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Chuang's Consortium International Limited

(莊士機構國際有限公司)

(Incorporated in Bermuda with limited liability)

(Stock Code: 367)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025

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

HIGHLIGHTS FOR THE YEAR ENDED 31 MARCH 2025

Business

1. As announced on 19 June 2025, the Group entered into a conditional agreement with an independent third party to dispose of House A, No. 37 Island Road, Deep Water Bay, Hong Kong for a consideration of about HK\$538.5 million. The disposal is subject to the approval of the shareholders of the Company at its special general meeting, and the disposal is expected to be completed in September 2025. The net cash proceeds will significantly strengthen the cash position of the Group.
2. As announced on 9 May 2024, the Group entered into an agreement with an independent third party to dispose of International Financial Centre, an office building in Mongolia for a consideration of approximately US\$33 million (equivalent to approximately HK\$256.7 million). The disposal was completed on 19 June 2024. Net cash proceed of approximately HK\$254 million was received and has strengthened the Group's financial position. A net gain on the disposal of approximately HK\$25.8 million was recorded during the year under review.
3. As announced on 13 December 2024, the Group entered into an agreement with an independent third party to dispose of the land and factory building in Singapore for a consideration of approximately S\$12.6 million (equivalent to approximately HK\$71.3 million). The disposal was completed on 27 December 2024 with net cash proceed of approximately HK\$66.6 million received. A net gain on disposal of approximately HK\$62.2 million was recorded during the year under review.

4. For ARUNA, the Ap Lei Chau project, it is developed into a 27-storey residential/commercial building comprising 105 residential units with clubhouse facilities and retail units at the podium levels. Construction works had been completed and occupation permit had been obtained on 13 June 2024. Pre-sale had commenced in April 2024 and a total of 43 residential units have been launched to the market for sale. Up to the date of this report, 29 units have been sold with an aggregate sale amount of about HK\$143.5 million, in which 10 units had been handed-over to the end buyers and are recognized as sales during the financial year ended 31 March 2025. Meanwhile, the Group has leased 12 residential units in order to generate rental income.
5. For ONE SOHO, the joint venture project at Mongkok, occupation permit and certificate of compliance had been obtained in March 2023 and July 2023 respectively. Up to the date of this report, all the 322 residential units have been sold with an aggregate consideration of about HK\$2.2 billion, in which 213 units with an aggregate consideration of about HK\$1.5 billion had been handed-over to the end buyers in the last financial year. A further 106 units with an aggregate consideration of about HK\$0.7 billion had been handed-over during the year under review. Besides, 9 carparking spaces with aggregate consideration of about HK\$13.8 million had been sold and handed-over in this year.
6. For Po Shan Road joint venture project, the Group is developing the property into one vertical house with 8 storeys over the podium. The 8-storey house will include a luxury living and dining area with 6m floor-to-floor height, an entertainment floor and 6 residential suite floors with at least 3.5m floor-to-floor height. The GFA for the house is about 44,431 *sq. ft.*, with an additional area of about 5,400 *sq. ft.* for garden and about 3,477 *sq. ft.* for roof. The superstructure works had been completed in July 2024, and the occupation permit was obtained on 30 September 2024. External finishing of the property and carpark enhancement work had just been completed. Marketing work for the house is in progress.
7. For the redevelopment project at Gage Street, general building plans of the project to develop a 26-storey residential/commercial building comprising clubhouse facilities and retail units with GFA of about 34,675 *sq. ft.* have been approved. Foundation piling works have been completed. Pile cap works is in progress and is expected to be completed in the third quarter of 2025.

Financial

- Total cash resources of the Group (including bond and securities investments) amounted to HK\$1.7 billion, in which cash and bank balances aggregated to approximately HK\$1.6 billion.
- Net assets attributable to equity holders of the Company amounted to HK\$7,612.7 million.
- Net debt to equity ratio of the Group decreased to 15.8%.
- Loss attributable to equity holders of the Company improved by 36.6% from HK\$932.0 million to HK\$590.7 million.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2025

	<i>Note</i>	2025 HK\$'000	2024 <i>HK\$'000</i> (Restated)
Continuing operations			
Revenues	3	210,838	304,300
Cost of sales		(246,331)	(446,398)
Gross loss		(35,493)	(142,098)
Other income and net gain/(loss)	5A	81,774	(143,313)
Gain on disposal of a subsidiary	5B	25,842	–
Selling and marketing expenses		(20,461)	(25,594)
Administrative and other operating expenses		(296,060)	(259,016)
Change in fair value of investment properties		(442,723)	(326,753)
Operating loss	6	(687,121)	(896,774)
Finance costs	7	(136,126)	(158,878)
Share of results of associated companies		(2,751)	(2,160)
Share of results of joint ventures	8	1,589	(8,277)
Loss before taxation		(824,409)	(1,066,089)
Taxation credit	9	23,066	14,494
Loss for the year from continuing operations		(801,343)	(1,051,595)
Discontinued operation			
Profit/(loss) for the year from discontinued operation	10	56,265	(7,556)
Loss for the year		(745,078)	(1,059,151)
(Loss)/profit for the year attributable to:			
Equity holders			
Continuing operations		(647,662)	(925,680)
Discontinued operation		56,968	(6,369)
		(590,694)	(932,049)
Non-controlling interests			
Continuing operations		(153,681)	(125,915)
Discontinued operation		(703)	(1,187)
		(154,384)	(127,102)
		(745,078)	(1,059,151)
		HK cents	<i>HK cents</i> (Restated)
(Loss)/earnings per share (basic and diluted)	12		
Continuing operations		(38.72)	(55.35)
Discontinued operation		3.41	(0.38)
		(35.31)	(55.73)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2025

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i> (Restated)
Loss for the year	<u>(745,078)</u>	<u>(1,059,151)</u>
Other comprehensive income:		
Items that had been/may be reclassified subsequently to profit and loss:		
Net exchange differences	(9,537)	(126,158)
Share of exchange reserve of a joint venture	(1,809)	(13,178)
Realization of exchange reserves upon disposal of subsidiaries	<u>(2,852)</u>	<u>–</u>
Total other comprehensive loss that had been/may be reclassified subsequently to profit and loss	<u>(14,198)</u>	<u>(139,336)</u>
Item that may not be reclassified subsequently to profit and loss:		
Change in fair value of financial assets at fair value through other comprehensive income	<u>(38,926)</u>	<u>(19,744)</u>
Total other comprehensive loss for the year	<u>(53,124)</u>	<u>(159,080)</u>
Total comprehensive loss for the year	<u><u>(798,202)</u></u>	<u><u>(1,218,231)</u></u>
Total comprehensive (loss)/income for the year attributable to:		
Equity holders		
Continuing operations	(674,446)	(1,029,044)
Discontinued operation	<u>47,861</u>	<u>(3,895)</u>
	<u>(626,585)</u>	<u>(1,032,939)</u>
Non-controlling interests		
Continuing operations	(170,919)	(184,077)
Discontinued operation	<u>(698)</u>	<u>(1,215)</u>
	<u>(171,617)</u>	<u>(185,292)</u>
	<u><u>(798,202)</u></u>	<u><u>(1,218,231)</u></u>

CONSOLIDATED BALANCE SHEET

As at 31 March 2025

	<i>Note</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		111,835	147,734
Investment properties		6,838,599	7,522,302
Right-of-use assets		14,885	56,531
Properties for/under development		359,934	400,842
Cemetery assets		255,400	257,441
Associated companies		41,722	44,533
Joint ventures		618,609	834,290
Financial assets at fair value through other comprehensive income		84,300	123,226
Loans and receivables and other deposits		122,915	227,725
		8,448,199	9,614,624
Current assets			
Properties for sale		1,405,329	1,465,767
Cemetery assets		435,289	432,847
Inventories		99,311	101,009
Debtors and prepayments	13	96,265	88,057
Financial assets at fair value through profit or loss		172,196	200,106
Cash and bank balances		1,580,430	2,243,568
		3,788,820	4,531,354
Investment property held for sale	14	–	10,780
		3,788,820	4,542,134
Current liabilities			
Creditors and accruals	15	334,207	419,899
Sales deposits received		1,040	–
Short-term bank borrowings		116,252	84,146
Current portion of long-term bank borrowings		989,436	2,581,652
Taxation payable		34,572	33,466
		1,475,507	3,119,163
Liability held for sale	14	–	1,860
		1,475,507	3,121,023
Net current assets		2,313,313	1,421,111
Total assets less current liabilities		10,761,512	11,035,735

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Equity		
Share capital	418,138	418,138
Reserves	7,194,536	7,821,121
Shareholders' funds	7,612,674	8,239,259
Non-controlling interests	1,119,351	1,291,948
Total equity	8,732,025	9,531,207
Non-current liabilities		
Long-term bank borrowings	1,750,088	1,148,343
Deferred taxation liabilities	205,654	237,798
Loans and payables with non-controlling interests	40,078	45,141
Other non-current liabilities	33,667	73,246
	2,029,487	1,504,528
	10,761,512	11,035,735

NOTES:

1. GENERAL INFORMATION

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

The principal activities of the Company and its subsidiaries (collectively as the "Group") are property development, investment and trading, hotel operation and management, development and operation of cemetery, manufacturing, sales and trading of goods and merchandises, securities investment and trading and money lending business. During the year, the Group disposed of the land and factory building in Singapore and afterwards there is no more sales of goods and merchandises operation of the Group at the moment. Accordingly the result of the sales of goods and merchandises operation together with the related net gain on disposal have been presented as discontinued operation in the consolidated income statement for the year in accordance with HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" (note 10). The comparative figures have been restated to conform to the current year's presentation.

2. BASIS OF PREPARATION

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

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

(i) Effect of adopting amendments to standards and interpretation

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

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

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

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

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

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

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

3. REVENUES

Revenues recognized during the year are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i> (Restated)
Continuing operations		
Sales of properties	44,077	141,571
Rental income and management fees	141,050	137,610
Sales of cemetery assets	21,288	18,307
Interest income from money lending business	1,238	1,116
Interest and other income from bond investments of financial assets at fair value through profit or loss	3,162	5,673
Dividend income from securities investments for trading of financial assets at fair value through profit or loss	23	23
	<u>210,838</u>	<u>304,300</u>

4. SEGMENT INFORMATION

(a) Segment information by business lines

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

The CODM considers the business from a business perspective, including property development, investment and trading, development and operation of cemetery, sales of goods and merchandises, securities investment and trading and money lending business. The CODM assesses the performance of the operating segments based on the measure of segment result. During the year, the Group disposed of the sales of goods and merchandises operation and the result of such operation together with the related net gain on disposal have been presented as discontinued operation in segment information. The comparative figures have been restated to conform to the current year’s presentation.

The segment information by business lines is as follows:

	Continuing operations						Discontinued operation	
	Property development, investment and trading HK\$'000	Cemetery HK\$'000	Securities investment and trading HK\$'000	Money lending business HK\$'000	Others and corporate HK\$'000	Total HK\$'000	Sales of goods and merchandises HK\$'000	2025 Total HK\$'000
Revenues from contracts with customers:								
– Recognized at a point in time	44,077	21,288	–	–	–	65,365	6,859	72,224
– Recognized over time	14,844	–	–	–	–	14,844	–	14,844
Revenues from other sources	126,206	–	3,185	1,238	–	130,629	–	130,629
Revenues	185,127	21,288	3,185	1,238	–	210,838	6,859	217,697
Other income and net gain/(loss)	23,819	381	(65)	–	57,639	81,774	4,333	86,107
Operating (loss)/profit	(584,402)	5,803	2,953	840	(112,315)	(687,121)	(4,693)	(691,814)
Finance costs	(136,126)	–	–	–	–	(136,126)	(1,263)	(137,389)
Share of results of associated companies	71	–	–	–	(2,822)	(2,751)	–	(2,751)
Share of results of joint ventures	1,589	–	–	–	–	1,589	–	1,589
(Loss)/profit before taxation	(718,868)	5,803	2,953	840	(115,137)	(824,409)	(5,956)	(830,365)
Taxation credit/(charge)	23,679	(1,964)	1,351	–	–	23,066	–	23,066
(Loss)/profit after taxation	(695,189)	3,839	4,304	840	(115,137)	(801,343)	(5,956)	(807,299)
Gain on disposal of subsidiaries of discontinued operation	–	–	–	–	–	–	62,221	62,221
(Loss)/profit for the year	(695,189)	3,839	4,304	840	(115,137)	(801,343)	56,265	(745,078)
Segment assets	9,149,618	729,455	204,659	28,528	1,464,429	11,576,689	–	11,576,689
Associated companies	130	–	–	–	41,591	41,721	–	41,721
Joint ventures	618,609	–	–	–	–	618,609	–	618,609
Total assets	9,768,357	729,455	204,659	28,528	1,506,020	12,237,019	–	12,237,019
Total liabilities	3,256,819	177,405	1,283	51	69,436	3,504,994	–	3,504,994
Other segment items are as follows:								
Capital expenditure	107,345	7,932	–	–	–	115,277	–	115,277
Depreciation of property, plant and equipment	2,953	473	–	–	18,465	21,891	770	22,661
Depreciation of right-of-use assets	–	95	–	–	12,605	12,700	989	13,689
Provision for impairment of properties for/under development	37,905	–	–	–	–	37,905	–	37,905
Provision for impairment of properties for sale	116,418	–	–	–	–	116,418	–	116,418
Provision for impairment of trade debtors	4,644	–	–	–	–	4,644	–	4,644
Provision for impairment of other deposits	78,649	–	–	–	–	78,649	–	78,649
Reversal of provision of inventories	–	–	–	–	–	–	2,200	2,200
Fair value loss of investment properties	442,723	–	–	–	–	442,723	–	442,723

	Continuing operations						Discontinued operation	
	Property development, investment and trading HK\$'000	Cemetery HK\$'000	Securities investment and trading HK\$'000 (Restated)	Money lending business HK\$'000	Others and corporate HK\$'000 (Restated)	Total HK\$'000 (Restated)	Sales of goods and merchandises HK\$'000 (Restated)	2024 Total HK\$'000 (Restated)
Revenues from contracts with customers:								
– Recognized at a point in time	141,571	18,307	–	–	–	159,878	13,341	173,219
– Recognized over time	15,429	–	–	–	–	15,429	–	15,429
Revenues from other sources	122,181	–	5,696	1,116	–	128,993	–	128,993
Revenues	<u>279,181</u>	<u>18,307</u>	<u>5,696</u>	<u>1,116</u>	<u>–</u>	<u>304,300</u>	<u>13,341</u>	<u>317,641</u>
Other income and net gain/(loss)	<u>30,283</u>	<u>423</u>	<u>(262,273)</u>	<u>–</u>	<u>88,254</u>	<u>(143,313)</u>	<u>4,035</u>	<u>(139,278)</u>
Operating (loss)/profit	(541,474)	(435)	(257,649)	329	(97,545)	(896,774)	(5,959)	(902,733)
Finance costs	(158,472)	–	(406)	–	–	(158,878)	(1,597)	(160,475)
Share of results of associated companies	72	–	–	–	(2,232)	(2,160)	–	(2,160)
Share of results of joint ventures	(8,277)	–	–	–	–	(8,277)	–	(8,277)
(Loss)/profit before taxation	(708,151)	(435)	(258,055)	329	(99,777)	(1,066,089)	(7,556)	(1,073,645)
Taxation credit/(charge)	18,678	(1,611)	(2,573)	–	–	14,494	–	14,494
(Loss)/profit for the year	<u>(689,473)</u>	<u>(2,046)</u>	<u>(260,628)</u>	<u>329</u>	<u>(99,777)</u>	<u>(1,051,595)</u>	<u>(7,556)</u>	<u>(1,059,151)</u>
Segment assets	10,294,132	730,845	233,990	27,834	1,933,350	13,220,151	47,004	13,267,155
Associated companies	121	–	–	–	44,412	44,533	–	44,533
Joint ventures	834,290	–	–	–	–	834,290	–	834,290
Investment property held for sale	10,780	–	–	–	–	10,780	–	10,780
Total assets	<u>11,139,323</u>	<u>730,845</u>	<u>233,990</u>	<u>27,834</u>	<u>1,977,762</u>	<u>14,109,754</u>	<u>47,004</u>	<u>14,156,758</u>
Segment liabilities	4,281,911	178,527	35,200	101	92,975	4,588,714	34,977	4,623,691
Liability held for sale	1,860	–	–	–	–	1,860	–	1,860
Total liabilities	<u>4,283,771</u>	<u>178,527</u>	<u>35,200</u>	<u>101</u>	<u>92,975</u>	<u>4,590,574</u>	<u>34,977</u>	<u>4,625,551</u>
Other segment items are as follows:								
Capital expenditure	233,452	11,000	–	–	37,815	282,267	–	282,267
Depreciation of property, plant and equipment	2,937	458	–	–	18,892	22,287	1,829	24,116
Depreciation of right-of-use assets	1,709	95	–	–	12,681	14,485	3,185	17,670
Provision for impairment of properties for/under development	32,475	–	–	–	–	32,475	–	32,475
Provision for impairment of properties for sale	254,417	–	–	–	–	254,417	–	254,417
Provision for impairment of trade debtors	927	3,940	–	–	–	4,867	–	4,867
Provision for impairment of other receivables	7,898	–	–	–	–	7,898	–	7,898
Reversal of provision of impairment of trade debtors	367	–	–	–	–	367	–	367
Fair value loss of investment properties	<u>326,753</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>326,753</u>	<u>–</u>	<u>326,753</u>

(b) Geographical segment information

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

	Revenues		Capital expenditure	
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i> (Restated)	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Continuing operations				
Hong Kong	154,870	190,437	99,469	258,852
The People's Republic of China (the "PRC")	31,548	29,023	7,932	11,000
France	–	48,423	–	–
Other countries	24,420	36,417	7,876	12,415
	210,838	304,300	115,277	282,267
Discontinued operation	6,859	13,341	–	–
	217,697	317,641	115,277	282,267
	Non-current assets (Note)		Total assets	
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i> (Restated)	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i> (Restated)
Continuing operations				
Hong Kong	6,269,083	6,720,799	9,499,639	10,670,989
The PRC	1,363,060	1,664,546	2,099,532	2,563,249
Other countries	608,841	834,496	637,848	875,516
	8,240,984	9,219,841	12,237,019	14,109,754
Discontinued operation	–	43,832	–	47,004
	8,240,984	9,263,673	12,237,019	14,156,758

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

5A. OTHER INCOME AND NET GAIN/(LOSS)

	2025 HK\$'000	2024 HK\$'000 (Restated)
Continuing operations		
Interest income from bank deposits	74,244	101,893
Dividend income from financial assets at fair value through other comprehensive income	–	7,366
Net loss of bonds and other investments of financial assets at fair value through profit or loss (<i>note</i>)	(1,151)	(263,030)
Net loss on disposal of investment properties (<i>note 14</i>)	(437)	(676)
Net gain on disposal of property, plant and equipment	1,032	89
Net exchange gain/(loss)	1,297	(13,468)
Forfeited deposits from sales of properties	635	–
Reversal of over-provision for construction costs payable	3,297	20,908
Others	2,857	3,605
	<u>81,774</u>	<u>(143,313)</u>

Note: The amount comprises of net gain on disposal of HK\$1.5 million (2024: HK\$226.3 million) and net fair value loss of HK\$2.7 million (2024: HK\$489.3 million) for financial assets at fair value through profit or loss.

5B. GAIN ON DISPOSAL OF A SUBSIDIARY

On 9 May 2024, an indirect wholly-owned subsidiary of the Company entered into an agreement with an independent third party to dispose of a wholly-owned subsidiary that held an investment property under development in Mongolia for a consideration of approximately US\$33 million (equivalent to approximately HK\$256.7 million) (the “Mongolia Disposal”). Details of the Mongolia Disposal were announced by the Company on 9 May 2024, and published in the circular of the Company on 17 June 2024. The Mongolia Disposal was completed on 19 June 2024, and a gain on disposal of a subsidiary before taxation of approximately HK\$25.8 million was recorded in the year ended 31 March 2025, taking into account the net assets disposed of approximately HK\$222.6 million, the realization of a negative exchange reserve upon disposal of approximately HK\$6.2 million and the related transaction costs.

6. OPERATING LOSS

	2025 HK\$'000	2024 HK\$'000 (Restated)
Continuing operations		
Operating loss is stated after crediting:		
Reversal of provision for impairment of trade debtors	–	367
and after charging:		
Cost of properties sold	42,194	110,698
Cost of cemetery assets sold	4,374	4,237
Depreciation of property, plant and equipment	21,891	22,287
Depreciation of right-of-use assets	12,700	14,485
Provision for impairment of properties for/under development (<i>note</i>)	37,905	32,475
Provision for impairment of properties for sale (<i>note</i>)	116,418	254,417
Provision for impairment of trade debtors	4,644	4,867
Provision for impairment of other receivables	–	7,898
Provision for impairment of other deposits	78,649	–
Staff costs, including Directors' emoluments		
Wages and salaries	99,175	106,588
Retirement benefit costs	3,663	3,964

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

7. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000 (Restated)
Continuing operations		
Interest expenses of		
Bank borrowings	180,574	230,331
Lease liabilities	913	1,336
	181,487	231,667
Amounts capitalized into properties under development	(45,361)	(72,789)
	136,126	158,878

The capitalization rates applied to funds borrowed for the development of properties ranged from 4.89% to 6.65% (2024: 5.78% to 6.31%) per annum.

8. SHARE OF RESULTS OF JOINT VENTURES

Share of profit of joint ventures of HK\$1,589,000 (2024: loss of HK\$8,277,000) in the consolidated income statement included the rental income from the wholly-owned subsidiary of a joint venture partner for the year ended 31 March 2025 amounting to approximately HK\$16,854,000 (2024: HK\$17,317,000).

9. TAXATION CREDIT

	2025 HK\$'000	2024 HK\$'000
Continuing operations		
Current taxation		
Hong Kong profits tax	13	3,132
PRC corporate income tax	2,891	1,812
PRC land appreciation tax	882	–
Overseas profits tax	307	3,782
Overseas withholding tax (<i>note 5B</i>)	2,967	–
Deferred taxation	(30,126)	(23,220)
	<u>(23,066)</u>	<u>(14,494)</u>

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit for the year ended 31 March 2025 (2024: Same). PRC corporate income tax and overseas profits tax have been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the PRC and the countries in which the Group operates respectively. PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including costs of land and development expenditures. Overseas withholding tax includes the relevant tax on disposal of a subsidiary arising from the Mongolia Disposal as mentioned in note 5B.

Share of taxation charge of associated companies for the year ended 31 March 2025 of HK\$19,000 (2024: HK\$18,000) is included in the consolidated income statement as “Share of results of associated companies”. Share of current taxation charge of the joint ventures for the year ended 31 March 2025 of HK\$1,085,000 (2024: HK\$731,000) is included in the consolidated income statement as “Share of results of joint ventures”.

10. DISCONTINUED OPERATION

On 13 December 2024, the Group entered into an agreement with an independent third party to dispose of the subsidiaries that held the land and factory building in Singapore (the “Sintex Group”) for a consideration of approximately S\$12.6 million (equivalent to approximately HK\$71.3 million) (the “Sintex Disposal”). Details of the Sintex Disposal were announced by the Company on 13 December 2024. The Sintex Disposal was completed on 27 December 2024, and a net gain on disposal of approximately HK\$62.2 million was recorded in the year ended 31 March 2025, taking into account the net assets disposed of approximately HK\$14.6 million, net off with the portion of the non-controlling interests of about HK\$1.0 million, the realization of exchange reserve upon disposal of approximately HK\$9.1 million and the related transaction costs.

The Sintex Group was principally engaged in the sales of goods and merchandises operation in Singapore. After the Sintex Disposal, there is no more sales of goods and merchandises operation of the Group at the moment. In accordance with HKFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”, the consolidated results of the Sintex Group have been presented as discontinued operation in the consolidated financial statements and the comparative figures of the consolidated income statement and consolidated statement of comprehensive income and corresponding notes have been restated to reflect the reclassification between continuing operations and discontinued operation of the Group accordingly.

(a) Results of discontinued operation

	2025 HK\$'000	2024 HK\$'000
Revenues	6,859	13,341
Cost of sales	(7,773)	(13,719)
Gross loss	(914)	(378)
Other income	4,333	4,035
Selling and marketing expenses	(3,437)	(4,112)
Administrative and other operating expenses	(4,675)	(5,504)
Operating loss	(4,693)	(5,959)
Finance costs	(1,263)	(1,597)
Loss before and after taxation	(5,956)	(7,556)
Gain on disposal of subsidiaries of discontinued operation	62,221	–
Profit/(loss) for the year from discontinued operation	56,265	(7,556)
Attributable to:		
Equity holders	56,968	(6,369)
Non-controlling interests	(703)	(1,187)
	56,265	(7,556)

(b) Cash flows used in discontinued operation

	2025 HK\$'000	2024 HK\$'000
Net cash (used in)/from operating activities	(1,881)	1,010
Net cash from/(used in) investing activities	33	(13)
Net cash used in financing activities	(43)	(1,776)
Net cash flows used in discontinued operation for the year	(1,891)	(779)

Note: The discontinued operation was partly financed by intercompany loan from the continuing operations, which had been eliminated in the consolidated financial statements of the Group.

(c) **Gain on disposal of subsidiaries of discontinued operation**

	2025 HK\$'000
Consideration	71,333
Carrying value of net assets disposed of	(14,555)
	56,778
Non-controlling interests	980
Transaction costs for disposal	(4,582)
Realization of exchange reserve	9,045
	62,221
Gain on disposal of subsidiaries of discontinued operation	62,221

11. DIVIDENDS

On 27 June 2025, the board of Directors had resolved not to recommend the payment of a final dividend for the year ended 31 March 2025 (2024: Nil). No interim dividend had been paid for the year ended 31 March 2025 (2024: Nil).

12. LOSS PER SHARE

The calculation of the loss per share is based on the following loss attributable to equity holders and the weighted average number of 1,672,553,104 (2024: 1,672,553,104) shares in issue during the year:

	2025		2024	
Continuing operations HK\$'000	Discontinued operation HK\$'000	Total HK\$'000	Continuing operations HK\$'000 (Restated)	Discontinued operation HK\$'000 (Restated)
(Loss)/profit attributable to equity holders	(647,662)	56,968	(590,694)	(925,680)
				(6,369)
				(932,049)

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

13. DEBTORS AND PREPAYMENTS

Receivables from sales of properties and cemetery assets are settled in accordance with the terms of respective contracts. Rental income and management fees are received in advance. Credit terms of sales of goods and merchandises in 2024 mainly ranged from 30 days to 90 days. The aging analysis of trade debtors of the Group based on the date of invoices is as follows:

	2025 HK\$'000	2024 HK\$'000
Below 30 days	3,592	3,529
31 to 60 days	1,957	1,285
61 to 90 days	1,134	885
Over 90 days	4,311	1,465
	10,994	7,164

Debtors and prepayments include net deposits of HK\$1,382,000 (2024: HK\$7,983,000) for acquisition of property projects and right-of-use assets after the accumulated provision for impairment as at 31 March 2025.

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

14. INVESTMENT PROPERTY AND LIABILITY HELD FOR SALE

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

15. CREDITORS AND ACCRUALS

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

	2025 HK\$'000	2024 HK\$'000
Below 30 days	2,754	2,870
31 to 60 days	585	1,993
Over 60 days	2,854	5,046
	<u>6,193</u>	<u>9,909</u>

Creditors and accruals include the construction cost payables and accruals of HK\$138,732,000 (2024: HK\$162,186,000) for the property and cemetery projects of the Group.

16. FINANCIAL GUARANTEES

As at 31 March 2025, the Company had provided a guarantee of HK\$246,600,000 (2024: HK\$237,013,000) for the banking facility granted to a joint venture, and certain subsidiaries had provided guarantees of HK\$3,696,000 (2024: HK\$4,396,000) to banks for mortgage loans made by the banks to the purchasers of properties sold by the subsidiaries in the PRC.

17. COMMITMENTS

As at 31 March 2025, the Group had commitments contracted but not provided for in respect of property projects, properties and property, plant and equipment of HK\$27,960,000 (2024: HK\$161,936,000) and financial assets at fair value through profit or loss of HK\$30,199,000 (2024: HK\$37,091,000) respectively.

18. PLEDGE OF ASSETS

As at 31 March 2025, the Group had pledged certain assets including investment properties, properties for/ under development and properties for sale, with an aggregate carrying value of HK\$6,531,719,000 (2024: HK\$7,923,608,000, also included property, plant and equipment and right-of-use assets), to secure banking facilities granted to the subsidiaries.

19. CAPITAL EXPENDITURE

For the year ended 31 March 2025, the Group incurred acquisition and development costs on property, plant and equipment of HK\$887,000 (2024: HK\$240,000), property projects, investment properties and cemetery assets of HK\$114,390,000 (2024: HK\$244,212,000), and right-of-use assets of HK\$37,815,000 for 2024 respectively.

20. EVENT AFTER THE REPORTING PERIOD

On 19 June 2025, a direct wholly-owned subsidiary of the Company entered into an agreement with an independent third party to dispose of a wholly-owned subsidiary that held an investment property in Hong Kong for a consideration of approximately HK\$538.5 million (subject to and after adjustments). Deposit of HK\$53.8 million had been received in cash from the purchaser. The transaction is subject to the approval of the shareholders of the Company at its special general meeting. Details of the disposal were announced by the Company on 19 June 2025, and a circular containing more information on the disposal is expected to be despatched to the shareholders of the Company on or before 15 August 2025. The disposal is expected to be completed in September 2025.

FINANCIAL REVIEW

For the year ended 31 March 2025, revenues of the Group decreased to HK\$210.8 million (2024: HK\$304.3 million) mainly due to the decrease in sales of properties. Revenues of the Group comprised of revenues from sales of properties of HK\$44.1 million (2024: HK\$141.6 million), revenues from rental and other income of investment properties of HK\$141.1 million (2024: HK\$137.6 million), revenues from cemetery business of HK\$21.3 million (2024: HK\$18.3 million), revenues from money lending business of HK\$1.2 million (2024: HK\$1.1 million), and revenues from securities investment and trading business of HK\$3.1 million (2024: HK\$5.7 million).

During the year under review, gross loss of HK\$35.5 million (2024: HK\$142.1 million) was recorded which was attributable to the impairment provision for properties for development and properties for sale of the Group under the current property market conditions.

Other income and net gain amounted to a net income of HK\$81.8 million (2024: net loss of HK\$143.3 million) which was mainly due to the decrease in net loss of bond and securities investments recorded during the year under review. A breakdown of other income and net gain is shown in note 5A on page 13 of this report. Gain on disposal of a subsidiary of HK\$25.8 million (2024: Nil) during the year represented the gain on disposal of a subsidiary that held the investment property in Mongolia as announced by the Company on 9 May 2024. Loss from change in fair value of investment properties of the Group amounted to HK\$442.7 million (2024: HK\$326.8 million) mainly due to the decrease in fair value of the investment properties of the Group under the current property market. There is a profit from discontinued operation of HK\$56.3 million (2024: loss of HK\$7.6 million), which represented the gain on disposal of the subsidiaries that held the land and factory building in Singapore with the amount of HK\$62.2 million, and offsetted by the net loss of HK\$5.9 million (2024 full year: HK\$7.6 million) on operation of the sales of good and merchandises business during the year before disposal.

On the costs side, selling and marketing expenses decreased to HK\$20.5 million (2024: HK\$25.6 million) principally due to the decrease in sales activities during the year. Administrative and other operating expenses amounted to HK\$296.1 million (2024: HK\$259.0 million) which included a provision for impairment of about HK\$78.6 million (2024: Nil) for a development site in the People's Republic of China (the "PRC"). Excluding this provision, the administrative and other operating expenses would amount to about HK\$217.5 million (2024: HK\$259.0 million), which represented a decrease of about 16.0% comparing to that of the last corresponding year. Finance costs decreased to HK\$136.1 million (2024: HK\$158.9 million) mainly due to the decrease in interest rates and the level of bank borrowings during the year. Share of loss of associated companies amounted to HK\$2.8 million (2024: HK\$2.2 million) and share of profit of joint ventures amounted to HK\$1.6 million (2024: loss of HK\$8.3 million). Taxation credit amounted to HK\$23.1 million (2024: HK\$14.5 million) mainly due to the reversal of deferred taxation liabilities arising from the fair value loss of investment properties recorded during the year.

Taking into account the above, loss attributable to equity holders of the Company for the year ended 31 March 2025 amounted to HK\$590.7 million (2024: HK\$932.0 million), representing a reduction of loss of about 36.6%. Loss per share was 35.31 HK cents (2024: 55.73 HK cents).

DIVIDENDS

After taking into account the need to maintain sufficient financial resources for the working capital of the Group's projects and businesses, in particular under the current uncertain business environment, the Board has resolved not to recommend the payment of a dividend for year ended 31 March 2025 (2024: Nil). No interim dividend had been paid during the year (2024: Nil).

BUSINESS REVIEW

(A) Investment Properties

(i) *Chuang's Tower, Nos. 30–32 Connaught Road Central, Hong Kong (100% owned)*

The property is a commercial/office building and is strategically located at the heart of Central District and close to the exits of both the Central Station of the Mass Transit Railway and the Hong Kong Station of the Airport Express Line. The property has a site area of about 3,692 *sq. ft.* and a total gross floor area ("GFA") of about 55,367 *sq. ft.*. During the year, rental and other income from this property amounted to about HK\$33.1 million. With the increase in leasing supply from the newly completed properties in the district, the competition of leasing activities is more keen. The Group would be more flexible on tenant selection as well as tenancy period in order to maintain its competitiveness and increase the occupancy.

(ii) *Chuang's London Plaza, No. 219 Nathan Road, Tsim Sha Tsui, Kowloon (100% owned)*

Strategically located at the heart of shopping centres in Tsim Sha Tsui, Kowloon, and near the exits of the Mass Transit Railway and the Guangzhou-Shenzhen-Hong Kong Express Rail Link Hong Kong Section, the property is a shopping and entertainment complex. The property has a site area of about 9,145 *sq. ft.* and a total GFA of about 103,070 *sq. ft.*. In recent years, the Group is improving the trade mix of tenants which resulted in an increase in the popularity and footprint of the plaza. As such, rental and other income from this property increased to about HK\$50.7 million. The Group will continue to explore more marketing ideas on leasing so as to further enhance the rental yield of the property.

(iii) *Posco Building, No. 165 Un Chau Street, Sham Shui Po, Kowloon (100% owned)*

The property is a commercial/industrial building located in between the Cheung Sha Wan (approximately 0.4 kilometre) and the Sham Shui Po (approximately 0.5 kilometre) Mass Transit Railway Stations, enjoying the convenience of good transportation network. The property has a site area of about 3,920 *sq. ft.* and a total GFA of about 47,258 *sq. ft.*. During the year, rental and other income from this property amounted to about HK\$10.4 million. Currently, the property is for commercial (G/F to 3/F and 12/F) and industrial (4/F to 11/F) use. Building plans to redevelop the property into a commercial/residential property with a total GFA of about 35,280 *sq. ft.* had been approved by the Buildings Department. Considering the current downward trend of mass residential property market, the Group will evaluate the best timing to carry out such redevelopment (if any).

(iv) House A, No. 37 Island Road, Deep Water Bay, Hong Kong (100% owned)

Located at Deep Water Bay, a prestigious residential area, the property enjoys a glamorous sea-view. The house was vacant in previous years for renovation which was finished during the year. On 19 June 2025, the Group entered into a conditional agreement with an independent third party to dispose of the subsidiary that held this property for a consideration of about HK\$538.5 million. Deposit of HK\$53.8 million had been received in cash from the purchaser. The disposal is subject to the approval of the shareholders of the Company at its special general meeting, and the disposal is expected to be completed in September 2025. The net cash proceeds from the disposal will significantly strengthen the cash position of the Group. Details of the disposal were announced by the Company on 19 June 2025, and a circular containing more information on the disposal is expected to be despatched to the shareholders of the Company on or before 15 August 2025.

(v) 1st to 3rd Floors of Peng Building, Luohu District, Shenzhen, the PRC (100% owned)

This property is located next to an exit of Honghu Station of Line 7, Shenzhen Metro, and it is for commercial use with a total gross area of about 5,318 *sq. m.*. The Group leased out the property in March 2022 to an independent third party for 10 years to operate it as a medical centre at current monthly rental of RMB714,000, with a step up by 5% for every 2 years.

(vi) International Finance Centre, Sukhbaatar District, Ulaanbaatar, Mongolia (100% owned before disposal)

The project has a site area of about 3,269 *sq. m.* and is located within the central business district. It was planned that a 26-storey retail/office building with GFA of about 40,000 *sq. m.*, comprising office units and carparking spaces with shopping units at the podium levels would be developed. Superstructure works had been topped off. Internal structural works and external cladding works were halted because of Covid-19.

On 9 May 2024, the Group entered into an agreement with an independent third party for the disposal of the subsidiary that held this property for a consideration of approximately US\$33 million (equivalent to approximately HK\$256.7 million). The disposal was completed on 19 June 2024. Net cash proceed of approximately HK\$254 million was received and has strengthened the Group's financial position. A net gain on the disposal of approximately HK\$25.8 million was recorded during the year. Details of the disposal were announced by the Company on 9 May 2024 and published in the circular of the Company on 17 June 2024.

(B) Hotels and Serviced Apartments

(i) sáv Residence, Xinyi District, Taipei City, Taiwan (100% owned)

In Taiwan, the Group owns sáv Residence which is located nearby the city centre of Taipei City. The property is a residential complex developed by the Group and comprises a fully furnished villa and 6 serviced apartments (of which 2 are duplex) with a total GFA of about 20,600 *sq. ft.*. The serviced apartments have been leased out with rental income amounting to approximately HK\$2.4 million for the year under review. Marketing work for leasing the villa is in progress.

(ii) sáv Plaza, Sukhbaatar District, Ulaanbaatar, Mongolia (100% owned)

The project is located in the city centre within the embassy district and is a 19-storey building comprising 142 units and 2 ground floor shops with a total GFA of about 19,000 *sq. m.* and 48 carparking spaces. During the year, rental and other income from this property amounted to about HK\$8.4 million. In recent years, the economy and market of Mongolia has gently improved which has attracted visitors and led to good performance in tourism. As at the date of this report, 108 units and 39 carparking spaces have been occupied and leased out, and the Group has also leased out a shop at ground floor for a tea-house. The aggregate monthly rental income has risen to about HK\$1.0 million. The Group will continue to explore more marketing ideas on promotion and leasing of the project. The Group will also seek appropriate opportunities to dispose of the property to accelerate return from this investment.

(C) Development Properties

(i) Nos. 16–20 Gage Street, Central, Hong Kong (100% owned)

The Group has successfully consolidated this project with a total site area of about 3,600 *sq. ft.*. General building plans of the project to develop a 26-storey residential/commercial building comprising clubhouse facilities and retail units with total GFA of about 34,675 *sq. ft.* had been approved. Foundation piling works have been completed. Pile cap works is in progress and is expected to be completed in the third quarter of 2025. The Group targets to achieve BEAM Plus Silver Rating for the property development from the green building perspective. As affected by the fall in property market, a provision for impairment of about HK\$56.6 million (2024: HK\$99.7 million) was recorded for this project during the year under review. The Group will closely monitor the development progress of this project.

(ii) 28 Po Shan Road, Hong Kong (50% owned)

This project is owned as to 50% by the Group and 50% by a wholly-owned subsidiary of K. Wah International Holdings Limited (stock code: 173), and the Group is the project manager of the development. The property, with a site area of about 10,000 *sq. ft.*, is located in a prestigious mid-level area that enjoys a glamorous sea-view. The Group is developing the property into one vertical house with 8 storeys over the podium, and targets to achieve LEED Silver Rating for the property development from the green building perspective. The 8-storey house will include a luxury living and dining area with 6m floor-to-floor height, an entertainment floor and 6 residential suite floors with at least 3.5m floor-to-floor height. The GFA for the house is about 44,431 *sq. ft.*, with an additional area of about 5,400 *sq. ft.* for garden and about 3,477 *sq. ft.* for roof.

The superstructure works had been completed in July 2024, and the occupation permit was obtained on 30 September 2024. External finishing of the property and carpark enhancement work had just been completed. In the meantime, both joint venture partners are exploring various options (including disposal) to accelerate return on this investment. Marketing work for the house is in progress.

(iii) ONE SOHO, Kowloon Inland Lot No. 11254, Reclamation Street/Shantung Street, Mongkok, Kowloon, Hong Kong (40% owned)

Through the joint venture with a wholly-owned subsidiary of Sino Land Company Limited (stock code: 83), the Group participated in this project tendered by the Urban Renewal Authority in December 2017. It is a residential/commercial building comprising 322 residential units, clubhouse facilities, commercial podium and 12 carparking spaces, in which the commercial portion is retained by the Urban Renewal Authority.

Occupation permit and certificate of compliance had been obtained in March 2023 and July 2023 respectively. Up to the date of this report, all the 322 residential units have been sold with an aggregate consideration of about HK\$2.2 billion, in which 213 units with an aggregate consideration of about HK\$1.5 billion had been handed-over to the end buyers in the last financial year. A further 106 units with an aggregate consideration of about HK\$0.7 billion had been handed-over during the year under review. Besides, 9 carparking spaces with aggregate consideration of about HK\$13.8 million had been sold and handed-over in this year. The joint venture company will continue to sell the remaining 3 carparking spaces of this project.

(iv) Duc Hoa District, Long An Province, Vietnam (70% owned)

The Group had participated in a 70% interest in the project pursuant to an agreement entered into between the Group and the joint venture partner in June 2007. As disclosed in various announcements and previous years' annual reports of the Company, the Group is yet to successfully enforce the arbitral award in accordance with its terms to recover the investment cost, and thus the Group had made full provision on the investment cost for this project of about US\$15 million (equivalent to approximately HK\$117.2 million) in previous years. During the year under review, the Group was informed by the joint venture partner that it would like to terminate the agreement with proposed settlement terms and compensation payable to the Group. The Group will continue to monitor the progress in order to recoup the investment cost made in this project with return.

(D) Chuang's China Investments Limited ("Chuang's China", stock code: 298) (61.15% owned)

Chuang's China and its subsidiaries (the "Chuang's China Group") are principally engaged in, inter alia, property development, investment and trading. For the year ended 31 March 2025, the Chuang's China Group recorded loss attributable to equity holders of HK\$394.9 million (2024: HK\$320.7 million) and revenues of HK\$86.0 million (2024: HK\$90.6 million) (which comprised revenues from sales of properties of HK\$44.1 million (2024: HK\$49.7 million), revenues from rental and management fee income of HK\$20.0 million (2024: HK\$19.6 million), revenues from cemetery assets of HK\$21.3 million (2024: HK\$18.3 million) and revenues from securities investment and trading of HK\$0.6 million (2024: HK\$3.0 million).

(i) Investment Properties

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

1. The Esplanade Place, Yip Wong Road, Tuen Mun, New Territories, Hong Kong (100% owned by Chuang's China)

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

2. Chuang's Mid-town, Anshan, Liaoning (100% owned by Chuang's China)

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

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

Anshan is experiencing serious population loss. Based on government statistics, there is continuous net outflow of population in Anshan, and this has shed light on the decline of the property market and its gloomy outlook. Both residential and retail markets remain stagnant, with slow-moving inventory and limited buyer interest, making it increasingly challenging to sell or lease out the flats and commercial podium. In view of the sluggish market condition, comparable residential units with basic finishings are being sold at approximately RMB3,000 to RMB3,500 per *sq. m.*. Even at such selling prices, transaction volume is unsatisfactory. As most of the residential flats in Chuang's Mid-town are bare-shell flats without basic fittings, a discount of about RMB800 to RMB1,000 per *sq. m.* should be applied. For the retail/commercial market, a number of vacant or abandoned shopping malls or hotel blocks are found at the core retail district in Anshan which implies a weak retail market. Low spending power in addition to the exaggerated development of online shopping would account for the existence of those withered malls. Both supply and demand sides have released negative signals, no matter from the view of population dropped or reduced number of commodity housing sold. As a result, the valuation of the property had further dropped to RMB307.8 million (equivalent to approximately HK\$329.4 million) as at 31 March 2025, comprising RMB94.0 million for the commercial podium and RMB213.8 million for the twin tower, and a net fair value loss of investment properties of RMB208.4 million (equivalent to approximately HK\$225.0 million) was recorded for the year under review. In light of the weak economy and property market of Anshan, the Chuang's China Group will identify opportunities to dispose of this project.

3. Hotel and resort villas in Xiamen, Fujian (59.5% owned by Chuang's China)

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

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

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

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

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

5. Commercial property in Shatian, Dongguan, Guangdong (100% owned by Chuang's China)

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

6. Wisma Chuang, Jalan Sultan Ismail, Kuala Lumpur, Malaysia (100% owned by Chuang's China)

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

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

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

(ii) *Property Development*

1. ARUNA, No. 8 Ping Lan Street, Ap Lei Chau, Hong Kong (100% owned by Chuang's China)

The property has a site area of about 4,320 *sq. ft.* and has a developable GFA of about 40,000 *sq. ft.*. It is developed into a 27-storey residential/commercial building comprising 105 residential units with clubhouse facilities and retail units at the podium levels. Construction works had been completed and occupation permit had been obtained on 13 June 2024. Pre-sale had commenced in April 2024 and a total of 43 residential units have been launched to the market for sale. Up to the date of this report, 29 units have been sold with an aggregate sale amount of about HK\$143.5 million. During the year under review, sales of 10 residential units amounted to HK\$43.7 million had been completed with units handed-over to end-buyers and were recognized as revenues in the Chuang's China Group's financial statements. It is expected that the remaining 19 residential units with sales amounted to HK\$99.8 million will be completed in the financial year ending 31 March 2026. Besides, up to the date of this report, the Chuang's China Group has leased 12 residential units with aggregate annual rental income of HK\$2.6 million in order to generate more income from this project.

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

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

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

3. Changsha, Hunan (69% owned by Chuang's China)

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

4. Chengdu, Sichuan (51% owned by Chuang's China)

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

5. Others

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

6. Fortune Wealth, Sihui, Guangdong (86% owned by Chuang's China)

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

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

As at 31 March 2025, the cemetery assets (including non-controlling interests) were recorded based on the book cost of about RMB645.4 million (equivalent to approximately HK\$690.7 million).

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

(iii) Investments in CNT Group Limited (“CNT”) and CPM Group Limited (“CPM”)

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

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

(E) Other Businesses

(i) Sintex Nylon and Cotton Products (Pte.) Limited (“Sintex”) (disposed)

Sintex is engaged in the sales of home finishing products under its own brand names in Singapore and is 88.2% owned by the Group. During the year and up to the date of completion of the disposal (as detailed below), Sintex recorded revenues of HK\$6.9 million (2024 full year: HK\$13.3 million), and incurred a loss before non-controlling interests of HK\$5.9 million (2024 full year: HK\$7.6 million). On 13 December 2024, the Group entered into an agreement with an independent third party to dispose of the subsidiaries that held the land and factory building of Sintex for a consideration of approximately S\$12.6 million (equivalent to approximately HK\$71.3 million). The disposal was completed on 27 December 2024 with net cash proceed of approximately HK\$66.6 million received. A net gain on disposal of approximately HK\$62.2 million was recorded during the year. Details of the disposal were announced by the Company on 13 December 2024. This disposal helps to unlock the stored value in the property and is in line with the Group’s strategy of off-loading investment in non-core assets. After the disposal, the Group has ceased the business of Sintex which has been loss-making since 2015.

(ii) Securities Investment and Trading

The Group had redeemed/disposed and accepted restructuring exchange of certain listed corporate bond investments since the last financial year. During the year, securities investment and trading business of the Group recorded a net profit before tax and before deducting non-controlling interests of HK\$2.0 million, comprising interest and other income from investments of HK\$3.2 million, net gain on disposals of investments of HK\$1.5 million, and unrealized net fair value loss on investments of HK\$2.7 million mainly as a result of mark to market valuations of the investments held as at the balance sheet date. The unrealized fair value loss is accounting loss with no immediate cash flow impact to the Group. Subsequent to the year ended, the Group continues to seek and secure opportunities to slim down the bond portfolio by disposing all the bonds of Greenland Global Investment Limited to the market at a profit.

As at 31 March 2025, investments of the Group amounted to HK\$172.2 million (HK\$48.2 million were held by the wholly-owned subsidiaries of the Group and HK\$124.0 million were held by the Chuang's China Group), and comprised as to HK\$73.8 million for investments in listed corporate bonds, HK\$1.0 million for investments in securities listed on the Stock Exchange and the balance of HK\$97.4 million for other investments (of which about HK\$19.4 million are denominated in Renminbi, and about HK\$78.0 million are denominated in United States dollar) comprising FinTech companies, venture capital investment platforms, high technology companies and investment funds which are not listed or just listed in the markets. On top of the amount of RMB6 million received in the prior year, the Group had fully redeemed the investment with original principal amount of RMB30 million during the year under review. The Group will continue to monitor the performance of its respective investment portfolios from time to time.

FINANCIAL POSITION

Net asset value

As at 31 March 2025, net assets attributable to equity holders of the Company was HK\$7,612.7 million (2024: HK\$8,239.3 million). Net asset value per share was HK\$4.55 (2024: HK\$4.93).

Financial resources

As at 31 March 2025, the Group's cash, bank balances and bond and securities investments amounted to HK\$1,655.2 million (2024: HK\$2,302.4 million). Bank borrowings as at the same date amounted to HK\$2,855.8 million (2024: HK\$3,814.1 million). The Group's net debt to equity ratio, expressed as a percentage of bank borrowings net of cash, bank balances and bond and securities investments over net assets attributable to equity holders of the Company, was 15.8% (2024: 18.3%).

Approximately 93.6% of the Group's cash, bank balances and bond and securities investments were denominated in Hong Kong dollar and United States dollar, 5.4% were in Renminbi and the balance of 1.0% were in other currencies. All the Group's bank borrowings were denominated in Hong Kong dollar.

Based on the agreed scheduled repayment dates in the loan agreements and ignoring the effect of any repayment on demand clause, approximately 33.8% of the Group's bank borrowings were repayable within the first year, 3.1% were repayable within the second year, 59.5% were repayable within the third to fifth years and the balance of 3.6% were repayable after the fifth year.

Foreign exchange risk

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

PROSPECTS

In Hong Kong, with certain measures for residential properties such as relaxation of stamp duty implemented earlier this year, as well as the reduction of interest rates during the year, there was a gradual recovery in buyer confidence and the residential property market. Furthermore, the Admission Scheme for Mainland Talents and Professionals as well as the Quality Migrant Admission Scheme implemented by the Hong Kong government had boosted the demands of residential properties and commercial properties respectively which help to stabilize the property prices. The Group remains positive and has confidence in the property market and the overall economy in Hong Kong. We will monitor the situation closely and will take appropriate steps to preserve the Group’s competitiveness and grasp opportunities ahead.

The Group will closely monitor to complete the disposal of House A at No. 37 Island Road promptly to receive the cash proceed. In the coming years, the Group will continue to monitor the progress of the construction works of the project at Gage Street in Hong Kong. It will take appropriate strategies to monitor the sale progress of ARUNA at Ap Lei Chau. Moreover, the Group will continue to look for opportunities to realize investments in various investment properties and off-load investments in non-core assets in order to further enhance the financial resources and capability of the Group to replenish its land bank in Hong Kong, especially for the luxury and mass residential market, for future property development and trading. We are confident that, with the implementation of the above strategies, the Group’s cash resources and financial position will be improved, and further value can be created for our shareholders.

CLOSING OF REGISTER

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

STAFF

The Group puts emphasis on training and cultivating elite talent. We are committed to providing a dynamic and enthusiastic working atmosphere and increase hiring talents of all fields. As at 31 March 2025, the Group (excluding the Chuang's China Group) employed 110 staff and the Chuang's China Group employed 72 staff. The Group provides its staff with other benefits including discretionary bonus, double pay, contributory provident fund, share options and medical insurance. Staff training is also provided as and when required.

DEALING IN THE COMPANY'S SECURITIES

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

CORPORATE GOVERNANCE

Mr. Albert Chuang Ka Pun took up the role as the Chairman and the Chief Executive Officer, being the Chairman and the Managing Director of the Company. The roles of the chairman and the chief executive officer are not separated pursuant to Code C.2.1 of the code provisions set out in the Corporate Governance Code (the "CG Code") of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). However, the Board considers that this structure has the advantage of a strong and consistent leadership which is conducive to making and implementing decisions efficiently and consistently. Except as mentioned hereof, the Company has complied throughout the year ended 31 March 2025 with the code provisions set out in the CG Code.

An audit committee has been established by the Company to review and supervise the Company's financial reporting process, risk management and internal controls and review the relationship with the auditor. The audit committee has held meetings in accordance with the relevant requirements and reviewed the consolidated results of the Group for the year ended 31 March 2025. The current members of the audit committee are Mr. Abraham Shek Lai Him, Mr. Fong Shing Kwong and Mr. Yau Chi Ming, the Independent Non-Executive Directors of the Company.

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

Pursuant to Code B.3.5 of the CG Code which will be effective on 1 July 2025, Mrs. Candy Kotewall Chuang Ka Wai, an Executive Director, is appointed as a member of the nomination committee of the Company (the "Nomination Committee") with effect from 1 July 2025. The members of the Nomination Committee will comprise Mr. Abraham Shek Lai Him, Mr. Fong Shing Kwong, Mr. David Chu Yu Lin and Mrs. Candy Kotewall Chuang Ka Wai.

REVIEW OF PRELIMINARY ANNOUNCEMENT

The figures in this preliminary announcement of the Group's results for the year ended 31 March 2025 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this preliminary announcement.

PUBLICATION OF RESULTS ON THE STOCK EXCHANGE'S WEBSITE

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

By order of the Board of
Chuang's Consortium International Limited
Albert Chuang Ka Pun
Chairman and Managing Director

Hong Kong, 27 June 2025

As at the date of this announcement, Mr. Albert Chuang Ka Pun, Mr. Richard Hung Ting Ho, Mr. Edwin Chuang Ka Fung, Miss Ann Li Mee Sum, Mrs. Candy Kotewall Chuang Ka Wai, Mr. Geoffrey Chuang Ka Kam and Mr. Chan Chun Man are the Executive Directors of the Company, and Mr. Abraham Shek Lai Him, Mr. Fong Shing Kwong, Mr. Yau Chi Ming, Mr. David Chu Yu Lin and Mr. Tony Tse Wai Chuen are the Independent Non-Executive Directors of the Company.