

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



New Sparkle Roll International Group Limited
新耀萊國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 970)

ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 MARCH 2025

RESULTS

The Board of directors (the “**Board**” or “**Directors**”) of New Sparkle Roll International Group Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (together the “**Group**”) for the year ended 31 March 2025, together with the comparative figures for the last corresponding year as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2025

| | | 2025 | 2024 |
|--|-------|-------------------------|--------------------|
| | Notes | HK\$'000 | HK\$'000 |
| Revenue | 5 | 2,067,544 | 3,264,747 |
| Cost of sales | | <u>(1,926,583)</u> | <u>(2,958,400)</u> |
| Gross profit | | 140,961 | 306,347 |
| Other income, gains and losses | 6 | (78,449) | (67,388) |
| Impairment of trade receivables | | (2,300) | – |
| Impairment of loan receivables and loan interest receivables | | – | (8,702) |
| Impairment of goodwill | | (29,318) | (207,640) |
| Impairment of other intangible assets | | (120,126) | (40,548) |
| Impairment of property, plant and equipment | | (328,542) | (87,250) |
| Selling and distribution costs | | (177,999) | (339,403) |
| Administrative expenses | | <u>(70,792)</u> | <u>(105,886)</u> |
| Operating loss | 7 | (666,565) | (550,470) |
| Finance costs | 8 | <u>(65,234)</u> | <u>(81,385)</u> |
| Loss before income tax | | (731,799) | (631,855) |
| Income tax | 9 | <u>14,482</u> | <u>19,568</u> |
| Loss for the year | | <u>(717,317)</u> | <u>(612,287)</u> |
| Other comprehensive income, net of tax | | | |
| <i>Items that may be reclassified subsequently to profit or loss:</i> | | | |
| Exchange differences on translation of financial statements of foreign operations | | (18,677) | (66,730) |
| Reclassification of cumulative exchange reserves upon disposal of a foreign operation | | – | 294 |
| Release of exchange reserve upon deregistration of subsidiaries | | 617 | – |
| <i>Items that will not be reclassified subsequently to profit or loss:</i> | | | |
| Change in fair value of equity investments at fair value through other comprehensive income recognised during the year | | <u>66,210</u> | <u>(7,672)</u> |

| | <i>Notes</i> | 2025 HK\$'000 | 2024 <i>HK\$'000</i> |
|---|--------------|--------------------------------|-------------------------|
| Other comprehensive income for the year, net of tax | | <u>48,150</u> | <u>(74,108)</u> |
| Total comprehensive income for the year | | <u>(669,167)</u> | <u>(686,395)</u> |
| Loss for the year attributable to: | | | |
| Owners of the Company | | (718,179) | (613,424) |
| Non-controlling interests | | <u>862</u> | <u>1,137</u> |
| | | <u>(717,317)</u> | <u>(612,287)</u> |
| Total comprehensive income attributable to: | | | |
| Owners of the Company | | (670,004) | (686,966) |
| Non-controlling interests | | <u>837</u> | <u>571</u> |
| | | <u>(669,167)</u> | <u>(686,395)</u> |
| | | | Restated |
| Loss per share attributable to owners of the Company | | | |
| Basic | <i>10</i> | <u>HK(13.7) cents</u> | <u>HK(16.1) cents</u> |
| Diluted | <i>10</i> | <u>HK(13.7) cents</u> | <u>HK(16.1) cents</u> |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

| | | 2025 | 2024 |
|--|-------|------------------|------------------|
| | Notes | HK\$'000 | HK\$'000 |
| ASSETS AND LIABILITIES | | | |
| Non-current assets | | | |
| Property, plant and equipment | 11(a) | 526,025 | 949,559 |
| Investment properties | 11(b) | 323,239 | 346,730 |
| Goodwill | | 53,883 | 84,708 |
| Other intangible assets | 12 | 5,844 | 134,562 |
| Financial assets at fair value through other comprehensive income | | 209,168 | 133,856 |
| Deferred tax assets | | 2,045 | – |
| | | <u>1,120,204</u> | <u>1,649,415</u> |
| Current assets | | | |
| Inventories | | 556,896 | 811,593 |
| Trade receivables | 13 | 32,013 | 31,600 |
| Deposits, prepayments and other receivables | | 59,740 | 175,936 |
| Amounts due from non-controlling interests | | 23 | 478 |
| Investment in films and television program | 14 | 2,258 | 42,846 |
| Pledged deposits | | 31,204 | 47,297 |
| Cash at banks and in hand | | 105,496 | 93,573 |
| | | 787,630 | 1,203,323 |
| Current liabilities | | | |
| Trade payables | 15 | 3,816 | 20,947 |
| Contract liabilities | | 25,933 | 41,569 |
| Receipts in advance, accrued charges and other payables | | 127,524 | 161,126 |
| Provision for taxation | | – | 50 |
| Borrowings | | 526,751 | 727,251 |
| Lease liabilities | | 38,645 | 41,034 |
| | | <u>722,669</u> | <u>991,977</u> |
| Net current assets | | <u>64,961</u> | <u>211,346</u> |
| Total assets less current liabilities | | <u>1,185,165</u> | <u>1,860,761</u> |

| | <i>Notes</i> | 2025 HK\$'000 | 2024 <i>HK\$'000</i> |
|---|--------------|--------------------------------|-------------------------|
| Non-current liabilities | | | |
| Deferred tax liabilities | | – | 14,009 |
| Lease liabilities | | 214,890 | 255,232 |
| | | 214,890 | 269,241 |
| NET ASSETS | | 970,275 | 1,591,520 |
| EQUITY | | | |
| Share capital | | 15,008 | 12,612 |
| Reserves | | 951,009 | 1,575,487 |
| Equity attributable to owners to the Company | | 966,017 | 1,588,099 |
| Non-controlling interests | | 4,258 | 3,421 |
| TOTAL EQUITY | | 970,275 | 1,591,520 |

NOTES

1. GENERAL

New Sparkle Roll International Group Limited (the “**Company**”) is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is 23/F China Huarong Tower, 60 Gloucester Road, Wanchai, Hong Kong. The Company’s shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The principal activities of the Company and its subsidiaries (together the “**Group**”) are distributorships of luxury goods and automobiles, provision of after-sales services, provision of property management services, provision of property rental services, provision of money lending services, and film related business including development and investment in films and television program. The Group’s operations are mainly based in Hong Kong and Mainland China.

In the opinion of the directors of the Company (the “**Directors**”), the Company does not have immediate holding company and ultimate holding company. The Directors regard the Company does not have controlling shareholder as at 31 March 2025.

Following the poll result of a special general meeting held on 23 April 2024, there were significant changes on the board of directors of the Company during the year.

On 12 June 2025, Mr. Li Yunjiu has been appointed as an independent non-executive director; Mr. Qiu Peiyuan has resigned as an executive director; Mr. Sze Ka Ho, Mr. Wu Peng, Mr. Li Qingsong and Mr. You Yiyang have resigned as non-executive directors; and Mr. Liao Kenan and Mr. Ng Wai Hung have resigned as an independent non-executive directors.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations (hereinafter collectively referred to as the “**HKFRS Accounting Standards**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements also include the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair value.

It should be noted that accounting estimates and assumptions are used in the preparation of the consolidated financial statements. Although these estimates are based on management’s best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the preparation of the consolidated financial statements.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company. All values are rounded to the nearest thousand except when otherwise indicated.

3. CHANGES IN ACCOUNTING POLICIES

(a) New standards, interpretations and amendments – effective on 1 April 2024

The HKICPA has issued a number of amendments to HKFRS Accounting Standards that are first effective for the current accounting period of the Group:

| | |
|----------------------------------|---|
| Amendments to HKAS 1 | Classification of Liabilities as Current or Non-current |
| Amendments to HKAS 1 | Non-current Liabilities with Covenants |
| Amendments to HKFRS 16 | Lease Liability in a Sale and Leaseback |
| Amendments to HKAS 7 and HKFRS 7 | Supplier Finance Arrangements |

None of these amendments to HKFRS Accounting Standards has a material impact on the Group's results and financial position for the current or prior period. The Group has not early applied any new or amendments to HKFRS Accounting Standards that is not yet effective for the current accounting period.

(b) New standards, interpretations and amendments that have been issued but are not yet effective

The following new or amendments to HKFRS Accounting Standards have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

| | |
|--|--|
| Amendments to HKAS 21 and HKFRS 1 | Lack of Exchangeability ¹ |
| Amendments to HKFRS 9 and HKFRS 7 | Amendments to the Classification and Measurement of Financial Instruments ² |
| Amendments to HKFRS 9 and HKFRS 7 | Contracts Referencing Nature – Dependent Electricity ² |
| Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7 | Annual improvements to HKFRS Accounting Standards – Volume 11 ² |
| HKFRS 18 | Presentation and Disclosure in Financial Statements ³ |
| HKFRS 19 | Subsidiaries without Public Accountability: Disclosures ³ |
| Amendments to HK Int 5 | Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (“2027 Amendments”) ³ |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴ |

¹ Effective for annual periods beginning on or after 1 January 2025

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

⁴ The amendments shall be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined

HKFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the HKICPA in July 2024 supersedes HKAS 1 and will result in major consequential amendments to HKFRS Accounting Standards including HKAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though HKFRS 18 will not have any effect on the recognition and measurement of items in the Group's consolidated financial statements, the application of the new standard is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

Except for the above, these new or amendments to HKFRS Accounting Standards are preliminary assessed not to have any significant impact on the Group's consolidation financial statements.

4. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with internal reporting provided to executive Directors who are responsible for allocating resources and assessing performance of the operating segments.

The executive Directors have identified the following reportable operating segments:

- (i) Auto dealership – this segment includes sales of branded automobiles, namely Bentley, Lamborghini and Rolls-Royce and provision of related after-sales services.
- (ii) Non-auto dealership – this segment includes sales of branded watches, jewelleryes, fine wines, audio equipment, menswear apparels and accessories, cigars and smoker's accessories, silver articles, home articles and health products.
- (iii) Property management and others – this segment includes provision of property management services, property rental services and money lending services; and film related business including development and investment in films and television program.

Each of these operating segments is managed separately as each of the product and service lines requires different resources as well as marketing approaches. Inter-segment transactions, if any, are priced with reference to prices charged to external parties for similar transaction.

| | Auto dealership HK\$'000 | Non-auto dealership HK\$'000 | Property management and others HK\$'000 | Total HK\$'000 |
|--|--------------------------------|------------------------------------|--|-------------------------|
| Revenue from external customers | 1,724,766 | 276,186 | 66,592 | 2,067,544 |
| Other income, gains and losses | 60,079 | 3,487 | (101,261) | (37,695) |
| | <u>1,784,845</u> | <u>279,673</u> | <u>(34,669)</u> | <u>2,029,849</u> |
| Reportable segment results | <u>(281,912)</u> | <u>(65,396)</u> | <u>(210,278)</u> | <u>(557,586)</u> |
| Other segment information: | | | | |
| Amortisation of other intangible assets | – | – | (5,698) | (5,698) |
| Depreciation of property, plant and equipment | (25,456) | (10,416) | (13) | (35,885) |
| Unallocated | | | | (10,601) |
| | | | | <u>(46,486)</u> |
| Changes in fair value of investment properties | – | – | (35,357) | (35,357) |
| Changes in fair value of investment in films and television program | – | – | (37,516) | (37,516) |
| Write-down of inventories | (1,874) | (52,333) | – | (54,207) |
| Reversal of write-down of inventories | 6,676 | 2,373 | – | 9,049 |
| Impairment of goodwill | – | – | (29,318) | (29,318) |
| Impairment of trade receivables | – | – | (2,300) | (2,300) |
| Impairment of other intangible assets | – | – | (120,126) | (120,126) |
| Impairment of property, plant and equipment | (328,542) | – | – | (328,542) |
| Reportable segment assets | 825,027 | 261,398 | 433,468 | 1,519,893 |
| Financial assets at FVTOCI | | | | 209,168 |
| Deposits, prepayments and other receivables | | | | 4,149 |
| Cash at banks and in hand | | | | 9,319 |
| Other corporate assets: | | | | |
| – financial assets | | | | – |
| – non-financial assets | | | | 165,305 |
| Consolidated total assets | | | | <u>1,907,834</u> |
| Additions to non-current segment assets other than financial instruments during the year | 9,576 | 161 | – | 9,737 |
| Unallocated | | | | 14 |
| | | | | <u>9,751</u> |
| Reportable segment liabilities | 158,430 | 33,614 | 210,980 | 403,024 |
| Borrowings | | | | 526,751 |
| Other corporate liabilities: | | | | |
| – financial liabilities | | | | 7,020 |
| – non-financial liabilities | | | | 764 |
| Consolidated total liabilities | | | | <u>937,559</u> |

| | Auto dealership HK\$'000 | Non-auto dealership HK\$'000 | Property management and others HK\$'000 | Total HK\$'000 |
|--|--------------------------------|------------------------------------|--|-------------------|
| Revenue from external customers | 2,795,171 | 388,841 | 80,735 | 3,264,747 |
| Other income, gains and losses | 18,654 | 12,511 | (69,597) | (38,432) |
| | <u>2,813,825</u> | <u>401,352</u> | <u>11,138</u> | <u>3,226,315</u> |
| Reportable segment results | <u>(265,588)</u> | <u>(70,902)</u> | <u>(71,490)</u> | <u>(407,980)</u> |
| Other segment information: | | | | |
| Amortisation of other intangible assets | – | – | (5,775) | (5,775) |
| Depreciation of property, plant and equipment | (47,044) | (8,315) | (13) | (55,372) |
| Unallocated | | | | (15,615) |
| | | | | <u>(70,987)</u> |
| Changes in fair value of investment properties | – | – | (70,879) | (70,879) |
| Changes in fair value of investment in films and television program | – | – | (5,228) | (5,228) |
| Write-down of inventories | (6,676) | (73,528) | – | (80,204) |
| Reversal of write-down of inventories | – | 4,819 | – | 4,819 |
| Impairment of goodwill | (200,203) | – | (7,437) | (207,640) |
| Revaluation loss on property, plant and equipment | (30,977) | – | – | (30,977) |
| Impairment of loan and loan interest receivables | – | – | (8,702) | (8,702) |
| Impairment of other intangible assets | – | – | (40,548) | (40,548) |
| Impairment of property, plant and equipment | <u>(87,250)</u> | <u>–</u> | <u>–</u> | <u>(87,250)</u> |
| Reportable segment assets | <u>1,355,257</u> | <u>479,219</u> | <u>661,390</u> | <u>2,495,866</u> |
| Financial assets at FVTOCI | | | | 133,856 |
| Deposits, prepayments and other receivables | | | | 9,311 |
| Cash at banks and in hand | | | | 4,473 |
| Other corporate assets: | | | | |
| – financial assets | | | | – |
| – non-financial assets | | | | 209,232 |
| Consolidated total assets | | | | <u>2,852,738</u> |
| Additions to non-current segment assets other than financial instruments during the year | 23,104 | 366 | – | 23,470 |
| Unallocated | | | | 1,374 |
| | | | | <u>24,844</u> |
| Reportable segment liabilities | <u>207,044</u> | <u>65,566</u> | <u>237,502</u> | <u>510,112</u> |
| Borrowings | | | | 727,251 |
| Other corporate liabilities: | | | | |
| – financial liabilities | | | | 8,219 |
| – non-financial liabilities | | | | 15,636 |
| Consolidated total liabilities | | | | <u>1,261,218</u> |

A reconciliation between the reportable segment results and the Group's loss before income tax is as follows:

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Reportable segment results | (557,586) | (407,980) |
| Bank interest income | 656 | 929 |
| Unallocated corporate other income, gains and losses | (41,410) | (29,885) |
| Unallocated corporate expenses | (68,225) | (113,534) |
| Finance costs | (65,234) | (81,385) |
| | <hr/> | <hr/> |
| Loss before income tax | <u>(731,799)</u> | <u>(631,855)</u> |

Major customer

During the reporting period, there is no customer with transactions exceeded 10% of the Group's revenue.

Geographical information

No geographical information is presented as the Group's revenue is solely derived from Mainland China and Hong Kong and all of the Group's non-current assets other than financial instruments are located in Mainland China and Hong Kong.

Management determines that the Group is domiciled in Mainland China and Hong Kong, which are the Group's principal operating locations.

5. REVENUE

The Group's principal activities are sale of automobiles and other merchandise and provision of automobile related after-sales services. Other businesses mainly represent income from provision of property management services, money lending and property rental services.

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Revenue from contracts with customers: | | |
| <i>Recognised at point in time</i> | | |
| Sales of automobiles | 1,644,673 | 2,717,035 |
| Sales of other merchandise | 276,186 | 388,841 |
| <i>Recognised over time</i> | | |
| Provision of after-sales services | 80,093 | 78,136 |
| Provision of property management services | 39 | 2,041 |
| | <hr/> | <hr/> |
| Total revenue from contracts with customers | 2,000,991 | 3,186,053 |
| Revenue from other sources: | | |
| Interest income from provision of money lending | – | 8,702 |
| Provision of property rental services | 66,553 | 69,992 |
| | <hr/> | <hr/> |
| Total | <u>2,067,544</u> | <u>3,264,747</u> |

Disaggregation of revenue from contracts with customers by major product or service lines is as follows:

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Types of goods or services: | | |
| <i>Auto dealership segment</i> | | |
| Sales of automobiles | 1,644,673 | 2,717,035 |
| Provision of after-sales services | <u>80,093</u> | <u>78,136</u> |
| | 1,724,766 | 2,795,171 |
| <i>Non-auto dealership segment</i> | | |
| Sales of other merchandise | 276,186 | 388,841 |
| <i>Other segment</i> | | |
| Provision of property management services | <u>39</u> | <u>2,041</u> |
| Total revenue from contracts with customers | <u><u>2,000,991</u></u> | <u><u>3,186,053</u></u> |

During both years, all revenue from contracts with customers were generated from Mainland China and Hong Kong.

The Group has applied expedient under HKFRS 15 so that the transaction price allocated to unsatisfied (or partially satisfied) performance obligations under contracts is not disclosed as such contracts have an original expected duration of one year or less.

6. OTHER INCOME, GAINS AND LOSSES

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Bank interest income | 656 | 929 |
| Changes in fair value of investment properties | (35,357) | (70,879) |
| Changes in fair value of investment in films and television program | (37,516) | (5,228) |
| Gain on disposal of property, plant and equipment | 1,380 | 4,923 |
| Gain on sales of pre-owned cars | 677 | 1,594 |
| Government grant (<i>Note a</i>) | 339 | – |
| Revaluation loss on property, plant and equipment (<i>Note b</i>) | (19,125) | (30,977) |
| Income from advertising, exhibitions and other services | 6,136 | 26,546 |
| Income from insurance brokerage | 1,521 | 2,748 |
| Written off of property, plant and equipment | (15) | – |
| Others | <u>2,855</u> | <u>2,956</u> |
| | <u><u>(78,449)</u></u> | <u><u>(67,388)</u></u> |

Notes:

- (a) The amount represents subsidy for boosting the consumption in Beijing during the year. There is no condition attached to this subsidy by the relevant PRC local government.
- (b) During the year ended 31 March 2025, the Group performed revaluation on property, plant and equipment upon the change of use and transferred to investment properties. Based on the assessment, a revaluation loss of HK\$19,125,000 (2024: HK\$30,977,000) was recognised in profit or loss.

7. OPERATING LOSS

Operating loss is arrived at after charging/(crediting):

| | 2025 HK\$'000 | 2024 HK\$'000 |
|--|------------------|------------------|
| Amortisation of other intangible assets | 5,698 | 5,775 |
| Auditors' remuneration | | |
| – Audit services | 1,850 | 2,300 |
| Cost of inventories recognised as expenses, including | 1,917,608 | 2,948,688 |
| – Write-down of inventories | 54,207 | 80,204 |
| – Reversal of write-down of inventories | (9,049) | (4,819) |
| Depreciation of property, plant and equipment | 46,486 | 70,987 |
| Exchange differences, net | 632 | (2,766) |
| Employee benefit expenses | 57,745 | 88,745 |
| Interest on lease liabilities | 19,916 | 21,600 |
| Impairment of trade receivables | 2,300 | – |
| Impairment of loan receivables and loan interest receivables | – | 8,702 |
| Impairment of goodwill | 29,318 | 207,640 |
| Impairment of other intangible assets | 120,126 | 40,548 |
| Impairment of property, plant and equipment | 328,542 | 87,250 |
| Lease payments under short term leases | 365 | 1,970 |
| Lease payments under variable lease payment not included in the measurement of lease liabilities | 1,260 | 1,496 |
| Loss on disposal of a subsidiary | – | 652 |
| Written off of property, plant and equipment | 15 | – |

8. FINANCE COSTS

| | 2025 HK\$'000 | 2024 HK\$'000 |
|---------------------------------------|------------------|------------------|
| Interest on bank borrowings | 16,852 | 23,779 |
| Interest on other loans | 28,466 | 35,406 |
| Imputed interest on lease liabilities | 19,916 | 21,600 |
| Imputed interest on convertible bonds | – | 600 |
| | 65,234 | 81,385 |

9. INCOME TAX

Hong Kong profits tax is calculated at 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 and can apply two-tiered rates on the estimated assessable profits arising in Hong Kong at 8.25% on assessable profits up to HK\$2,000,000 and 16.5% on any part of assessable profits over HK\$2,000,000 for the years ended 31 March 2024 and 2025.

The Group's subsidiaries in Mainland China are subject to income tax at the rate of 25% for the years ended 31 March 2024 and 2025.

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|--------------------------------|-------------------------|-------------------------|
| Current tax | | |
| – Income tax of Mainland China | | |
| Charge for the year | 1,067 | 4,287 |
| Under-provision in prior years | 179 | 59 |
| | <hr/> | <hr/> |
| Total current tax | 1,246 | 4,346 |
| Deferred tax | (15,728) | (23,914) |
| | <hr/> | <hr/> |
| Income tax credit | (14,482) | (19,568) |
| | <hr/> <hr/> | <hr/> <hr/> |

10. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the ordinary equity holders of the Company is based on the following data:

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Loss | | |
| Loss for the purposes of basic loss per share | (718,179) | (613,424) |
| Effect of dilutive potential ordinary shares: | | |
| Imputed interest on convertible bonds | – | 600 |
| | <hr/> | <hr/> |
| Loss for the purposes of diluted loss per share | (718,179) | (612,824) |
| | <hr/> <hr/> | <hr/> <hr/> |

| | 2025 | 2024 Restated |
|---|--------------------|------------------|
| Number of shares | | |
| Weighted average number of ordinary shares for the purposes of basic loss per share | 525,989,633 | 379,959,236 |
| Effect of dilutive potential ordinary shares: | | |
| – Convertible bonds issued by the Company | – | 2,144,809 |
| – Share options granted by the Company | – | 14,392,213 |
| | <hr/> | <hr/> |
| Weighted average number of ordinary shares for the purposes of calculating diluted loss per share | 525,989,633 | 396,496,258 |
| | <hr/> | <hr/> |

Basic earnings per share for the year ended 31 March 2024 are restated to reflect the bonus element of the placing of shares during the year.

During the year ended 31 March 2025, the Company did not have any potential ordinary shares outstanding.

During the year ended 31 March 2024, the share options and convertible bonds had anti-dilutive effect on basic loss per share, the exercise of outstanding share options and the conversion of convertible bonds were not assumed in computation of diluted loss per share. Except for the above, there is no other dilutive potential ordinary share during the year.

Therefore, the basic and diluted loss per share in the respective years are equal.

11. PROPERTY, PLANT AND EQUIPMENT/INVESTMENT PROPERTIES

(a) Property, plant and equipment

During the year ended 31 March 2025, the use of certain land and buildings of the Group located in the People's Republic of China (“**the PRC**”) has been changed to long term leasing purpose, as evidenced by the signing of the lease agreements with the tenants for a term of 12 months (2024: 36 months). Accordingly, the carrying amount of the related land and building (after revaluation upon the transfer) under property, plant and equipment of HK\$19,322,000 (2024: HK\$34,295,000) as at the date of change in use was transferred to investment properties of the Group. Since the fair value of the land and building fell below the carrying amounts, the revaluation gave rise to loss of HK\$19,125,000 recognised in profit or loss during the year ended 31 March 2025 (2024: HK\$30,977,000).

The Group engaged in the automobile dealerships business which suffered from significant increase in segment loss and uncertainties of the economic market conditions during the year. As at 30 September 2024, based on the result of the assessment, management determined that the recoverable amount of the cash-generating unit (“**CGU**”) of automobile business to be HK\$1,019,558,000, being the higher of its fair value less cost of disposal of HK\$810,548,000 and its value in use of HK\$1,019,558,000, is lower than the carrying amount of HK\$1,348,100,000. The value-in-use calculation with reference to valuation performed by independent professional qualified valuer was based on the pre-tax cash flow projections by applying a pre-tax discount rate of 15.8%, based on the approved five-year budget, and accounted for a long term growth rate of 2.5%; and for period not covered by the budget and up to the end of remaining useful life, the estimated cash flow projections are extrapolated. As a result, an impairment loss of HK\$328,542,000 was recognised to property, plant and equipment of automobile business CGU.

As at 31 March 2025, the Directors determined the recoverable amounts of the automobile dealership CGU from value-in-use calculations with reference to valuation performed by independent professional qualified valuer using pre-tax cash flow projections by applying a pre-tax discount rate of 16.5%, based on formally approved budgets covering a detailed five-year budget plan, which accounted for a long term growth rate of 2.5%; and for period not covered by the budget and up to the end of remaining useful life, the estimated cash flow projections are extrapolated.

As at 31 March 2025, management determined that the recoverable amount of the CGU to be HK\$724,201,000 and is higher than the carrying amount of HK\$723,210,000 because the challenge faced over car model changeovers for the three brands during the year is expected to subside hence improve market response and demand. Based on the above assessment, no further impairment loss is recognised.

The Group's land and buildings with carrying amount of approximately HK\$475,251,000 (2024: HK\$814,153,000) were pledged as securities for the Group's borrowing facilities.

(b) Investment properties

All investment properties of the Group are situated in Mainland China and held under medium lease terms.

No investment property was derecognised or disposed of during the year ended 31 March 2024 and 2025. The change in fair value of approximately HK\$35,357,000 (2024: HK\$70,879,000) was recognised during the year.

The Group's investment properties were revalued on 31 March 2024 and 31 March 2025 by independent firm of professional surveyors, on an open market value basis.

12. OTHER INTANGIBLE ASSETS

The balance included the carrying amounts of film rights and customers' list from property management contracts of HK\$4,049,000 and HK\$1,795,000 respectively as at 31 March 2025.

Film rights

The Group regularly reviews its film rights to assess marketability, future economic benefits to be recognised from the films and the corresponding recoverable amounts. The estimated recoverable amounts were determined by the directors with reference to the valuation performed by the independent professional qualified valuer as at 31 March 2025. The valuation is based on the present value of expected future revenues and related cash flows arising from the distribution and sublicensing of the film, which were discounted using a pre-tax discount rate of 28.0% (2024: 27.7%) for the relevant assets.

As at 31 March 2025, the recoverable amount of film right is higher of its fair value less cost of disposal of HK\$3,223,000 and its value in use of HK\$4,049,000, which is lower than its carrying amount of HK\$97,479,000 resulting from screening decision changed from publication in cinemas to only operating on network video platforms under current market condition where expected return has dropped significantly by considering the average revenue from online stream movies. Based on value-in-use calculation, impairment losses of approximately HK\$91,996,000 and an exchange difference of HK\$1,434,000 are recognised for the year ended 31 March 2025.

Customers' list from property management contracts

During the year ended 31 March 2025, the property management service business suffered from significant decrease in revenue due to the downturn of property market in the PRC during the year. As at 31 March 2025, the Directors determined the recoverable amounts of the CGU from value-in-use calculations with reference to valuation performed by the independent professional qualified valuer using pre-tax cash flow projections by applying a pre-tax discount rate of 13.4%, based on formally approved budgets covering a detailed five-year budget plan, which accounted for a revenue growth rate of 3%.

As at 31 March 2025, based on the result of the assessment, management determined that the recoverable amount of HK\$1,795,000, being the higher of its fair value less cost of disposal and value in use, is lower than the carrying amount of HK\$29,925,000. As a result, an impairment loss of HK\$28,130,000 was recognised against the carrying amount of other intangible asset for the year ended 31 March 2025.

13. TRADE RECEIVABLES

Trade receivables mainly represent rental receivable from tenants, and accounts receivable from sales of goods and provision of services to customers. The Group's trading terms with its retail customers are mainly receipts in advance from customers or cash on delivery, except for certain transactions with creditworthy customers where the credit period is extendable up to three months, whereas the trading terms with wholesale customers are generally one to two months. In addition, the Group generally provides a credit term of two to three months to automobile manufacturers for in-warranty after-sales services. The Group seeks to maintain strict control over its outstanding trade receivables and has a credit control policy to minimise credit risk. Overdue balances are reviewed regularly by the management.

An ageing analysis of trade receivables at the end of the reporting period, based on the invoice dates, is as follows:

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|----------------|-------------------------|-------------------------|
| 0 – 30 days | 25,630 | 21,833 |
| 31 – 120 days | 2,676 | 2,919 |
| 121 – 365 days | 556 | 4,919 |
| Over 365 days | 3,151 | 1,929 |
| | <u>32,013</u> | <u>31,600</u> |

Trade receivables that were neither past due nor credit-impaired related to certain customers from whom there was no recent history of default.

14. INVESTMENT IN FILMS AND TELEVISION PROGRAM

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Investment in films, at fair value through profit or loss (“FVTPL”) | 2,258 | 19,839 |
| Investment in television program, at FVTPL | – | 23,007 |
| | <u>2,258</u> | <u>42,846</u> |

The amount represents investment projects with certain production houses for co-production of films and television program. The investments are governed by the relevant agreements whereby the Group is entitled to benefits generated from the distribution of these films and television program.

The Group’s investment in films and television program were revalued on 31 March 2024 and 31 March 2025 by independent professional qualified valuer. Fair value is determined by applying the income approach, using the discounted cash flow method, based on the estimated distribution income of the films. The valuation takes into account of expected income to be generated from the box offices receipts and other income streams. The discount rates have been adjusted for the marketability and current market conditions.

15. TRADE PAYABLES

The following is an ageing analysis of trade payables based on the invoice dates as at the end of the reporting period:

| | 2025 <i>HK\$'000</i> | 2024 <i>HK\$'000</i> |
|--------------|-------------------------|-------------------------|
| 0 – 30 days | 3,515 | – |
| 31 – 60 days | – | 16,023 |
| 61 – 90 days | – | 1,891 |
| Over 90 days | 301 | 3,033 |
| | <u>3,816</u> | <u>20,947</u> |

16. DIVIDEND

No dividend was paid, declared or proposed by the Company in respect of the years ended 31 March 2024 and 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Auto Dealerships

During the financial year under review, revenue of the ultra-luxury automobile distributorships of Bentley, Lamborghini and Rolls-Royce recorded an approximately 38.3% decrease to approximately HK\$1,724.8 million, as compared with that of approximately HK\$2,795.2 million in the previous financial year. Among these brands, Bentley recorded a sales decline, amounting to approximately HK\$778.0 million and representing approximately 42.5% decrease in sales in this financial year from approximately HK\$1,352.7 million during the previous financial year. A total of 251 units of Bentley were sold, representing a decrease of approximately 42.3% as compared with 435 units sold in the previous financial year.

Rolls-Royce recorded sales of 91 units during this financial year, representing a decrease of approximately 42.8% as compared with 159 units sold in the previous financial year. The brand recorded a decrease in sales during this financial year with a total of approximately HK\$568.8 million, representing a decrease of approximately 47.0% as compared with that of approximately HK\$1,073.5 million recorded in the previous financial year.

Lamborghini recorded an increase in sales during this financial year with a total of approximately HK\$297.9 million, representing an increase of approximately 2.4% as compared with that of approximately HK\$290.8 million recorded in the previous financial year. A total of 81 units of Lamborghini were sold, representing a decrease of approximately 10.0% as compared with 90 units sold in the previous financial year.

The overall gross profit of sale of automobiles decreased by approximately 78.1% during this financial year due to the decrease in average selling price and gross profit margin of Bentley and Rolls-Royce during this financial year.

Revenue of after-sales services recorded an increase of approximately 2.5% during this financial year as compared with that of the previous financial year. The gross profit margin decreased from approximately 30.2% in the previous financial year to approximately 25.3% in this financial year.

Non-auto Dealerships

During the financial year under review, the sales of our non-auto dealerships division recorded a decrease in revenue of approximately 29.0% to approximately HK\$276.2 million as compared with that of approximately HK\$388.8 million in the previous financial year.

Gross profit margin of our non-auto dealerships division decreased during this financial year from approximately 9.3% in the previous financial year to approximately 6.4% in this financial year. The decrease was mainly driven by the impairment on inventories which may include watch, jewellery, and audio equipment of approximately HK\$52.3 million recognised in cost of sale during this financial year.

Among all brands under this division (including watch, jewellery, fine wine, audio equipment, menswear apparel and accessories, cigars and smoker's accessories and home articles), Bang & Olufsen performed the best in terms of revenue and gross profit contributions during this financial year.

Others

During the financial year under review, the revenue from our others division, which includes the provision of property management services and money lending business, recorded a significant decrease of approximate 17.5% to approximately HK\$66.6 million, as compared with that of approximately HK\$80.7 million in the previous financial year as the money lending business has been suspended due to no new loan was made.

In respect of the provision of property management business, the revenue recorded a decrease of approximately 7.6% to approximately HK\$66.6 million, as compared with that of approximately HK\$72.0 million in the previous financial year. The decrease was due to some lease cancellation with tenants during the financial year.

In respect of the films and television program investment business, no revenue was generated during the financial year. The legal actions against the film producer to recover the investment principal and relevant return are still in progress. The releasing schedules of the rest film investments had also been further postponed due to the continuing weak consumption market sentiment and keen competition.

In respect of the money lending business, no revenue was generated during this financial year (2024: approximately HK\$8.7 million). During previous financial year, the Group obtained sealed judgements against the borrowers and the guarantors for the claims of the loans and interest accrued from the High Court of Hong Kong. The Group recorded the revenue based on the results of the judgements and no new loan was granted since last financial year. For the details, please refer to the announcements of the Company dated 21 December 2023 and 2 February 2024. The Group is in the course of seeking legal advice regarding enforcement of the judgments against them for the recovery of the loan and other losses and damages. For further details, please refer to the paragraph headed "LITIGATIONS UPDATES" of this announcement.

Equity Investment

As a long-term investment for capital appreciation and distribution, the Group held shares in Bang & Olufsen A/S ("**B&O**"), a company incorporated in Denmark whose shares are listed and traded on NASDAQ Copenhagen A/S. Bang & Olufsen is a luxury audio brand founded in 1925 in Struer, Denmark, by Peter Bang and Svend Olufsen whose devotion and vision remain the foundation for the company.

As at 31 March 2025, the Group held 13,450,000 shares (31 March 2024: 12,482,034 shares) of B&O, representing approximately 9.13% of its total issued shares (31 March 2024: approximately 10.17%). The carrying amount of this investment recorded an increase of approximately 57.8% to approximately HK\$209.2 million, as compared with that of approximately HK\$132.5 million in the previous financial year. The increase was mainly due to share price rise and acquisition of shares during the financial year.

Subsequent to the year ended 31 March 2025, the Group acquired in aggregate 2,164,140 shares in B&O through on-market transactions conducted on the Nasdaq Copenhagen for an aggregate consideration of approximately Danish Krone (“**DKK**”) 27.61 million (equivalent to approximately HK\$32.69 million) (exclusive of transaction costs) representing approximately DKK12.64 (equivalent to approximately HK\$14.95 per share). After the acquisitions, the Group holds 15,614,140 shares in B&O, representing approximately 10.60% of the total number of issued share of B&O.

The share price of B&O increased to DKK13.76 per share as at 31 March 2025 (31 March 2024: DKK9.35 per share) as quoted on the NASDAQ Copenhagen A/S, representing an increase of approximately 47.2% during the financial year ended 31 March 2025.

No dividend was generated from this investment to the Group during this financial year.

The Group also held shares in New Amante Group Limited (Stock Code: 8412) (“**New Amante**”), a company incorporated in the Cayman Islands whose shares are listed and traded on GEM of the Stock Exchange. According to its annual report for the financial year ended 31 May 2024, New Amante newly launched high-ended cigar lounges in Hong Kong to diversify its business.

As at 31 March 2025, the Group held nil shares (31 March 2024: 2,670,000 shares) of New Amante, representing approximately nil of its total issued shares (31 March 2024: approximately 2.62%).

No dividend was generated from this investment to the Group during this financial year.

The Group’s financial assets at fair value through other comprehensive income (“**FVTOCI**”) of approximately HK\$209.2 million as at 31 March 2025 (31 March 2024: approximately HK\$133.9 million) represented the Group’s strategic investment on B&O and New Amante. The carrying amount of the Group’s financial assets at FVTOCI represent approximately 11.0% of the total assets of the Group as at 31 March 2025 (31 March 2024: approximately 4.7%).

PROSPECT

As the Group incurred operating loss in this financial year, the new management of the Group would be prudent in the financial management in the coming financial year. Looking ahead, despite the present challenges, the new management of the Group is confident to continue our leading roles in the luxury goods market in the PRC.

FINANCIAL REVIEW

Revenue

The revenue of the Group for the year ended 31 March 2025 (the “FY2025”) was approximately HK\$2,067.5 million, representing a decrease of approximately 36.7% as compared with that of approximately HK\$3,264.7 million recorded in the previous year. Such decrease was mainly due to the decrease in sales of automobiles arising from the continuing weak market sentiment and keen competition in the automotive business of the Group during the financial year under review. Sales of automobiles were approximately HK\$1,644.7 million (equivalent to RMB1,529.6 million) in FY2025 while approximately HK\$2,717.0 million (equivalent to RMB2,499.6 million) were recorded in last financial year (the “FY2024”). The table below sets out the Group’s revenue for the year indicated:

| Revenue Source | FY2025 | | FY2024 | | Changes | |
|--|--------------------------|-------|--------------------------|-------|-------------|---------|
| | Contribution HK\$'000 | (%) | Contribution HK\$'000 | (%) | HK\$'000 | % |
| Automobile segment | | | | | | |
| Sales of automobiles | 1,644,673 | 79.5% | 2,717,035 | 83.2% | (1,072,362) | (39.5%) |
| Provision of after-sales services | 80,093 | 3.9% | 78,136 | 2.4% | 1,957 | 2.5% |
| Sub-total | 1,724,766 | 83.4% | 2,795,171 | 85.6% | (1,070,405) | (38.3%) |
| Non-automobile dealership segment | | | | | | |
| Others | 276,186 | 13.4% | 388,841 | 11.9% | (112,655) | (29.0%) |
| | 66,592 | 3.2% | 80,735 | 2.5% | (14,143) | (17.5%) |
| Total | 2,067,544 | 100% | 3,264,747 | 100% | (1,197,203) | (36.7%) |

Gross Profit and Gross Profit Margin

Gross profit of the Group for the year ended 31 March 2025 decreased by approximately 54.0% to approximately HK\$141.0 million (31 March 2024: approximately HK\$306.3 million) while the gross profit margin of the Group for the year ended 31 March 2025 decreased from 9.4% to 6.8%.

The decrease in gross profit was mainly attributable to decrease in gross profit margin of the sales of automobiles caused by the weak market sentiment and keen competition incurred during this financial year. The gross profit of the sales of automobiles decreased by approximately HK\$132.9 million during this financial year.

Other Income, Gains and Losses

Other income, gains and losses was approximately HK\$78.4 million losses for the year ended 31 March 2025 (31 March 2024: approximately HK\$67.4 million losses). Such change was mainly due to the changes in fair value of investment properties, and investment in films and television program as well as the revaluation loss on property, plant and equipment during this financial year.

Impairment of goodwill and impairment of properties, plant and equipment

The impairment losses on goodwill of approximately HK\$29.3 million, which is for property management services for the year ended 31 March 2025 (31 March 2024: approximately HK\$207.6 million, of which HK\$200.2 million for auto dealership and approximately HK\$7.4 million for property management services). The impairment losses on properties, plant and equipment of approximately HK\$328.5 million for the year ended 31 March 2025 (31 March 2024: HK\$87.3 million).

For the purpose of the goodwill impairment test, the Directors determined the recoverable amounts of the cash-generating units (“CGUs”) from value-in-use calculations with reference to the business valuations performed by independent professional qualified valuers used the pre-tax cash flow projections, based on formally approved budgets covering a detailed five-year budget plan; and for period not covered by the budget and up to the end of remaining useful life, the estimated cash flow projections are extrapolated. The cash flow projections applied in determination of the recoverable amounts of each CGUs are best estimate of the range of economic condition that will exist over the remaining useful life of the CGUs. There was no change on the approach adopted for the years ended 31 March 2025 and 2024.

As at 30 September 2024, based on the result of the assessment, the management determined that the recoverable amount of the CGU of the property management services to be approximately HK\$225.4 million, which is lower than the carrying amount of approximately HK\$255.4 million, resulting from the remaining lease term of the sub-lease project lapses over time resulting less future cash flow with decreasing remaining lease term under income approach and the adjustment on the growth rate in the coming one to two years, i.e. no growth for the first two years and gradually recovers to long-term growth rate, by the management in view of the current development on the property rental market condition. The impairment amount has been allocated to each category of goodwill, property, plant and equipment, and other intangible assets such that the carrying amount of each category of asset is not reduced below the highest of its fair value less cost of disposal of HK\$190.5 million and its value in use of approximately HK\$225.4 million. Impairment losses of approximately HK\$29.3 million have been recognised against that carrying amount of goodwill with an exchange difference of approximately HK\$0.7 million and no class of asset other than goodwill is impaired.

As at 31 March 2025, based on the result of the assessment, management determined that the recoverable amount of the CGU of the property management services to be approximately of HK\$258.4 million and is higher than the carrying amount of approximately of HK\$213.2 million because of the increase in lease-out areas and improvement on the property rental revenue stream. As the result, there is no further impairment required for the year ended 31 March 2025 and the Group should not recognise reverse an impairment loss recognised in a previous interim period in respect of goodwill.

The Group engaged in the automobile dealerships business which suffered from significant increase in segment loss and uncertainties of the economic market conditions during the year. As at 30 September 2024, based on the result of the assessment, management determined that the recoverable amount of the CGU of automobile business to be HK\$1,019,558,000, being the higher of its fair value less cost of disposal of HK\$810,548,000 and its value in use of HK\$1,019,558,000, is lower than the carrying amount of HK\$1,348,100,000. The value-in-use calculation with reference to valuation performed by independent professional qualified valuer was

based on the pre-tax cash flow projections by applying a pre-tax discount rate of 15.8%, based on the approved five-year budget, and accounted for a long-term growth rate of 2.5%; and for period not covered by the budget and up to the end of remaining useful life, the estimated cash flow projections are extrapolated. As a result, an impairment loss of HK\$328,542,000 was recognised to property, plant and equipment of automobile business CGU.

As at 31 March 2025, management determined that the recoverable amount of the CGU to be HK\$724,201,000 and is higher than the carrying amount because the challenge faced over car model changeovers for the three brands during the year is expected to subside hence improve market response and demand. Based on the above assessment, no further impairment loss is recognised.

Impairment of other intangible assets

The impairment losses on other intangible assets of approximately HK\$120.1 million, of which HK\$92.0 million for film rights and HK\$28.1 million for customers' list from property management contracts for the year ended 31 March 2025 (31 March 2024: HK\$40.5 million which is for film rights).

As at 31 March 2025, the recoverable amount of film right is higher of its fair value less cost of disposal of approximately HK\$3.2 million and its value in use of approximately HK\$4.0 million which is lower than its carrying amount of HK\$97.5 million, resulting from screening decision changed from publication in cinemas to only operating on network video platforms under current market condition consideration where expected return has dropped significantly by considering the average revenue from online stream movies. The valuation is based on the present value of expected future revenues and related cash flows arising from the distribution and sublicensing of the film, which were discounted using a pre-tax discount rate of 28.0% (2024: 27.7%) for the relevant assets. Other than that, there was no significant change to the basis, assumptions and inputs adopted in the assessment for the year ended 31 March 2025 as compared with those for the year ended 31 March 2024. Based on value-in-use calculation, impairment losses of approximately HK\$92.0 million and an exchange difference of HK\$1.4 million are recognised for the year ended 31 March 2025.

During the year ended 31 March 2025, the property management service business suffered from significant decrease in revenue due to the downturn of property market in the PRC. As at 31 March 2025, the Directors determined the recoverable amounts of the customers' list from property management contracts from value-in-use calculations with reference to valuation using pre-tax cash flow projections by applying a pre-tax discount rate of 13.4%, based on formally approved budgets covering a detailed five-year budget plan, which accounted for a revenue growth rate of 3%. Based on the result of the assessment, management determined that the recoverable amount of HK\$1.8 million, being the higher of its fair value less cost of disposal and value in use, is lower than the carrying amount of HK\$29.9 million. As a result, an impairment loss of HK\$28.1 million was recognised against the carrying amount of other intangible asset for the year ended 31 March 2025.

Selling and distribution costs

The selling and distribution costs decreased by approximately 47.6% from approximately HK\$339.4 million to approximately HK\$178.0 million. The decrease was mainly due to the decrease in marketing and promotion expenses.

Administrative expenses

The administrative expenses decreased by approximately 33.1% from approximately HK\$105.9 million to approximately HK\$70.8 million. Such change was mainly due to the decrease in legal and professional fees for litigations and no share base payments were made in this financial year.

Finance Costs

The finance costs of the Group decreased by approximately 19.8% from approximately HK\$81.4 million in the previous financial year to approximately HK\$65.2 million in this financial year. The decrease was due to the decrease in borrowing to finance the purchase of automobiles inventories and repayment of bank loans during this financial year.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's total assets as at 31 March 2025 were approximately HK\$1,907.8 million (31 March 2024: approximately HK\$2,852.7 million) which were mainly financed by the total equity and the total liabilities of approximately HK\$970.3 million (31 March 2024: approximately HK\$1,591.5 million) and approximately HK\$937.6 million (31 March 2024: approximately HK\$1,261.2 million) respectively.

Cash Flow

The Group's cash at banks and in hand as of 31 March 2025 were approximately HK\$105.5 million (31 March 2024: approximately HK\$93.6 million) which were mainly denominated in Hong Kong dollars (“**HK\$**”), Renminbi (“**RMB**”) and DKK.

The Group's primary uses of cash are to repay the Group's borrowings, to pay for purchases of inventories and to fund the Group's working capital and normal operating costs. The change in value of the Group's cash at banks and in hand was mainly due to the differences in exchange translation incurred during the financial year under review.

The Directors consider that the Group will have sufficient working capital for its existing operations and financial resources for financing future business expansion and capital expenditures.

Property, plant and equipment

The Group's property, plant and equipment as at 31 March 2025 were approximately HK\$526.0 million (31 March 2024: approximately HK\$949.6 million). During the year, the Group acquired items of property, plant and equipment at a total cost of approximately HK\$9.8 million (31 March 2024: approximately HK\$24.8 million), a net carrying amount of approximately HK\$13.6 million of property, plant and equipment were disposed of during this financial year (the net carrying

amount for the year ended 31 March 2024: approximately HK\$19.0 million) and a revaluation loss arising from the change in use of certain properties from land and buildings to investment properties of approximately HK\$19.1 million (31 March 2024: HK\$31.0 million).

Investment properties

The Group's investment properties as at 31 March 2025 were approximately HK\$323.2 million (31 March 2024: approximately HK\$346.7 million). The change in value of investment properties was mainly due to the decrease in fair value and one of the owner-occupied properties was changed as investment properties incurred during the financial year under review.

Goodwill

The Group's goodwill as at 31 March 2025 was approximately HK\$53.9 million (31 March 2024: approximately HK\$84.7 million). The decrease in goodwill was mainly due to the impairment of goodwill on property management services incurred during this financial year.

Borrowings

The Group's borrowings as at 31 March 2025 were approximately HK\$526.8 million, representing a decrease of approximately 27.6% from approximately HK\$727.3 million as at 31 March 2024.

The Group's borrowings were mainly denominated in RMB. The decrease was mainly due to repayment of the borrowings during this financial year.

Gearing Ratio

The Group's gearing ratio computed as total borrowings over total equity increased to approximately 54.3% as at 31 March 2025 (31 March 2024: approximately 45.7%).

Inventories

As at 31 March 2025, the Group's inventories decreased by approximately 31.4% from approximately HK\$811.6 million as at 31 March 2024 to approximately HK\$556.9 million. Such decrease was primarily due to the decrease in automobile inventories which comprised approximately 67.6% of the inventories of the Group. The Group's average inventory turnover days increased from 126 days in the year ended 31 March 2024 to 132 days in the year ended 31 March 2025.

Exposure to Foreign Exchange Risk

The revenue and expenses of the Group are mainly denominated in RMB and HK\$ while the production cost, purchases and investments of the Group are denominated in RMB, HK\$, DKK and United States Dollar.

The Group did not enter into any foreign currency forward contract for this financial year. As at 31 March 2025 and 2024, the Group did not have any unrealised gain or loss in respect of the foreign currency forward contracts.

Contingent Liabilities and Capital Commitment

The Board considered that the Group had no material contingent liabilities as at 31 March 2025 (31 March 2024: nil). The Board considered that the Group had no material capital commitment as at 31 March 2025 in respect of acquisition of property, plant and equipment (31 March 2024: nil).

Charges on Assets

As at 31 March 2025, land and building, right-of-use assets, investment property, pledged deposits and inventories of the Group with aggregate carrying amounts of approximately HK\$475.3 million (31 March 2024: approximately HK\$814.2 million), approximately HK\$419.2 million (31 March 2024: approximately HK\$697.6 million), approximately HK\$84.8 million (31 March 2024: approximately HK\$64.3 million), approximately HK\$31.2 million (31 March 2024: approximately HK\$47.3 million) and approximately HK\$339.5 million (31 March 2024: approximately HK\$459.3 million) respectively were pledged to secure general banking facilities and other facilities granted to the Group.

Human Resources

As at 31 March 2025, the Group had 319 employees (31 March 2024: 396). Staff costs (including directors' emoluments and the one-off equity-settled share option expenses) charged to profit or loss amounted to approximately HK\$57.7 million for this financial year (2024: approximately HK\$88.7 million).

The Group provided benefits, which included basic salary, commission, discretionary bonus, medical insurance and retirement funds and equity-settled share-based payments to employees to sustain competitiveness of the Group.

The package was reviewed on an annual basis based on the Group's performance and employees' performance appraisal.

The Group also provided training to the employees for their future advancement.

Subscription for new shares under general mandate and use of proceeds from the subscription

On 19 July 2024, the Company entered into two subscription agreements under which the Company agreed to allot and issue a total of 74,879,418 new ordinary shares of HK\$0.032 each (with an aggregate nominal value of approximately HK\$2,396,141) to Mr. Yang Yun and Mr. Lee Chin Ching Cyrix respectively, at a price of HK\$0.64 per share under the general mandate granted to the Directors.

The closing price as quoted on the Stock Exchange on 19 July 2024, being the date of the subscription agreement, was HK\$0.79 per share. The allotment and issue of the 74,879,418 new shares was completed on 31 July 2024 and raised net proceeds of approximately HK\$46.4 million (with a net price of approximately HK\$0.62 per share). The Company intends to apply the net proceeds from the subscriptions as to (i) approximately HK\$8.0 million for litigation expenses incurred; (ii) approximately HK\$25.4 million for potential investment when opportunities arise;

and (iii) approximately HK\$13.0 million for general working capital of the Group. As at 31 March 2025, net proceeds of approximately HK\$33.8 million had been utilised for litigation expenses and general working capital.

Further details of the above subscriptions were set out in the announcements of the Company dated 19 and 31 July 2024 respectively.

As at 31 March 2025, the net proceeds from the placing of the Company's new shares completed on 31 July 2024 had been partly utilised as follows:

| | Planned use of net proceeds as disclosed in the announcement dated 19 July 2024 HK\$ million | Net proceeds utilised during the year ended 31 March 2025 HK\$ million | Net proceeds unutilised as at 31 March 2025 HK\$ million |
|------------------------------|---|---|---|
| Litigation expenses incurred | 8.0 | 8.0 | – |
| Potential investment | 25.4 | 12.8 | 12.6 |
| General working capital | 13.0 | 13.0 | – |
| | 46.4 | 33.8 | 12.6 |

LITIGATIONS UPDATES

Petition for winding up and appointment and discharge of joint provisional liquidators

During the terms of the former directors of the Company who were removed from their respective offices with immediate effect by resolutions in the Special General Meeting of the Company held on 23 April 2024 (the “SGM”), the former directors caused the Company to present a petition for winding up on 15 April 2024 (the “**Petition**”) and made an ex parte application to appoint joint and several provisional liquidators of the Company on 15 April 2024 (the “**Ex Parte Application**”) to the Bermudan Court in companies (winding-up) action no. 91 of 2024 (the “**Bermuda Proceedings**”). Upon the Petition and the Ex Parte Application, the Company was put into provisional liquidation and the Bermudan Court made an order dated 15 April 2024 (the “**Order**”), among others, that the hearing of the Petition be adjourned for a period of 6 months and that Edward Willmott and Elizabeth Cava of Deloitte Financial Advisory Ltd., Corner House, 20 Parliament Street, Hamilton HM 12 and Lai Kar Yan (Derek) and Ho Kwok Leung Glen, of Deloitte Touche Tohmatsu, 35th Floor, One Pacific Place, 88 Queensway, Hong Kong be appointed as joint provisional liquidators (the “**JPLs**”) of the Company (the “**Appointment Order**”). Under the leadership of the new board of directors appointed upon resolution in the SGM, and in compliance with the resumption guidance of the Stock Exchange, the Company made an application on 6 May 2024 to the Bermudan Court for setting aside the provisional liquidation and the Appointment Order. Eventually, the Appointment Order was set aside, the Petition was struck out and the JPLs were discharged by the Bermudan Court on 15 May 2024.

In the same Order, the Bermudan Court further adjourned the hearing for determination of consequential matters, including the JPLs' fees and costs, to a later date (the “**Costs Hearing**”). The Costs Hearing took place on 9 August 2024 and a decision was handed down by the Bermudan Court on 29 November 2024 ordering, among others, that the JPLs' remuneration, fees, costs and expenses should be paid by the Company (the “**Costs Decision**”). Subject to taxation or assessment by the Bermudan Court, the aggregate amount claimed by the JPLs is approximately US\$1.4 million.

On 13 December 2024, the Company lodged an application at the Supreme Court of Bermuda for leave to appeal against the Costs Decision to the Court of Appeal for Bermuda. The legal proceedings are still in progress.

For further details, please refer to the announcements made by the Company on 22 and 24 April 2024, 8, 13 and 16 May 2024, and 23 December 2024.

The indemnity claims against former directors

During the year ended 31 March 2025, the Company has taken legal action on the indemnity claims against the former directors of the Company for (a) all of the Company's costs including legal costs incurred in dealing with, arising out of and relating to the Bermuda Proceedings on an indemnity basis; (b) damages suffered by the Company as a result of the Ex Parte Application and the Petition; and (c) all of the JPLs' costs and expenses arising out of or in relation to the Appointment Order.

At the hearing held by the High Court on 20 March 2025, the judge ordered Mr. Zheng Hao Jiang, Mr. Zhu Lei and Ms. Cheng Bin to indemnify the Company for (a) the Company's costs including legal costs incurred in dealing with, arising out of and relating to the Bermuda Proceedings on an indemnity basis; (b) damages suffered by the Company as a result of the Ex Parte Application and the Petition; and (c) all of the JPLs' costs and expenses arising out of or in relation to the Appointment Order. The hearing as regards some other former directors of the Company, including, Mr. Choy Sze Chung Jojo, Mr. Lam Kwok Cheong, Mr. Gao Yu and Ms. Liu Wenjing, was adjourned to a further date.

For further details, please refer to the announcements made by the Company on 12 April 2024, 22 April 2024, 14 May 2024, 23 December 2024, and 24 March 2025.

Injunction order against its largest shareholder and Shenwan

The Company's claims against its substantial shareholder, Mr. Sze Ching Lau (“**Mr. Sze**”) and Shenwan Hongyuan Capital (H.K.) Limited (“**Shenwan**”) under HCA 123/2024 were discontinued. The Company has paid a total sum of HK\$6,162,303.8 and HK\$400,000 to Mr. Sze and Shenwan respectively as the full and final settlement of their costs incurred in the said proceedings.

For details, please refer to the announcements of the Company dated 18, 26 January, 7, 22 February, 12 March, 11, 12 April and 20 November 2024.

The Borrowers' Default of Loan Agreements

The loan agreement in respect of a facility of HK\$58.0 million

On 4 March 2021, Forwell Finance Limited (the “**Lender**”), an indirect wholly-owned subsidiary of the Company, entered into a loan agreement (the “**1st Loan Agreement**”) with a borrower which is an independent third party (the “**1st Borrower**”), pursuant to which the Lender agreed to grant to the 1st Borrower a loan with principal amount of HK\$58.0 million (the “**1st Loan**”) for a term of 12 months, bearing interest at a rate of 6.5% per annum.

Pursuant to the 1st Loan Agreement, the 1st Borrower had been paying the quarterly interests on the 1st Loan to the Lender on time during the term of the 1st Loan Agreement. However, the 1st Borrower failed to repay the 1st Loan with outstanding principal amount of HK\$58.0 million and the accrued interest on the maturity date (4 March 2022).

The Group sought legal advice and commenced legal action against the 1st Borrower and the guarantor of the 1st Loan in the High Court of Hong Kong on 20 April 2022 with a view to recovering the 1st Loan and other losses and damages.

After the commencement of the legal proceedings, the parties reached a settlement on the matter and pursuant to a Tomlin Order filed by the parties with the High Court of Hong Kong dated 8 August 2022, the parties agreed to stay the legal proceedings and a deed of settlement was executed by the Lender, the 1st Borrower and the guarantor on 8 August 2022.

The Group received partial payment in instalments in the aggregate sum of HK\$24,320,000 during the year ended 31 March 2023, yet the 1st Borrower failed to repay the outstanding instalments, save for the aforesaid payment, and the accrued interests. The Group has resumed the legal actions against the 1st Borrower and the guarantor in the High Court of Hong Kong with a view to recovering the loans and other losses and damages. A hearing took place at the High Court of Hong Kong (the “**Court**”) on 20 December 2023 in respect of the Proceedings (the “**Hearing**”). At the Hearing, the Court has granted judgment in favour of the Lender against the 1st Borrower and the guarantor for the outstanding principal amount as at 22 November 2022 in the sum of HK\$37,124,764.51, with interest accrued thereon at the annual rate of 6.5% from 22 November 2022 up to 20 December 2023 and thereafter at the judgment rate until the date of payment. The Court has also granted cost to the Lender in the sum of HK\$420,000. A statutory demand against the 1st Borrower was served in January 2024 and another statutory demand against the guarantor was served by way of advertisement in March 2024 for the aforementioned judgment sum. A fresh statutory demand against the guarantor was served in May and June 2025 and was advertised in June 2025.

During the year ended 31 March 2025, upon search and enquiry, the Group was informed that a bankruptcy petition was issued against the guarantor under another case. On 9 September 2024, the Group was informed by the Petitioner's solicitors that such petition was withdrawn by the petitioner by way of consent summons on 3 September 2024. Upon further search and enquiry, the Group was informed that another bankruptcy petition was issued against the guarantor under another case. As shown in Official Receiver's Office Bankruptcy And Approved Individual Voluntary Arrangement Search Report, such another bankruptcy petition was dismissed or withdrawn on 11 February 2025.

During the year ended 31 March 2025 and up to the date of this announcement, there is no settlement received from the 1st Borrower or the guarantor.

The Company has sought legal advice and considered taking enforcement actions against the 1st Borrower and the guarantor. Further announcement(s) in relation to the Loan and/or the Proceedings will be made by the Company as and when appropriate in compliance with the Listing Rules.

For details, please refer to the announcements of the Company dated 4 March 2021, 1 and 29 April 2022, 8, 18 and 24 August 2022 and 1 September 2022 and 21 December 2023.

The loan agreement in respect of a facility of HK\$32.0 million

On 22 March 2021, the Lender entered into a loan agreement (the “**2nd Loan Agreement**”) with another borrower who is an independent third party (the “**2nd Borrower**”), pursuant to which the Lender agreed to grant to the 2nd Borrower loan with principal amount of HK\$32.0 million (the “**2nd Loan**”) for a term of 12 months, bearing interest at a rate of 7% per annum.

Pursuant to the 2nd Loan Agreement, the 2nd Borrower had paid the quarterly interests on the 2nd Loan to the Lender on time during the term of the 2nd Loan Agreement. However, the 2nd Borrower failed to repay the 2nd Loan with outstanding principal amount of HK\$32.0 million and the accrued interest on the maturity date (22 March 2022).

As a result of the 2nd Borrower’s default, the Group sought legal advice and commenced legal action against the 2nd Borrower and the guarantor of the 2nd Loan in the High Court of Hong Kong on 29 April 2022 with a view to recovering the 2nd Loan and other losses and damages.

The Lender has on 6 December 2022 obtained a sealed judgment against the 2nd Borrower for the claims of the 2nd Loan and interest accrued thereon. The Lender has further on 17 February 2023 obtained a sealed judgment against the guarantor for the claims of the 2nd Loan and interest accrued thereon. The Group is in the course of enforcing the judgements against the 2nd Borrower and the guarantor for the recovery of the 2nd Loan and other losses and damages. The Lender has filed a bankruptcy petition against the 2nd Borrower in the Court on 19 September 2023 and on 6 February 2024, the Court has made a bankruptcy order against the 2nd Borrower. The Official Receiver is now the trustee-in-bankruptcy of the 2nd Borrower responsible for collection and distribution of any recovered properties and assets (if any) of the 2nd Borrower to his creditors. In August 2024, the 2nd Borrower filed an application to the Court to annul his bankruptcy order and his application is being opposed by both the Lender and the Official Receiver. The Court has revoked his application in March 2025.

The Company will make further announcement(s) as and when appropriate in compliance with the Listing Rules and inform the Shareholders and potential investors of any material development of this event.

For details, please refer to the announcements of the Company dated 22 March 2021, 29 April 2022, 8 December 2022, 20 February 2023 and 7 February 2024.

DIVIDEND

The Directors do not recommend the payment of a final dividend for the year ended 31 March 2025 (31 March 2024: nil) whilst no interim dividend (2024: nil) had been distributed during the year as the Group would like to reserve more capital to operate and develop the existing businesses.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining a high standard of corporate governance. The Board agrees that corporate governance practices are increasingly important for maintaining and promoting investor confidence. Corporate governance requirements keep changing, therefore the Board reviews its corporate governance practices from time to time to ensure that all practices can be met with legal and statutory requirements. To the best knowledge of the Board, the Company has complied with the applicable code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Listing Rules throughout the year ended 31 March 2025, except for the deviation from code provision C.2.1 of the CG Code up to 23 April 2024.

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. However, we did not have a separate chairman and chief executive officer as Mr. Zheng Hao Jiang performed these two roles until 23 April 2024. The Board believes that vesting of the roles of both Chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group and will enable the Company to make and implement decisions promptly and effectively; and considers that such arrangement will not impair the balance of power and authority between the Board and the management and that the Company has sufficient internal controls to provide checks and balances on the functions of the Chairman and the chief executive officer.

CHANGE OF DIRECTORS

Mr. Li Yunjiu has been appointed as an independent non-executive Director, a member of each of the Audit Committee and the nomination committee of the Board (the “**Nomination Committee**”) with effect from 12 June 2025.

Mr. Qiu Peiyuan has resigned as an executive Director and has ceased to be a member of the Nomination Committee, and ceased to act as the authorised representative of the Company (the “**Authorised Representative under the Listing Rules**”) as required under Rule 3.05 of the Listing Rules and the authorised representative of the Company for accepting service of process and notices on behalf of the Company in Hong Kong as required under Part 16 of the Companies Ordinance (the “**Authorised Representative under the Companies Ordinance**”) (Chapter 622 of the Laws of Hong Kong) (the “**Companies Ordinance**”) with effect from 12 June 2025.

Mr. Sze Ka Ho, Mr. Wu Peng, and Mr. Li Qingsong have resigned as non-executive Directors separately with effect from 12 June 2025.

Mr. You Yiyang has resigned as a non-executive Directors, and has ceased to be a member of each of the Audit Committee and the remuneration committee of the Board (the “**Remuneration Committee**”) with effect from 12 June 2025.

Mr. Liao Kenan has resigned as an independent non-executive Directors, and has ceased to be a member of each of the Audit Committee and Nomination Committee with effect from 12 June 2025.

Mr. Ng Wai Hung has resigned as an independent non-executive Directors, and has ceased to be a member of each of the Remuneration Committee and Nomination Committee with effect from 12 June 2025.

Mr. Ju Qinghao, an executive Director, has been appointed as Authorised Representative under the Listing Rules and Authorised Representative under the Companies Ordinance of the Compa and a member of the Remuneration Committee with effective from 12 June 2025.

Ms. Wang Hui, an independent non-executive Director, has been appointed as a member of the Audit Committee with effective from 12 June 2025.

CHANGE OF HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

With effect from 15 November 2024, the Company’s branch share registrar and transfer office in Hong Kong will be changed to:–

TRICOR INVESTOR SERVICES LIMITED

17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

Telephone No.: (852) 2980 1333

Facsimile No.: (852) 2810 8185

CHANGE OF BERMUDA SHARE REGISTRAR

With effect from 1 January 2025, the Company’s principal share registrar and transfer agent in Bermuda will be changed to: –

Appleby Global Corporate Services (Bermuda) Limited
Canon’s Court, 22 Victoria Street,
PO Box HM 1179, Hamilton HM EX Bermuda

SHARE OPTION SCHEME

The Company’s share option scheme was adopted pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 27 September 2022, the Company’s share option scheme (“**Share Option Scheme**”) was adopted on 29 September 2022. The Share Option Scheme shall be valid and effective for a term of ten years commencing on 29 September 2022.

At the annual general meeting of the Company held on 27 September 2022, the General Scheme Limit was refreshed to allow the Company to grant options to subscribe for up to the maximum of 547,195,344 pre-consolidation Shares (equivalent to 34,199,709 shares after consolidation), representing 10% of the issued shares capital as at the date of approval of the adoption of the Share Option Scheme initially. On 10 January 2023, when the share consolidation became effective, the number of Shares Options available for grant was adjusted to 34,199,709 Shares (including options for nil share that have been granted but not yet lapsed or exercised). During the year ended 31 March 2024, Share Options of an aggregate of 34,000,000 Shares of exercise price of HK\$1.00 each were granted and fully exercised.

As at 1 April 2024 and 31 March 2025, 199,709 share options were available for grant under the Share Option Scheme, representing approximately 0.04% of the issued shares of the Company of 469,001,508 shares.

During the year ended 31 March 2025, no share options were granted, exercised, lapsed or cancelled under the Share Option Scheme.

As at 31 March 2025, (i) there were nil shares (31 March 2024: nil shares) that may be issued in respect of options granted under the Share Option Scheme, representing 0% (31 March 2024: 0%) over the weighted average number of issued shares of the Company of 419,491,073 shares (for the year ended 31 March 2024: 382,939,372 shares).

The Company operates the Share Option Scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's business. The Directors may, at its discretion, grant options to eligible employees and non-employee persons, including directors of the Company and its subsidiaries, suppliers, customers, persons who provide research, development or other technological support, shareholders, advisers or consultants of the Group or invested entities, and any participant who contributes to the development of the Group.

There was 199,709 Shares available for further grant pursuant to the Share Option Scheme as at 31 March 2025 (31 March 2024: 199,709 shares available). It represents approximately 0.05% over the weighted average number of Shares issued for the period (31 March 2024: 0.05%).

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The primary duties of the audit committee of the Company (the “**Audit Committee**”) are reviewing and providing supervision over the Group's financial reporting process and internal controls and discussing with the external auditor for the nature and scope of audit. The Audit Committee comprises three independent non-executive Directors, namely, Mr. Chan Man Kit, Ms. Wang Hui and Mr. Li Yunjiu. Mr. Chan Man Kit is the chairman of the Audit Committee.

The Audit Committee has reviewed the audited consolidated financial statements and annual results announcement of the Company for the year ended 31 March 2025 and is of the opinion that the preparation of such results is complied with applicable accounting standards and requirements as well as the Listing Rules and that adequate disclosures have been made.

SCOPE OF WORK OF BDO LIMITED ON THIS PRELIMINARY ANNOUNCEMENT

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 March 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company (including the sale of treasury shares). As at 31 March 2025, the Company did not hold any treasury shares.

MODEL CODE OF CONDUCT FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transaction by Directors of Listed Issuers (the "**Model Code**") contained in Appendix C3 to the Listing Rules to govern securities transactions by the Directors. After having made specific enquiry of all Directors, all Directors confirmed that they have complied with the Model Code during the year ended 31 March 2025 and up to the date of this announcement.

The Company also adopted the Model Code as guidelines for its relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of their dealings in securities of the Company. No incident of non-compliance of the Model Code by the relevant employees was noted by the Company.

EVENTS AFTER THE REPORTING PERIOD

Subscription of new shares under general mandate

On 19 May 2025, the Company has allotted and issued 93,800,301 subscription Shares ("**Subscription Shares**") under general mandate granted at the annual general meeting held on 26 September 2024, pursuant to the subscription agreements dated 15 April 2025 entered into between the Company and subscribers (the "**Subscription**"). The Subscription Shares were subscribed at a subscription price of HK\$0.402 per Subscription Share, and the net proceeds from the Subscriptions are approximately HK\$36.8 million. After the event and as at the date of this announcement, the total number of issued Shares is 562,801,809 Shares.

For details, please refer to the announcements of the Company dated 15 April 2025 and 19 May 2025.

Save as disclosed, the Board are not aware of any other significant event which had material effect on the Group after the reporting period and up to the date of this announcement.

PUBLICATION OF ANNUAL RESULTS ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This announcement will be published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.hk970.com.

The annual report of the Company for the year ended 31 March 2025 containing all the information required by the Listing Rules will be dispatched to shareholders of the Company and published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board
New Sparkle Roll International Group Limited
JU Qinghao
Chairman

Hong Kong, 27 June 2025

As at the date of this announcement, the Company has one executive Director, Mr. JU Qinghao, and three independent non-executive Directors, Mr. CHAN Man Kit, Ms. WANG Hui and Mr. LI Yunjiu.