XINHUA NEWS MEDIA HOLDINGS LIMITED
新華通訊頻媒控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 309)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025

RESULTS

The board (the "Board") of directors (the "Directors") of Xinhua News Media Holdings Limited (the "Company") announces the 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, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Notes	**2025** *HK$'000*	2024 *HK$'000*
REVENUE	5	**360,134**	322,246
Other income and gains	6	**7,158**	3,728
Staff costs	7	**(249,594)**	(229,782)
Depreciation and amortisation	7	**(4,854)**	(5,276)
Impairment losses recognised on the trade receivables		**–**	(46)
Impairment losses recognised on the other receivables		**–**	(330)
Loss on fair value changes at financial assets at fair value through profit or loss	7	**(136)**	(482)
Other operating expenses		**(118,745)**	(103,210)
Finance costs	8	**(416)**	(561)

	Notes	**2025**	2024
		HK$'000	*HK$'000*
LOSS BEFORE INCOME TAX	7	**(6,453)**	(13,713)
Income tax expenses	9	**–**	–
LOSS FOR THE YEAR		**(6,453)**	(13,713)
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of subsidiaries, net of tax		**30**	(196)
Other comprehensive loss		**30**	(196)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(6,423)**	(13,909)
LOSS FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		**(7,444)**	(13,402)
Non-controlling interests		**991**	(311)
		(6,453)	(13,713)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		**(7,411)**	(13,580)
Non-controlling interests		**988**	(329)
		(6,423)	(13,909)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Basic and diluted	10	**HK$(0.0039)**	HK$(0.0069)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Notes	**2025** **HK$'000**	2024 HK$'000
Non-current assets			
Property, plant and equipment		**6,397**	8,147
Right-of-use assets		**1,221**	3,843
Deposits paid for acquisition of property, plant and equipment		**–**	2,912
Total non-current assets		**7,618**	14,902
Current assets			
Inventories		**45**	47
Trade receivables	12	**62,890**	60,242
Prepayments, deposits and other receivables	13	**15,192**	12,647
Financial assets at fair value through profit of loss	11	**5,902**	6,527
Pledged time deposits	14	**7,111**	2,092
Cash and bank balances	14	**56,239**	65,280
Total current assets		**147,379**	146,835
Current liabilities			
Trade payables	15	**14,093**	14,232
Other payables and accruals	16	**38,351**	38,920
Promissory notes payable	17	**3,000**	3,000
Amount due to a related company		**1,055**	1,055
Lease liabilities		**1,504**	3,125
Loans from directors		**11,291**	7,775
Tax payables		**283**	283
Total current liabilities		**69,577**	68,390
Net current assets		**77,802**	78,445
Total assets less current liabilities		**85,420**	93,347

	Notes	**2025** *HK$'000*	2024 *HK$'000*
Non-current liabilities			
Lease liabilities		**90**	1,594
Total non-current liabilities		**90**	1,594
NET ASSETS		**85,330**	91,753
Equity			
Equity attributable to owners of the Company			
Share capital		**19,311**	19,311
Reserves		**65,808**	73,219
		85,119	92,530
Non-controlling interests		**211**	(777)
TOTAL EQUITY		**85,330**	91,753

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

1. CORPORATE INFORMATION

Xinhua News Media Holdings Limited (the "Company") is a limited liability company incorporated in the Cayman Islands. The registered office address of the Company is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The principal place of business of the Company is located at Unit 508B, 5/F, New East Ocean Centre, 9 Science Museum Road, Tsim Sha Tsui, Kowloon, Hong Kong.

During the year, the Company and its subsidiaries (collectively referred to as the "Group") was principally engaged in the provision of cleaning and related services, the provision of waste treatment service and the provision of advertising media service.

The consolidated financial statements are presented in Hong Kong dollars ("HK$") and all values are rounded to the nearest thousand ("HK$'000"), unless otherwise stated.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Application of amendments to HKFRS Accounting Standards

In the current year, the Group has applied, for its first time, the following amendments to HKFRS Accounting Standards, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") where are effective for the Group's financial year beginning 1 April 2024:

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

Impact on application of Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the "2020 Amendments"); and Amendments to HKAS 1 – Non-current Liabilities with Covenants (the "2022 Amendments")

The 2020 Amendments clarify the requirements for classifying liabilities as current or non-current, including what is meant by a right to defer settlement and that a right to defer must exist at the end of the reporting period. Classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement. The amendments also clarify that a liability can be settled in its own equity instruments, and that only if a conversion option in a convertible liability is itself accounted for as an equity instrument would the terms of a liability not impact its classification. The 2022 Amendments further clarify that, among covenants of a liability arising from a loan arrangement, only those with which an entity must comply on or before the reporting date affect the classification of that liability as current or non-current. Additional disclosures are required for non-current liabilities that are subject to the entity complying with future covenants within 12 months after the reporting period.

The amendments had no material impact on the consolidated financial statements of the Group.

Impacts on application of Amendments to HKFRS 16 Lease Liability in a Sale and Leaseback

The Group has applied the amendments for the first time in the current year. The amendments add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements of HKFRS 15 Revenue from Contracts with Customers to be accounted for as a sale. The amendments require a seller-lessee to determine "lease payments" or "revised lease payments" such that the seller-lessee would not recognise a gain or loss that relates to the right of use retained by the seller-lessee. The amendments also clarify that applying the requirements does not prevent the seller-lessee from recognising in profit or loss any gain or loss relating to subsequent partial or full termination of a lease. According to the transitional provisions, the Group has applied the new accounting policy retrospectively to the sale and leaseback transactions entered into by the Group as the seller-lessee after the initial application of HKFRS 16.

The application of the amendments has no material impact on the Group's financial position and performance.

Impacts on application of Amendments to HKAS 7 and HKFRS 7 Supplier Finance Arrangements

The Group has applied the amendments for the first time in the current year. The amendments add a disclosure objective to HKAS 7 Statement of Cash Flows stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, HKFRS 7 Financial Instruments: Disclosures was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk. In accordance with the transition provision, the entity is not required to disclose comparative information for any reporting periods presented before the beginning of the annual reporting period in the first year of application as well as the information required by HKAS 7.44 (b)(ii) and (b)(iii) above as at the beginning of the annual reporting period in which the entity first applies those amendments.

The application of the amendments in the current year had no material impact on the consolidated financial statements.

3. BASIS OF PREPARATION

The financial information set out in this announcement does not constitute the Group's annual consolidated financial statements for the year ended 31 March 2025, but is derived from those financial statements.

The consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the changes in accounting policies set out in note 2.

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, as modified by the financial assets at fair value through profit or loss, which are carried at their fair values.

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") and by the Hong Kong Companies Ordinance.

4. OPERATING SEGMENT INFORMATION

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

(a) the cleaning and related services segment engages in the provision of cleaning and related services for office buildings, public areas and residential areas;

(b) the advertising media business segment engages in the provision of media strategy, planning and management, product launching and selling, brand building, event marketing as well as developing and operating advertising media; and

(c) the waste treatment business segment engages in the provision of organic waste treatment and sale of byproducts produced.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment result, which is a measure of adjusted loss before income tax. The adjusted loss before income tax is measured consistently with the Group's loss before income tax except that interest income, government subsidies, dividend income and gain or loss on fair value changes on financial assets at fair value through profit or loss, share option expenses, finance costs and unallocated head office and corporate expenses are excluded from such measurement.

Segment liabilities exclude loans from directors as these liabilities are managed on a group basis.

There are no inter-segment revenue and transfers between the segments for both years.

	For the year ended 31 March 2025			
	Cleaning and related services	**Advertising media business**	**Waste treatment**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Segment revenue:				
Service income from external customers recognised over time	**360,134**	**–**	**–**	**360,134**
Segment results	**2,476**	**(987)**	**3,287**	**4,776**
Reconciliation:				
Unallocated other incomes and gains				**211**
Interest income				**1,520**
Unallocated expenses				**(12,544)**
Finance costs				**(416)**
Loss before income tax				**(6,453)**
Income tax expenses				**–**
Loss for the year				**(6,453)**

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

Segment assets:	**137,884**	**13,056**	**4,057**	**154,997**
Total assets				**154,997**
Segment liabilities:	**40,377**	**15,945**	**2,054**	**58,376**
Reconciliation:				
Loans from directors				**11,291**
Total liabilities				**69,667**
Other segment information:				
Capital expenditure *(note)*	**649**	**–**	**–**	**649**
Depreciation and amortisation	**3,606**	**217**	**1,031**	**4,854**

	For the year ended 31 March 2024			
	Cleaning and related services	Advertising media business	Waste treatment	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue:				
Service income from external customers recognised over time	322,246	–	–	322,246
Segment results	56	(1,787)	(1,051)	(2,782)
Reconciliation:				
Unallocated other incomes and gains				475
Interest income				1,723
Unallocated expenses				(12,568)
Finance costs				(561)
Loss before income tax				(13,713)
Income tax expenses				–
Loss for the year				(13,713)

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

	Cleaning and related services	Advertising media business	Waste treatment	Total
Segment assets:	143,255	13,440	5,042	161,737
Total assets				161,737
Segment liabilities:	40,789	15,073	6,347	62,209
Reconciliation:				
Loans from directors				7,775
Total liabilities				69,984
Other segment information:				
Capital expenditure *(note)*	1,568	448	–	2,016
Depreciation and amortisation	3,703	527	1,046	5,276

Note: Capital expenditure consists of additions of property, plant and equipment and right-of-use assets.

Geographical information

	Revenue from external customers Year ended 31 March		Non-current assets Year ended 31 March	
	2025	2024	**2025**	2024
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**360,134**	322,246	**3,152**	6,458
The People's Republic of China (the "PRC")	**–**	–	**4,466**	8,444
	360,134	322,246	**7,618**	14,902

The revenue and non-current assets information above are based on the location of the customers and that of the assets, respectively.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	2025	2024
	HK$'000	*HK$'000*
Customer A	**74,841**	76,178
Customer B	**160,403**	119,042

5. REVENUE

Group's revenue represents the net invoiced value of services rendered. An analysis of the Group's revenue is as follows:

	2025	2024
	HK$'000	*HK$'000*
Cleaning and related service fee income	**360,134**	322,246

(a) Disaggregation of revenue from contracts with customers

	Cleaning and related services	
Segments	**2025**	2024
	HK$'000	*HK$'000*
Geographical markets		
Hong Kong	**360,134**	322,246
Total	**360,134**	322,246
Timing of revenue recognition		
Over time	**360,134**	322,246
Total	**360,134**	322,246

The Group provides cleaning and related services are recognized on a monthly basis when the services are rendered. The amount for which can be reliably estimated and it is probable that the income will be received. The cleaning and related services income is normally made with credit terms of 0 to 90 days.

(b) Revenue expected to be recognized in the future arising from contracts with customers in existence at the reporting date

The aggregated amounts of transaction price allocated to the remaining performance obligations under the Group's existing contracts are as follows:

	Cleaning and related services *HK$'000*	**Advertising media business** *HK$'000*	**Waste treatment** *HK$'000*	**Total** *HK$'000*
As at 31 March 2025				
Expected to be recognized within one year	**249,000**	**–**	**–**	**249,000**
Expected to be recognized after one year	**159,865**	**–**	**–**	**159,865**
	408,865	**–**	**–**	**408,865**

	Cleaning and related services *HK$'000*	Advertising media business *HK$'000*	Waste treatment *HK$'000*	Total *HK$'000*
As at 31 March 2024				
Expected to be recognized within one year	194,503	–	–	194,503
Expected to be recognized after one year	103,250	–	–	103,250
	297,753	–	–	297,753

The amounts represent revenue expected to be recognized in the future from the Group's service contracts for the respective services. The Group will recognize the expected revenue in the future when services are rendered, which is expected to occur over the next 12 to 33 months (2024: next 12 to 36 months).

6. OTHER INCOME AND GAINS

	2025	2024
	HK$'000	*HK$'000*
Interest income	**1,520**	1,723
Management fee income	**60**	60
Government subsidies	**89**	–
Dividend income on financial assets at fair value through profit or loss	**211**	475
Write-back of other payables	**4,450**	–
Rental income	**–**	419
Insurance claim refund	**–**	484
Reversal of impairment loss on the other receivable	**65**	–
Reversal of impairment loss on the trade receivable	**41**	–
Sundry income	**722**	567
	7,158	3,728

7. LOSS BEFORE INCOME TAX

The Group's loss before income tax is arrived at after charging/(crediting):

	2025	2024
	HK$'000	*HK$'000*
Employee benefit expenses (including directors' remuneration):		
Wages, salaries and other benefits	**236,296**	220,312
Contribution to defined contribution pension plans	**10,267**	9,605
Defined benefit plan obligation	**832**	(2,273)
Provision for untaken paid leave	**2,199**	2,138
Total staff costs	**249,594**	229,782
Cost of services rendered*	**343,277**	307,382
Auditors' remuneration		
– Audit service	**580**	720
– Non-audit service	**148**	148
Depreciation on property, plant and equipment	**2,232**	2,353
Depreciation on right-of-use assets	**2,622**	2,923
Net loss on disposals of property, plant and equipment	**–**	3
Written-off of property, plant and equipment	**132**	29
Loss on fair value changes in financial assets at fair value through profit or loss	**136**	482
Impairment losses (reversed) recognised on the trade receivables, net^	**(41)**	46
Impairment losses (reversed) recognised on the other receivables, net^	**(65)**	330

* The cost of services rendered includes employee benefit expenses of approximately HK$235,554,000 (2024: HK$215,731,000) incurred in the provision of services which has been included in the employee benefit expenses above.

^ The amount of reversed of impairment losses on the trade and other receivables, included in note 6 "Other income and gains".

8. FINANCE COSTS

	2025	2024
	HK$'000	*HK$'000*
Leases interest	**176**	321
Interest on promissory notes	**240**	240
	416	561

9. INCOME TAX EXPENSES

	2025	2024
	HK$'000	*HK$'000*
Current tax:		
Hong Kong	**–**	–
The PRC	**–**	–
Overprovision in prior years:		
The PRC	**–**	–
	–	–

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

No provision for Hong Kong profits tax and the PRC corporate income tax have been made as the Group did not generate any assessable profits arising in Hong Kong and the PRC during the year (2024: nil).

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands or the British Virgin Islands.

Pursuant to the relevant tax law of the Hong Kong Special Administrative Region, the provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2024: 16.5%) to the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime. For this subsidiary, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2024.

Subsidiaries of the Group located in the PRC are subject to the PRC Enterprise Income Tax at a rate of 25% (2024: 25%) on their assessable profits.

10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic loss per share

The calculation of the basic loss per share is based on the loss for the year attributable to owners of the Company of approximately HK$7,444,000 (2024: approximately loss of HK$13,402,000), and the weighted average number of ordinary shares of 1,931,069,796 (2024: 1,931,069,796) in issue during the year.

Diluted loss per share

The diluted loss per share is the same as the basic loss per share for the years ended 31 March 2025 and 2024 because the Company's share options outstanding during these years were anti-dilutive.

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025	2024
	HK$'000	*HK$'000*
Assets management funds	**5,902**	6,527

12. TRADE RECEIVABLES

	2025	2024
	HK$'000	*HK$'000*
Trade receivables	**63,053**	60,447
Less: Impairment loss recognised on trade receivables	**(163)**	(205)
	62,890	60,242

The Group's trading terms with its customers are mainly on credit. Trade receivables are non-interest-bearing and are generally terms of 0 to 90 days. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by management. The Group does not hold any collateral or other credit enhancements over its trade receivables balances.

As at 1 April 2024, trade receivables from contracts with customers amounted to HK$49,152,000.

Reconciliation of impairment loss for trade receivables:

	2025	2024
	HK$'000	*HK$'000*
Balance at the beginning of the year	**205**	168
Impairment losses (reversed) recognised, net	**(41)**	46
Exchange realignment	**(1)**	(9)
Balance at the end of the year	**163**	205

An aged analysis of trade receivables, based on the invoice dates and net of loss allowance at the end of the reporting period, is as follows:

	2025	2024
	HK$'000	*HK$'000*
Within 30 days	**30,035**	27,551
31 to 60 days	**27,964**	23,616
61 to 90 days	**4,706**	7,665
91 to 120 days	**151**	347
Over 120 days	**34**	1,063
	62,890	60,242

The Group's credit risk is primarily attributable to its trade receivables. In order to minimise credit risk, the Directors have delegated a team to be responsible for the determination of credit limits, credit approvals and other monitoring procedures. In addition, the Directors review the recoverable amount of each individual trade debt regularly to ensure that adequate impairment losses are recognised for irrecoverable debts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

The Group applies the simplified approach under HKFRS 9 to provide for expected credit losses using the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The weighted average expected credit losses also incorporate forward looking information.

	Current	Within 30 days past due	31–60 days past due	61–120 days past due	121 days–1 year past due	Over 1 year past due	Total
At 31 March 2025							
Weighted average expected loss rate	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**100.0%**	
Receivable amount *(HK$'000)*	**30,037**	**27,966**	**4,707**	**151**	**34**	**158**	**63,053**
Loss allowance *(HK$'000)*	**2**	**2**	**1**	**–**	**–**	**158**	**163**
At 31 March 2024							
Weighted average expected loss rate	0.0%	0.6%	2.3%	6.7%	1.2%	100.0%	
Receivable amount *(HK$'000)*	58,853	349	481	90	515	159	60,447
Loss allowance *(HK$'000)*	21	2	11	6	6	159	205

13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2025	2024
	HK$'000	*HK$'000*
Prepayments	**1,946**	2,065
Deposits	**1,980**	1,888
Other receivables	**4,799**	2,304
Amount due from a related company, gross	**7,030**	7,020
Less: Impairment loss recognised	**(563)**	(630)
	15,192	12,647

Reconciliation of impairment loss for other receivables and deposits:

	2025	2024
	HK$'000	*HK$'000*
Balance at the beginning of the year	**630**	300
Impairment losses (reversed) recognised, net *(Note a)*	**(65)**	330
Exchange realignment	**(2)**	–
Balance at the end of the year	**563**	630

Note:

(a) The loss allowance reversed for the year ended 31 March 2025 includes the reversal of impairment loss on amount due from a related company amounted to approximately HK$65,000 (2024: loss recognised amounted to approximately HK$178,000).

14. CASH AND BANK BALANCE AND PLEDGED TIME DEPOSITS

	2025	2024
	HK$'000	*HK$'000*
Cash at banks and on hand	**27,985**	27,525
Time deposits with initial term no more than three months	**30,365**	37,838
Time deposits with initial term over three months	**5,000**	2,009
Cash and bank balances and pledged time deposits presented in consolidated statement of financial position	**63,350**	67,372
Less: Time deposits with initial term over three months	**–**	(2,009)
Less: Pledged time deposits with initial term over three months for banking facilities	**(5,000)**	–
Less: Pledged short-term time deposits for banking facilities	**(2,111)**	(2,092)
Cash and cash equivalents presented in consolidated statement of cash flows	**56,239**	63,271

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to approximately HK$183,000 (2024: HK$183,000). RMB is not freely convertible into other currencies; however, under PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between five days and one year depending on the immediate cash requirements of the Group, and earn interest at the respective time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

At the end of the reporting period, the Group's banking facilities amounting to HK$7,000,000 (2024: HK$40,000,000) were secured by the pledge of certain of the Group's time deposits amounting to approximately HK$7,111,000 (2024: approximately HK$2,092,000, and a property owned by a related company which is controlled by a director of the Company). The facilities were not utilised to the extent of HK$4,778,000 (2024: HK$37,754,000).

15. TRADE PAYABLES

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

	2025	2024
	HK$'000	*HK$'000*
Within 30 days	**7,256**	7,362
31 to 60 days	**6,139**	6,168
Over 90 days	**698**	702
	14,093	14,232

The trade payables are non-interest-bearing and are normally settled on 30-day terms.

16. OTHER PAYABLES AND ACCRUALS

	2025	2024
	HK$'000	*HK$'000*
Other payables	**9,991**	14,236
Provisions and accruals *(Note a)*	**28,360**	24,684
	38,351	38,920

Note:

a. Provisions and accruals mainly represent the accrued staff costs incurred in the Group.

17. PROMISSORY NOTES PAYABLE

During the prior year ended 31 March 2021, the Company issued three promissory notes to an investor in the aggregate principal sum of HK$3,000,000 and bearing interest at 8% per annum. The promissory notes should be repayable in full by 31 January 2023 but the expiry date has been extended to 31 January 2024 and further extended to 31 January 2025 by the Company and the investor. In January 2025, the Group was unable to repay the promissory notes payable which was due for payment in accordance with the respective loan agreement. The suspension of payment of principal and interest of promissory notes payable constitute a default of payment. The default promissory notes payable amounted to HK$3,000,000 is presented under current liabilities in the Group's consolidated statement of financial position as at 31 March 2025. No remedies in respect of the defaults have been agreed with the notes holders up to the date of this announcement.

18. DIVIDEND

The Directors do not recommend the payment of a dividend to shareholders for the year ended 31 March 2025 (2024: Nil).

19. LITIGATIONS

Legal Proceedings Taken by Former Non-Executive Director

On 10 June 2025, a Chinese Arbitration Award being issued in related to a loan alleged to be borrowed, by Heng Qin Hetong Cultural Communication Company Limited and Fujian Yu Sheng Da Supply Chain Management Company Limited (the "related subsidiaries") from Mr. Wang Chunping, a non-executive director, retired on 25 September 2024. The alleged loan amount of RMB5.2 million had not been repaid on the agreed date of 30 June 2024 by the related subsidiaries, and therefore constituting a clear default. Thereafter, Mr. Wang initiated arbitration proceedings, which was accepted by the Fuzhou Arbitration Commission (the "Commission") on 13 November 2024 and on 10 June 2025, the Commission issued an Award in favor of Mr. Wang with terms that the related subsidiaries are ordered to repay Mr. Wang, inter alia, the principal loan amount of RMB5.2 million within 10 days from the date of the decision, and overdue interest on the principal loan amount at an annual rate of 3.1%, calculated from 11 November 2024, until full principal amount is repaid.

The legal advisor is of the view that while the repayment agreement referenced in the arbitral award stipulates that disputes may be resolved through arbitration, it does not explicitly state that arbitration is the final and exclusive remedy.

Additionally, since the debt under the repayment agreement has already been adjudicated by the court, the subsequent repayment agreement signed by Mr. Wang regarding the same loan does not involve any actual lending to the related subsidiaries. Consequently, it is highly likely that this agreement would be unenforceable.

Having consulted legal adviser, it is viewed that the Company has strong ground to oppose the alleged loan. The Company reserves the rights of taking legal action for the interest of the Company and its shareholders as a whole.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report on the Group's consolidated financial statements for the year ended 31 March 2025.

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Xinhua News Media Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group"), which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

As disclosed in Note 3 to the consolidated financial statements, the directors of the Company were unable to access the supporting documents of the accounting books and records of certain subsidiaries, namely, Heng Qin Hetong Cultural Communication Company Limited and Fujian Yu Sheng Da Supply Chain Management Company Limited (hereinafter collectively referred to as the "Sub-Group") (the "Inaccessible Accounting Supporting"). As a result of the above, we were unable to obtain sufficient appropriate audit evidence to ascertain the occurrence, accuracy, completeness, cutoff, classification and presentation of any transactions that may need to be presented or have been presented in the consolidated statement of profit or loss and other comprehensive income of the Sub-Group and the valuation, existence and completeness of the assets or liabilities that may need to be presented or have been presented in the consolidated statement of financial position of the Sub-Group in accordance with HKFRS Accounting Standards. Since the consolidated financial statements of the Sub-Group form part of the consolidated financial statements of the Group, the inability to perform sufficient audit procedures on the Inaccessible Accounting Supporting resulted in limitation on our audit of the consolidated financial statements of the Group.

There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the matter as mentioned above. As a result, we were unable to determine whether any adjustments might have been found to be necessary in respect of the elements making up the consolidated profit or loss and other comprehensive income, the consolidated statement of financial position, and the related disclosures in the consolidated financial statements of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group's revenue increased by about 11.8% to approximately HK$360,134,000 (2024: approximately HK$322,246,000). The Group's net loss attributable to the owners of the Group was narrowed down to approximately HK$7,444,000, comparing to the loss of approximately HK$13,402,000 for the year ended 31 March 2024.

The Group is principally engaged in three business segments: (i) advertising media business; (ii) cleaning and related services business; and (iii) waste treatment business.

Advertising Media Business

The advertising media sector is experiencing significant shifts, with traditional media facing competition from digital platforms, rising demand for precision marketing, and the rise of innovative business models. Digital transformation remains the dominant trend. The Group has continued to adapt prudently to these industry changes to safeguard its interests.

Cleaning and Related Services

During the reporting period, the Group was able to renew certain existing cleaning contracts and even recorded reasonable increases for some. They included the successful renewal of a cleaning contract for a Grade A commercial building in Admiralty for three years, and the successful renewal for the provision of cleaning services for an office building cum shopping mall in Sheung Wan and in Yau Ma Tei respectively for two years.

One of our major customers is in the aviation industry and with increasing demand for their services due to significant increase in traveling and air cargo, we in turn have benefited and obtained a number of new contracts to provide manpower to it and, in particular, in its air cargo business. Such increase in demand for our services has had a positive impact on the Group's performance.

Waste Treatment Business

During the reporting period, the waste treatment business segment posted a profit of approximately HK$3,287,000, which was mainly due to the write back of HK$4,450,000 (RMB4,139,000) in respect of a provision for an amount payable to a company in the past but that company has now de-registered and therefore it is unlikely that this payment will be required to be made.

The Group is continuing to look for suitable options in respect of this investment.

FINANCIAL REVIEW

The Group's revenue for the Year amounted to approximately HK$360,134,000 (2024: approximately HK$322,246,000) represented a 11.8% increase as compared to last year. The increase was mainly due to the continued recovery in international travel which benefited one of our long term customers, who operates one of the largest flight kitchens in the world located at Hong Kong International Airport, resulting in a sustained strong demand for our services.

The Group's other income and gains for the Year was approximately HK$7,158,000 (2024: approximately HK$3,728,000), representing an increase of approximately HK$3,430,000 as compared to last year. The increase was mainly due to the write back of HK$4,450,000 (RMB4,139,000) in respect of a provision for an amount payable to a company in the past but that company has now de-registered and therefore the Group will very unlikely be requested for payment. The increase was counter-balanced by a reduction in dividend received from financial assets, rental income and insurance claim refund.

Other operating expenses, which amounted to approximately HK$118,745,000 (2024: approximately HK$103,210,000), represented a year-to-year 15.1% increase. Such expenses mainly included the costs of services rendered under cleaning and related services business, which accounted for 90.7% of other operating expenses in the Year. Such increase was mainly because the cost of sub-contracting had increased by 19.5% when compared with last year's.

The Group's net loss attributable to the owners of the Group for the Year was approximately HK$7,444,000 (2024: approximately HK$13,402,000). Cleaning and related services business made a profit of approximately HK$2,476,000, the advertising media business made a loss of approximately HK$987,000, and the waste treatment business made a profit of approximately HK$3,287,000.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2025, the Group's cash and cash equivalents and pledged time deposits were approximately HK$63,350,000 (31 March 2024: approximately HK$67,372,000) and its current ratio was 2.1 (31 March 2024: 2.1).

The Group's net assets as at 31 March 2025 were approximately HK$85,330,000 (31 March 2024: approximately HK$91,753,000).

As at 31 March 2025, the Group's gearing ratio was 3.5% (31 March 2024: 3.3%), representing the total interest-bearing debts divided by total equity. The Group had lease liabilities and loans from directors of approximately HK$1,594,000 and HK$11,291,000 respectively (31 March 2024: approximately HK$4,719,000 and HK$7,775,000 respectively). The Group's equity attributable to owners of the Company amounted to approximately HK$85,119,000 as at 31 March 2025 (31 March 2024: approximately HK$92,530,000).

The Group takes a prudent approach to cash management and risk control. Its revenues, expenses and capital expenditures in relation to cleaning and related services business are transacted in Hong Kong dollars, whereas those of the advertising media and waste treatment businesses are transacted in Renminbi ("RMB"). The Group's cash and bank balances are primarily denominated in HK$, RMB and United States dollars.

Foreign currency risks in relation to exchange rate fluctuations of RMB will be mitigated as future revenues from advertising media business, which are in RMB, can offset future liabilities and expenses.

As at 31 March 2025, the Group's banking facilities amounting to HK$7,000,000 (2024: HK$40,000,000) were secured by the pledge of certain of the Group's time deposits amounting to approximately HK$7,111,000 (2024: approximately HK$2,092,000 and a property owned by a related company which is controlled by a director of the Company). The facilities were not utilised to the extent of HK$4,778,000 (2024: HK$37,754,000).

PROSPECTS

Advertising Media Business

The industry continues to evolve, with a growing shift toward digitalization. The adoption of big data, VR, AR, and AI technologies is transforming the business environment. The Group is adapting to these dynamic changes while actively exploring new opportunities. Should any material developments arise, the Company will issue announcements in compliance with relevant rules and regulations as necessary.

Cleaning and Related Services Business

The global trade war is still raging as a result of which the global economy is facing a downward pressure. Hong Kong had been, is and will be affected in the future. However, fortunately, the impact on the cleaning business was relatively small. Furthermore, owing to the fact that the Group's existing customer base is relatively stable, the Group is confident that it can overcome adversity and find opportunities during this difficult period.

Cleaning is a labour-intensive industry and has always been plagued by labour shortages. In recent times, we have actively introduced machines to replace manpower. In addition, the Group will also actively introduce imported labour under the enhanced supplementary labour scheme in the near future to stabilize the supply of labour as well as to try to control costs.

Finally, the Group will also actively expand and deepen our existing customer base, with a view to maintain stable growth in the future.

Waste Treatment Business

Amid rising demand, supportive global policies, technological progress, and the convergence of waste treatment with renewable energy solutions, the business outlook remains promising. The Group has been proactively seeking opportunities to leverage these trends, ensuring sustainable growth and value creation for both the Company and its shareholders.

FUND RAISING ACTIVITY

The Company has not conducted any fund raising activities during the year ended 31 March 2025.

DIVIDEND

The directors of the Company (the "Directors") do not recommend the payment of a dividend to shareholders for the year ended 31 March 2025 (2024: Nil).

PLEDGE OF ASSETS

Save for disclosed in the section of CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES, there is no other pledge of assets for the year ended 31 March 2025.

CONTINGENT LIABILITIES

At the end of the reporting period, the Group had contingent liabilities as follows:

(a) The Group has executed performance guarantees to the extent of an aggregate amount of approximately HK$2,222,000 (2024: approximately HK$2,246,000) in respect of certain services provided to various customers by the Group.

(b) During the ordinary course of its business, the Group may from time to time be involved in litigation concerning employment and personal injuries sustained by its employees or third party claimants. The Group maintains insurance cover and, in the opinion of the Directors, based on current evidence, any such existing claims for personal injuries should be adequately covered by the insurance as at 31 March 2025 and 2024.

As at the date of this announcement, there are no other known material contingent liabilities of the Group not disclosed and would materially affect the Group's financial condition.

CAPITAL COMMITMENTS

As at 31 March 2025 and 2024, the Group had a total capital commitment of approximately HK$Nil and HK$Nil respectively, contracted for but not provided in the consolidated financial statements.

LITIGATION

Legal Proceedings Taken by Former Non-Executive Director

On 10 June 2025, a Chinese Arbitration Award being issued in related to a loan alleged to be borrowed, by Heng Qin Hetong Cultural Communication Company Limited and Fujian Yu Sheng Da Supply Chain Management Company Limited (the "related subsidiaries") from Mr. Wang Chunping, a non-executive director, retired on 25 September 2024. The alleged loan amount of RMB5.2 million had not been repaid on the agreed date of 30 June 2024 by the related subsidiaries, and therefore constituting a clear default. Thereafter, Mr. Wang initiated arbitration proceedings, which was accepted by the Fuzhou Arbitration Commission (the "Commission") on 13 November 2024 and on 10 June 2025, the Commission issued an Award in favor of Mr. Wang with terms that the related subsidiaries are ordered to repay Mr. Wang, inter alia, the principal loan amount of RMB5.2 million within 10 days from the date of the decision, and overdue interest on the principal loan amount at an annual rate of 3.1%, calculated from 11 November 2024, until full principal amount is repaid.

The legal advisor is of the view that while the repayment agreement referenced in the arbitral award stipulates that disputes may be resolved through arbitration, it does not explicitly state that arbitration is the final and exclusive remedy.

Additionally, since the debt under the repayment agreement has already been adjudicated by the court, the subsequent repayment agreement signed by Mr. Wang regarding the same loan does not involve any actual lending to the related subsidiaries. Consequently, it is highly likely that this agreement would be unenforceable.

Having consulted legal adviser, it is viewed that the Company has strong ground to oppose the alleged loan. The Company reserves the rights of taking legal action for the interest of the Company and its shareholders as a whole.

Except for disclosed herein and in this announcement, no other litigation which would have material impact to the Group was noted for the year ended 31 March 2025.

EVENTS SUBSEQUENT TO THE REPORTING PERIOD

On 27 June 2025, Xinhua News Media Limited, a direct wholly-owned subsidiary of the Company (the "Vendor"), and a purchaser entered into the sale and purchase agreement, pursuant to which the Vendor agreed to sell, and the purchaser agreed to purchase the sale shares, being the entire issued share capital of Utter Enlightment International Limited and Precise Vision International Limited, both of which were wholly owned subsidiaries of the Vendor (collectively, the "Target Companies") for an aggregate Consideration of HK$300,000 (the "Disposal"). The Target Companies owned the entire issued share capital of Kaoting Investment Company Limited ("Kaoting") which owned the entire issued share capital of the related subsidiaries. On 27 June 2025, the Disposal were completed and the Group ceased to hold any shares in the Target Companies and the Target Companies, Kaoting and the related subsidiaries ceased to be subsidiaries of the Company and the financial results of the Target Group will not be consolidated into those of the Group.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

It is the Group's corporate mission to continue to explore ways to improve its financial performance and to broaden the sources of revenue within acceptable risk level. Hence, the Company does not rule out the possibility of investing in or changing to other business as long as it is in the interest of the Company and the shareholders as a whole. Also, as part of its routine exercise, the Company reviews the performance of its existing business portfolio and evaluates possible investment opportunities available to the Company from time to time. Subject to the result of such review and the then market and economy situation, the Company may make suitable investment decisions which may involve the disposal of part of its existing business portfolio and/or change of the asset allocation of its business and investment portfolio and/or expanding its business portfolio with a view of realizing and/or optimizing the expected return and minimizing the risks. Meanwhile, the Company does not preclude the possibility that the Company may implement debt and/or equity fund raising plan(s) to satisfy the financing needs arising out of any business development of the Group as well as to improve its financial position in the event that suitable fund raising opportunities arise, as the Company has from time to time been approached by investors for potential investment projects. In these regards, the Company will publish announcement as and when appropriate according to applicable rules and regulations.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES

There was no material acquisition and disposal of subsidiaries during the year ended 31 March 2025.

SIGNIFICANT INVESTMENTS

As at 31 March 2025, the Group did not have any significant investment plans.

EMPLOYEES AND REMUNERATION POLICIES

The total number of employees of the Group as at 31 March 2025 was 1,241 (2024: 1,168). Total staff costs, including directors' emoluments and net pension contributions, for the year under review amounted to approximately HK$249,594,000 (2024: approximately HK$229,782,000). The Group provides employees with training programmes to equip them with the latest skills and other benefits including share option scheme.

Remunerations are commensurate with individual job nature, work experience and market conditions, and performance related bonuses are granted to employees on discretionary basis.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Save as aforesaid, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

CORPORATE GOVERNANCE PRACTICES

The Board recognises the vital importance of a good corporate governance to the Group's management, success and sustainability. Corporate governance practices would be reviewed from time to time to ensure compliance with the regulatory requirements and to meet the rising expectations of Shareholders and investors relating to corporate value, transparency and accountability of all its operations.

The Company strived to maintain a high standard of corporate governance and complied with the Corporate Governance Code (the "CG Code") as stated in Appendix C1 to the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange.

The Company has adopted the code provisions in the CG Code as its own code of corporate governance. During the year ended 31 March 2025 save for D.1.2 and B.3.5, the Directors consider that the Company has complied with all the relevant code provisions set out in the CG Code throughout the year.

INTERNAL CONTROL

In response to the Inaccessible Accounting Supporting of the Sub-group, in June 2025, PAL Advisory Limited (the "Investigator") was engaged to perform an investigation.

Pursuant to the investigation report (the "Investigation Report"), the Investigator, is of the view that:

(a) the Sub-Group had no issues in providing the financial statements necessary for the interim results of the Company for the six months ended 30 September 2024. As such, there was no impediments to the preparation of financial statements and the non-provision of the required financial information for FY2025 is an intentional action on behalf of the Sub-Group in breach of the Company Law of the PRC and the constitutions of the companies;

(b) for the period from 1 October 2024 to 31 March 2025, save as the provision in relation to an unresolved dispute between the Sub-Group and a former director at the Fuzhou Arbitration Commission in the amount of RMB5,200,000 and ancillary expenses, the Sub-Group has had no operations, no material transactions, no material borrowings, guarantee or financing activities or material acquisition or disposal of assets; and

(c) given that the actions undertaken by the Company, including but not limited to the company secretary and the management of the Company having (a) attempted to contact the responsible personnel of the Sub-Group consistently; (b) sought the legal advice from PRC counsel on the prospects of any actions that could be taken against the Sub-Group; and (c) instructed the PRC counsel to prepare demand letters, the Investigator is of the view that the Company has made its best effort, via various reasonable and legal methods and channels to obtain the financial information of the Sub-Group and has undertaken all feasible remedial actions.

The Board (including the independent non-executive Directors) has reviewed the Investigation Report and is of the view that the content and findings in the Investigation Report are reasonable and acceptable and adequately addressed the Issues.

The Board (including the independent non-executive Directors) is of the view that the problems identified in the Investigation Report do not affect the business operations of the Group and would adopt the suggestions from the Investigator for better internal control and corporate governance.

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct governing Directors' dealings in the Company's securities (the "Code") on terms no less exacting than the Model Code for Securities Transactions by Directors of the Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. Specific enquiry has been made to all Directors and all of them have confirmed that they have complied with the Code and the Model Code throughout the year ended 31 March 2025.

The Company has also established written guidelines on terms no less exacting than the Model Code (the "Employees Written Guidelines") for governing the securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

SCOPE OF WORK OF PRISM HONG KONG LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, 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 the Preliminary Announcement have been agreed by the Group's auditors, Prism Hong Kong Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Prism Hong Kong Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Prism Hong Kong Limited on the preliminary announcement.

AUDIT COMMITTEE

The Company established an audit committee of the Company (the "Audit Committee") with written terms of reference in compliance with the Listing Rules. As at the date of this announcement, the Audit Committee comprised three independent non-executive Directors, namely, Mr. Yau Pak Yue (the chairman of the Audit Committee), Mr. Wang Qi and Mr. Leung Nga Tat. The Audit Committee has reviewed together with the management of the Company the accounting principles, accounting standards and methods adopted by the Company, discussed the matters concerning internal control, auditing and financial reporting matters and has reviewed the consolidated financial statements of the Group for the year ended 31 March 2025.

PUBLICATION OF RESULTS ANNOUNCEMENT AND DESPATCH OF ANNUAL REPORT

The annual results announcement is published on the websites of the Stock Exchange at (www.hkexnews.hk) and the Company at (www.XHNmedia.com). The 2024/2025 annual report containing all the information required by the Listing Rules will be despatched to the Company's shareholders and available on the above websites in due course.

APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to the management team and staff for their tireless dedication that helped fuel the Group's healthy development. In addition, I would also like to thank all our shareholders, business partners and customers for their continuous support. We will continue to devote unwavering efforts to reap promising returns for all parties.

By order of the Board
Xinhua News Media Holdings Limited
Tsui Kwok Hing
Co-Chairman

Hong Kong, 30 June 2025

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Lo Kou Hong, Mr. Tsui Kwok Hing and Mr. Yung Ting Yiu; two non-executive Directors namely Ms. Wang Guan and Ms. Chen Yun and three independent non-executive Directors, namely, Mr. Wang Qi, Mr. Yau Pak Yue and Mr. Leung Nga Tat.

* *For identification purpose only*