

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.



DINGYI GROUP INVESTMENT LIMITED

鼎億集團投資有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 508)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025

RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of DINGYI GROUP INVESTMENT LIMITED (the “**Company**”) hereby announces the audited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 March 2025, together with the comparative figures for the year ended 31 March 2024:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 31 MARCH 2025

		2025	2024
	<i>NOTES</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	4	279,708	862,189
Cost of sales		<u>(219,761)</u>	<u>(754,171)</u>
Gross profit		59,947	108,018
Other income		851	1,127
Gains/(losses) arising from financial assets at fair value through profit or loss		31,312	(4,470)
(Allowance for impairment)/reversal of allowance for impairment of loan and interest receivables		(12,581)	81,727
Write-down of properties under development and completed properties held for sales		(139,521)	–
Impairment loss on goodwill		(63)	–
Selling and marketing expenses		(45,505)	(45,165)
General and administrative expenses		(21,688)	(21,590)
Finance costs		<u>(106)</u>	<u>(3,100)</u>
(Loss)/profit before tax	6	(127,354)	116,547
Income tax expense	7	<u>(10,841)</u>	<u>(76,563)</u>
(Loss)/profit for the year attributable to the owners of the Company		<u>(138,195)</u>	<u>39,984</u>
(Loss)/earnings per share			
Basic and diluted (<i>HK cents</i>)	9	<u>(17.05)</u>	<u>5.43</u>
(Loss)/profit for the year		<u>(138,195)</u>	<u>39,984</u>
Other comprehensive expenses for the year:			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange difference arising on translation foreign operations		<u>(47,075)</u>	<u>(100,850)</u>
Total comprehensive expenses for the year attributable to the owners of the Company		<u>(185,270)</u>	<u>(60,866)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

		2025	2024
	<i>NOTES</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current assets			
Investment properties		38,280	14,378
Property, plant and equipment		28,310	7,318
Right-of-use assets		43,086	5,375
Goodwill		–	–
Other receivables, prepayments and deposits		1,436	1,379
Deferred tax assets		24,073	25,624
		135,185	54,074
Current assets			
Inventories		12,364	7,250
Properties under development		156,038	275,807
Completed properties held for sale		893,361	1,095,947
Trade receivables	10	1,024	–
Other receivables, prepayments and deposits		266,473	262,917
Loan and interest receivables	11	851,696	824,899
Financial assets at fair value through profit or loss		40,665	9,353
Cash and cash equivalents		51,473	113,981
		2,273,094	2,590,154
Current liabilities			
Trade and other payables	12	59,346	21,383
Contract liabilities		90,879	105,226
Amounts due to related companies		41,686	62,699
Tax payables		131,709	275,797
Lease liabilities		11,830	2,157
Other loan		980,000	980,000
		1,315,450	1,447,262
Net current assets		957,644	1,142,892
Total assets less current liabilities		1,092,829	1,196,966

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)*AS AT 31 MARCH 2025*

	<i>NOTE</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Capital and reserves			
Share capital	13	85,068	73,568
Reserves		978,841	1,122,297
Total equity		1,063,909	1,195,865
Non-current liability			
Lease liabilities		28,920	1,101
		1,092,829	1,196,966

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1. GENERAL INFORMATION

DINGYI GROUP INVESTMENT LIMITED (the “**Company**”) was incorporated in Bermuda with limited liability and its shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The registered office of the Company is located Victoria Place, 5th Floor 31 Victoria Street Hamilton HM 10 Bermuda and the principal place of business in Hong Kong of the Company is at Unit 2703, 27/F Convention Plaza – Office Tower, 1 Harbour Road, Wanchai, Hong Kong.

The directors of the Company (the “**Directors**”) regard Wincon Capital Investment Limited (“**Wincon Capital**”), a private limited liability company incorporated in the British Virgin Islands, as the immediate and ultimate holding company of the Company. Its ultimate controlling party is Mr. Li Kwong Yuk (“**Mr. Li**”).

The principal activity of the Company is investment holding and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in loan financing, securities trading, properties development and food and beverage catering services.

The consolidated financial statements are presented in thousands of units of Hong Kong dollar (“**HK\$’000**”), unless otherwise stated, which is the same as the functional currency of the Company. Other than those subsidiaries established in the People’s Republic of China (the “**PRC**”), whose functional currency is Renminbi (“**RMB**”), the functional currency of its subsidiaries is Hong Kong dollar (“**HK\$**”).

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“**Listing Rules**”) and by the disclosure requirements of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period.

Going concern basis

The Group incurred a loss for the year attributable to the owners of the Company of approximately HK\$138,195,000 during the year ended 31 March 2025. The Group’s revenue decreased from approximately HK\$862,189,000 for the year ended 31 March 2024 to approximately HK\$279,708,000 for the year ended 31 March 2025. As at 31 March 2025, the Group recorded net current assets of approximately HK\$957,644,000, and the Group’s other loan owing to the ultimate controlling party, Mr. Li amounted to approximately HK\$980,000,000, while its cash and cash equivalents amounted to approximately HK\$51,473,000.

In view of the abovementioned, the Directors have given careful consideration to the future liquidity and performance of the Group and the continuing financial support from its ultimate controlling party in assessing whether the Group will have sufficient financial sources to continue as a going concern.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 31 March 2025, on the basis of an undertaking given by the ultimate controlling party, Mr Li, who is irrevocably and unconditionally undertake and covenant to the Company and shall withhold any demand or claims against the Company for the other loan owing to him until 31 March 2026 provided that the Company will continue to negotiate with Mr. Li on alternative proposal in settlement of the other loan in good faith. They are of the opinion that the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 March 2025. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

3. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

Amendments to HKFRSs that are mandatory effective for the current year

In the current year, the Group has applied the following amendments to HKFRSs issued by HKICPA for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2024 for the preparation of the consolidated financial statements:

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

The application of these amendments to HKFRSs in the current year did not have any material impact on the Group's financial performance and positions for the current and prior years and/or the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs that have been issued but not yet effective

		Effective for annual periods beginning on or after
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HKFRS 9 and HKFRS 7	Amendments to Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to HKFRS 10 and HKAS 28	Sales or Contribution of Assets between an investor and its Associate or Joint Venture	1 January 2026
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
Amendments to HKAS 21	Lack of Exchangeability	1 January 2025

The Directors anticipated that the application of all amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

4. REVENUE

Revenue represents the amount received and receivable arising from loan financing, securities trading and properties development, excludes amounts collected on behalf of third parties and sales related taxes. An analysis of the Group's revenue is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue from contracts with customer within the scope of HKFRS 15		
Sales of properties – at point of time	<u>223,234</u>	<u>791,386</u>
Revenue from other sources		
Interest income from provision of loan financing services	<u>56,474</u>	<u>70,803</u>
	<u>279,708</u>	<u>862,189</u>

5. SEGMENT INFORMATION

Information reported to the board of directors, being the chief operating decision maker (“**CODM**”), for the purpose of resources allocation and assessment of segment performance focuses on types of goods delivered or service rendered.

The Group has four reportable and operating segments (i) securities trading business; (ii) loan financing business; (iii) properties development business; and (iv) food and beverage catering service business. Segment revenue is measured in a manner consistent with that in the consolidated statement of profit or loss.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segment:

Year ended 31 March 2025

	Securities trading business <i>HK\$'000</i>	Loan financing business <i>HK\$'000</i>	Properties development business <i>HK\$'000</i>	Food and beverage catering service business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue					
External revenue	<u>–</u>	<u>56,474</u>	<u>223,234</u>	<u>–</u>	<u>279,708</u>
Gain arising from financial assets at fair value through profit or loss	<u>31,312</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>31,312</u>
Write-down of properties under development and completed properties held for sale	<u>–</u>	<u>–</u>	<u>(139,521)</u>	<u>–</u>	<u>(139,521)</u>
Allowance for impairment of loan and interest receivables	<u>–</u>	<u>(12,581)</u>	<u>–</u>	<u>–</u>	<u>(12,581)</u>
Segment profit/(loss)	<u>31,312</u>	<u>43,893</u>	<u>(186,508)</u>	<u>–</u>	<u>(111,303)</u>
Bank interest income					107
Finance costs					(106)
Impairment loss on goodwill					(63)
Unallocated corporate income					744
Unallocated corporate expenses					<u>(16,733)</u>
Loss before tax					<u><u>(127,354)</u></u>

Year ended 31 March 2024

	Securities trading business <i>HK\$'000</i>	Loan financing business <i>HK\$'000</i>	Properties development business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue				
External revenue	<u>—</u>	<u>70,803</u>	<u>791,386</u>	<u>862,189</u>
Loss arising from financial assets at fair value through profit or loss	<u>(4,470)</u>	<u>—</u>	<u>—</u>	<u>(4,470)</u>
Reversal of allowance for impairment of loan and interest receivables	<u>—</u>	<u>81,727</u>	<u>—</u>	<u>81,727</u>
Segment (loss)/profit	<u>(4,470)</u>	<u>152,530</u>	<u>(12,211)</u>	<u>135,849</u>
Bank interest income				420
Finance costs				(3,100)
Unallocated corporate income				706
Unallocated corporate expenses				<u>(17,328)</u>
Profit before tax				<u><u>116,547</u></u>

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment (loss)/profit represents the (loss)/profit earned by from each segment without allocation of certain other income, bank interest income, finance costs, impairment loss on goodwill and certain general and administrative expenses. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

	2025 HK\$'000	2024 HK\$'000
Segment assets		
Securities trading business	40,665	9,353
Loan financing business	851,696	824,899
Properties development business	1,401,713	1,771,127
Food and beverage catering services business	78,804	–
	<hr/>	<hr/>
Total segment assets	2,372,878	2,605,379
Unallocated corporate assets	35,401	38,849
	<hr/>	<hr/>
Total consolidated assets	2,408,279	2,644,228
	<hr/> <hr/>	<hr/> <hr/>
Segment liabilities		
Securities trading business	–	–
Loan financing business	–	–
Properties development business	127,082	199,531
Food and beverage catering services business	56,867	–
	<hr/>	<hr/>
Total segment liabilities	183,949	199,531
Unallocated corporate liabilities	1,160,421	1,248,832
	<hr/>	<hr/>
Total consolidated liabilities	1,344,370	1,448,363
	<hr/> <hr/>	<hr/> <hr/>

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than certain property, plant and equipment, certain right-of-use assets, deferred tax assets, certain other receivables, prepayments and deposits and certain cash and cash equivalents; and
- all liabilities are allocated to operating segments other than certain other payables, tax payables, amounts due to related companies, other loan and lease liabilities.

6. (LOSS)/PROFIT BEFORE TAX

(Loss)/profit before tax has been arrived at after charging:

	2025 HK\$'000	2024 HK\$'000
Directors' and chief executive's emoluments	2,010	1,645
Other staff costs (excluding directors' and chief executive's emoluments)	7,418	7,518
Retirement benefit schemes contribution (excluding directors' and chief executive's emoluments)	644	255
Total staff costs	10,072	9,418
Cost of properties sold	219,761	754,171
Auditors' remuneration		
– Audit services	1,600	1,427
– Non-audit services	–	–
Advertising and promotion expenses	43,172	43,028
Depreciation of property, plant and equipment	957	973
Depreciation of investment properties	900	907
Depreciation of right-of-use assets	3,051	3,362
Legal and professional fees	2,221	2,109

7. INCOME TAX EXPENSE

	2025 HK\$'000	2024 HK\$'000
Current income tax		
– The PRC Enterprise Income Tax	8,822	16,988
– The PRC Land Appreciation Tax	468	43,840
Deferred tax	1,551	15,735
Income tax expense	10,841	76,563

8. DIVIDENDS

No dividend was paid or proposed during the year ended 31 March 2025, nor has any dividend been proposed since the end of the reporting period (2024: nil).

9. (LOSS)/EARNINGS PER SHARE

The calculation of the basic and diluted (loss)/earnings per share attributable to the owners of the Company is based on the following data:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
(Loss)/profit		
(Loss)/profit for the year attributable to the owners of the Company	(138,195)	39,984
Number of shares	'000	'000
Weighted average number of ordinary shares for the purpose of basic and diluted (loss)/earnings per share	810,665	735,678
(Loss)/earnings per share	<i>HK cents</i>	<i>HK cents</i>
Basic and diluted	(17.05)	5.43

The basic and diluted loss per share for the year ended 31 March 2025 are the same since the computation of diluted loss per share does not assume the conversion or exercise of the Company's outstanding share options since they would result in decrease in loss per share for the year ended 31 March 2025.

The computation of diluted earnings per share for the year ended 31 March 2024 does not assume the exercise of the Company's share options because both of the exercise price of the share options was higher than the average market price for shares for the year ended 31 March 2024.

10. TRADE RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	1,024	–

The Group normally allows credit period of 0–90 days to its customers. An ageing analysis of the trade receivables at the end of the reporting period, based on the invoice date, is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 90 days	1,024	–

11. LOAN AND INTEREST RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Loan receivables	882,143	853,983
Interest receivables	65,843	54,626
	<u>947,986</u>	<u>908,609</u>
Less: allowance for impairment of loan and interest receivables	<u>(96,290)</u>	<u>(83,710)</u>
	<u>851,696</u>	<u>824,899</u>

The loans and interest receivables are due from independent third parties, which are unsecured and their relevant due dates are in June 2025 (2024: June 2024). The interest rates on the loan and interest receivables are fixed ranging from 6% to 8% per annum (2024: 6% to 15% per annum).

12. TRADE AND OTHER PAYABLES

	2025 HK\$'000	2024 HK\$'000
Trade payables	15,861	2,950
Accruals	9,944	15,051
Other payables	11,541	3,382
Consideration payable	22,000	–
	<u>59,346</u>	<u>21,383</u>

The credit period granted by suppliers is generally 30–90 days. The following is an ageing analysis of trade payables presented based on the invoice date at the end of each reporting period.

	2025 HK\$'000	2024 HK\$'000
0–30 days	743	–
31–60 days	1,008	80
61–90 days	257	1,409
91–180 days	3,299	–
Over 180 days	10,554	1,461
	<u>15,861</u>	<u>2,950</u>

13. SHARE CAPITAL

	Number of shares '000	Share capital HK\$'000
Authorised ordinary shares:		
As at 1 April 2023 of HK\$0.01 per share	10,500,000	105,000
Increase in share capital (<i>Note (a)(i)</i>)	9,500,000	95,000
Share consolidation (<i>Note (a)(ii)</i>)	(18,000,000)	–
	<hr/>	<hr/>
As at 31 March 2024, 1 April 2024 and 31 March 2025 of HK\$0.1 per share	2,000,000	200,000
	<hr/> <hr/>	<hr/> <hr/>
Issued and fully paid ordinary shares:		
As at 1 April 2023 of HK\$0.01 per share	7,356,783	73,568
Share consolidation (<i>Notes (a)(ii)</i>)	(6,621,105)	–
	<hr/>	<hr/>
As at 31 March 2024 and 1 April 2024 of HK\$0.1 per share	735,678	73,568
Issue of shares (<i>Note (b)</i>)	115,000	11,500
	<hr/>	<hr/>
As at 31 March 2025 of HK\$0.1 per share	850,678	85,068
	<hr/> <hr/>	<hr/> <hr/>

Notes:

- (a) On 18 August 2023, the Company passed ordinary resolutions in relation to the following by the shareholders of the Company:

- (i) an increase in authorised share capital of the Company from HK\$105,000,000 to HK\$200,000,000.
- (ii) the consolidation of every ten (10) issued and unissued shares of HK\$0.01 each in the capital of the Company into one (1) consolidated share of HK\$0.10 (“**Share Consolidation**”).

As all the conditions of the Share Consolidation were fulfilled, the Share Consolidation became effective on 22 August 2023.

- (b) On 3 July 2024, arrangements were made for a private placement to independent third parties of 115,000,000 shares of HK\$0.47 each, which represents a discount of approximately 11.3% to the closing market price of the Company’s shares on 3 July 2024. As all the conditions of the placement were fulfilled, the placing became effective on 5 August 2024.

DIVIDEND

The Board has resolved not to recommend any final dividend for the year ended 31 March 2025 (2024: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is principally engaged in securities trading, loan financing, properties development, food and beverage catering service business and other business.

The Group's revenue from its continuing operations for the year amounted to approximately HK\$280 million or HK\$582 million less than that of the previous year. There was a loss for the year attributable to the Company's owners of approximately HK\$138 million (2024: profit of HK\$40 million). The significant net loss for the year was mainly attributable to the combined effect of (1) the reduction in sales recognised for the properties development business in the PRC; (2) the provision for impairment loss on loan and interest receivables; (3) write-down of properties under development and properties held for sale; and (4) being partially offset by the gain arising from the changes in fair value of financial assets.

The basic and diluted loss per share was HK17.05 cents as compared with earnings per share of HK5.43 cents last year.

Securities trading

During the year, the Group was involved in the securities trading business. The Group recorded a gain of approximately HK\$31 million (2024: loss of approximately HK\$5 million) arising from changes in the fair value of the listed securities. As a result, the Group reported a segment gain of approximately HK\$31 million (2024: loss of approximately HK\$5 million) during the year. Going forward, the Group expects that the future performance of the listed securities investments held by the Group will be volatile and substantially affected by overall economic environment, equity market conditions, investor sentiment and the business performance and development of the investee companies. The Board will closely monitor the performance of the investment portfolio from time to time.

Loan financing

During the year, the Group recorded a revenue of approximately HK\$56 million (2024: approximately HK\$71 million) from loan financing segment. The Group recorded allowance for impairment of loan and interest receivables of approximately HK\$13 million (2024: reversal of allowance for impairment of approximately HK\$82 million). As a result, the Group reported a segment profit of approximately HK\$44 million (2024: approximately HK\$152 million). The Group will further develop this segment in order to earn a higher interest income.

Business model

In respect of the loan financing business, the Group targeted on a variety of corporate clients by providing interest bearing short-term loans in order to meet their liquidity needs. The sources of customers are mainly referrals from former and/or existing customers and third parties.

Source of funding

Currently, the loan financing business finances its operation primarily from (i) funding from the Group; and (ii) operating cash flow generated from the loan financing business segment. Since commencement of the business, the loan financing business has not obtained any bank borrowing and/or financing facility from any third party to finance its loan financing activities.

Scale of business, loan portfolio and customer base

The loan financing business solicits its customers by referral from former and/or existing customers and third parties.

As at 31 March 2025, loan receivables with the aggregate gross principal amount of approximately HK\$882 million (2024: HK\$854 million) and gross interest receivables amount of approximately HK\$66 million (2024: HK\$55 million) were recorded in the audited financial statements. The interest rates of the loan receivables ranged from 6% to 8% per annum.

As at 31 March 2025, the principals of loan receivables ranged from approximately HK\$16 million to HK\$25 million. The borrowers are from different industries mainly engaged in innovation of IT technology; property management; E-commerce; accommodation and catering; import and export business; trading of building materials; agricultural products processing; and logistics business. As at 31 March 2025, all of the loan receivables were unsecured and repayable within twelve months from the drawdown date with no loan renewals having occurred and booked in our records.

Financial business structure and credit risk assessment

The loan financing business of the Group is operated by a two-tiered structure, being the Loan Approval Committee (the “**Committee**”) as the overseeing team and the Loan Financing Management Team (the “**Loan Team**”) as the administrative team responsible to the Committee. The Committee comprises three members of senior management of the Company and is headed by Mr. Wang Xiaohua, an executive director of the Company. The Loan Team comprises two divisions namely the Loan Financing Unit and the Credit Risk Management Unit, each headed by a manager (the “**Manager**”/“**Managers**”). The Committee and the Managers of the Loan Team together constitute the core management of the loan financial business of the Group.

The primary duties of the Loan Financing Unit are to collect and review borrowing applicants' background information and prepare a summary of due diligence on the borrowing applicants, culminating in a Loan Investigation Report approved by the Manager of the unit.

The primary duties of the Credit Risk Management Unit are to carry out credit risk assessment of the borrowing applicants and propose the post-loan management, culminating in a Project Risk Report approved by the Manager of the unit.

The Committee is responsible for reviewing the loan applications, Loan Investigation Report and the Project Risk Report presented by the Managers.

To achieve a sustainable and balanced development of the Group's loan financing business, the core management of the loan financing business possesses a comprehensive range of experience and skills and expertise covering, *inter alia*, (i) risk management; (ii) legal and compliance, (iii) project evaluation; and (iv) corporate management. The Company is of the opinion that the loan financing management team's diverse abilities are sufficient to run the Group's loan financing business in a sustainable manner.

The loan financing business processes undertaken by the Committee and the Loan Team involve a series of internal compliance and control procedures: (i) acceptance of loan applications and Know-Your-Client assessment; (ii) conducting due diligence; (iii) credit risk assessments and loan approvals; (iv) granting of loans; and (v) post-loan grant review and collections.

From the key internal control's perspective, the core management of the loan financing business also considers (i) credit risk; (ii) operational risk; and (iii) legal and compliance risk, when conducting the loan financing business activities.

Credit risk in particular is considered to be the principal risk inherent in the loan financing business. Therefore, the loan financing business has developed a credit risk management system in order to effectively identify, manage and minimize credit risks in connection with each loan it grants.

A series of credit risk assessment procedures, such as identity checks, financial position assessment and public searches, are performed by the Group before each loan is approved and advanced to the borrowing customers. In credit assessment, the Company will take into consideration factors including but not limited to the borrower's financial soundness, internal and external credit checking results, and, where applicable, the availability of any guarantee, collateral and/or other forms of security. According to the aforesaid credit policies, the head of the risk management department carries out the credit assessment procedures with reference to the loan investigation report and the project risk report.

Subsequent to the drawdown, the Group will regularly review on a quarterly basis or any time the Committee finds necessary when there is a change of policy or economic climate and an update on the information we have obtained during the credit assessment procedures. The Group also actively reviews and monitors the loan repayment status to ensure all the interest and principal payments made by the borrowers through bank transfers are punctual and the past due amounts, if any, are closely followed up.

In the event that the loan repayments are not made on schedule, the Company would communicate with the borrowers to understand the reason for default and their latest financial situation. Based on the situation and the re-assessment of risk of the loan, the Company would consider whether a loan re-schedule arrangement or a legal action against the borrowers would be the best choice for the Company in order to protect the interest of the Company and its shareholders as a whole.

The credit policy is reviewed and revised on a regular basis to accommodate changes in the prevailing market and economic conditions, legal and regulatory requirements, and other factors the Committee considers to be important.

Operational risk is the risk resulting from inadequate or failure of internal controls and systems, human errors or external events. The loan financing business has adopted and implemented effective operational policies and procedures to cope with the operational risk in the following ways:

- established an adequate corporate governance structure with clearly defined responsibilities of the Committee and senior management;
- established the Committee under the Board and collective decision making procedures to mitigate the risk relating to personal judgment or prejudice of a single decision maker in the process of loan approval;
- adopted and strictly implemented measures to prevent and detect potential employee frauds, such as dual investigation and due diligence process, the policy of separating the investigation and evaluation of loan applications or risk assessment process from the approval of loans, multilevel assessments and approval procedure, on-site visits and inspection, and interviews conducted by our senior management with the owner or management of the customers;
- implemented a performance-based compensation scheme for staff; and
- provided staff with professional training, especially to those who are responsible for assessment and approval of loans.

The loan financing business operates in a highly regulated industry that is subject to continually evolving laws, regulations and policies, and the loan financing business may be required to make significant changes to its operations from time to time in order to comply with changes in these laws, regulations and policies. The Committee together with other departments involved, advises on legal and regulatory requirements applicable to the loan financing business as well as the application restrictions, and initiate legal proceedings against any defaulting customers.

The Company considers that the loan financing business has put in place adequate loan approval and assessment and monitoring procedures. During the year ended 31 March 2025, all loan receivables were assessed as low risk of default or there had not been a significant increase in credit risk since drawdown, nor was there credit impaired. The Board considers it has put in place adequate and tight policies towards its loan financing business. The effectiveness of these policies is reflected by the fact that all the loans due have been fully settled and no past due has occurred as of the reporting date.

Loan impairment

Despite the fact that there was no repayment default as above mentioned, the loan impairment was recognised with reference to the expected credit losses in accordance with the Hong Kong Financial Reporting Standard 9 Financial Instruments issued by the Hong Kong Institute of Certified Public Accountants.

During the year ended 31 March 2025, the prolonged economic downturn driven by the epidemic adversely affected the repayment ability of the borrowers, thus affecting the Group's expectation of the loan recoverability. Therefore, when estimating the default rate of loan receivables according to the accounting standards, the Group prudently considered a default rate of each borrower during the year ended 31 March 2025.

Besides, based on the borrowers' current financial status as communicated with the borrowers, with reference to their past and current repayment records, loan terms, and the value of the collateral, the Group will make additional independent adjustments when calculating the loan impairment.

During the year ended 31 March 2025, no loan receivables were identified as credit impaired nor written off. The Board considers that the impairment ratio is insignificant, given that the Company has put in place adequate and tight policies towards its loan financing business.

Properties development

During the year, the Group recorded a revenue of approximately HK\$223 million (2024: approximately HK\$791 million) and segment loss of approximately HK\$187 million (2024: approximately HK\$12 million). The decrease in revenue was mainly due to the decrease in revenue of properties development business recognised upon the customers obtaining control of the completed property for sale. The Group has completed the construction of certain blocks of the Phase III of One Parkview project and has commenced the sale of residential buildings and retail shops. The payment received as advance from customers for properties sales were recognised as contract liabilities. The Group anticipates further revenue and positive results from this segment in the following years upon completion of properties under development and the sale of completed properties.

The Group has arranged bank financing for certain purchasers of the Group's property units and provided guarantees to secure obligations of such purchasers for repayments. Such guarantees terminate upon the earlier of (i) issuance of the real estate ownership certificate which will generally be available within a period of two years upon the completion of guarantee registration; or (ii) the satisfaction of mortgage loan by the purchasers of properties.

Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period starts from the date of grant of the mortgage. The Directors consider that the likelihood of default in payments by purchasers is minimal and in case of default in payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty and therefore the fair value of these financial guarantees is immaterial.

As at 31 March 2025, guarantees given to banks for mortgage facilities granted to purchasers of the Group's properties amounted to approximately HK\$9.8 million in total (31 March 2024: HK\$11.2 million).

Food and beverage catering services

The Group has been exploring potential investment opportunities apart from its existing businesses of securities trading, loan financing and properties development. The Board considers that the acquisition of catering services business completed on 31 March 2025 enables the Group to re-enter into the catering business, which once was the Group's core business for over a decade before the Group's withdrawal from this business sector in 2020. Through the acquisition, the Group will hold six restaurants (namely Ensue, Terra Madre, L'AIIée, L'Avenue, Mesa Casa Latino and 頤亭) which are all located in the prime area of Shenzhen. The Board considers these restaurants as a strategic platform for the Group to re-develop its presence in high-end catering business in the PRC in the future.

Other business – trading of wine

The Group has kept certain quantities of fine wines. The stocks will be offered to sell when the market prices are so favourable that the Group can obtain a good return on the sale. At present, the stocks are kept in the wine cellar situated in Hong Kong.

CAPITAL STRUCTURE

As at 31 March 2025, the total number of issued shares of the Company was 850,678,301 of HK\$0.10 each (31 March 2024: 735,678,301 of HK\$0.10 each) and its issued share capital was approximately HK\$85,068,000 (31 March 2024: approximately HK\$73,568,000).

Save as disclosed in the above paragraph and Note 13 of this announcement, there was no change in the capital structure of the Company during the year ended 31 March 2025.

FINANCIAL REVIEW

Revenue

The Group's revenue decreased from approximately HK\$862 million in 2024 to approximately HK\$280 million in 2025, mainly because of a decrease of revenue in properties development segment.

Gross Profit

The gross profit decreased by approximately HK\$48 million, or 45%, from approximately HK\$108 million in 2024 to approximately HK\$60 million in 2025. The gross profit margin increased from approximately 12.5% in 2024 to approximately 21.4% in 2025.

Other Income

Other income decreased slightly approximately HK\$1.0 million this year (2024: approximately HK\$1.1 million).

Selling and Marketing Costs and General and Administrative Expenses

Selling and marketing costs remained high at approximately HK\$45 million (2024: approximately HK\$45 million) under the prevailing slow-down of the property market. General and administrative expenses were stable at approximately HK\$22 million (2024: approximately HK\$22 million) which was mainly due to the cost saving resulting from the implementation of cost control during the year ended 31 March 2025.

Property, Plant and Equipment

Property, plant and equipment increased to approximately HK\$28 million this year (2024: approximately HK\$7 million). The significant increase in property, plant and equipment was mainly attributed to the acquisition of the food and beverage catering service business which was completed on 31 March 2025.

Significant Investment

As at 31 March 2025, the Group had financial assets at fair value through profit or loss, representing equity securities listed in Hong Kong, Shanghai and London, of approximately HK\$41 million (2024: approximately HK\$9 million). The Group recorded a gain of approximately HK\$31 million (2024: loss of approximately HK\$4 million) arising from changes in fair value of listed securities. Since there was no financial assets at fair value through profit or loss held by the Group valued more than 5% of the total assets of the Group as at 31 March 2025, there were no significant investments held by the Group.

Cash and Bank Balances

Cash and bank balances decreased from approximately HK\$114 million last year to approximately HK\$51 million this year.

Shareholders' Funds and Financial Ratios

As at 31 March 2025, the Group's net assets attributable to the owners of the Company amounted to approximately HK\$1,064 million (2024: HK\$1,196 million), a decrease of approximately HK\$132 million when compared with that of 2024.

As at 31 March 2025, total debt to equity ratio was 0.92 (2024: 0.82) and net debt to equity ratio was 0.87 (2024: 0.72), which were expressed as a percentage of total borrowings and total borrowings less cash and cash equivalents respectively, over the total equity of approximately HK\$1,064 million (2024: HK\$1,196 million).

Other Loan

As at 31 March 2025, the Group's other loan amounted to approximately HK\$980 million (31 March 2024: approximately HK\$980 million). The conversion rights attached to the convertible bonds in the principal amount of HK\$980,000,000 issued by the Company to a former director (Mr. Li Kwong Yuk) on 26 March 2018 at the initial conversion price of HK\$0.80 per conversion share expired on 26 March 2023, and as such the relevant convertible bonds had become a straight debt.

Charge on Assets

As at 31 March 2025 and 2024, the Group had no charge on assets.

Foreign Exchange Exposure

Most of the Group's assets are denominated in Hong Kong dollars (“**HKD**”), Renminbi (“**RMB**”), United States dollars (“**USD**”) and Australian dollars (“**AUD**”). Considering the exchange rates between these currencies are relatively stable, the Group believed that the corresponding exposure to RMB, USD and AUD exchange rate fluctuations was relatively limited. The Group does not undertake any derivative financial instruments or hedging instruments. The Group will constantly review the economic situation and its foreign currency risk profile, and continues to actively monitor foreign exchange exposure to minimise the impact of any adverse currency movement.

Contingent Liabilities

As at 31 March 2025 and 2024, the Group had no contingent liabilities.

Capital Commitments

As at 31 March 2025, the Group had capital commitments of approximately HK\$526 million (2024: approximately HK\$536 million).

Treasury Policies

The Group adopts conservative treasury policies on cash and financial management. To achieve better risk control and minimise the cost of funds, the Group's treasury activities are centralised. Cash is generally placed in short-term deposits mostly denominated in HKD, USD, RMB or AUD. The Group's liquidity and financing requirements are frequently reviewed. In anticipating new investments, the Group will consider new financing channels while maintaining an appropriate level of gearing.

EVENTS AFTER THE REPORTING PERIOD

On 20 June 2025, the Company and the vendors (the “**Vendors**”) of the food and beverage catering service business (the “**Target Group**”) entered into a supplemental agreement to the sale and purchase agreement dated 31 March 2025. According to supplemental agreement, the terms of the sale and purchase agreement have been changed to the effect that the additional consideration will only be payable by the Group to the Vendors if the aggregate audited consolidated net profits of the Target Group for the two years ending 31 March 2026 and 31 March 2027 exceed RMB4.8 million.

STRATEGY AND OUTLOOK

Apart from the existing businesses of securities trading, loan financing, properties development, food and beverage catering services and other businesses, the Group will continue to explore other potential investment opportunities with reasonable returns that meet the Company's criteria. This will not only strengthen our core business but also increase the shareholders' values. The Group has been exploring some investment opportunities in resources and energy projects, properties development, financial technology, pharmaceutical and ocean industry.

EMPLOYEES AND REMUNERATION POLICIES

The Group employed 42 full-time staff under its subsidiaries globally as at 31 March 2025 (2024: 49). Total staff costs amounted to approximately HK\$10 million for the year ended 31 March 2025 (2024: approximately HK\$9 million). The remuneration policies of the Group are reviewed periodically on the basis of job nature, market trend, company performance and individual performance. Other staff benefits include bonuses rewarded on a discretionary basis, retirement schemes and the share option scheme of the Company.

CORPORATE GOVERNANCE AND OTHER INFORMATION

CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance and has introduced corporate governance practices appropriate to the conduct and growth of its business.

The Company's corporate governance practices are based on the principles and the code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

In the opinion of the Directors, the Company complied with all code provisions of the CG Code during the year ended 31 March 2025 except for the deviations set out below.

1. Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the period from 1 April 2024 to 14 October 2024, Mr. Su Xiaonong was the Acting Chairman of the Board and the Chief Executive Officer of the Company. Following the appointment of Mr. Yue Ying as the Chairman of the Board in place of Mr. Su Xiaonong on 15 October 2024, the roles of the Chairman of the Board and the Chief Executive Officer are performed by Mr. Yue Ying and Mr. Su Xiaonong, respectively. As such, the Company is in full compliance with code provision C.2.1 of the CG Code. The Company has clearly established the division of responsibilities between the Chairman of the Board and the Chief Executive Officer, so that the balance of power and authorization between the Board and the management of the Company could be maintained.

2. Under code provision C.5.3 of the CG Code, notice of at least 14 days should be given of a regular board meeting to all Directors to give all Directors an opportunity to attend. During the year ended 31 March 2025, seven Board meetings were convened with less than 14 days' notice to facilitate the Directors' timely reaction and expeditious decision making process in respect of internal affairs of the Group. All Board meetings, nevertheless, were duly convened and held in the way prescribed by the Bye-laws of the Company. The Board will use reasonable endeavour to meet the requirement of code provision C.5.3 of the CG Code in future.
3. Code provision D.3.3 stipulates that the audit committee must meet, at least twice a year, with the Company's auditor. Since the Company did not engage its auditor to review the financial information in its interim report for the six months ended 30 September 2024, the audit committee met the Company's auditor once during the review year to discuss matters arising from the audit of the Company's annual results and other matters the auditor may wish to raise.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the year ended 31 March 2025.

AUDIT COMMITTEE

The audit committee of the Company reviewed with the management the accounting principles and practices adopted by the Group and discussed the audit and financial reporting matters, internal control and risk management systems of the Group including the review of the audited financial statements of the Group for the year ended 31 March 2025.

AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other 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 external auditor, Confucius International CPA Limited ("**Confucius International**"), to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 March 2025. The work performed by Confucius International 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 Confucius International on this announcement.

Confucius International shall retire at the forthcoming annual general meeting, at which a resolution will be proposed for the re-appointment of Confucius International as the auditor of the Company for a term of office until the conclusion of the annual general meeting of the Company in 2026.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The annual results announcement of the Group for the year ended 31 March 2025 is published on the websites of the Stock Exchange at <http://www.hkexnews.hk> and the Company at <http://www.dingyi.hk>. The annual report of the Company for the year ended 31 March 2025 containing all applicable information required by the Listing Rules will be despatched to the shareholders of the Company and published on the above websites on or before 31 July 2025.

APPRECIATION

I would like to take this opportunity to thank all of our customers, shareholders and business associates for their confidence in and support of the Group. To all our employees, I appreciate your hard work, dedication and commitment over the year.

By Order of the Board
DINGYI GROUP INVESTMENT LIMITED
YUE Ying
Chairman

Hong Kong, 30 June 2025

As at the date of this announcement, the Board comprises Mr. SU Xiaonong (Chief Executive Officer) and Mr. ZENG Shan as Executive Directors; Mr. YUE Ying (Chairman) and Ms. LIU Miaomiao as Non-executive Directors; and Mr. CHOW Shiu Ki, Mr. IP Chi Wai and Mr. CHEUNG Chi Wai as Independent Non-executive Directors.