融太集團股份有限公司
MAGNUS CONCORDIA GROUP LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1172)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

The board (the "**Board**") of directors (the "**Directors**") of Magnus Concordia Group Limited (the "**Company**") announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 September 2025 with the corresponding comparative figures as follows:

FINANCIAL HIGHLIGHTS

	For the six months ended		
	30 September 2025	30 September 2024	**Change**
Revenue	**HK$64 million**	HK$101 million	**-37%**
Gross profit	**HK$17 million**	HK$21 million	**-19%**
Loss attributable to owners of the Company	**HK$(20) million**	HK$(37) million	**-46%**
Loss per share	**(0.35) HK cents**	(0.63) HK cents	**-44%**

	As at		
	30 September 2025	31 March 2025	**Change**
Shareholders' funds	**HK$37 million**	HK$57 million	**-35%**
Net asset value per share	**HK$0.01**	HK$0.01	**0%**

RESULTS

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

	Notes	**2025**	2024
		HK$'000	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue	*4*	**64,067**	100,669
Cost of sales		**(47,156)**	(80,150)
Gross profit		**16,911**	20,519
Other income, expense and net gains/losses	*4*	**(2,493)**	(12,485)
Selling and marketing expenses		**(3,863)**	(5,738)
Administrative and other operating expenses		**(14,576)**	(16,452)
Impairment of stock of properties	*5*	**(4,343)**	(8,601)
Reversal of impairment of accounts receivable		**303**	719
Change in fair value of investment properties		**(9,626)**	(11,174)
Operating loss	*6*	**(17,687)**	(33,212)
Finance costs	*7*	**(2,330)**	(3,957)
Loss before tax		**(20,017)**	(37,169)
Income tax (expenses)/credit	*8*	**(59)**	647
Loss for the period		**(20,076)**	(36,522)
Other comprehensive income:			
Item that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		**651**	1,652
Total comprehensive loss for the period attributable to owners of the Company		**(19,425)**	(34,870)
Basic and diluted loss per share *(HK cents)*	*9*	**(0.35)**	(0.63)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 September 2025

	Notes	**30 September 2025 *HK$'000* (Unaudited)**	31 March 2025 *HK$'000* (Audited)
Non-current Assets			
Property, plant and equipment		**8,476**	9,685
Right-of-use assets		**3,205**	3,632
Investment properties		**223,072**	231,600
Intangible assets		**378**	424
Other assets		**10,764**	11,490
Deferred tax assets		**3,220**	3,220
Total non-current assets		**249,115**	260,051
Current Assets			
Inventories		**8,357**	8,903
Completed properties for sale		**178,630**	179,324
Accounts receivable	*11*	**41,987**	66,824
Prepayments, other receivables and other assets		**102,889**	69,788
Restricted bank balances		**3,655**	3,559
Cash and bank balances		**12,953**	20,299
Total current assets		**348,471**	348,697
Current Liabilities			
Accounts payable	*12*	**67,035**	60,360
Accrued charges and other payables		**44,684**	44,362
Contract liabilities		**6,639**	3,741
Bank and other borrowings		**121,234**	127,654
Tax payable		**300,226**	294,364
Lease liabilities		**817**	794
Total current liabilities		**540,635**	531,275
Net Current Liabilities		**(192,164)**	(182,578)
Total Assets Less Current Liabilities		**56,951**	77,473

	30 September 2025 *HK$'000* (Unaudited)	31 March 2025 *HK$'000* (Audited)
Non-current Liabilities		
Bank and other borrowings	**4,000**	4,000
Deferred tax liabilities	**15,507**	16,190
Lease liabilities	**211**	625
Total non-current liabilities	**19,718**	20,815
Net assets	**37,233**	56,658
Equity		
Equity attributable to owners of the Company		
Share capital	**577,920**	577,920
Deficit	**(540,687)**	(521,262)
Total equity	**37,233**	56,658

NOTES

1. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information for the six months ended 30 September 2025 has been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 March 2025.

The accounting policies and methods of computation used in the preparation of these unaudited interim condensed consolidated financial information are consistent with those used in the annual consolidated financial statements for the year ended 31 March 2025.

Going Concern basis

During the six months ended 30 September 2025, the Group had a net loss of HK$20,076,000 and as at 30 September 2025 the Group had net current liabilities of HK$192,164,000. In addition, the Group's bank borrowings with the aggregate amount of HK$98,564,000 as at 30 September 2025 contain a repayment on demand clause and included in the aforesaid bank borrowings there were certain bank borrowings of HK$80,000,000 with financial covenants breached during the six months ended 30 September 2025. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

The condensed consolidated financial statements have been prepared on the assumptions that the Group will continue to operate as a going concern notwithstanding the conditions prevailing as at 30 September 2025 and subsequently thereto up to the date when the condensed consolidated financial statements are authorised for issue. In order to improve the Group's financial position, immediate liquidity and cash flows, and otherwise to sustain the Group as a going concern, the directors of the Company have adopted several measures together with other measures in progress at the date when the condensed consolidated financial statements are authorised for issue, which include, but are not limited to, the followings:

(i) in relation to the borrowing that the Group had breached the financial covenants during the six months ended 30 September 2025 and are classified as current liabilities, subsequent to the end of the reporting period, the Group has obtained a one-off waiver from the bank for the bank borrowing of HK$80,000,000 and repaid HK$4,000,000 to the bank as disclosed in note 13. Further, the borrowing was secured by a pledge of investment properties amounting to approximately HK$168,800,000. The directors of the Company is of the view that in the event that if the bank takes any legal action against the Group to demand immediate repayment, the investment properties will be disposed for the settlement, it would not have any material adverse impact on the business, operation and financial conditions of the Group;

(ii) a wholly-owned subsidiary of the Company has entered into a sales and purchase agreement with an independent third party to dispose the entire issued share capital in Jinjin Investments Co., Limited (the “Disposal Company”) and the entire amounts of no more than HK$5 million owed by the Disposal Company and its subsidiaries to the Group at the consideration of HK$4 million as disclosed in note 13. The Disposal Company, through its subsidiaries, is engaged in property development and sale of residential properties at Zigong City, Sichuan Province, the People’s Republic of China (the “PRC”). The directors of the Company believes that by divesting from a project that no longer generates significant returns, the Group can reduce exposure to the volatility of the PRC real estate market and reallocate its resources to the Group’s other businesses;

(iii) the Group will also continue to seek for other alternative to increase its working capital such as disposing of the Group’s investment properties, if needed; and

(iv) the Group will also continue to seek for other alternative financing and bank borrowing to finance the settlement of the existing financial obligations and future operating and capital expenditure.

On the basis of the successful implementation of the measures described above in the foreseeable future and after assessing the Group’s current and forecasted cash positions, the directors of the Company are optimistic that the Group will be able to meet in full the Group’s financial obligations as they fall due for the twelve months from 30 September 2025. Accordingly, the condensed consolidated financial statements of the Group have been prepared on the going concern basis.

Should the Group be unable to continue in business as a going concern, adjustments would have to be made to write down the carrying amounts of the Group’s assets to their recoverable amounts, to provide for any further liabilities that may arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in these condensed consolidated financial statements.

2. ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

In the current period, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 April 2025. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group’s accounting policies, presentation of the Group’s consolidated financial statements and amounts reported for the current period and prior years.

The Group has not applied the new and revised HKFRS Accounting Standards that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRS Accounting Standards but is not yet in a position to state whether these new and revised HKFRS Accounting Standards would have a material impact on its results of operations and financial position.

3. SEGMENT INFORMATION

Segment information by business lines

The operating segments of the Group are determined based on internal reporting to the Group's chief operating decision maker ("**CODM**") (the executive directors of the Company) for the purposes of assessing performance and allocating resources. The internal reporting focuses on the strategic operation and development of each business unit, of which business units with similar economic characteristics are organised into an operating segment for the Group's CODM to evaluate its performance.

The Group's operating and reportable segments are as follows:

Printing	—	Manufacture and sale of printed products
Property development	—	Development, sale and trading of real estate properties
Property investment	—	Investment and leasing of real estate properties
Treasury	—	Investment and trading of debts, equity and other instruments, and asset management
Others and corporate	—	Other non-reportable business activities and operating segments and corporate not constituting a reportable segment individually, together with corporate income and expense items

The Group's CODM assesses the performance of the operating segments based on a measure of earnings or loss before interest expense and tax ("**EBIT**" or "**LBIT**"), representing segment results and earnings or loss before interest expense, tax, depreciation and amortisation ("**EBITDA**" or "**LBITDA**").

Others and corporate segment assets mainly include certain cash and bank balances, short-term deposits, property, plant and equipment and right-of-use assets that are managed on a group basis.

Others and corporate segment liabilities mainly include certain bank and other borrowings and lease liabilities that are managed on a group basis and other unallocated liabilities.

The segment information by business lines is as follows:

	Printing *HK$'000*	Property development *HK$'000*	Property investment *HK$'000*	Treasury *HK$'000*	Others and corporate *HK$'000*	Total *HK$'000*
For the six months ended 30 September 2025 (unaudited)						
Segment revenue *(note 4)*						
Sales to external customers	**61,180**	**53**	**2,834**	**–**	**–**	**64,067**
EBITDA/(LBITDA)	**4,146**	**(5,838)**	**(7,807)**	**(764)**	**(5,781)**	**(16,044)**
Depreciation	**(1,247)**	**–**	**–**	**–**	**(396)**	**(1,643)**
Segment result — EBIT/(LBIT)	**2,899**	**(5,838)**	**(7,807)**	**(764)**	**(6,177)**	**(17,687)**
Finance costs						**(2,330)**
Loss before tax						**(20,017)**
Income tax expenses						**(59)**
Loss for the period						**(20,076)**

	Printing *HK$'000*	Property development *HK$'000*	Property investment *HK$'000*	Treasury *HK$'000*	Others and corporate *HK$'000*	Total *HK$'000*
For the six months ended 30 September 2024 (unaudited)						
Segment revenue *(note 4)*						
Sales to external customers	66,526	31,169	2,974	–	–	100,669
EBITDA/(LBITDA)	6,838	(12,323)	(17,633)	(773)	(7,651)	(31,542)
Depreciation	(1,271)	–	–	–	(399)	(1,670)
Segment result — EBIT/(LBIT)	5,567	(12,323)	(17,633)	(773)	(8,050)	(33,212)
Finance costs						(3,957)
Loss before tax						(37,169)
Income tax credit						647
Loss for the period						(36,522)

	Printing ***HK$'000***	**Property development** ***HK$'000***	**Property investment** ***HK$'000***	**Treasury** ***HK$'000***	**Others and corporate** ***HK$'000***	**Total** ***HK$'000***
As at 30 September 2025 (unaudited)						
Total assets	**94,716**	**254,666**	**235,024**	**802**	**12,378**	**597,586**
Total liabilities	**70,870**	**385,460**	**16,476**	**161**	**87,386**	**560,353**
As at 31 March 2025 (audited)						
Total assets	91,520	255,344	245,535	891	15,458	608,748
Total liabilities	62,084	377,362	16,993	61	95,590	552,090

Geographical segment information

The business of the Group operates in different geographical areas. Revenue is presented by the regions where customers are located. The segment information by geographical area is as follows:

	For the six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Mainland China	**10,168**	34,993
Hong Kong	**1,053**	1,281
United States of America	**22,953**	33,451
United Kingdom	**17,436**	17,692
Canada	**2,023**	4,391
France	**–**	1,024
Other regions	**7,600**	4,863
	61,233	97,695
Revenue from other sources		
Mainland China	**1,644**	1,318
Hong Kong	**1,190**	1,656
	2,834	2,974
Total revenue	**64,067**	100,669

4. REVENUE, OTHER INCOME, EXPENSE AND NET GAINS/LOSSES

An analysis of revenue is as follows:

	For the six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Sale of printed products	**61,180**	66,526
Sale of properties	**53**	31,169
	61,233	97,695
Revenue from other sources		
Rental income	**2,834**	2,974
Total revenue	**64,067**	100,669

Revenue from the sale of goods is recognised at a point in time when the goods are transferred and the control has been passed to customers, since only at that point in time the Group has an enforceable right to payment for the goods delivered.

Revenue from the sale of properties is recognised at a point in time when the completed properties are delivered to the buyers.

The Group's revenue from sale of properties are revenue from sales of properties developed by the Group amounting to HK$53,000 (2024: HK$31,169,000).

An analysis of other income, expense and net gains/losses is as follows:

	For the six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Bank interest income	**46**	205
Sales of scrap material	**27**	30
Loss on disposal of investment properties	**–**	(7,089)
Gain on disposal of property, plant and equipment	**–**	11
Net exchange loss	**(2,370)**	(3,898)
Write-down of other assets	**(726)**	(1,485)
Impairment loss of prepayments	**–**	(325)
Impairment loss of intangible assets	**(46)**	(263)
Loss on early termination of a lease contract	**–**	(74)
Sundries	**576**	403
	(2,493)	(12,485)

5. IMPAIRMENT OF STOCK OF PROPERTIES

An analysis of impairment of stock of properties is as follow:

	For the six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Impairment of completed properties for sale	**4,343**	8,601

6. OPERATING LOSS

The Group's operating loss is arrived at after charging/(crediting):

	For the six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Depreciation of right-of-use assets	**427**	427
Depreciation of property, plant and equipment	**1,216**	1,243
Less: Amount included in cost of inventories sold for printing business	**(556)**	(528)
Depreciation of property, plant and equipment included in selling and marketing expenses and administrative and other operating expenses	**660**	715
Cost of inventories sold	**46,739**	48,599
Cost of properties sold	**20**	31,223
Loss on disposal of investment properties	**–**	7,089
Write-down of other assets	**726**	1,485
Reversal of impairment of accounts receivable	**(303)**	(719)
Impairment loss of prepayments	**–**	325
Impairment loss of intangible assets	**46**	263
Government subsidies *	**–**	(20)

* There is no unfulfilled conditions or contingencies relating to the subsidies.

7. FINANCE COSTS

	For the six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest on bank and other borrowings	**2,294**	3,899
Interest on lease liabilities	**36**	58
Total finance costs	**2,330**	3,957

8. INCOME TAX

	For the six months ended 30 September	
	2025	2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current tax — Mainland China		
Corporate income tax		
Charge for the period	**828**	85
Land appreciation tax		
Credit for the period	**(10)**	(38)
Deferred tax	**(759)**	(694)
Tax charge/(credit) for the period	**59**	(647)

9. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss for the period attributable to owners of the Company of HK$20,076,000 (2024: HK$36,522,000) and the number of ordinary shares of 5,779,196,660 (2024: 5,779,196,660) in issue during the period.

The diluted loss per share is equal to the basic loss per share since there were no potential shares during both periods.

10. DIVIDENDS

The board of directors does not recommend the payment of an interim dividend for the six months ended 30 September 2025 (2024: nil).

11. ACCOUNTS RECEIVABLE

	At 30 September 2025	At 31 March 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Accounts receivable	**45,884**	71,014
Less: Impairment	**(3,897)**	(4,190)
	41,987	66,824

The Group allows a credit period ranging from 30 days to 180 days to its trade customers of the printing business. Rental income is received in advance. Proceeds from sales of properties are received in advance or upon delivery of the completed properties to customers. For customer with long-term business relationship, a longer credit period may be granted. Accounts receivable are non-interest-bearing.

An ageing analysis of the accounts receivable (mainly arising from printing business) based on invoices date and net of loss allowance at the end of reporting period is as follows:

	At 30 September 2025 *HK$'000* (Unaudited)	At 31 March 2025 *HK$'000* (Audited)
Within 30 days	**7,168**	37,564
31 to 60 days	**9,975**	6,067
61 to 90 days	**11,437**	7,410
Over 90 days	**13,407**	15,783
	41,987	66,824

12. ACCOUNTS PAYABLE

An ageing analysis of accounts payable at the end of reporting period based on the date of suppliers' invoices is as follows:

	At 30 September 2025 *HK$'000* (Unaudited)	At 31 March 2025 *HK$'000* (Audited)
Within 30 days	**11,149**	15,410
31 to 60 days	**11,807**	6,293
61 to 90 days	**8,285**	5,274
Over 90 days	**35,794**	33,383
	67,035	60,360

13. EVENTS AFTER THE REPORTING PERIOD

(a) One-off waiver and repayment of bank borrowings

In respect of the bank borrowing of HK$80,000,000 which the Group breached the financial covenant during the period, the Group has obtained a one-off waiver from the bank on 25 November 2025 for the financial covenant of the aforesaid bank borrowing that throughout the life of the facility, the Group agrees and undertakes to the bank that its consolidated tangible net worth should not at any time be less than a certain level. This one-off waiver only applies to the Group's announcement of unaudited interim results for the six months ended 30 September 2025. The repayment schedules of the borrowing and the repayment on demand clause remain unchanged. Further, the Group has repaid HK$4,000,000 to the bank on 10 October 2025 in accordance with the repayment schedule.

(b) Disposal of the entire equity interest in the Disposal Company

On 20 November 2025, Clever Star Development Limited (the "**Vendor**"), a wholly-owned subsidiary of the Company, entered into a sales and purchase agreement (the "**Agreement**") with an independent third party to dispose the entire issued share capital in the Disposal Company held by the Vendor and the entire amounts of no more than HK$5 million owed by the Disposal Company and its subsidiaries to the Group at the consideration of HK$4 million (the "**Disposal**"). The Disposal Company, through its subsidiaries, is engaged in property development and sale of residential properties at Zigong City, Sichuan Province, the PRC.

Completion of the Disposal is conditional upon fulfilment of the following conditions:

(i) the Vendor has completed all the necessary approval procedures for the Agreement and the transactions contemplated thereunder, including but not limited to obtaining approval from its board of directors (and shareholders' meeting, if applicable); and

(ii) the Vendor has performed, or procured the performance of, all compliance procedures required under applicable laws and regulations and the Listing Rules in respect of the Agreement and the transactions contemplated thereunder, including among others, approvals of the board of directors and (where applicable) the extraordinary general meeting (the "**EGM**"), disclosure obligations, and any necessary filings or submissions, and Shareholders' approval at the EGM for the Agreement and the transactions contemplated thereunder has been obtained in accordance with the Listing Rules.

The completion of the Agreement will take place after all the conditions precedent have been fulfilled on or before 19 May 2026 (or such later date as the parties to the Agreement may agree in writing) and has not yet completed as of the date of this announcement.

The Disposal constituted an one-off major transaction under Chapter 14 of the Listing Rules. For details of the Disposal, please refer to the Company's announcement dated 20 November 2025.

DIVIDEND

The Board has resolved not to recommend the payment of an interim dividend for the six months ended 30 September 2025 (2024: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Review of financial performance

For the six months ended 30 September 2025, the Group recorded a consolidated revenue of approximately HK$64 million (2024: HK$101 million), representing a decrease of 37% from the last corresponding period. The revenue of the printing business recorded a decrease to approximately HK$61 million (2024: HK$67 million) for the period, resulting from the soft demand of printed products caused by rising protectionism and policy uncertainty during the period. Also, the revenue contributed by the sales of completed residential units and carparks in respect of the property development project in Zigong City, Sichuan Province, the People's Republic of China (the "**PRC**") decreased to approximately HK$0.1 million when compared with revenue of approximately HK$31 million for the last corresponding period.

Consequently, the Group's gross profit decreased by 19% from the last corresponding period to approximately HK$17 million (2024: HK$21 million). The Group's gross margin increased to 26% (2024: 20%) of the consolidated revenue, resulting from a higher gross margin recorded from the sale of completed properties in the property development business.

During the period, a provision for impairment of stock of properties of approximately HK$4 million (2024: HK$9 million) was charged to the condensed consolidated statement of profit or loss and other comprehensive income for the property development project in Zigong City. Liquidity issues of numerous property developers continued to arise in the current interim period, leading to a year-on-year drop in contracted residential property sales. Property developers of non-first-tier cities reacted by offering price discount to spur property sales and recoup cash. Consequently, the estimated gross margin of our high-end residential villas in Zigong City was particularly affected, resulting in an excess of carrying values of the properties over their recoverable amounts. Accordingly, a provision for impairment on the stock of properties was made as at 30 September 2025 in accordance with the relevant accounting policies of the Company.

The Group's selling and marketing expenses as well as the administrative and other operating expenses dropped to approximately HK$4 million (2024: HK$6 million) and approximately HK$15 million (2024: HK$16 million) respectively, which was a result of the various cost control measures.

The Group's other income, expense and net gains/losses and reversal of impairment of accounts receivable amounted to approximately HK$2 million (2024: HK$12 million). The amount mainly included the loss on disposal of investment properties of nil (2024: HK$7 million), the write-down of other assets of approximately HK$0.7 million (2024: HK$1.5 million), the reversal of impairment of accounts receivable of approximately HK$0.3 million (2024: HK$0.7 million), and net exchange loss of approximately HK$2.4 million (2024: HK$3.9 million).

The fair value loss from revaluation of investment properties as at 30 September 2025 amounted to approximately HK$10 million (2024: HK$11 million). The market values of investment properties as at 30 September 2025 were being affected by the weak market sentiment resulting from the slower-than-expected growth in Mainland China and Hong Kong's economy, despite that stable rental income continues to be generated from such properties. Moreover, a shift in the Hong Kong market was observed, with increased cross-border consumption in Mainland China. This shift contributed to a moderation in the demand of properties for retail use in Hong Kong.

The Group recorded finance costs of approximately HK$2 million (2024: HK$4 million), which were mainly related to interest charged on bank borrowings to finance the general working capital of the Group during the period. The decrease in finance costs was mainly due to the drop in the Hong Kong Interbank Offered Rate during the period.

During the period, the Group recorded a loss before tax of approximately HK$20 million (2024: HK$37 million), which was attributed to the following operating segments and factors:

(i) Printing — profit of approximately HK$3 million (2024: HK$6 million);

(ii) Property development — loss of approximately HK$6 million (2024: HK$12 million);

(iii) Property investment — loss of approximately HK$8 million (2024: HK$18 million);

(iv) Treasury — loss of approximately HK$1 million (2024: HK$1 million);

(v) Net corporate expenses and other business of approximately HK$6 million (2024: HK$8 million); and

(vi) Finance costs of approximately HK$2 million (2024: HK$4 million).

Loss for the period attributable to owners of the Company amounted to approximately HK$20 million (2024: HK$37 million), and basic and diluted loss per share was 0.35 HK cents (2024: 0.63 HK cents). The decrease in the Group's loss was mainly due to the reduction in net loss after taxation to approximately HK$7 million (2024: HK$17 million) of the property investment business, resulting from the drop of the fair value loss from revaluation of investment properties as at 30 September 2025 and no loss on disposal of investment properties for the period under review.

Review of financial position

Regarding the Group's financial position as at 30 September 2025, total assets decreased by 2% to approximately HK$598 million (31 March 2025: HK$609 million). As at 30 September 2025, net current liabilities amounted to approximately HK$192 million (31 March 2025: HK$183 million), whereas current ratio deriving from the ratio of current assets to current liabilities amounted to 0.64 times (31 March 2025: 0.66 times). Such changes were mainly affected by the increase in accounts payable as at 30 September 2025.

The net cash inflow from operating activities was approximately HK$2 million (2024: net cash outflow of approximately HK$7 million) and the net cash inflow from investing activities was approximately HK$0.01 million (2024: HK$33 million). Taking into account the net cash outflow from financing activities of approximately HK$10 million (2024: HK$20 million), the Group recorded a net decrease in cash and cash equivalents of approximately HK$8 million (2024: net increase of approximately HK$6 million). After accounting for the exchange gain on cash and cash equivalents of approximately HK$0.6 million during the period under review, the balance of cash and cash equivalents amounted to approximately HK$13 million as at 30 September 2025 (31 March 2025: HK$20 million).

Shareholders' funds attributable to owners of the Company decreased by 35% to approximately HK$37 million (31 March 2025: HK$57 million), representing HK$0.01 per share (31 March 2025: HK$0.01 per share) as at 30 September 2025. The change in equity was a result of the net loss for the period of approximately HK$20 million and the Renminbi exchange gain arising from translation of foreign operations of approximately HK$0.7 million during the period under review.

Review of operations and business development

Printing business

The printing business includes the manufacture and sale of printed products, including art books, packaging boxes and children's books, with the production facilities located in Huizhou City, Guangdong Province, the PRC. It recorded an operating profit of approximately HK$3 million (2024: HK$6 million) for the period under review.

Under the influence of the soft demand for printed products resulting from rising protectionism and policy uncertainty, the revenue of the printing business recorded a decrease to approximately HK$61 million (2024: HK$67 million) for the period under review. In response to geopolitical tensions, including U.S.-China trade tensions, the management has proactively implemented a geographic diversification strategy by expanding the domestic sale in the Mainland China. The sales of printed products from the Mainland China increased to approximately HK$10 million (2024: HK$4 million) for the period under review. The management also reacted promptly to reduce the market challenges to a minimum by devising various modernised sourcing, manufacturing, distribution, logistics and market segmentation solutions.

The management remains cautiously optimistic about the growth momentum in the global book printing and paper packaging markets, and appropriate risk management and prompt business deployment have been carried out to channel threats into growth opportunities.

Property development business

The property development business involves the development, sale and trading of real estate properties principally in Mainland China. It recorded an operating loss of approximately HK$6 million (2024: HK$12 million) for the period. The operating loss was mainly resulted from the provision for impairment of stock of properties relating to the high-end residential villas of approximately HK$4 million (2024: HK$9 million) for the property development project in Zigong City, which was affected by the liquidity crisis of numerous property developers to recoup cash by lowering price. The project contributed revenue of approximately HK$0.1 million (2024: HK$31 million) to the Group during the period.

On 1 August 2019, the Group acquired a residential property development business containing three plots of land forming part of the Zhonggang Shenhai Forest Project (中港•燊海森林項目), which is located in the high-tech industrial development zone of the Yanluyu District of Wolong Lake in Zigong City, Sichuan Province, the PRC (中國四川省自貢市高新技術產業開發區臥龍湖鹽鹵浴片區). Despite the gross floor area of approximately 190,000 sq m being sold and delivered before the date of acquisition, the three plots of land have an aggregate remaining gross floor area of approximately 500,000 sq m available for sales recognition subsequent to 1 August 2019. As at 30 September 2025, out of this gross floor area of approximately 500,000 sq m, completed residential units with gross floor area of approximately 490,000 sq m had been delivered to customers. As at 30 September 2025, the total carrying value after impairment provision of the Group's completed properties for sale in Zigong City amounted to approximately HK$179 million (31 March 2025: HK$179 million).

The Group remains cautious in monitoring the real estate market in Mainland China in order to continue to optimise the operations of property development business to maximise return for the shareholders.

Property investment business

The property investment business involves the investment and leasing of real estate properties, which recorded an operating loss of approximately HK$8 million (2024: HK$18 million) for the period under review. The operating loss was mainly attributed to the unrealised revaluation loss of the investment properties located in Hong Kong and Mainland China of approximately HK$10 million (2024: HK$11 million), which their market values as at 30 September 2025 were affected by the weak market sentiment resulting from the slower-than-expected growth in Mainland China and Hong Kong's economy. Moreover, a shift in the Hong Kong market was observed, with increased cross-border consumption in Mainland China. This shift contributed to a moderation in the demand of properties for retail use in Hong Kong.

As at 30 September 2025, the Group held the following investment properties carried at fair market value of approximately HK$223 million:

Location	Gross Floor Area	Usage
Investment properties in Hong Kong		
Shop B, Ground Floor, Wuhu Residence, No. 111 Wuhu Street, Hunghom, Kowloon	1,014 square feet ("**sq ft**")	Commercial
Shop D, Ground Floor, Wuhu Residence, No. 111 Wuhu Street, Hunghom, Kowloon	1,293 sq ft	Commercial
Shops 3, 4, 5, Parkes Residence, No. 101 Parkes Street, Kowloon	2,090 sq ft	Commercial
Investment properties in Mainland China		
Level 6, Chengdu Digital Plaza, No. 1 Renmin South Road Fourth Portion, Wuhou District, Chengdu City, Sichuan Province, the PRC	4,255 sq m	Commercial

The Group remains cautiously optimistic about the prospects of the property investment business. The portfolio of investment properties was acquired for long term investment purpose so as to provide a stable income stream to the Group. The Group keeps on monitoring the capital change and rental yields of the portfolio and considers to rebalance the investment portfolio when ideal opportunities arise.

Treasury business

The treasury business involves the investment and trading of debts, equity and other treasury instruments, as well as the licensed regulated activities, namely advising on securities (Type 4) and asset management (Type 9) in Hong Kong. An operating loss of approximately HK$1 million (2024: HK$1 million) was recorded for the period under review. The operating loss was mainly attributed to the operating cost of the licensed regulated activities of approximately HK$0.7 million (2024: HK$0.5 million) during the period.

The Group remains cautious in monitoring the investment portfolio's underlying price risk and credit risk by adopting an optimal risk-return balance investment strategy. In order to capture opportunities in the Hong Kong asset management market emerging from being a leading global financial hub within the Greater Bay Area, the Group is exploring into the financial and asset management services markets.

Liquidity and capital resources

As at 30 September 2025, the Group's total assets amounted to approximately HK$598 million (31 March 2025: HK$609 million), which were financed by shareholders' funds and various credit facilities. Banking facilities are maintained to finance the Group's working capital and committed capital expenditures, which bear interest at market rate with contractual terms of repayment ranging from within one year to three years. The Group adopts a treasury policy to maximise the return on equity, which manages the funding requirements for new capital projects by considering all available options including a hybrid of debt and equity financing.

The Group mainly generated income and incurred costs in Hong Kong dollar, Renminbi and United States dollar. During the period, no financial instruments had been used for hedging purpose, and no foreign currency net investments had been hedged by currency borrowings or other hedging instruments. The Group manages the exposures of fluctuation on exchange rate and interest rate on individual transaction basis.

As at 30 September 2025, the Group's bank and other borrowings amounted to approximately HK$125 million (31 March 2025: HK$132 million) including bank borrowings of approximately HK$99 million (31 March 2025: HK$105 million) which were repayable on demand or within one year. The bank borrowings bore interest at floating rate, approximately HK$80 million (31 March 2025: HK$88 million) of which were denominated in Hong Kong dollar and approximately HK$19 million (31 March 2025: HK$17 million) of which were denominated in Renminbi. The Group's gearing ratio was 3.36 (31 March 2025: 2.32), which was calculated based on the ratio of total bank and other borrowings of approximately HK$125 million (31 March 2025: HK$132 million) to the shareholders' funds of approximately HK$37 million (31 March 2025: HK$57 million).

As at 30 September 2025, the Group's cash and cash equivalents and restricted bank balances amounted to approximately HK$13 million (31 March 2025: HK$20 million) and approximately HK$4 million (31 March 2025: HK$4 million) respectively. Approximately HK$12 million (31 March 2025: HK$16 million) of the Group's cash and cash equivalents and restricted bank balances were denominated in Hong Kong dollar, approximately HK$0.2 million (31 March 2025: HK$0.1 million) were denominated in United States dollar, approximately HK$5 million (31 March 2025: HK$8 million) were denominated in Renminbi and approximately HK$0.2 million (31 March 2025: HK$0.2 million) were denominated in other currencies. As at 30 September 2025, the Group had a net debt position (being bank and other borrowings net of cash and cash equivalents and restricted bank balances) of approximately HK$109 million (31 March 2025: HK$108 million).

Outlook

Looking ahead to 2026, it is expected that inflation will continue to remain at a high level, and interest rates will also remain relatively high. Global economic growth is projected to continue slowing down, with some major economies facing risk of recession.

Despite the Chinese government's implementation of measures to support stable economic and real estate development, the prevailing negative sentiment and systemic risks permeate the property market showing no sign of subsiding in the near future, thus posing challenges to the Group's property development business in Mainland China.

In respect of the printing business, the Group will continue its effort to solidify existing customers and enhance its competitive edge through innovation design, quality management and production efficiency.

The Group will closely monitor market conditions and adjust its strategies accordingly. The Group will continue to take prudent and responsible measures with a view to improve the Group's financial position that will allow it to sustain its operations and pursue new opportunities.

CONTINGENT LIABILITIES

As at 30 September 2025, the Group has provided financial guarantees in respect of mortgage loans made by certain banks to certain purchasers of the properties in the PRC, either directly provided to the banks or to the housing provident fund management center which arranged the bank mortgage, which amounted to approximately HK$554 million (31 March 2025: HK$601 million) in aggregate.

NUMBER OF EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2025, the Group employed 108 staff and workers (31 March 2025: 114). The Group provides its employees with benefits including performance-based bonus, retirement benefits contribution, medical insurance and staff training. Also, the Company has adopted a share option scheme to provide alternative means to align the employees' career goal with the Group's business strategy.

PLEDGE OF ASSETS

As at 30 September 2025, the Group pledged certain assets including right-of-use assets, property, plant and equipment and investment properties with an aggregate carrying value of approximately HK$177 million (31 March 2025: HK$186 million) to secure bank facilities of the Group.

As at 30 September 2025, the other borrowings of approximately HK$23 million (31 March 2025: HK$22 million) were secured by the pledge of the Group's completed properties for sale amounting to approximately HK$19 million (31 March 2025: HK$19 million).

COMMITMENTS

As at 30 September 2025, the Group did not have capital expenditure contracted for but not provided for in the consolidated financial statements (31 March 2025: nil).

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

The Group did not have material acquisition and disposal of subsidiaries, associates and joint ventures during the six months ended 30 September 2025.

EVENTS AFTER THE REPORTING PERIOD

(a) One-off waiver and repayment of bank borrowings

In respect of the bank borrowing of HK$80,000,000 which the Group breached the financial covenant during the period, the Group has obtained a one-off waiver from the bank on 25 November 2025 for the financial covenant of the aforesaid bank borrowing that throughout the life of the facility, the Group agrees and undertakes to the bank that its consolidated tangible net worth should not at any time be less than a certain level. This one-off waiver only applies to the Group's announcement of unaudited interim results for the six months ended 30 September 2025. The repayment schedules of the borrowing and the repayment on demand clause remain unchanged. Further, the Group has repaid HK$4,000,000 to the bank on 10 October 2025 in accordance with the repayment schedule.

(b) Disposal of the entire equity interest in Jinjin Investments Co., Limited

On 20 November 2025, Clever Star Development Limited (the "**Vendor**"), a wholly-owned subsidiary of the Company, entered into a sales and purchase agreement (the "**Agreement**") with an independent third party to dispose the entire issued share capital in Jinjin Investments Co., Limited (the "**Disposal Company**") held by the Vendor and the entire amounts of no more than HK$5 million owed by the Disposal Company and its subsidiaries to the Group at the consideration of HK$4 million (the "**Disposal**"). The Disposal Company, through its subsidiaries, is engaged in property development and sale of residential properties at Zigong City, Sichuan Province, the PRC.

Completion of the Disposal is conditional upon fulfilment of the following conditions:

(i) the Vendor has completed all the necessary approval procedures for the Agreement and the transactions contemplated thereunder, including but not limited to obtaining approval from its board of directors (and shareholders' meeting, if applicable); and

(ii) the Vendor has performed, or procured the performance of, all compliance procedures required under applicable laws and regulations and the Listing Rules in respect of the Agreement and the transactions contemplated thereunder, including among others, approvals of the board of directors and (where applicable) the extraordinary general meeting (the "**EGM**"), disclosure obligations, and any necessary filings or submissions, and Shareholders' approval at the EGM for the Agreement and the transactions contemplated thereunder has been obtained in accordance with the Listing Rules.

The completion of the Agreement will take place after all the conditions precedent have been fulfilled on or before 19 May 2026 (or such later date as the parties to the Agreement may agree in writing) and has not yet completed as of the date of this announcement.

The Disposal constituted an one-off major transaction under Chapter 14 of the Listing Rules. For details of the Disposal, please refer to the Company's announcement dated 20 November 2025.

CORPORATE GOVERNANCE

The Company has applied the principles of and has complied with all code provisions contained in the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") throughout the six months ended 30 September 2025.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the model code for securities transactions by directors of listed issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the Directors. In response to specific enquiries by the Company, all the Directors confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 30 September 2025.

REVIEW OF ACCOUNTS

The audit committee of the Board has reviewed, with management of the Company, the Group's unaudited interim condensed consolidated financial information for the six months ended 30 September 2025, the interim report, the accounting principles and practices adopted by the Group and has discussed risk management, internal controls, and financial reporting matters.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this announcement, the Company has maintained sufficient public float as required by the Listing Rules throughout the six months ended 30 September 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 September 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities which are listed and traded on the Stock Exchange (2024: nil).

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.mcgrouphk.com). The interim report of the Company for the six months ended 30 September 2025 containing all applicable information required by the Listing Rules will be dispatched to the shareholders of the Company and published on the above websites in due course.

APPRECIATION

We would like to take this opportunity to express our gratitude to our shareholders, customers and partners for their continuous support and confidence in the Group, as well as our appreciation to our executives and staff for their dedication and contribution throughout the period.

By Order of the Board
Magnus Concordia Group Limited
Xiang Jun
Director

Hong Kong, 28 November 2025

As at the date of this announcement, the executive directors of the Company are Mr. Xiang Jun and Ms. Zhou Lan, and the independent non-executive directors of the Company are Mr. Wang Zhengjun, Mr. Liu Ying Shun and Mr. Wang Ping.