ZHONGCHANG INTERNATIONAL HOLDINGS GROUP LIMITED
中昌國際控股集團有限公司

(incorporated in Bermuda with limited liability)

(Stock code: 859)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

The board ("**Board**") of directors (the "**Directors**") of Zhongchang International Holdings Group Limited (the "**Company**" together with its subsidiaries, collectively referred to as the "**Group**") announces the results of the Group for the year ended 31 December 2025 (the "**Reporting Period**" or "**FY2025**"), together with the comparative figures for the year ended 31 December 2024 ("**FY2024**") which are set out as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31 December	
		2025	2024
	Notes	***HK$'000***	*HK$'000*
Revenue	3	**28,915**	32,638
Other income	5	**13**	1,251
Net loss in fair value of investment properties		**(173,000)**	(149,451)
Staff costs	6	**(2,531)**	(3,119)
Depreciation of property, plant and equipment	6	**–**	(17)
Depreciation of right-of-use assets	6	**(642)**	(857)
Impairment loss on financial assets, net	6	**(372)**	(162)
Other operating expenses		**(6,307)**	(5,859)
Loss from operations	6	**(153,924)**	(125,576)
Finance costs	7	**(46,362)**	(50,510)
Loss before tax		**(200,286)**	(176,086)
Income tax expense	8	**(649)**	(657)
Loss for the year		**(200,935)**	(176,743)

		Year ended 31 December	
		2025	2024
	Note	***HK$'000***	*HK$'000*
Other comprehensive income, net of tax			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference on translating foreign operations		**120**	(106)
Other comprehensive income for the year, net of tax		**120**	(106)
Total comprehensive loss for the year		**(200,815)**	(176,849)
Loss for the year attributable to the owners of the Company		**(200,935)**	(176,743)
Total comprehensive loss for the year attributable to the owners of the Company		**(200,815)**	(176,849)
Loss per share attributable to ordinary equity holders of the Company			
– Basic and diluted (in HK cents)	10	**(17.86)**	(15.71)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**As at 31 December 2025** *HK$'000*	As at 31 December 2024 *HK$'000*
ASSETS AND LIABILITIES			
Non-current assets			
Right-of-use assets		**–**	642
Investment properties		**1,409,100**	1,582,100
		1,409,100	1,582,742
Current assets			
Trade and other receivables, deposits and prepayments	11	**3,878**	2,064
Tax recoverable		**251**	377
Cash and cash equivalents		**11,129**	16,738
		15,258	19,179

	Note	As at 31 December 2025 HK$'000	As at 31 December 2024 HK$'000
Current liabilities			
Other payables, deposits and accrued expenses	12	**9,939**	10,171
Lease liabilities		**–**	702
Interest-bearing bank and other borrowings		**815,535**	792,028
Tax payable		**3,749**	3,803
		829,223	806,704
Net current liabilities		**(813,965)**	(787,525)
Total assets less current liabilities		**595,135**	795,217
Non-current liabilities			
Other payables and deposits	12	**4,653**	4,607
Deferred tax liabilities		**14,612**	13,925
		19,265	18,532
Net assets		**575,870**	776,685
CAPITAL AND RESERVES			
Share capital		**112,502**	112,502
Reserves		**463,368**	664,183
Total equity		**575,870**	776,685

Notes:

1. CORPORATE INFORMATION

The Company was incorporated in Bermuda on 16 December 1999 as an exempted company with limited liability under the Companies Act 1981 of Bermuda (as amended).

The Company acts as an investment holding company and the principal activities of the Group are leasing of investment properties in Hong Kong.

The Company's shares are listed on The Stock Exchange of Hong Kong Limited.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

Going concern

As at 31 December 2025, the Group's total current liabilities exceeded its total current assets by approximately HK$813,965,000 (2024: approximately HK$787,525,000). The Directors considered that the controlling shareholder of the Company has the intention to provide continuing financial support to the Company so as to enable the Company to meet its liabilities as and when they fall due. Accordingly, the Directors believe that the Group has adequate resources to continue its operations in the foreseeable future of not less than 12 months from the end of the reporting period. Therefore, they are of the opinion that it is appropriate to adopt the going concern basis in preparing the consolidated financial statements.

Basis of consolidation

The consolidated financial statements include the financial statements of the Group for the year ended 31 December 2025. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

Generally, there is a presumption that a majority of voting rights results in control. When the Company has, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;
(b) rights arising from other contractual arrangements; and
(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and the exchange fluctuation reserve; and recognises the fair value of any investment retained and any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 *Lack of Exchangeability* for the first time for the current year's financial statements. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries and associates for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

3. REVENUE

	2025	2024
	HK$'000	*HK$'000*
Gross rental income from investment properties in Hong Kong	**28,915**	32,638

4. OPERATING SEGMENT INFORMATION

Operating segments and the amounts of each segment item reported in the financial statements are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

The Group operates in a single business, which is the leasing of investment properties in Hong Kong. Accordingly, no segmental analysis is presented.

Information about major customers

There were no customers individually contributing over 10% of the revenue for the years reported.

5. OTHER INCOME

	2025	2024
	HK$'000	*HK$'000*
Bank interest income	**11**	357
Exchange differences	**–**	64
Sundry income	**2**	830
Total other income	**13**	1,251

6. LOSS FROM OPERATIONS

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

	2025	2024
	HK$'000	*HK$'000*
Directors' emoluments	**540**	540
Other staff costs:		
Salaries and allowances	**1,837**	2,434
Retirement benefit scheme contributions	**44**	58
Other benefits in kind	**110**	87
Total staff costs	**2,531**	3,119
Bank interest income	**(11)**	(357)
Net loss in fair value of investment properties	**173,000**	149,451
Exchange difference, net	**76**	(64)
Auditors' remuneration		
– Audit services	**1,028**	1,050
Depreciation of property, plant and equipment	**–**	17
Depreciation of right-of-use assets	**642**	857
Lease payments not included in the measurement of lease liabilities	**369**	293
Impairment loss on financial assets, net	**372**	162
Gross rental income from investment properties	**(28,915)**	(32,638)
Less: Direct operating expenses from investment properties that generated rental income during the year	**3,153**	2,627
	(25,762)	(30,011)

7. FINANCE COSTS

An analysis of finance costs is as follows:

	2025	2024
	HK$'000	*HK$'000*
Interest on bank and other loans	**46,338**	50,414
Interest on lease liabilities	**24**	96
	46,362	50,510

8. INCOME TAX EXPENSE

	2025	2024
	HK$'000	*HK$'000*
Current tax		
Hong Kong		
– Provision for the year	**–**	–
– Over-provision in prior years	**(38)**	(18)
	(38)	(18)
Deferred taxation		
– Charged to the consolidated statement of profit or loss and other comprehensive income	**687**	675
Total	**649**	657

The provision for Hong Kong Profits Tax for the year ended 31 December 2025 is calculated at 16.5% of the estimated assessable profits for the year (2024: 16.5%). The concession of 8.25% tax band under the two-tiered tax regime introduced by the Hong Kong SAR Government was taken up by an indirect wholly-owned subsidiary incorporated in Hong Kong.

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the years ended 31 December 2025 and 2024.

9. DIVIDEND

The Directors do not recommend any dividend for the year ended 31 December 2025 (2024: Nil).

10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

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

	2025	2024
	HK$'000	*HK$'000*
Loss attributable to ordinary equity holders of the Company, used in the basic and diluted loss per share calculation	**(200,935)**	(176,743)

	Number of shares	
	2025	2024
	'000	*'000*
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	**1,125,027**	1,125,027

For the years ended 31 December 2025 and 2024, the diluted loss per share is the same as the basic loss per share. The Group had no potentially dilutive ordinary shares outstanding during the years ended 31 December 2025 and 2024.

11. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2025	2024
	HK$'000	*HK$'000*
Rental receivables *(Note (i))*	**1,816**	84
Less: Allowance for credit losses *(Note (ii))*	**(372)**	–
	1,444	84
Other receivables, deposits and prepayments, net of allowance for credit losses *(Note (iii))*	**2,434**	1,980
Total	**3,878**	2,064

(i) The amount represents rental receivables for leasing of investment properties.

The Group maintains a defined and restricted credit policy to assess the credit quality of each counterparty or tenant. The collection is closely monitored to minimise any credit risk associated with these rental receivables.

The ageing analysis of the Group's rental receivables net of allowance of credit losses is as follows:

	2025	2024
	HK$'000	*HK$'000*
0 to 30 days	**268**	23
31 to 60 days	**257**	20
61 to 90 days	**291**	21
91 to 180 days	**622**	20
181 to 365 days	**6**	–
Total	**1,444**	84

Rental receivables that were past due but not impaired relate to a number of independent tenants that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there have not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

(ii) The movements in the allowance for credit losses of trade receivables are as follows:

	2025	2024
	HK$'000	*HK$'000*
At 1 January	**–**	–
Impairment losses	**372**	–
At 31 December	**372**	–

(iii) The amount represents other receivables, deposits and prepayments:

	2025	2024
	HK$'000	*HK$'000*
Prepayments	**25**	35
Deposits and other receivables	**279,634**	272,377
Prepaid tax	**14**	14
	279,673	272,426
Less: Allowance for credit losses	**(277,239)**	(270,446)
Total	**2,434**	1,980

The movements in the allowance for credit losses of other receivables, deposits and prepayments are as follows:

	2025	2024
	HK$'000	*HK$'000*
At 1 January	**270,446**	276,158
Impairment losses	**–**	162
Exchange realignment	**6,793**	(5,874)
At 31 December	**277,239**	270,446

12. OTHER PAYABLES, DEPOSITS AND ACCRUED EXPENSES

	2025	2024
	HK$'000	*HK$'000*
Rental deposits received	**8,941**	9,123
Other payables and accrued expenses	**5,445**	5,440
	14,386	14,563
Contract liabilities *(Note)*	**206**	215
	14,592	14,778
Analysed into:		
Non-current portion	**4,653**	4,607
Current portion	**9,939**	10,171

Note:

Details of contract liabilities are as follows:

	2025	2024
	HK$'000	*HK$'000*
Short-term advance payments received from tenants	**206**	215

Contract liabilities include short-term advance payments received from tenants, which is related to the provision of rental concession and/or advance rental payments form tenants at the end of the reporting period.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

The Group is principally engaged in leasing of investment properties in Hong Kong. During the Reporting Period, the Group's revenue was primarily derived from rental income from its investment properties in Hong Kong. The Group's investment properties are mainly situated at prime retail and shopping locations in Causeway Bay, Hong Kong Island.

2025 was a very challenging year for the Group. Although Hong Kong posted a real gross domestic product growth rate of 3.5% in 2025, structural pressure is hindering the growth of local retail sectors. According to the provisional figures released by Hong Kong Census and Statistics Department, for 2025 as a whole, the value of Hong Kong's total retail sales was estimated at HK$380.5 billion, increased by only 1.0% in value and remained at a similar level in volume compared with 2024. Global economic uncertainties, geopolitical tensions, changes of consumption patterns of visitors and resident, as well as reduced demand due to outbound travel and cross-border shopping in Shenzhen have collectively contributed to the adverse impact on the local retail market. During the Reporting period, the Group continued to be affected by the drop of Hong Kong's total retail sales of 7.3% in 2024, which lead to decline in occupancy rate of the Group.

Property leasing business

During FY2025, the Group recorded rental income from investment properties in Hong Kong of approximately HK$28.9 million, which represented a decrease of approximately 11.4% from approximately HK$32.6 million recorded in FY2024. The decrease in rental income was primarily attributable to the negative rental reversion arising from renewal of certain existing tenancy agreements and the decline in the occupancy rate during FY2025.

As at 31 December 2025, the investment properties portfolio of the Group achieved an occupancy rate (as measured by the percentage of total leased lettable area over the total lettable area of the Group's portfolio) of approximately 67.2% (31 December 2024: approximately 70.6%). The decrease in occupancy rate was mainly due to overall market softness. Jardine Center remained as the Group's core and steady income generator, accounted for approximately 76.6% of the total revenue of the Group during FY2025.

The Group's revenue growth and occupancy rates are the key measurements used for the assessment of its core leasing business performance. In response to the economic situation, the Group adopted rigorous cost control measures during FY2025. Set out below is a table summarising the key performance indicators for the Group's property leasing business in Hong Kong for FY2024 and FY2025.

Key performance indicators	**Definition**	**Business performance**	
		FY2025	FY2024
Revenue growth	Rental revenue in current year vs the previous year	**-11.4%**	-3.6%
Occupancy rate	Percentage of total leased lettable area/total lettable area at year-end	**67.2%**	70.6%
Operating cost ratio	(Staff costs plus other operating expenses) divided by revenue	**30.6%**	27.6%

In 2025, the Group remained focused on further bolstering the resilience of its core business of property leasing in Hong Kong, particularly in Causeway Bay, in order to preserve its long-term competitiveness and ensure sustainable development in this challenging market. The investment properties of the Group are mainly situated in the prime shopping district of Causeway Bay in Hong Kong. During FY2025, the tenants of the Group were mainly engaged in catering, beauty parlour and other retailing businesses.

Set out below is a table summarising the valuation of the investment properties portfolio of the Group in Hong Kong as at the end of FY2025 and FY2024 and revenue contribution of the investment properties portfolio of the Group in Hong Kong in FY2025 as compared to that in FY2024.

	Valuation of investment properties as at 31 December		Decrease in fair value of investment properties	Revenue for		Increase/ (decrease) in revenue
	2025	2024		**FY2025**	FY2024	
	HK$'000	*HK$'000*	***HK$'000***	***HK$'000***	*HK$'000*	*%*
Causeway Bay						
Jardine Center, No. 50 Jardine's Bazaar[(1)]	**1,149,000**	1,270,000	**(121,000)**	**22,144**	24,962	(11.3)
Ground Floor and Cockloft Floor, No. 38 Jardine's Bazaar[(2)]	**66,800**	69,000	**(2,200)**	**1,960**	1,924	1.9
First Floor, Nos. 38 and 40 Jardine's Bazaar[(3)]	**6,800**	11,600	**(4,800)**	**498**	472	5.5
Ground Floor including Cockloft, No. 41 Jardine's Bazaar[(2)]	**83,700**	87,000	**(3,300)**	**2,129**	2,144	(0.7)
Ground Floor, No. 57 Jardine's Bazaar[(2)]	**71,000**	98,000	**(27,000)**	**2,184**	2,184	–
Mid-Levels						
Shop No. 1 on Ground Floor of K.K. Mansion, Nos. 119, 121 & 125 Caine Road[(2)]	**31,800**	46,500	**(14,700)**	**–**	952	(100.0)
Total	**1,409,100**	1,582,100	**(173,000)**	**28,915**	32,638	(11.4)

(1) 24-storey commercial building

(2) Street-shop

(3) Upstairs shop

As at 31 December 2025, the investment properties of the Group were revalued at HK$1,409.1 million (31 December 2024: HK$1,582.1 million) by an independent professional valuer. During FY2025, the loss in fair value of investment properties of HK$173.0 million (FY2024: approximately HK$149.5 million) was recognised in the consolidated statement of profit or loss and other comprehensive income. The loss in fair value of investment properties was mainly due to challenging macro environment.

OUTLOOK

Looking ahead, the difficult operating and economic environment will continue to put pressure on the Group's performance in 2026. While the retail sector continues to adapt to the changes in consumption patterns of visitors and residents, Hong Kong Government's proactive efforts in promoting tourism and mega events, in tandem with the Central Government's consumption stimulus measures and sustained steady growth of the Mainland economy, will help bolster consumption sentiment and support the consumption market. The Group also believes that Hong Kong Government's measures to attract talent and promote Hong Kong as a business headquarters will have a positive impact on the retail market.

According to the provisional figures released by Hong Kong Census and Statistics Department, the value of Hong Kong's total retail sales recovered solidly in December 2025, rising by 6.6% over a year earlier. Improving local consumption sentiment underpinned by robust economic growth momentum and steadier local real estate market, together with continued vibrant growth in inbound visitors, will continue to be favourable to retail businesses. As the investment properties of the Group are mainly situated in the prime shopping district of Causeway Bay in Hong Kong, the Group believes it remains well-placed to capture potential growth opportunities during the recovery of Hong Kong's tourism and retail sector.

Under the impact of ongoing uncertainties, the Group will continue to focus on its core business in property leasing and will continue to act with prudence and caution. The business priorities of the Group are to improve its liquidity and financial position. The Group is negotiating with financial institutions to roll over or to reschedule the loan repayments. The Group will continue with its best effort to adopt prudent capital management and liquidity risk management in order to meet the challenges ahead. In response to the market conditions, the Group will continue to proactively adjust the tenant mix and enhance our operational efficiency.

FINANCIAL REVIEW

Revenue

For FY2025, the revenue of the Group amounted to approximately HK$28.9 million, representing a decrease of approximately 11.4% from approximately HK$32.6 million in FY2024. The decrease in rental income was primarily attributable to the negative rental reversion arising from renewal of certain existing tenancy agreements and the decline in the occupancy rate during FY2025.

Other income

Other income for FY2025 was approximately HK$0.01 million (FY2024: approximately HK$1.25 million), representing a decrease of approximately HK$1.24 million as compared to FY2024. The decrease was mainly due to decrease in bank interest income during FY2025 as compared with FY2024.

Staff costs

For FY2025, the Group's staff costs amounted to approximately HK$2.5 million, representing a decrease of approximately 18.9% from approximately HK$3.1 million recorded in FY2024. The decrease in staff costs was mainly due to departures of certain staff during FY2025.

Other operating expenses

Other operating expenses amounted to approximately HK$6.3 million for FY2025, representing an increase of approximately 7.6% from approximately HK$5.9 million recorded in FY2024. The composition of other operating expenses by nature mainly classified as follows:

	FY2025	FY2024
	HK'000	*HK'000*
Investment properties operating costs	**3,153**	2,627
Professional fees	**1,520**	1,647
General administrative costs	**1,558**	1,585
Exchange loss, net	**76**	–
	6,307	5,859

Professional fees decreased by approximately 7.7% as compared to FY2024. General administrative expenses decreased by approximately 1.7% as compared to FY2024.

The increase in investment properties operating costs was primarily due to increase in building management fee arising from the decline in occupancy rate during FY2025.

Net loss in fair value of investment properties

As at 31 December 2025, the investment properties of the Group were revalued at HK$1,409.1 million (31 December 2024: HK$1,582.1 million) by an independent professional valuer. During FY2025, a fair value loss on investment properties of approximately HK$173.0 million was recognised in the consolidated statement of profit or loss and other comprehensive income. The fair value loss on the investment properties was mainly due to the challenging macro environment.

Finance costs

For FY2025, finance costs of the Group amounted to approximately HK$46.4 million, representing a decrease of approximately 8.2% from approximately HK$50.5 million recorded in FY2024. Such decrease was mainly attributable to the decrease in bank loan interest rate during FY2025.

Loss for the year attributable to the owners of the Company

Loss for the year attributable to the owners of the Company for FY2025 amounted to approximately HK$200.9 million (FY2024: loss of approximately HK$176.7 million). As a result of the reasons mention above, the loss for FY2025 was primarily due to loss in fair value of investment properties of approximately HK$173.0 million and finance costs of approximately HK$46.4 million incurred.

Liquidity and financial resources

The Group's business operations were generally funded by its internal resources and bank and other borrowings.

As at 31 December 2025, the Group's outstanding bank and other borrowings amounted to approximately HK$815.5 million (31 December 2024: approximately HK$792.0 million), of which all outstanding bank and other borrowings are repayable within one year.

As at 31 December 2025, the Group maintained cash and bank balances of approximately HK$11.1 million (31 December 2024: approximately HK$16.7 million). The decrease in cash and bank balances was mainly attributable to payment of interest on bank borrowings during FY2025.

The Group's gearing ratio as at 31 December 2025, which is calculated on the basis of total liabilities over total assets, was approximately 59.6% (31 December 2024: approximately 51.5%). The current ratio of the Group, which is calculated by dividing current assets over current liabilities as at 31 December 2025, was approximately 0.018 (31 December 2024: approximately 0.024). The decrease in current ratio as at 31 December 2025 as compared to 31 December 2024 was mainly due to decrease in cash and bank balances of the Group.

As at 31 December 2025, the Group recorded net current liabilities of approximately HK$814.0 million (31 December 2024: approximately HK$787.5 million). The net current liabilities were mainly due to maturity of the Group's bank and other borrowings which were repayable within one year. The Group's ability to continue as a going concern largely depends on the sufficiency of financial resources available to the Group. The Directors considered that the controlling shareholder of the Company has the intention to provide continuing financial support to the Company. Accordingly, the Directors are of the view that, the Group has sufficient working capital to meet its financial obligations as and when they fall due within one year.

Capital Structure

As at 31 December 2025, the issued share capital of the Company was 1,125,027,072 shares. During the Reporting Period, there was no movement of the issued share capital of the Company.

As at 31 December 2025, the net assets of the Group amounted to approximately HK$575.9 million, representing a decrease of approximately 25.9% from the net assets of approximately HK$776.7 million as at 31 December 2024. With the total number of 1,125,027,072 ordinary shares in issue as at 31 December 2025, the net assets value per share was approximately HK$0.51 (31 December 2024: approximately HK$0.69).

Treasury Policy

The Group's transactions and its monetary assets and liabilities are principally denominated in HK$ and RMB. The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations. The Group does not use any financial instruments for hedging purpose.

DIVIDEND

The Directors do not recommend any dividend for FY2025 (FY2024: Nil).

CORPORATE GUARANTEES

As at 31 December 2025, the Company provided corporate guarantee to Hang Seng Bank for securing banking facilities granted to its subsidiaries which amounted to HK$1,127 million (31 December 2024: HK$1,127 million).

CHARGES ON GROUP ASSETS

As at 31 December 2025, the Group has pledged the following assets:

a) Investment properties in Hong Kong with an aggregate carrying amount of HK$1,409.1 million for securing the Group's bank borrowings;

b) Share mortgage of certain subsidiaries for securing their respective bank borrowings; and

c) Rent assignments in respect of the investment properties held by the Group.

CONTINGENT LIABILITIES

As at 31 December 2025, the Group had no significant contingent labilities.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group had 3 employees (31 December 2024: 5 employees). The Group offers its employees competitive remuneration packages which commensurate with their performance, experience and job responsibilities. The Group also provides other benefits including but not limited to medical insurance, discretionary bonus and mandatory provident fund schemes.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have significant investments, material acquisitions and disposals during the Reporting Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 31 December 2025, the Group did not have any concrete future plans for material investments or capital assets.

EVENTS AFTER THE REPORTING PERIOD

No significant events have taken place subsequent to 31 December 2025 and up to the date of this announcement.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company recognises the importance of corporate transparency and accountability. The Company has adopted a corporate governance code prepared based on the code provisions (the "**Code Provisions**") of the latest code on corporate governance (the "**CG Code**") as set out in Appendix C1 to the Listing Rules from time to time as the guidelines for corporate governance of the Company and has complied with the CG Code throughout the Reporting Period.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules ("**Model Code**") as its own code of conduct regarding Directors' securities transactions. Following specific enquiry by the Company, all of the Directors have confirmed that they have fully complied with the Model Code for the Reporting Period.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") comprises two independent non-executive Directors, namely, Mr. Yip Tai Him (chairman of the Audit Committee) and Mr. Liu Xin, and one non-executive Director, Ms. Yu Dan. The Audit Committee has reviewed and discussed with management the accounting standards and practices adopted by the Group, risk and internal controls and financial reporting matters and has reviewed the consolidated financial informations for FY2025 as set out in this announcement.

SCOPE OF WORK OF ERNST & YOUNG

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 FY2025 as set out in this preliminary announcement have been agreed by the Group's auditor, Ernst & Young, to the amounts set out in the Group's consolidated financial informations for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary announcement.

ANNUAL GENERAL MEETING

The date of the annual general meeting of the Company (the "**AGM**") will be announced in due course. Shareholders of the Company should refer to details regarding the AGM in the circular of the Company, the notice of AGM and form of proxy accompanying thereto to be dispatched by the Company.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the website of the Company at *www.zhongchangintl.hk* and the website of the Hong Kong Exchanges and Clearing Limited at *www.hkexnews.hk*. The annual report will be despatched to the shareholders of the Company upon their request and will be available on the above websites in due course.

APPRECIATION

Finally, we would like to take this opportunity to thank the Group's shareholders and business partners for their support and encouragement to the Group during the past year. We would also like to thank our Directors and all staff member of the Group for their hard work and contribution to the Group.

By order of the Board
Zhongchang International Holdings Group Limited
Chen Zhiwei
Chairman and Executive director

Hong Kong, 27 March 2026

As at the date of this announcement, the Board comprises Mr. Chen Zhiwei (Chairman), Ms. Ku Ka Lee and Mr. Wu Hao as executive directors; Mr. Wu Jun, Mr. Wong Chi Keung, Kenjie and Ms. Yu Dan as non-executive directors; and Mr. Liew Fui Kiang, Mr. Liu Xin and Mr. Yip Tai Him as independent non-executive directors.