had an outstanding guarantee of HK\$70,000,000 (2024: HK\$70,000,000) given to a bank to secure general credit facility for a subsidiary. No credit facility was utilised by that subsidiary from such guarantee as at 31 March 2025 (2024: Nil).

## **Pledge of Assets**

As at 31 March 2025, the Group's self-occupied office units and a car park unit at Shun Tak Centre with an aggregate net book value of HK\$103,983,000 (2024: HK\$108,681,000) and listed equity investments with fair value of HK\$11,424,000 (2024: HK\$15,375,000) were pledged to banks and security brokers for aggregate loan facilities of HK\$78,620,000 (2024: HK\$80,968,000) granted to the Group.

As at 31 March 2025, the Group did not utilise any loan facility (2024: Nil).

## **Liquidity and Financial Resources**

The Group maintained a sound financial condition. As at 31 March 2025, the Group had net current assets of HK\$1,220,427,000 (2024: HK\$1,164,969,000) and equity attributable to owners of the Company worth HK\$1,505,939,000 (2024: HK\$1,561,876,000).

As at 31 March 2025, the aggregate cash and cash equivalents of the Group were approximately HK\$682,206,000 (2024: HK\$518,251,000), which were held predominately in Hong Kong dollar, Singapore dollar and United States dollar.

As at 31 March 2025, the Group had an amount due to an intermediate holding company of HK\$80,000,000 (2024: HK\$80,000,000), which was unsecured, interest-free and repayable on demand.

New Century Maritime Limited, a non-wholly owned subsidiary of the Group that was struck off during the Year, owed a loan of approximately HK\$24,087,000 to its minority shareholder, New Century Cruise Line International Limited ("NCCL"). During the Year, the loan of approximately HK\$24,087,000 was waived by the minority shareholder which was accounted for as a deemed capital contribution from NCCL. Accordingly, there was no loan advanced from a non-controlling shareholder of the Group's subsidiary as at 31 March 2025 (2024: approximately HK\$24,087,000).

Stringent cost control measures have already been implemented to monitor day-to-day operational and administrative expenses. The management will continue to closely review the Group's financial resources in a cautious manner and explore opportunities for potential financing and equity funding from financial institutions. Taking into consideration the Group's current financial resources, the directors believe that the Group will have adequate funds for its continuing operations and development.

## **Gearing Ratio**

The Group's gearing ratio, calculated as total indebtedness divided by equity attributable to owners of the Company, was reduced to 5.3% as at 31 March 2025 (2024: 6.7%). Total indebtedness represents lease liabilities and the amount due to an intermediate holding company as at 31 March 2025 (2024: total indebtedness represented the amount due to an intermediate holding company and the loan advanced from a non-controlling shareholder of the Group's subsidiary).

## **Principal Risks and Uncertainties**

### *Market Risk*

The Group's business performance is closely tied to the economic conditions and property market dynamics in Hong Kong. Potential economic downturns or deterioration in the property sector could impact property transactions, which in turn could limit the growth of the mortgage loan portfolio. In addition, a drop in property prices will cause declining collateral values for the mortgage loans and, in turn, increase the risk of impairment losses. To mitigate these risks, the Group will closely monitor the property market trends and collateral valuations affecting its mortgage loan portfolio. This proactive approach allows the Group to promptly identify market fluctuations and implement appropriate risk mitigation strategies from time to time.

### *Credit Risk*

The Group mainly focuses on entering into loan and/or lease transactions with high-quality customers and obtaining sufficient collateral and/or deposits as a means of mitigating the risk of financial loss from defaults. Before entering into these transactions, whether new or renewals, the Group will conduct due diligence, including but not limited to identity checks, credit reports and legal searches on the customers, together with land searches and latest valuations on the mortgaged properties, if applicable.

The Group has loan committees of different levels comprising directors and senior management to approve and grant different loan products with various loan-to-value ratios and loan amount requirements. The Group continuously monitors the property market and the collateral value of the underlying mortgage loan portfolio to proactively manage risks. Through the audit committee of the Company, the Group has conducted a regular review on the internal control system and identified no significant areas of concern that could affect the operation of the money lending business.

The Group closely monitors whether customers make timely repayments and liaises with them for settlement if there is late repayment. The Group will take legal action, when necessary, as a means to recover the debts in default. In addition, the Group reviews the recovery of each individual debt, including but not limited to rental receivables, mortgage loan and interest receivables, and unsecured personal loan and interest receivables at the end of each reporting period to ensure that adequate impairment losses are provided for irrecoverable amounts.

### *Equity Price Risk*

The Group is exposed to equity price risk through its investments in securities, which are listed on the stock exchange of Hong Kong and are valued at quoted market prices at the end of the reporting period. The management manages this exposure by monitoring price movements and changes in market conditions that may affect the value of the securities and will consider taking appropriate actions to minimise the risk.

### *Foreign Currency Risk*

Most of the Group's revenue and costs were denominated in Hong Kong dollar and Singapore dollar. The Group's cash and cash equivalents were held predominately in Hong Kong dollar, Singapore dollar and United States dollar. The Group currently does not have a foreign currency hedging policy. However, the management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should that need arise.

### **Employees and Remuneration**

As at 31 March 2025, the Group had a total of 32 (2024: 32) staff, including executive directors but excluding independent non-executive directors. The employee benefit expense (including directors' emoluments) of HK\$22,629,000 was recorded for the Year (2024: HK\$22,663,000). Remuneration packages for staff and directors are periodically reviewed according to market conditions as well as individual and the Group's performance. Benefit plans maintained by the Group include salary increments, mandatory provident fund scheme, medical insurance and discretionary bonuses. The Group offers occupational training in the form of external seminars to the staff and has subsidy plan for staff to enhance their knowledge and skills for performing their job duties.

### **Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries and Associates**

The Group did not have any significant investments held, nor any material acquisitions or disposals of subsidiaries and associates during the Year.

### **Closure of Register of Members**

The annual general meeting of the Company is scheduled to be held on Tuesday, 16 September 2025 (the "Annual General Meeting"). For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Thursday, 11 September 2025 to Tuesday, 16 September 2025, both days inclusive, during which period, no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch 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 Wednesday, 10 September 2025.

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

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

## **CORPORATE GOVERNANCE**

The Company has complied with all the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") for the year ended 31 March 2025.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

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 as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of all directors of the Company, all of them confirmed that they have complied with the required standard set out in the Model Code during the year.

## **AUDIT COMMITTEE**

The Company's audit committee comprises four independent non-executive directors, namely, Mr. Cheung Chun Kwok, Mr. Kwan Kai Kin, Kenneth, Mr. Ho Yau Ming and Mr. Wong Steve Cheuk Hung. The audit committee has reviewed the consolidated financial statements of the Group for the year ended 31 March 2025 including the accounting principles and practices adopted by the Group and discussed the internal control, risk management and financial reporting matters.

## **SCOPE OF WORK OF THE COMPANY'S AUDITOR**

The figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 March 2025 as set out in this preliminary announcement have been agreed by the Company's auditor, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by the Company's auditor 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 the Company's auditor on this preliminary announcement.

By order of the Board  
**New Century Group Hong Kong Limited**  
**Ng Wee Keat**  
*Chairman*

Hong Kong, 26 June 2025

*As at the date of this announcement, the Board comprises Mr. Ng Wee Keat (Chairman), Ms. Sio Ion Kuan (Deputy Chairman), Ms. Ng Siew Lang, Linda (Chief Operating Officer), Ms. Lilian Ng, Ms. Chen Ka Chee, Mr. Yu Wai Man and Ms. Huang Si Teng as executive directors and Mr. Cheung Chun Kwok, Mr. Kwan Kai Kin, Kenneth, Mr. Ho Yau Ming and Mr. Wong Steve Cheuk Hung as independent non-executive directors.*