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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)

VOLUNTARY ANNOUNCEMENT
BUSINESS UPDATE

This is a voluntary announcement issued by Magnus Concordia Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") on a voluntary basis to keep the shareholders and potential investors of the Company informed of the latest business development of the Group.

Reference is made to the annual report (the "**2025 Annual Report**") of the Company for the year ended 31 March 2025 ("**FY2025**") published on 31 July 2025, the announcements of the Company dated 30 September 2025 and 20 November 2025 (the "**Announcements**") and the interim results announcement (the "**2025 Interim Results**") of the Company for the six months ended 30 September 2025 ("**HY2025**") published on 28 November 2025 in relation to, among others, certain plans and measures to address the disclaimer of opinion ("**Disclaimer Opinion**") issued by the independent auditor of the Company (the "**Auditor**") on the consolidated financial statements of the Group for FY2025 relating to the Group's ability to continue as going concern ("**Going Concern Issue**"). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the 2025 Annual Report and the Announcements.

The Board wishes to update the Shareholders and potential investors of the Company that as at the date of this announcement, the latest developments of the Group and the measures that have been implemented by the Group to address the Going Concern Issue and to mitigate its liquidity pressure and improve its financial position as follow:

1. Repayment/Refinancing of Group's Borrowings

In relation to the borrowing of the Group that had breached the financial covenants, an aggregate amount of HK$12 million has been repaid on schedule by the Group from 1 April 2025 and up to the date of this announcement. As at the date of this announcement, the outstanding amount of such borrowing was HK$76 million. As disclosed in the 2025 Interim Results, the Group has obtained a one-off waiver from the bank in relation to the 2025 Interim Results.

In addition, the Company is currently in negotiations with a bank in Hong Kong regarding a factoring loan facility of up to HK$12 million. This facility is presently under the bank's review and approval process.

2. Sale of Completed Properties of the Group's property project in Zigong City, Sichuan Province, the People's Republic of China (the "PRC")

The Group has entered into the sale and purchase agreement on 20 November 2025 in relation to the disposal of the Group's subsidiaries holding the Group's property project in Zigong City, Sichuan Province, the PRC (the "**Disposal**") and the Disposal had been approved by the shareholders of the Company at the extraordinary general meeting of the Company held on 22 December 2025. The Directors expect that upon completion of the Disposal, the Group can reduce exposure to the volatility of the PRC real estate market and reallocate its resources to the Group's other businesses. In addition, the Group's overall liabilities will be substantially reduced, which would strengthen the overall financial position of the Group and help to address the Disclaimer Opinion.

Please refer to the announcement and circular of the Company dated 20 November 2025 and 28 November 2025 respectively for further information of the Disposal.

3. Potential Disposal of Investment Properties

The Group is actively considering an offer received from a real estate agent for one of its investment properties in Hong Kong and an offer for its investment properties in the Mainland China. In addition to these offers, the Group will continue to engage with various real estate agents in Hong Kong to explore disposal opportunities for other properties in Hong Kong.

As the investment properties in Hong Kong have been pledged as security for the Group's borrowings, the Group is currently negotiating with the relevant bank regarding repayment arrangements. These discussions include, but are not limited to, refinancing options and partial loan repayments, contingent upon the successful completion of the property disposal.

4. Operating Cost Control

The Group has implemented various measures to control the Group's administrative and other operating expenses, including but not limited to a reduction in headcount. As at the date of this announcement, the number of employees of the Group are 108 as compared to 114 as at 31 March 2025. Furthermore, upon completion of the Disposal and as the Disposal Group accounted for approximately 18% of the Group's administrative and other operating expenses for FY2025, it is expected the Group's administrative and other operating expenses will be further reduced.

5. Other fund-raisings options

The Group is exploring fund-raising options such as new share placements and convertible bonds to enhance its capital base and cash flow. However, execution will depend on market conditions, including investor sentiment and pricing feasibility.

Update on Business Operations

The Company is an investment holding company and the principal activities of the Group are manufacturing and trading of printed products, property development, property investment and treasury business. As at the date of this announcement, the business operations of the Group are continuing as usual.

The Group is committed to reinforcing its financial standing and improving cash flow through a multi-pronged approach, which include (i) enhancing operational efficiency and performance across its business segments; (ii) engaging proactively with banks and other financial institutions to secure favourable refinancing arrangements and optimise the Group's capital structure; (iii) assessing the potential disposal of investment properties and (iv) evaluating potential fundraising initiatives and options, to support long-term sustainability.

The aforementioned initiatives have been reviewed by the Audit Committee of the Company and have received their acknowledgement and endorsement.

The Board will continue to work closely with auditor of the Company and use its best endeavours to implement plans and measures with an aim of addressing the Disclaimer of Opinion. The Company will issue further announcement(s) to provide updates on these initiatives as and when appropriate in accordance with the Listing Rules.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Magnus Concordia Group Ltd
Xiang Jun
Executive Director

Hong Kong, 31 December 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.