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# AUX

**AUX INTERNATIONAL HOLDINGS LIMITED**

**奧克斯國際控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2080)**

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

The board (the “**Board**”) of directors (the “**Directors**”) of AUX International Holdings Limited (the “**Company**”) announces the consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 March 2025 (the “**Year**”) together with the comparative figures for the year ended 31 March 2024 (“**FY2024**”) as follows:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2025 (Expressed in Hong Kong dollars)

	Note	2025 HK\$'000	2024 HK\$'000
<b>Continuing operations</b>			
<b>Revenue</b>	3	<b>330,625</b>	363,849
Other revenue	4	<b>10,195</b>	14,356
Other net loss	5	<b>(1,605)</b>	(109)
Cost of inventories sold	6(d)	<b>(32,255)</b>	(63,047)
Property cleaning expenses		<b>(59,321)</b>	(68,146)
Staff costs	6(b)	<b>(123,738)</b>	(130,440)
Depreciation and amortisation	6(d)	<b>(8,609)</b>	(9,117)
Property rentals and related expenses		<b>(566)</b>	(978)
Utilities expenses		<b>(9,648)</b>	(8,879)
Repair and maintenance expenses		<b>(18,844)</b>	(17,832)
Other operating expenses	6(c)	<b>(42,632)</b>	(34,229)
<b>Profit from operations</b>		<b>43,602</b>	45,428
Finance costs	6(a)	<b>(1,759)</b>	(1,083)
<b>Profit before taxation</b>	6	<b>41,843</b>	44,345
Income tax	7	<b>(15,373)</b>	(15,163)
<b>Profit for the year from continuing operations</b>		<b>26,470</b>	29,182
<b>Discontinued operation</b>			
<b>Loss for the year from discontinued operation</b>	14	<b>(2,466)</b>	(12,461)
<b>Profit for the year</b>		<b>24,004</b>	16,721

	<i>Note</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Attributable to shareholders of the Company arising from:</b>			
Continuing operations		<b>26,470</b>	29,182
Discontinued operation		<b>(2,466)</b>	(12,461)
		<u><b>24,004</b></u>	<u>16,721</u>
 <b>Profit/(loss) per share – Basic and diluted</b>			
	8		
Continuing operations		<b>5.4 cents</b>	5.9 cents
Discontinued operation		<b>(0.5) cents</b>	(2.5) cents
		<u><b>4.9 cents</b></u>	<u>3.4 cents</u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**

*For the year ended 31 March 2025 (Expressed in Hong Kong dollars)*

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Profit for the year</b>	<b>24,004</b>	16,721
<b>Other comprehensive income for the year</b>		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of the financial statements of subsidiaries outside Hong Kong (with nil tax effect)	<u>(3,247)</u>	<u>(18,715)</u>
<b>Total comprehensive income for the year</b>	<u><b>20,757</b></u>	<u>(1,994)</u>
<b>Total comprehensive income for the year attributable to shareholders of the Company arising from:</b>		
Continuing operations	<b>23,223</b>	10,467
Discontinued operation	<u>(2,466)</u>	<u>(12,461)</u>
	<u><b>20,757</b></u>	<u>(1,994)</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2025 (Expressed in Hong Kong dollars)

	Note	2025 HK\$'000	2024 HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment		3,282	3,384
Intangible assets	9	14,520	21,616
Goodwill	9	52,227	52,534
Non-current time deposit		54,784	–
Non-current rental deposits	10	11	65
Deferred tax assets		2,047	2,645
		<u>126,871</u>	<u>80,244</u>
<b>Current assets</b>			
Inventories		855	2,111
Trade and other receivables	10	74,309	81,859
Restricted bank deposits		9,930	8,492
Time deposits with original maturity over three months		207,651	57,759
Cash at bank and in hand		103,793	298,651
		<u>396,538</u>	<u>448,872</u>
<b>Current liabilities</b>			
Trade and other payables	11	152,644	97,704
Contract liabilities		62,119	63,873
Lease liabilities		3,083	5,913
Amount due to the controlling shareholder	12	4,070	5,694
Loans from the controlling shareholder	12	38,320	–
Current tax payable		3,858	5,236
		<u>264,094</u>	<u>178,420</u>
<b>Net current assets</b>		<u>132,444</u>	<u>270,452</u>
<b>Total assets less current liabilities</b>		<u>259,315</u>	<u>350,696</u>

	<i>Note</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Non-current liabilities</b>			
Loans from the controlling shareholder	<i>12</i>	–	104,840
Lease liabilities		<b>185</b>	114
Deferred tax liabilities		<b>8,411</b>	15,780
		<u>8,596</u>	<u>120,734</u>
<b>NET ASSETS</b>		<u><b>250,719</b></u>	<u>229,962</u>
<b>CAPITAL AND RESERVES</b>			
	<i>13</i>		
Share capital		<b>4,930</b>	4,930
Reserves		<b>245,789</b>	225,032
<b>TOTAL EQUITY</b>		<u><b>250,719</b></u>	<u>229,962</u>

## NOTES

### 1 GENERAL INFORMATION

AUX International Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 14 January 2013 as an exempted company with limited liability under the Companies Law (2013 Revision) (as consolidated and revised) of the Cayman Islands. The Company and its subsidiaries (hereinafter collectively referred to as the “**Group**”) is principally engaged in operation of clubbing business and restaurant and bar outlets, and provision of property management services and related value-added services.

#### Statement of compliance

The consolidated annual results set out in this announcement do not constitute the Group’s consolidated financial statements for the year ended 31 March 2025 but are extracted from those financial statements.

The Group’s consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which collective term includes all applicable individual Hong Kong Financial Reporting Standards (“**HKFRS**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations 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 comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”).

The HKICPA has issued certain amendments to HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 2 below provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current accounting periods reflected in the Group’s consolidated financial statements.

### 2 CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued the following amendments to HKFRS that are first effective for the current accounting period of the Group:

- Amendments to HKAS 1, *Presentation of financial statements – Classification of liabilities as current or non-current* (“**2020 amendments**”) and amendments to HKAS 1, *Presentation of financial statements – Non-current liabilities with covenants* (“**2022 amendments**”)
- Amendments to HKFRS 16, *Leases – Lease liability in a sale and leaseback*
- Amendments to HKAS 7, *Statement of cash flows* and HKFRS 7, *Financial instruments: Disclosures – Supplier finance arrangements*

None of these developments have had a material effect on how the Group’s results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### 3 REVENUE AND SEGMENT REPORTING

#### (a) Revenue

The principal activities of the Group are the operation of clubbing business and restaurant and bar outlets, and provision of property management services and related value-added services.

Revenue represents the amount received or receivable from the sale of food and beverages, tobacco products, living consumption and festive products, revenue from other club operations (including entrance fees, cloakroom fees and event rental income), sponsorship income and income arising from provision of property management services and related value-added services.

Further details regarding the Group's principal activities are disclosed in note 3(b).

#### (i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by service lines and geographical location of customers is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>		
<b>Continuing operations</b>		
Revenue from property management contracts <sup>#</sup>		
– Mainland China	295,132	298,300
Revenue from property management related value-added services* – Mainland China	35,493	65,549
	<u>330,625</u>	<u>363,849</u>
<b>Discontinued operation</b>		
Revenue from club and restaurant operations*		
– Hong Kong	–	14,968
	<u>–</u>	<u>14,968</u>

\* The revenue is recognised at a point in time.

# The revenue is recognised over time.

The Group's customer base is diversified and no individual customer had transactions which exceeded 10% of the Group's revenue during the year ended 31 March 2025 (2024: Nil).

#### (ii) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

For property management services, the Group recognises revenue as the services are provided that correspond directly with the value of performance completed. The Group has applied the practical expedient in HKFRS 15 to its revenue from property management contracts for not to disclose the remaining performance obligations under the Group's existing contracts as these contracts do not have a fixed term.

**(b) Segment reporting**

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the most senior executive management of the Group for the purposes of resource allocation and performance assessment, the Group has identified three reportable segments. No operating segments have been aggregated to form the following reportable segments.

<b>Segment</b>	<b>Business</b>
<b>Continuing operations</b>	
Property management – Mainland China	Provision of property management services
Property management related value-added services – Mainland China	Sales of living consumption and festive products and provision of household cleaning services and repair services in the community
<b>Discontinued operation</b>	
Lifestyle entertainment – Hong Kong	Sales of food and beverages and tobacco products from operation of clubbing business and restaurant and bar outlets

The lifestyle entertainment business in Hong Kong was ceased to operate and classified as discontinued operation and the related information has been set out in note 14.

**(i) Segment results, assets and liabilities**

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitor the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of deferred tax assets and other corporate assets. Segment liabilities include trade and other payables and lease liabilities attributable to the sales activities of the individual segments and borrowings managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit/(loss) is "adjusted EBITDA" i.e. "adjusted earnings before interest, taxes, depreciation and amortisation", where "interest" is regarded as including investment income and "depreciation and amortisation" are regarded as including impairment losses on non-current assets. To arrive at adjusted EBITDA, the Group's earnings are further adjusted for other revenue, other net loss and items not specifically attributed to individual segments, such as directors' and auditors' remuneration and other head office or corporate administration costs.

In addition to receiving segment information concerning adjusted EBITDA, management is provided with segment information concerning revenue, interest income from bank deposits and interest expenses from borrowings managed directly by the segments, depreciation and amortisation and additions to non-current segment assets used by the segments in their operations.

Information regarding the Group's reportable segments as provided to the most senior executive management of the Group for the purposes of resource allocation and assessment of segment performance for the years ended 31 March 2025 and 2024 is set out below.

	Continuing operations						Discontinued operation			
	Property management		Property management related value-added services		Sub-total		Lifestyle entertainment		Total	
	- Mainland China		- Mainland China				- Hong Kong			
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
Revenue from external customers and reportable segment revenue	295,132	298,300	35,493	65,549	330,625	363,849	-	14,968	330,625	378,817
Reportable segment profit/(loss) (adjusted EBITDA)	52,506	49,109	3,024	2,339	55,530	51,448	(2,455)	(12,977)	53,075	38,471
Interest income from bank deposits	8,285	8,646	3	33	8,288	8,679	-	5	8,288	8,684
Interest expenses	(809)	(10)	-	-	(809)	(10)	(19)	(362)	(828)	(372)
Depreciation and amortisation	(7,924)	(8,180)	-	-	(7,924)	(8,180)	-	(2)	(7,924)	(8,182)
Reportable segment assets	452,870	512,212	3,803	7,536	456,673	519,748	-	4,637	456,673	524,385
Additions to non-current segment assets during the year (note)	922	1,004	-	-	922	1,004	-	-	922	1,004
Reportable segment liabilities	210,993	152,977	250	614	211,243	153,591	-	10,100	211,243	163,691

Note: Additions to non-current segment assets consist of additions to property, plant and equipment.

(ii) **Reconciliations of reportable segment revenue, profit or loss, assets and liabilities**

	2025	2024
	HK\$'000	HK\$'000
<b>Revenue</b>		
Reportable segment revenue and consolidated revenue from continuing operations (note 3(a))	330,625	363,849

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Profit or loss from continuing operations</b>		
Reportable segment profit derived from the Group's external customers	55,530	51,448
Other revenue	10,195	14,356
Other net loss	(1,605)	(109)
Depreciation and amortisation	(8,609)	(9,117)
Finance costs	(1,759)	(1,083)
Unallocated head office and corporate expenses	<u>(11,909)</u>	<u>(11,150)</u>
Consolidated profit before taxation	<u><u>41,843</u></u>	<u><u>44,345</u></u>
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Assets</b>		
Reportable segment assets	456,673	524,385
Deferred tax assets	2,047	2,645
Unallocated head office and corporate assets	<u>64,689</u>	<u>2,086</u>
Consolidated total assets	<u><u>523,409</u></u>	<u><u>529,116</u></u>
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Liabilities</b>		
Reportable segment liabilities	211,243	163,691
Current tax payable	3,858	5,236
Deferred tax liabilities	8,411	15,780
Unallocated head office and corporate liabilities	<u>49,178</u>	<u>114,447</u>
Consolidated total liabilities	<u><u>272,690</u></u>	<u><u>299,154</u></u>

**(iii) Geographic information**

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, intangible assets and goodwill ("**specified non-current assets**"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment, the location of the operation to which they are allocated, in the case of intangible assets and goodwill.

	Revenue from external customers		Specified non-current assets	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
<b>Continuing operations</b>				
Hong Kong (place of domicile)	–	–	–	414
Mainland China	<b>330,625</b>	363,849	<b>69,617</b>	77,120
	<b>330,625</b>	363,849	<b>69,617</b>	77,534
<b>Discontinued operation</b>				
Hong Kong (place of domicile)	–	14,968	–	–
	<b>330,625</b>	378,817	<b>69,617</b>	77,534

#### 4 OTHER REVENUE FROM CONTINUING OPERATIONS

	2025 HK\$'000	2024 HK\$'000
Bank interest income	<b>8,463</b>	8,827
Government grants ( <i>note</i> )	<b>523</b>	1,566
Others	<b>1,209</b>	3,963
	<b>10,195</b>	14,356

*Note:* The amount represents government grants received from various the People's Republic of China (the "PRC") government authorities in connection with the fiscal subsidies for providing financial support to enterprises and paying wages to the employees.

#### 5 OTHER NET LOSS FROM CONTINUING OPERATIONS

	2025 HK\$'000	2024 HK\$'000
Loss on disposal of property, plant and equipment	<b>(89)</b>	(79)
Net foreign exchange loss	<b>(1,516)</b>	(30)
	<b>(1,605)</b>	(109)

## 6 PROFIT BEFORE TAXATION FROM CONTINUING OPERATIONS

Profit before taxation from continuing operations is arrived at after charging/(crediting):

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>(a) Finance costs</b>		
Interest on loans from the controlling shareholder	935	1,044
Interest on amount due to a related party	803	–
Interest on lease liabilities	21	39
	<u>1,759</u>	<u>1,083</u>
<b>(b) Staff costs</b>		
Contributions to defined contribution retirement plans	20,401	21,046
Salaries, wages and other benefits	103,337	109,394
	<u>123,738</u>	<u>130,440</u>
<b>(c) Other operating expenses</b>		
Reversal of impairment losses on trade receivables	(1,553)	(189)
Auditors' remuneration		
– audit services	1,937	1,965
– audit related services	633	773
Office expenses	896	902
Entertainment expenses	1,637	1,728
Travelling expenses	975	1,108
Legal and professional fees	2,997	4,934
Security costs	16,473	4,152
Gardening costs	4,676	4,536
Government surcharges	2,838	2,686
Bank charges	551	465
Community event costs	4,202	3,875
Other	6,370	7,294
	<u>42,632</u>	<u>34,229</u>
<b>(d) Other items</b>		
Depreciation charge		
– owned property, plant and equipment	767	755
– right-of-use assets	834	1,274
	<u>1,601</u>	<u>2,029</u>
Amortisation	7,008	7,088
Cost of inventories sold	32,255	63,047

## 7 INCOME TAX FROM CONTINUING OPERATIONS IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Income tax from continuing operations in the consolidated statement of profit or loss represents:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Current tax – PRC Corporate Income Tax</b>		
Provision for the year	14,113	13,059
<b>Current tax – PRC withholding tax on dividend income</b>		
Provision for the year	7,994	–
<b>Deferred tax</b>		
Origination and reversal of temporary differences	<u>(6,734)</u>	<u>2,104</u>
	<u>15,373</u>	<u>15,163</u>

Pursuant to the current rules and regulations of the Cayman Islands and the British Virgin Islands (“BVI”), subsidiaries of the Group are not subject to any income tax in these jurisdictions.

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements for the years ended 31 March 2025 and 2024, as the subsidiaries of the Group in Hong Kong either sustain a loss for taxation purpose or do not generate any assessable income.

According to the PRC Corporate Income Tax Law, the PRC’s statutory income tax rate is 25% (2024: 25%).

Among the branches of Shuyi Property Management Services Co., Ltd (“Shuyi”) in the PRC, the Chengdu Branch was entitled to a preferential tax rate of 15% under the Enterprise Income Tax Preference Policies for the Western Development. The directors are of the view that it is highly probable that the Chengdu Branch will be entitled to the same preferential tax rate and 15% is adopted in estimating the tax provision for the years ended 31 March 2025 and 2024.

Dividends payable by subsidiaries of the Group in the PRC are subject to a 5% withholding tax.

Management considered that the retained profits of subsidiaries in the PRC might be distributed in the foreseeable future. Consequently, deferred tax liabilities of HK\$4,780,000 (2024: HK\$10,376,000) for temporary differences relating to undistributed profits of subsidiaries were recognised as at 31 March 2025.

## 8 PROFIT/(LOSS) PER SHARE

### (a) Basic profit/(loss) per share

The calculation of basic profit/(loss) per share is based on the profit of HK\$26,470,000 (2024: HK\$29,182,000) and loss of HK\$2,466,000 (2024: HK\$12,461,000) attributable to ordinary equity shareholders of the Company arising from continuing operations and discontinued operation respectively and the weighted average number of 492,984,000 (2024: 492,984,000) ordinary shares in issue during the year.

### (b) Diluted profit/(loss) per share

The diluted profit/(loss) per share is the same as basic profit/(loss) per share as there were no dilutive potential ordinary shares in existence during the years ended 31 March 2025 and 2024.

## 9 INTANGIBLE ASSETS AND GOODWILL

These balances arose from the acquisitions of Shuyi in May 2017.

The intangible assets represent property management contracts, customer relationships and trademark.

The goodwill is attributable to (1) the workforce of Shuyi and the potential growth of the property management industry in the PRC; and (2) the benefit of expected synergies, revenue growth and the assembled workforce of Mini Club.

Goodwill is allocated to the Group's CGUs identified as follows:

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Property management business	<b>52,227</b>	52,534
Operation of restaurant and bar outlets*	<u>—</u>	<u>—</u>
	<b><u>52,227</u></b>	<b><u>52,534</u></b>

\* The recoverable amount of the related CGU was lower than the carrying amount of it and therefore the related goodwill was fully impaired during the year ended 31 March 2021.

### Property management business

The recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using estimated weighted average growth rates of 3% (2024: 3%) which is not higher than the forecasts included in industry reports. The growth rate used does not exceed the long-term average growth rates for the business in which the CGU operates. The cash flows are discounted using discount rates of 21% (2024: 21%). The discount rates used are pre-tax and reflects specific risks relating to the relevant segment.

During the year ended 31 March 2025, the operation of property management business continued to be profit-making and thus no impairment indicator for the respective goodwill has been identified.

## 10 NON-CURRENT RENTAL DEPOSITS AND TRADE AND OTHER RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Non-current assets</b>		
Rental deposits	<u>11</u>	<u>65</u>
<b>Current assets</b>		
Trade receivables, net of loss allowance ( <i>note</i> )	52,438	59,680
Deposits, prepayments and other receivables	<u>21,871</u>	<u>22,179</u>
	<u><b>74,309</b></u>	<u><b>81,859</b></u>

*Note:* At 31 March 2025, trade and other receivables of the Group included amounts due from entities controlled by Mr. Zheng Jian Jiang, the Company's controlling shareholder, of HK\$924,000 (2024: HK\$4,888,000) and entities over which Mr. Zheng Jian Jiang has significant influence, of HK\$1,643,000 (2024: HK\$6,052,000). The amounts represent property management fees receivable arisen in the ordinary course of business.

The amount of the Group's deposits, prepayments and other receivables expected to be recovered or recognised as expense after more than one year is HK\$11,000 (2024: HK\$65,000), which mainly represent rental deposits for staff accommodation and office of the Group. All of the other trade and other receivables are expected to be recovered or recognised as expense within one year.

### Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the date of revenue recognition and net of loss allowance, is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 1 month	17,034	28,856
Over 1 month to 3 months	12,736	13,084
Over 3 months to 6 months	5,769	6,796
Over 6 months to 1 year	9,340	5,267
Over 1 year	<u>7,559</u>	<u>5,677</u>
	<u><b>52,438</b></u>	<u><b>59,680</b></u>

## 11 TRADE AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade creditors	20,846	22,824
Deposits received from property owners/occupants	13,462	14,589
Receipts on behalf of utilities companies	13,300	15,510
Amounts due to related parties	56,724	1,524
Other payables and accrued charges	48,312	43,257
	<u>152,644</u>	<u>97,704</u>

All of the trade and other payables are expected to be settled within one year or are repayable on demand.

The amounts due to related parties represent balances due to entities controlled by Mr. Zheng Jian Jiang, the Company's controlling shareholder, which are unsecured and repayable within one year.

The amounts due to related parties of HK\$3,111,000 are interest-free and the amount due to a related party of HK\$53,613,000 is interest-bearing at 2.8% per annum.

As of the end of the reporting period, the ageing analysis of trade creditors (which are included in trade and other payables), based on the invoice date, is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 3 months	15,804	13,756
Over 3 months to 6 months	4,243	8,019
Over 6 months to 1 year	354	549
Over 1 year	445	500
	<u>20,846</u>	<u>22,824</u>

## 12 LOANS FROM THE CONTROLLING SHAREHOLDER AND AMOUNT DUE TO THE CONTROLLING SHAREHOLDER

The loans from the controlling shareholder are unsecured.

At 31 March 2025, the current portion of the loans is interest-free and repayable within one year.

At 31 March 2024, the non-current portion of HK\$52,360,000 was interest-bearing at 2% per annum and repaid in full during the year. The remaining non-current portion of HK\$52,480,000 is interest-free and partially repaid during the year.

The amount due to the controlling shareholder, representing the interest payable, is unsecured, non-interest bearing and repayable within one year.

### 13 CAPITAL, RESERVES AND DIVIDENDS

#### (a) Dividends payable to equity shareholders of the Company attributable to the year

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

#### (b) Share capital

	2025		2024	
	No. of shares '000	Amount HK\$'000	No. of shares '000	Amount HK\$'000
<b>Authorised:</b>				
Ordinary shares of \$0.01 each	<u>10,000,000</u>	<u>100,000</u>	<u>10,000,000</u>	<u>100,000</u>
<b>Ordinary shares, issued and fully paid:</b>				
At the beginning and the end of the year	<u>492,984</u>	<u>4,930</u>	<u>492,984</u>	<u>4,930</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

### 14 DISCONTINUED OPERATION

On 29 December 2023, the Group announced that the lifestyle entertainment business have been experiencing a downturn in recent years. In view of the outlook of the business, the Board of Directors decided not to renew the tenancy agreement of Zentral upon expiry in June 2024 and ceased the operation. In addition, the restaurant and bar outlet also ceased to operate in view of the imminent expiration of the relevant tenancy agreement. Accordingly, this business was classified as discontinued operation.

The results of discontinued operation are as follows:

	<b>2025</b>	2024
	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>Revenue</b>	–	14,968
Other revenue	<b>8</b>	45
Other net gain	–	835
Cost of inventories sold	–	(6,493)
Staff costs	<b>(1,156)</b>	(11,744)
Depreciation and amortisation	–	(2)
Property rentals and related expenses	<b>(778)</b>	(2,986)
Advertising and marketing expenses	–	(3,349)
Utilities expenses	<b>(20)</b>	(333)
Repair and maintenance expenses	–	(150)
Other operating expenses	<b>(501)</b>	(2,890)
	<hr/>	<hr/>
<b>Loss from operations</b>	<b>(2,447)</b>	(12,099)
Finance costs	<b>(19)</b>	(362)
	<hr/>	<hr/>
<b>Loss before taxation</b>	<b>(2,466)</b>	(12,461)
Income tax	–	–
	<hr/>	<hr/>
<b>Loss for the year from discontinued operation</b>	<b>(2,466)</b>	(12,461)
	<hr/> <hr/>	<hr/> <hr/>
<b>Attributable to:</b>		
Equity shareholders of the Company	<b>(2,466)</b>	(12,461)
	<hr/> <hr/>	<hr/> <hr/>

## MANAGEMENT DISCUSSION AND ANALYSIS

### OVERALL PERFORMANCE

During the Year, the Group operated in a persistently challenging business environment, primarily attributable to the continued downturn in the real estate sector in the People's Republic of China (“**PRC**” or “**China**”). The sustained cooling of the property market contributed to a decline in the commencement of new development projects, which adversely affected the operating conditions of the Group's property management segment.

Notwithstanding these sector-specific headwinds, the Group remained resolute in its commitment to prudent management and strategic realignment to safeguard long-term business sustainability. As part of its strategic transformation, the Group decided in 2023 to discontinue its lifestyle entertainment business in Hong Kong (the “**Discontinued Operation**”). This decision was made with a view to optimising resource allocation and reinforcing the Group's strategic focus on its core competencies in property management and related value-added services in the PRC (the “**Continuing Operations**”). During the Year, the closure of the Discontinued Operation was completed, including completion of all required statutory procedures and delivery of vacant possession of the relevant leased premises.

Through this repositioning, the Group aims to enhance operational efficiency, sharpen its growth trajectory, and capitalize on opportunities in higher-growth segments.

#### Continuing Operations

As of 31 March 2025, the number of projects managed by Shuyi Property Management Services Co., Ltd (“**Shuyi Property**”), an indirect wholly-owned subsidiary of the Company, decreased to 57 projects from 69 projects as of 31 March 2024, while the aggregate contracted gross floor area increased from 9.2 million square metre to 9.6 million square metre.

The reduction in the number of projects under management as of 31 March 2025 was primarily attributable to the decline in short-term property management engagements, such as sales office and pre-sale management services, as well as the gradual phasing out of projects requiring intensive manpower. With the industry-wide contraction persisting throughout the Year, the Group has proactively pursued the optimization of its project portfolio, with a strategic emphasis on securing higher-value contracts, such as industrial park management contracts which generate higher revenue and allow greater operational efficiency. As a result, the Group recorded revenue from the property management segment of approximately HK\$295.1 million for the Year, representing a modest decline compared to approximately HK\$298.3 million for FY2024.

Revenue from the property management related value-added services segment declined by HK\$30.0 million, from approximately HK\$65.5 million for FY2024 to approximately HK\$35.5 million for the Year. The decrease was primarily attributable to the Group's strategic decision to reallocate resources away from retailing home living products, which required significant operational support and manpower, to concentrate on delivering higher-value services better aligned with the needs of property owners.

In line with the decrease in the Group's property management related value-added services, the cost of inventories sold attributable to the Continuing Operations decreased by HK\$30.8 million to approximately HK\$32.3 million during the Year.

As a result, profit for the year generated from the Continuing Operations decreased by HK\$2.7 million from approximately HK\$29.2 million in FY2024 to approximately HK\$26.5 million for the Year.

## **OPERATING COSTS**

### **Property cleaning expenses**

The property cleaning expenses decreased by HK\$8.8 million to approximately HK\$59.3 million, representing a decrease of 12.9% for the Year. (FY2024: approximately HK\$68.1 million). The decrease was mainly due to the changes in the Company's property management project portfolio, which resulted in a drop in the number of projects requiring extensive cleaning services.

### **Staff costs**

The staff costs comprised salaries, wages, discretionary bonuses and other benefits including retirement benefit costs and other allowances and benefits payable to permanent and part time staff. The staff costs incurred from the Continuing Operations decreased by HK\$6.7 million from approximately HK\$130.4 million in FY2024 to approximately HK\$123.7 million for the Year due to the reduction in the number of property management projects managed and security staff hired as the Group subcontracted out most of its security services during the Year.

### **Utilities expenses and repair and maintenance expenses**

The utilities expenses and repair and maintenance expenses incurred from the Continuing Operations increased by approximately HK\$1.8 million to HK\$28.5 million, representing an increase of 6.7% for the Year (FY2024: approximately HK\$26.7 million). The increase was primarily attributable to the increase in the aggregate contracted gross floor area managed by Shuyi Property, which was driven by the Group's continued efforts in extending its service coverage across a growing number of industrial park projects.

## **Other operating expenses**

Other operating expenses incurred from the Continuing Operations increased by approximately HK\$8.4 million to HK\$42.6 million for the Year, representing an increase of 24.6% (FY2024: approximately HK\$34.2 million). Such expenses included gardening costs, security costs and other miscellaneous expenses. The increase was mainly due to the increase in security costs of HK\$12.3 million during the Year as the Group subcontracted out most of its security services during the Year.

## **LIQUIDITY, FINANCIAL RESOURCES AND GEARING**

As at 31 March 2025, the Group's total current assets and current liabilities were approximately HK\$396.5 million (31 March 2024: approximately HK\$448.9 million) and approximately HK\$264.1 million (31 March 2024: approximately HK\$178.4 million) respectively, while the current ratio was about 1.5 times (31 March 2024: 2.5 times).

As at 31 March 2025, the Group maintained cash at bank and in hand of approximately HK\$103.8 million (31 March 2024: approximately HK\$298.7 million). In the foreseeable future, the Group expects to fund its capital expenditures, working capital and other capital requirements from cash generated from its operations and other financing means which the Company may from time to time consider appropriate.

Total interest-bearing borrowing of the Group as at 31 March 2025 was approximately HK\$56.9 million (31 March 2024: HK\$58.4 million), which comprised mainly the amount due to a related company of HK\$53.6 million that is repayable in May 2025 at an interest rate of 2.8% per annum granted to Shuyi Property, for short term cash flow arrangement in Shuyi Property. The gearing ratio, which is calculated by dividing total interest-bearing borrowings by total equity, as at 31 March 2025 was 0.2 (31 March 2024: 0.3). As at the date of this announcement, such amount due to a related company was fully repaid.

## **CAPITAL STRUCTURE**

The Group manages its capital to safeguard the Group's ability to continue as a going concern while maximising the return to shareholders through maintaining the equity and debt in a balanced position.

As at 31 March 2025, the capital structure of the Group consisted of equity of approximately HK\$250.7 million (31 March 2024: approximately HK\$230.0 million) and loans from the controlling shareholder of the Company of approximately HK\$38.3 million (31 March 2024: HK\$104.8 million). Except for the lease liabilities, the Group had no interest-bearing bank borrowings, debt securities or other capital instruments as at 31 March 2025.

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINT VENTURES AND SIGNIFICANT INVESTMENTS HELD**

The Group did not have any material acquisitions or disposals of subsidiaries, associated companies or joint ventures or significant investments held during the Year.

## **CHARGE ON ASSETS**

As at 31 March 2025, the Group did not have any pledged assets (31 March 2024: nil).

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

The Group intends to conduct more comprehensive evaluations of its growth strategies, assessing the potential for broadening its revenue base by venturing into various investment prospects across diverse sectors, including trading, property management, information technology, brand development and other industries, which may or may not include any assets and/or business acquisitions or disposals by the Group, and will consider all options. Any such plans will be subject to review and approval by the Board and compliance with the applicable requirements under the Listing Rules where appropriate. The costs of any such acquisitions will be met with cash generated from the operations of the Group and other financing means which the Group may consider appropriate from time to time.

## **FOREIGN EXCHANGE EXPOSURE**

The Group operates in Hong Kong and the PRC and is exposed to foreign exchange risks arising from RMB. Foreign exchange risks arise from future commercial transactions, recognised assets and liabilities denominated in RMB for the entities with a functional currency in HKD. The Group did not use any forward contracts to hedge its foreign currency exposure during the Year. The Group will from time to time review and adjust its hedging and financial strategies based on exchange rate movements in RMB and HKD.

## **CONTINGENT LIABILITIES**

As at 31 March 2025, the Group did not have any material contingent liabilities.

## **EMPLOYEE AND REMUNERATION POLICY**

As at 31 March 2025, the Group employed approximately 873 employees (31 March 2024: 952 employees). The Group offers competitive remuneration packages to its staff, including share option scheme, mandatory provident fund scheme and discretionary bonus.

## **PROSPECTS**

The Group will maintain its strategic focus on the property management segment, remaining confident in its ability to deliver consistent profitability notwithstanding the broadened moderation in China's real estate sector. In alignment with its long-term vision, the Group has successfully completed the orderly closure of its lifestyle entertainment operations in Hong Kong, which enabled a more streamlined allocation of capital and resources to business areas with stronger growth trajectories and higher value-creation potential.

Looking ahead, the Group is committed to delivering high-quality comprehensive property management services across a diverse portfolio, encompassing residential, commercial, industrial, and healthcare facilities. The Group reinforces its commitment to innovation and value-added services within its property management offerings while actively exploring strategic opportunities to expand business horizons.

The Group remains fully dedicated to enhancing shareholder value through prudent management, brand enhancement, and operational excellence. With solid client relationships and an unwavering emphasis on service quality, the Group is well-positioned to pursue sustainable growth and deliver enduring returns to its shareholders, despite the challenging macroeconomic environment.

## **FINAL DIVIDEND**

The Board does not recommend the payment of a final dividend for the Year (31 March 2024: nil).

## **CORPORATE GOVERNANCE**

The Company has adopted the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Listing Rules as its corporate governance code of practices. The Board is of opinion that the Company has complied with the code provisions set out in Part 2 of CG Code throughout the Year.

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

The Company has adopted The Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set forth in Appendix C3 to the Listing Rules as the code for securities transactions by the Directors. The Company has made specific enquiries with all Directors and all Directors have confirmed that they complied with the Model Code throughout the Year.

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

During the Year, neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company's listed securities.

## **REVIEW OF ANNUAL RESULTS BY THE AUDIT COMMITTEE**

The Company has established an audit committee (the “**Audit Committee**”) on 3 January 2014. The Audit Committee consists of three independent non-executive Directors, namely, Mr. Bau Siu Fung (chairman of the Audit Committee), Mr. Poon Chiu Kwok and Mr. Chau Siu Lun.

The Audit Committee has reviewed the Group’s consolidated financial statements and annual results for the Year. The Audit Committee is of the view that these financial statements have been prepared in accordance with the applicable accounting standards, the Listing Rules and other statutory provisions, and sufficient disclosures have been made in the Group’s consolidated financial statements.

## **SCOPE OF WORK OF KPMG**

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss and consolidated statement of profit or loss and other comprehensive income for the Year as set out in this announcement have been compared by the Company’s auditors, KPMG, Certified Public Accountants, to the amounts set out in the Group’s consolidated financial statements for the Year and the amounts were found to be in agreement. The work performed by KPMG in this respect did not constitute an audit, review or other assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by the auditors on this announcement.

## **PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This results announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the website of the Company at [www.auxint.com](http://www.auxint.com). The annual report for the Year will be published on the above websites and made available to the shareholders of the Company in accordance with the Listing Rules.

By order of the Board  
**AUX International Holdings Limited**  
**Zheng Jiang**  
*Chairman*

Hong Kong, 27 June 2025

*As at the date of this announcement, the board comprises four executive Directors, namely, Mr. Zheng Jiang, Mr. Chan Hon Ki, Ms. Shen Guoying and Ms. Chen Lingxiao; one non-executive Director, namely, Mr. Zheng Jian Jiang; and three independent non-executive Directors, namely, Mr. Poon Chiu Kwok, Mr. Bau Siu Fung and Mr. Chau Siu Lun.*