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CHINA SUPPLY CHAIN HOLDINGS LIMITED

中國供應鏈產業集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3708)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2025

RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of China Supply Chain Holdings Limited (the “**Company**”) is pleased to present the consolidated audited results of the Company and its subsidiaries (the “**Group**”) for the year ended 30 June 2025 (the “**Year**”), together with the comparative figures for the year ended 30 June 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue	3	599,113	528,910
Cost of sales		<u>(567,206)</u>	<u>(495,430)</u>
Gross profit		31,907	33,480
Other income and gains		2,775	4,465
(Provision for)/reversal of impairment loss on financial and contract assets, net	4	(2,510)	115
Administrative expenses		<u>(33,540)</u>	<u>(34,071)</u>
Operating (loss)/profit		(1,368)	3,989
Finance costs	5	<u>(231)</u>	<u>(113)</u>
(Loss)/profit before tax		(1,599)	3,876
Income tax (expense)/credit	6	<u>(478)</u>	<u>12</u>
(Loss)/profit for the year		<u>(2,077)</u>	<u>3,888</u>

	Notes	2025 HK\$'000	2024 HK\$'000
Other comprehensive (expense)/income			
<i>Item that may not be reclassified subsequently to profit or loss:</i>			
Fair value loss on financial assets at fair value through other comprehensive income ("FVOCI")		(1,194)	—
<i>Item that may not be reclassified subsequently to profit or loss:</i>			
Exchange difference arising on translation of financial statements of foreign operations		356	(1,388)
Other comprehensive expense for the year, net of tax		(838)	(1,388)
Total comprehensive (expense)/income for the year		(2,915)	2,500
(Loss)/profit the year attributable to:			
— Owners of the Company		(2,101)	3,857
— Non-controlling interests		24	31
		(2,077)	3,888
Total comprehensive (expense)/income for the year attributable to:			
— Owners of the Company		(2,939)	2,469
— Non-controlling interests		24	31
		(2,915)	2,500
		<i>HK cents</i>	<i>HK cents</i>
(Loss)/earnings per share attributable to the owners of the Company			
Basic and diluted	8	(0.03)	0.07

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	2025 HK\$'000	2024 HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		1,644	2,286
Right-of-use assets		4,280	4,650
Financial assets at FVOCI		8,806	10,000
Rental deposits	9	—	457
		<u>14,730</u>	<u>17,393</u>
Current assets			
Trade and other receivables	9	61,360	66,359
Loan and interest receivables	10	30,581	32,561
Contract assets	11	70,033	69,861
Time deposits with original maturity over three months		29,988	—
Pledged bank deposits		788	1,350
Cash and cash equivalents		32,749	46,677
		<u>225,499</u>	<u>216,808</u>
Total assets		<u>240,229</u>	<u>234,201</u>
EQUITY			
Share capital		13,427	11,189
Reserves		<u>130,999</u>	<u>122,638</u>
Equity attributable to the owners of the Company		144,426	133,827
Non-controlling interests		<u>609</u>	<u>585</u>
Total equity		<u>145,035</u>	<u>134,412</u>

	<i>Notes</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
LIABILITIES			
Non-current liabilities			
Long services payment obligations		724	636
Lease liabilities		15	1,871
Deferred income tax liabilities		478	403
		<u>1,217</u>	<u>2,910</u>
Current liabilities			
Trade and other payables	12	88,923	94,282
Amounts due to directors		1,810	—
Tax payable		403	—
Lease liabilities		2,841	2,597
		<u>93,977</u>	<u>96,879</u>
Total liabilities		<u>95,194</u>	<u>99,789</u>
Total equity and liabilities		<u>240,229</u>	<u>234,201</u>
Net current assets		<u>131,522</u>	<u>119,929</u>
Total assets less current liabilities		<u>146,252</u>	<u>137,322</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

China Supply Chain Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited. Its parent and ultimate holding company is Smart Paradise International Limited, a company incorporated in the British Virgin Islands (“**BVI**”) and wholly-owned by Mr. Dai Jian, the controlling party of the Company. The Company’s registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company is Unit B2, 8th floor, Kingston International Centre, 19 Wang Chiu Road, Kowloon Bay, Kowloon, Hong Kong.

The Company acts as an investment holding company and the principal activities of its subsidiaries are provision of building maintenance and renovation services.

The consolidated financial statements are presented in thousands of Hong Kong dollar (“**HK\$’000**”), unless otherwise stated.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the HKFRS Accounting Standards which includes all Hong Kong Financial Reporting Standards (“**HKFRS**”), Hong Kong Accounting Standards (“**HKAS**”), and HK (IFRIC) Interpretations, HK Interpretations and HK (SIC) Interpretations (collectively referred to as “**Interpretations**”), issued by the HKICPA. In addition, the consolidated financial statements include 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.

The preparation of the consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements. The consolidated financial statements have been prepared under the historical cost convention, except for the financial assets at fair value through other comprehensive income.

The consolidated financial statements are prepared by on a going concern basis.

(a) Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the annual periods beginning on 1 July 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 the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

(b) New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendment to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendment to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11 ³
Amendments to HKAS 21	Lack of Exchangeability ²
HKFRS 18	Presentation and Disclosure in Financial Statements ⁴
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ⁴

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

Except for HKFRS 18 mentioned below, the Directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations, and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings Per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards will be effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

3. SEGMENT INFORMATION

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (“CODM”).

The Company’s executive directors monitor the operating results of its operating segment for the purpose of making decisions about resource allocation and performance assessment.

The CODM has been identified as the executive directors of the Company. The executive directors consider the segment from a business perspective. The Group has two (2024: two) operating segments that qualify as reporting segment under HKFRS 8 and the information that is regularly reviewed by the executive directors for the purposes of allocating resources and assessing performance of the operating segment.

The executive directors assess the performance based on a measure of (loss)/profit before tax, and consider all businesses are included in the two segments:

- (i) building maintenance services; and
- (ii) renovation services

Segment revenue and results

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

For the year ended 30 June 2025

	Building maintenance services HK\$’000	Renovation services HK\$’000	Total HK\$’000
Segment revenue	528,594	70,519	599,113
Segment results	27,744	4,158	31,902
Other income and gains			2,775
Provision for impairment loss on financial assets, net			(2,645)
Administrative expenses			(33,489)
Finance costs			(142)
Loss before tax			(1,599)

For the year ended 30 June 2024

	Building maintenance services <i>HK\$'000</i>	Renovation services <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment revenue	<u>482,944</u>	<u>45,966</u>	<u>528,910</u>
Segment results	<u>30,376</u>	<u>2,823</u>	33,199
Other income and gains			4,465
Provision for impairment loss on financial assets, net			(40)
Administrative expenses			(33,659)
Finance costs			<u>(89)</u>
Profit before tax			<u>3,876</u>

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent the profit earned by each segment without allocation of other income and gains, provision for impairment loss on certain financial assets, net, certain administrative expenses and certain finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment. There were no inter-segment sales between different business segments for the years ended 30 June 2025 and 2024.

Geographical information

The Group's revenue from external customers by location of operations and non-current assets by geographical location are all derived and located in Hong Kong (place of domicile) for the years ended 30 June 2025 and 2024.

Information about major customers

For the year ended 30 June 2025, there was one customer (2024: one customer) which individually contributed over 10% of the Group's total revenue. The revenue contributed from this customer was as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Customer A (<i>note</i>)	<u>528,594</u>	<u>482,944</u>

Note: Revenue derived from building maintenance service segment.

4. (PROVISION FOR)/REVERSAL OF IMPAIRMENT LOSS ON FINANCIAL AND CONTRACT ASSETS, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
(Provision for)/reversal of impairment loss on:		
– trade receivables	73	97
– contract assets	62	58
– loan and interest receivables	<u>(2,645)</u>	<u>(40)</u>
	<u><u>(2,510)</u></u>	<u><u>115</u></u>

5. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interests on lease liabilities	<u>231</u>	<u>113</u>

6. INCOME TAX EXPENSE/(CREDIT)

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current Tax – Hong Kong profits tax	403	—
Deferred tax expense/(credit)	<u>75</u>	<u>(12)</u>
Income tax expense/(credit)	<u><u>478</u></u>	<u><u>(12)</u></u>

7. DIVIDENDS

No dividend was paid or proposed by the Company for the year ended 30 June 2025 (2024: Nil).

8. (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2025	2024
(Loss)/profit attributable to the owners of the Company (<i>HK\$'000</i>)	<u><u>(2,101)</u></u>	<u><u>3,857</u></u>
Weighted average number of ordinary shares in issue (<i>in thousands</i>)	<u><u>6,069,107</u></u>	<u><u>5,594,000</u></u>
Basic (loss)/earnings per share (<i>HK cents</i>)	<u><u>(0.03)</u></u>	<u><u>0.07</u></u>

(b) Diluted (loss)/earnings per share

For the years ended 30 June 2025 and 2024, diluted (loss)/earnings per share is the same as basic (loss)/earnings per share as there were no potential dilutive ordinary shares.

9. TRADE AND OTHER RECEIVABLES

The following is an analysis of trade and other receivables at the end of the reporting period:

	2025 HK\$'000	2024 HK\$'000
Trade receivables	48,000	64,559
Less: impairment loss on trade receivables	(12)	(85)
Trade receivables, net	47,988	64,474
Prepayments, deposits and other receivables:		
– Prepayments	9,749	199
– Deposits and other receivables	3,623	2,143
Prepayments, deposits and other receivables, net	13,372	2,342
Total trade and other receivables, net	61,360	66,816
Less: non-current portion		
Rental deposits	—	(457)
Current portion	61,360	66,359

The Group does not hold any collateral over the above balances.

The Group normally grants credit terms to its customers ranging from 30 to 45 days. The ageing analysis of the trade receivables based on invoice date is as follows:

	2025 HK\$'000	2024 HK\$'000
Within 90 days	46,043	60,647
91 to 180 days	786	2,443
181 to 365 days	572	994
1 to 2 years	254	87
Over 2 years	333	303
	47,988	64,474

10. LOAN AND INTEREST RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Loan receivables	30,670	31,846
Interest receivables	2,596	755
	<u>33,266</u>	<u>32,601</u>
Less: impairment loss	(2,685)	(40)
	<u><u>30,581</u></u>	<u><u>32,561</u></u>

The movement in the impairment loss of loan and interest receivables is set out below:

	2025 HK\$'000	2024 HK\$'000
At the beginning of the year	40	—
Provision for impairment loss	2,645	40
	<u>2,685</u>	<u>40</u>
At the end of the year	<u><u>2,685</u></u>	<u><u>40</u></u>

As at 30 June 2025, the loan receivables from independent third parties of approximately HK\$1,000,000 (2024: HK\$2,512,000) were unsecured, carried interest at 12% per annum (2024: 12% per annum), repayable within one year and are denominated in HK\$ and the loan receivables of approximately HK\$29,670,000 (2024: HK\$29,334,000) are secured by the equity interests of a company controlled by the borrowers, carried interest at 6% per annum (2024: 6% per annum), repayable within one year and are denominated in Renminbi.

The aggregate fair value of the collateral was approximately HK\$44,030,000 (2024: HK\$47,770,000) as at 30 June 2025 which is valued by an independent qualified professional valuer not connected to the Group.

11. CONTRACT ASSETS

	2025 HK\$'000	2024 HK\$'000
Total contract assets:		
— Building maintenance services	67,659	68,409
— Renovation services	2,374	1,452
	<u>70,033</u>	<u>69,861</u>
Comprising:		
Unbilled revenue of building maintenance services	67,659	68,409
Unbilled revenue of renovation services	3	345
Retention receivables of renovation services	2,371	1,107
	<u>70,033</u>	<u>69,861</u>
Total contract assets	<u><u>70,033</u></u>	<u><u>69,861</u></u>

Contract assets are related to both building maintenance services and renovation services contracts.

12. TRADE AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	70,823	80,261
Retention money payables	2,226	1,040
Accrued expenses and other payables	8,080	6,114
Accrued salaries	6,937	6,010
Dividend payable to non-controlling interests	857	857
	88,923	94,282

The ageing analysis of the trade payables based on invoice date is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 90 days	54,359	69,445
91 to 180 days	6,178	6,544
181 to 365 days	8,425	2,314
1 to 2 years	619	926
Over 2 years	1,242	1,032
	70,823	80,261

The carrying amounts of trade and other payables approximately to their fair values.

MANAGEMENT DISCUSSION AND ANALYSIS BUSINESS REVIEW

The Group is a building maintenance and renovation service provider in Hong Kong. All (100%) revenue for the Year was derived from provision of building maintenance and renovation services in Hong Kong.

The Group has been focusing on these two business segments since its listing on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) in 2015 and continues so as the date of this announcement. Sing Fat Construction Company, Limited (“**Sing Fat**”) is the sole principal operating subsidiary of the Company, which is a ‘Group M2 (confirmed status)’ building contractor for maintenance works category granted by the Hong Kong Housing Authority (“**Housing Authority**”) and an approved contractor listed in the building (maintenance works) category with a quality maintenance contractor status admitted by the Housing Authority. Building maintenance had accounted for over 70% of the Group’s revenue for the past few years and its principal customers are from the public sector, which includes the Housing Authority, in Hong Kong.

Revenue for the Year was approximately HK\$599.1 million, representing an increase of approximately HK\$70.2 million or 13.3% when compared to the same period last year of approximately HK\$528.9 million. It was mainly due to the increase in revenue from building maintenance segment.

Loss for the Year was approximately HK\$2.1 million, representing a turnaround from profit to loss when compared to the same period as profit for the last year of approximately HK\$3.9 million. It was mainly due to the decrease in gross profit and the provision for impairment loss on financial and contract assets for the Year.

Building maintenance services

As at 30 June 2025, the Group had 3 building maintenance contracts on hand with a notional or estimated contract value of approximately HK\$1,402 million. As at 30 June 2024, the Group had 4 building maintenance contracts on hand with a notional or estimated contract value of HK\$1,610 million. The Group has completed 2 building maintenance contract during the Year.

Renovation services

As at 30 June 2025, the Group had 18 renovation contracts on hand (including contracts in progress and contracts which are yet to commence) with a notional or estimated contract value of approximately HK\$144.5 million. As at 30 June 2024, the Group had 15 renovation contracts on hand (including contracts in progress and contracts which are yet to commence) with a notional or estimated contact value of approximately HK\$152.7 million. The Group have completed 14 renovation contracts during the Year.

RECENT DEVELOPMENT

Building maintenance services

During the Year, the Group had been successfully awarded a contract with a notional or estimate contract value of approximately HK\$635.6 million, which was commenced in April 2025.

Renovation services

During the Year, the Group had been successfully awarded 17 contracts with a notional or estimate contract value of approximately HK\$123.6 million. 12 out of the 17 renovation contracts have been commenced during the Year.

FUTURE DEVELOPMENT

With the increasing awarded contracts in building maintenance projects and renovation services, the prospect of the building maintenance projects and renovation services is optimistic. We will focus on identifying opportunities for building maintenance projects, especially in the public sector, which is our core business. For renovation projects, with the growth in consciousness of building refurbishment in Hong Kong, we are confident in attaining new projects from the private sector.

FINANCIAL REVIEW

Revenue

Revenue derived from building maintenance services increased by approximately HK\$45.7 million or 9.5% from approximately HK\$482.9 million for the year ended 30 June 2024 to approximately HK\$528.6 million during the Year. From time to time, there are three district term contract projects under progress. However, during July to September 2024, there were four district term contract projects with one of them ended in September 2024.

Revenue derived from renovation services increased by approximately HK\$24.5 million or 53.3% from approximately HK\$46.0 million for the year ended 30 June 2024 to approximately HK\$70.5 million during the Year. The increase in revenue was mainly caused by the increase in number of contracts during the Year.

Gross profit and gross profit margin

During the Year, the Group's gross profit amounted to approximately HK\$31.9 million (2024: HK\$33.5 million) representing decrease of approximately HK\$1.6 million, which is mainly due to the decrease of gross profit margin. Gross profit margin for the Year was approximately 5.3% (2024: 6.3%). The decrease in gross profit margin was caused by the decrease in the gross profit margin for building maintenance services.

Gross profit attributable to building maintenance services for the Year amounted to approximately HK\$27.7 million (2024: HK\$30.4 million), representing a decrease of approximately HK\$2.7 million or 8.9%. The Group's gross profit margin for building maintenance services for the Year was approximately 5.2% (2024: 6.3%). The decline in gross profit margin during the Year was attributable to the stiff competition among contractors for district term contract projects and resulted in lower contract price and so as gross profit margin.

Gross profit attributable to renovation services for the Year amounted to approximately HK\$4.2 million (2024: HK\$2.8 million), representing an increase of approximately HK\$1.4 million or 50.0%. The Group's gross profit margin for renovation services for the Year was approximately 6.0% (2024: 6.1%). The increase in gross profit was caused by the increase in number of contracts during the Year.

Other income and gains

During the Year, other income decreased by approximately HK\$1.7 million or 37.8% from approximately HK\$4.5 million for the same period in 2024 to approximately HK\$2.8 million for the Year, which was mainly due to the decrease in bank and loan interests income during the Year.

Administrative expenses

Administrative expenses decreased by approximately HK\$0.6 million or 1.8% from approximately HK\$34.1 million for the same period in 2024 to approximately HK\$33.5 million for the Year. The decrease was caused by the slightly decrease in the operating costs of the Company.

Finance costs

Finance costs for the Year amounted to approximately HK\$0.2 million (2024: HK\$0.1 million). The increase was mainly due to the increase in the Group's obligations under finance leases.

Income tax (expense)/credit

The effective tax rates were approximately a negative amount of 29.9% (income tax expenses) and a positive amount of 0.31% (income tax credit) for the Year and the same period in 2024, respectively. The income tax expenses for the Year was mainly due to the current income tax movement.

(Loss)/profit for the Year

The Group's loss for the Year was approximately HK\$2.1 million (2024: profit HK\$3.9 million), which was mainly due to the decrease in gross profit in building maintenance for this segment and the provision for impairment loss on financial and contract assets.

Liquidity, financial resources and capital structure

The Group generally finances its operation through cash from operations, bank borrowings and finance leases. As at 30 June 2025, the Group had total cash and bank balances of approximately HK\$32.7 million (2024: HK\$46.7 million). There were no bank borrowings in the Group as at 30 June 2025 and 30 June 2024. The Group had finance lease of approximately HK\$1.0 million and HK\$0.55 million as at 30 June 2025 and 30 June 2024, respectively. All the cash and bank balances was denominated in Hong Kong dollar, Renminbi and United States Dollars as at 30 June 2025 and 30 June 2024. As at 30 June 2025, the share capital and equity attributable to owners of the Company amounted to approximately HK\$13.4 million and HK\$144.4 million respectively (2024: HK\$11.2 million and HK\$133.8 million respectively).

As at 30 June 2025, the Company's total number of issued shares was 6,712,800,000 (2024: 5,594,000,000 shares) at par value of HK\$0.002 each. By way of the share subscription in January 2025, the Company issued a total of 1,118,800,000 ordinary shares at a price of HK\$0.0121 each. The par value of such shares is HK\$0.002 each.

Foreign exchange risk

The Group's business operations were conducted in Hong Kong. The major transactions, monetary assets and liabilities of the Group were denominated in Hong Kong dollar. With the insignificant portion of monetary assets denominated in foreign currencies, the Group did not engage in the any derivatives agreement and did not commit to any financial instruments to hedge its foreign exchange exposure during the Year.

Gearing ratio

Gearing ratio is calculated based on the total debts divided by the total equity. Total debts represented lease liabilities. The gearing ratio was approximately 2.0% and 3.3% as at 30 June 2025 and 30 June 2024, respectively. The decrease in gearing ratio is due to the decrease of lease liabilities during the Year.

Charge over assets of the Group

As at 30 June 2025, the Group had pledged bank deposits of approximately HK\$0.8 million (2024: HK\$1.4 million) to a bank to secure performance guarantee in respect of a renovation project issued by the Group and is expected to be recovered in its normal operating cycle. As at 30 June 2025, the Group had motor vehicle under finance lease of a HK\$1.0 million (2024: HK\$0.55 million).

Contingent liabilities

Contingent liabilities in respect of legal claims

One subsidiary of the Group is defendant in a number of claims, lawsuits and potential claims relating to employees' compensation cases and personal injuries claims. No provision for the contingent liabilities in respect of the litigations is necessary, after due consideration of each case and with reference to legal advice, historical records and an outflow of economic benefits is not probable.

Significant investments

There was no significant investment held by the Group as at 30 June 2025 and 2024.

Material acquisitions and disposals of subsidiaries and affiliated companies

There was no material acquisition and disposal of subsidiaries and affiliated companies by the Company during the Year.

Guarantee issued

At the end of the reporting year, the Group had obtained guarantees from a bank in respect of the following:

	30 June 2025 HK\$'000	30 June 2024 HK\$'000
Performance bonds in favor of its clients	<u>3,643</u>	<u>1,250</u>

As at 30 June 2025, HK3,643,000 (2024: HK1,250,000) of performance bonds were given by a bank in favour of some of the Group's customers as security for the due performance and observance of the Group's obligations under the service contracts entered into between the Group and its customers. If the Group fails to provide satisfactory performance to its customers to whom performance bonds have been given, such customers may demand the bank to pay to them the sum or sums stipulated in such demand. The Group will then become liable to compensate such banks accordingly. The performance bonds will be released upon completion of the contract work for the relevant customers.

Save as disclosed above, the Group had no material contingent liabilities as at 30 June 2025 (2024: nil).

Employees and remuneration policies

As at 30 June 2025, the Group had approximately 141 employees (2024: 148). The staff related costs included salaries, wages and other staff benefits, contributions and retirement schemes, provisions for long services payment and untaken paid leave. The Group recruits and promotes individuals based on their performance and development potential in the positions held. In order to attract and retain high quality staff and enable smooth operations within the Group, the Group offered competitive remuneration packages (with reference to market conditions and individual qualifications and experience) and various in-house training courses. The remuneration packages were subject to review on a regular basis. The emoluments of the Directors and senior management have been reviewed by the remuneration committee of the Company, having regard to the Company's operating results, market competitiveness, individual performance and achievement, and approved by the Board.

Use of net proceeds from the Placing

Reference is made to the Company's announcements on 6 January 2025 and 7 January 2025 (the "Announcements") in relation to subscribe of 1,118,000,000 new ordinary shares of the Company (the "Subscription") which raised net proceeds of approximately HK\$13.53 million (the "Net Proceeds"). The Subscription has been completed on 27 January 2025.

The Net Proceeds from the Subscription was fully utilised up to 30 June 2025 and were applied in accordance with the proposed application set out in the Announcements. The below table sets out the details of the application of the Net Proceeds:

	Intend use of the Net Proceeds <i>HK\$ million</i> <i>(approximately)</i>	Amount utilised up to 30 June 2025 <i>HK\$ million</i> <i>(approximately)</i>	Unutilised Net Proceeds as at 30 June 2025 <i>HK\$ million</i> <i>(approximately)</i>
General working capital	9.53	(9.53)	—
Investments in potential new projects/business opportunities	4.00	(4.00)	—
	<u>13.53</u>	<u>(13.53)</u>	<u>—</u>

DIVIDENDS

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

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

During the Year and up to the date of this announcement, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has adopted and complied with code provisions (the “**Code Provisions**”) as set out under the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). During the Year, the Company has complied with all the Code Provisions of the CG Code, except as follows:

Code provision C.5.8

It is required that an agenda and accompanying board papers should be sent, in full, to all Directors for regular board meetings and as far as practicable in all other cases. These papers should be sent in a timely manner and at least 3 days before the intended date of a board or board committee meeting (or other agreed period). Due to the practical reasons, agenda and related board papers have not been sent, in full, in 3 days in advance to certain meetings of the Board or Board Committee. Save for the disclosure of certain inside information which required timely publication of announcements, the Company Secretary used the best endeavours to fulfil the above practice of three days advance notice.

Save for the deviation as mentioned above, in the opinion of the Directors, the Company was in compliance with all the relevant code provisions under the CG Code throughout the Year.

MODEL CODE FOR SECURITIES TRANSACTIONS

Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules regarding securities transactions for its Directors. After having made specific enquiries through current board members, all of them confirmed that they have complied with the required standard of dealings set out in the Model Code throughout the Year.

Securities Transactions by Senior Management and Staff

The senior management and staff have been individually notified and advised about the Model Code by the Company.

AUDIT COMMITTEE

The Audit Committee was established on 17 December 2014 in compliance with Rule 3.21 of the Listing Rules with written terms of reference in compliance with the CG Code. As at the date of this announcement, our Audit Committee consists of Mr. Wang Xiaojia (chairman), Mr. Zheng Haipeng and Ms. Sun Qunying.

The Audit Committee has reviewed the Group’s audited consolidated financial statements for the Year.

SCOPE OF WORK OF 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 30 June 2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, Infinity CPA Limited (“**Infinity**”), to the amounts set out in the Group’s audited consolidated financial statements for the Year. The work performed by Infinity in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Infinity on preliminary announcements.

PUBLICATION OF INFORMATION ON THE WEBSITE OF THE STOCK EXCHANGE

This announcement will be published on the respective websites of the Stock Exchange (www.hkex.com.hk) and the Company (<http://chsc.com.hk>). The annual report for the Year containing all the information required by the Listing Rules will be published on the respective websites of the Company and the Stock Exchange and despatched to the Shareholders in due course.

By order of the Board
China Supply Chain Holdings Limited
Lai Aizhong
Executive Director

Hong Kong, 26 September 2025

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Lai Aizhong, Mr. Wong Ka Shing (Chief Executive Officer) and Mr. Yang Hongwei; and three independent non-executive Directors, namely Mr. Zheng Haipeng, Mr. Wang Xiaojia and Ms. Sun Qunying.