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INTERNATIONAL BUSINESS SETTLEMENT HOLDINGS LIMITED

國際商業結算控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00147)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2026

The board of directors (the “Board” or the “Directors”) of International Business Settlement Holdings Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2026 (the “current year”), together with the comparative figures for the year ended 31 March 2025, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

	<i>Notes</i>	2026 HK\$'000	2025 HK\$'000
Revenue	3	216,242	186,195
Cost of sales and services		<u>(254,778)</u>	<u>(217,426)</u>
Gross loss		(38,536)	(31,231)
Other income, gains and losses	5	35,166	13,232
Administrative and other expenses		(52,717)	(22,338)
Share-based payment expense	6	(136,248)	–
Share of losses of an associate		(17,126)	(3,974)
Impairment loss of digital assets		(49,339)	–
Impairment loss of property, plant and equipment		(32,277)	(70,600)
Impairment loss of properties held for sale		(27,334)	(51,851)
Impairment loss of trade and other receivables		(363)	(148,426)
Finance costs	7	<u>(23,760)</u>	<u>(56,223)</u>
Loss before taxation		(342,534)	(371,411)
Income tax expenses	8	<u>(13,236)</u>	<u>(15,940)</u>
Loss for the year	9	<u>(355,770)</u>	<u>(387,351)</u>

	2026	2025
Note	HK\$'000	HK\$'000
Other comprehensive (expense) income for the year		
<i>Items that may be reclassified subsequently to profit or loss:</i>		
Share of other comprehensive income (expense) of an associate	5,429	(608)
Exchange differences arising on translation of financial statements of foreign operations	<u>(19,669)</u>	<u>1,798</u>
Other comprehensive (expense) income for the year, net of income tax	<u>(14,240)</u>	<u>1,190</u>
Total comprehensive expense for the year	<u>(370,010)</u>	<u>(386,161)</u>
Loss for the year attributable to:		
– Owners of the Company	(295,089)	(228,747)
– Non-controlling interests	<u>(60,681)</u>	<u>(158,604)</u>
	<u>(355,770)</u>	<u>(387,351)</u>
Total comprehensive expense for the year attributable to:		
– Owners of the Company	(305,487)	(227,875)
– Non-controlling interests	<u>(64,523)</u>	<u>(158,286)</u>
	<u>(370,010)</u>	<u>(386,161)</u>
Loss per share		
Basic and diluted (HK cents)	10 <u>(1.36)</u>	<u>(1.13)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	<i>Notes</i>	2026 HK\$'000	2025 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		179,739	178,737
Goodwill		–	2,228
Interest in an associate		92,054	103,751
Deferred tax assets		52,663	61,599
Amount due from an associate		34,001	31,744
		<u>358,457</u>	<u>378,059</u>
Current assets			
Digital assets	<i>11</i>	122,483	–
Loan receivables	<i>12</i>	–	–
Properties held for sale	<i>13</i>	756,348	809,717
Trade and other receivables	<i>14</i>	178,502	41,933
Factoring receivables	<i>15</i>	–	–
Derivative financial asset		436	–
Restricted bank deposits		686	648
Bank balances and cash		519,071	315,413
		<u>1,577,526</u>	<u>1,167,711</u>
Current liabilities			
Trade and other payables	<i>16</i>	576,906	751,459
Borrowings	<i>17</i>	162,166	531,038
Amounts due to non-controlling interests		84,142	51,254
Amount due to ultimate holding company		1,599	1,612
Income tax liabilities		33,539	31,706
Contract liabilities	<i>18</i>	1,990	5,956
Lease liabilities		486	2,864
		<u>860,828</u>	<u>1,375,889</u>
Net current assets (liabilities)		<u>716,698</u>	<u>(208,178)</u>
Total assets less current liabilities		<u>1,075,155</u>	<u>169,881</u>

	<i>Note</i>	2026 HK\$'000	2025 HK\$'000
Non-current liabilities			
Borrowings	<i>17</i>	638,703	–
Lease liabilities		<u>–</u>	<u>486</u>
		638,703	486
Net assets		<u>436,452</u>	<u>169,395</u>
Capital and reserves			
Share capital		23,101	20,319
Reserves		<u>611,457</u>	<u>282,659</u>
Equity attributable to owners of the Company		634,558	302,978
Non-controlling interests		<u>(198,106)</u>	<u>(133,583)</u>
Total equity		<u>436,452</u>	<u>169,395</u>

1. GENERAL INFORMATION AND BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

International Business Settlement Holdings Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The immediate and ultimate holding company is Long Grand Limited, a company incorporated in the British Virgin Islands, which is wholly owned by Mr. Yam Yu. Its registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business is at Unit 3103, 31/F, Sino Plaza, 255-257 Gloucester Road, Causeway Bay, Hong Kong. The Company is an investment holding company.

The Company and its subsidiaries (collectively referred to as the “Group”) are principally engaged in the property development, hotel business, property management, computer equipment business and cryptocurrency-related business. Except for cryptocurrency-related business, all activities are mainly carried out in the People’s Republic of China (the “PRC”).

The consolidated annual results set out in this announcement do not constitute the Group’s consolidated financial statements for the year ended 31 March 2026 but are extracted from these consolidated financial statements.

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

2. ADOPTION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

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

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard issued by the HKICPA for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	<i>Lack of Exchangeability</i>
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The application of the amendments to an HKFRS Accounting Standard in the current year has no material impact on the Group’s performance and positions 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:

Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> ²
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> ²
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ¹
Amendments to HKAS 21	<i>Translation to a Hyperinflationary Presentation Currency</i> ³
Amendments to HKFRS Accounting Standards	<i>Annual Improvements to HKFRS Accounting Standards – Volume 11</i> ²
HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i> ³

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 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to HKFRS Accounting Standards 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.

Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments

The amendments to HKFRS 9 clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met.

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term “non-recourse” is enhanced and the characteristics of “contractually linked instruments” are clarified in the amendments.

The disclosure requirements in HKFRS 7 “Financial Instruments: Disclosures” in respect of investments in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The amendments are required to be applied retrospectively, with specific exceptions. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 “Presentation of Financial Statements”. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” (the title of which will be changed to “Basic of Preparation of Financial Statements” upon effective of HKFRS 18) and HKFRS 7. Minor amendments to HKAS 7 “Statement of Cash Flows” and HKAS 33 “Earnings per Share” are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

3. REVENUE

The principal activities of the Group are (1) property development; (2) hotel business; (3) property management; (4) computer equipment business and (5) cryptocurrency-related business. Further details regarding the Group's principal activities are disclosed in note 4.

During the year ended 31 March 2026, the Group commenced a new business segment focused on cryptocurrency-related activities. During the year ended 31 March 2025, the Group acquired the property management segment.

An analysis of the Group's revenue for the both years is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Revenue from contracts with customers		
Sales of properties	<u>80,165</u>	<u>78,233</u>
Provision of property management services	<u>58,630</u>	<u>1,100</u>
Cryptocurrency-related business	<u>77,447</u>	<u>–</u>
Revenue from computer equipment business		
– Data storage business	–	75,780
– Trading of computer equipment	<u>–</u>	<u>31,082</u>
	<u>–</u>	<u>106,862</u>
	<u>216,242</u>	<u>186,195</u>
Timing of revenue recognition		
Goods transferred at a point in time	157,612	109,315
Services transferred over time	<u>58,630</u>	<u>76,880</u>
	<u>216,242</u>	<u>186,195</u>

4. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by different business lines. In a manner consistent with the way in which information is reported internally to the Group's executive directors, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and performance assessment, the Group has identified the following reportable segments.

Property development	Developing and selling of commercial and residential properties and car parking spaces, including undertaking of primary land development activities, in the PRC.
Hotel business	Hotel development and provision of hotel management services in the PRC.
Property management	Provision of property management services in the PRC.
Computer equipment business	Trading of computer equipment and related parts (2025: provision of encrypted distributed storage space in Hong Kong through leasing of servers and rendering ancillary services and trading of computer equipment).
Cryptocurrency-related business	Engaging in cryptocurrency mining through high-performance computing equipment and cloud mining services.

Following the newly setup segment of cryptocurrency-related business in the current reporting period and the newly acquired property management segment during the year ended 31 March 2025, the CODM considered that the property development segment, hotel business segment, property management segment, computer equipment business segment and cryptocurrency-related business segment are the main businesses lines and reportable operating segments of the Group.

For all revenue from contracts with customers within the scope of HKFRS 15, the Group has applied the practical expedient in paragraph 121 of HKFRS 15 as the original expected duration of these contracts is one year or less. Consequently, information about remaining performance obligations is not disclosed.

(a) Segment revenue and results

For the year ended 31 March 2026

	Property development <i>HK\$'000</i>	Hotel business <i>HK\$'000</i>	Property management <i>HK\$'000</i>	Computer equipment business <i>HK\$'000</i>	Cryptocurrency- related business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue						
External sales and segment revenue	<u>80,165</u>	<u>-</u>	<u>58,630</u>	<u>-</u>	<u>77,447</u>	<u>216,242</u>
Segment loss	(52,070)	-	(5,945)	(4,602)	(94,891)	(157,508)
Unallocated corporate expense, net						(57,263)
Share-based payment expense						(136,248)
Unallocated bank interest income						<u>8,485</u>
Loss before taxation						<u>(342,534)</u>

For the year ended 31 March 2025

	Property development <i>HK\$'000</i>	Hotel business <i>HK\$'000</i>	Property management <i>HK\$'000</i>	Computer equipment business <i>HK\$'000</i>	Total <i>HK\$'000</i>
Revenue					
External sales and segment revenue	<u>78,233</u>	<u>-</u>	<u>1,100</u>	<u>106,862</u>	<u>186,195</u>
Segment loss	(130,114)	-	(194)	(227,471)	(357,779)
Unallocated corporate expense, net					(25,859)
Unallocated bank interest income					<u>12,227</u>
Loss before taxation					<u>(371,411)</u>

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies.

Segment results represent the results from each segment without allocation of central administration costs including directors' emoluments, unallocated other income, and unallocated other gains and losses. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

(b) Segment assets and liabilities

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Segment assets		
Property development	826,036	835,441
Hotel business	137,564	180,696
Property management	9,260	6,780
Computer equipment business	53,893	50,800
Cryptocurrency-related business	243,077	–
	<u>1,269,830</u>	<u>1,073,717</u>
Total segment assets		
Unallocated assets		
Unallocated bank balances and cash	517,025	312,610
Other assets	149,128	159,443
	<u>666,153</u>	<u>472,053</u>
Total unallocated assets		
Consolidated total assets	<u>1,935,983</u>	<u>1,545,770</u>
Segment liabilities		
Property development	(1,193,217)	(1,181,795)
Hotel business	(131,721)	(124,521)
Property management	(10,298)	(6,944)
Computer equipment business	(54,600)	(4,928)
Cryptocurrency-related business	(35,066)	–
	<u>(1,424,902)</u>	<u>(1,318,188)</u>
Total segment liabilities		
Unallocated liabilities		
Other liabilities	(74,629)	(58,187)
	<u>(74,629)</u>	<u>(58,187)</u>
Consolidated total liabilities	<u>(1,499,531)</u>	<u>(1,376,375)</u>

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments other than bank balances and cash, assets not attributable to respective segments; and
- all liabilities are allocated to operating segments other than liabilities not attributable to respective segments.

(c) Other segment information

(i) Amounts included in the measure of segment profit or loss or segment assets:

For the year ended 31 March 2026

	Property development HK\$'000	Hotel business HK\$'000	Property management HK\$'000	Computer equipment business HK\$'000	Cryptocurrency- related business HK\$'000	Reportable segments' total HK\$'000	Unallocated HK\$'000	Total HK\$'000
Additions to non-current assets (<i>Note</i>)	-	-	160	-	69,266	69,426	686	70,112
Depreciation of property, plant and equipment	(72)	-	(12)	(34,941)	(7,173)	(42,198)	(2,372)	(44,570)
Reversal of impairment loss (impairment loss) of trade and other receivables	38	-	(787)	2,913	(2,437)	(273)	(90)	(363)
Impairment loss of property, plant and equipment	-	(10,744)	-	-	(21,533)	(32,277)	-	(32,277)
Impairment loss of properties held for sale	(27,334)	-	-	-	-	(27,334)	-	(27,334)
Impairment loss of digital assets	-	-	-	-	(49,339)	(49,339)	-	(49,339)
Impairment loss of goodwill	-	-	(2,370)	-	-	(2,370)	-	(2,370)
Fair value loss on derivative financial asset	-	-	-	-	(15,160)	(15,160)	-	(15,160)
Gain on disposal of property, plant and equipment	-	-	-	42,850	-	42,850	-	42,850
Loss on write-off of property, plant and equipment	-	-	(74)	-	-	(74)	-	(74)
Finance costs	(22,934)	-	-	-	-	(22,934)	(826)	(23,760)
Income tax expenses	(743)	-	(437)	(12,056)	-	(13,236)	-	(13,236)

For the year ended 31 March 2025

	Property development HK\$'000	Hotel business HK\$'000	Property management HK\$'000	Computer equipment business HK\$'000	Financing business HK\$'000	Reportable segments' total HK\$'000	Unallocated HK\$'000	Total HK\$'000
Additions to non-current assets (<i>Note</i>)	-	-	-	-	-	-	5,063	5,063
Depreciation of property, plant and equipment	(96)	-	(1)	(106,260)	-	(106,357)	(2,317)	(108,674)
Impairment loss of trade and other receivables	(446)	-	(399)	(146,204)	-	(147,049)	(1,377)	(148,426)
Reversal of impairment loss of amount due from an associate	-	-	-	-	-	-	13	13
Impairment loss of property, plant and equipment	-	(39,332)	-	(31,268)	-	(70,600)	-	(70,600)
Impairment loss of properties held for sale	(51,851)	-	-	-	-	(51,851)	-	(51,851)
Finance costs	(55,044)	-	(3)	-	-	(55,047)	(1,176)	(56,223)
Income tax expenses	(6,636)	-	-	(9,304)	-	(15,940)	-	(15,940)

Note: Non-current assets excluded financial instruments and deferred tax assets.

(ii) **Information about geographical areas**

The following table provides an analysis of the Group's revenue from external customers and non-current assets other than interest in an associate, amount due from an associate and deferred tax assets ("Specified non-current assets").

	Revenue from external customers		Specified non-current assets	
	(by customer location)		(by physical location)	
	2026	2025	2026	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	–	106,862	1,080	37,708
Chinese Mainland (domicile)	138,795	79,333	138,099	143,257
Other countries/regions	77,447	–	40,560	–
	<u>216,242</u>	<u>186,195</u>	<u>179,739</u>	<u>180,965</u>

(iii) **Information about major customers**

Revenue from one customer (2025: one customer) of the Group's property development segment accounted to approximately HK\$42,567,000 (2025: HK\$56,880,000), which represent 10% or more of the Group's revenue.

5. **OTHER INCOME, GAINS AND LOSSES**

	2026	2025
	HK\$'000	HK\$'000
Bank interest income	8,627	12,354
Loan interest income from an associate	894	881
Fair value loss on derivative financial asset	(15,160)	–
Exchange gain (loss), net	99	(16)
Reversal of impairment loss on amount due from an associate	–	13
Gain on disposal of property, plant and equipment	42,850	–
Loss on write-off of property, plant and equipment	(74)	–
Impairment loss on goodwill	(2,370)	–
Others	300	–
	<u>35,166</u>	<u>13,232</u>

6. SHARE-BASED PAYMENT EXPENSE

Details of share options granted by the Group under Share Option Scheme adopted in 2023:

Grant Date	Number of share option granted '000	Vesting period	Expiry date	Exercise price HK\$	Fair value of option at grant date HK\$
15 October 2025	2,000,000	15 October 2025 to 14 October 2026	14 October 2035	0.274	0.149

The Group recognised a total share-based payment expense of approximately HK\$136,248,000 for the year ended 31 March 2026 (2025: Nil) in relation to the share options granted by the Company. This expense was apportioned based on the period from the date of grant to the end of the financial year.

7. FINANCE COSTS

	2026 HK\$'000	2025 HK\$'000
Interest on		
– borrowings	23,594	55,691
– lease liabilities	166	532
	<u>23,760</u>	<u>56,223</u>

There were no borrowing cost capitalised during the year ended 31 March 2026 (2025: Nil).

8. INCOME TAX EXPENSES

	2026 HK\$'000	2025 HK\$'000
Current tax in the PRC		
Enterprise Income Tax (“EIT”)	437	–
Land Appreciation Tax (“LAT”)	991	8,848
Deferred tax	11,808	7,092
	<u>13,236</u>	<u>15,940</u>

No provision for Hong Kong Profits Tax is made in the consolidated financial statements as the Group does not derive assessable profits from Hong Kong for both years.

The PRC EIT is calculated on the applicable tax rate on assessable profits, if applicable. The applicable EIT rate for the Group’s PRC subsidiaries during the year ended 31 March 2026 is 25% (2025: 25%).

The Group is required to repay LAT and EIT in accordance with the relevant PRC tax rules in respect of pre-sale of property development projects. As at 31 March 2026, no prepaid LAT and EIT in respect of contract liabilities (2025: Nil).

9. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Directors' emoluments	3,178	3,178
Other staff salaries, wages and allowances	40,353	10,821
Other staff retirement scheme contributions	6,187	322
	<u>49,718</u>	<u>14,321</u>
Total staff costs	<u>49,718</u>	<u>14,321</u>
Cost of inventories recognised as expenses	69,774	60,340
Auditor's remuneration	2,000	1,800
Depreciation of property, plant and equipment	44,570	108,674
	<u>44,570</u>	<u>108,674</u>

10. LOSS PER SHARE

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

	2026	2025
Loss (in HK\$'000)		
Loss for the year attributable to owners of the Company for the purposes of basic loss per share	<u>(295,089)</u>	<u>(228,747)</u>
	2026	2025
Number of shares		
Weighted average number of ordinary shares in issue	<u>21,706,425,909</u>	<u>20,319,072,320</u>
	2026	2025
Basic loss per share (HK cents)	<u>(1.36)</u>	<u>(1.13)</u>

Diluted loss per share is the same as the basic loss per share as there were no dilutive potential ordinary shares in issue for both years.

The computation of diluted loss per share did not assume the exercise of the Company's outstanding share options granted during the year as the exercise prices of the share options were higher than the average market price of the Company's shares for the year ended 31 March 2026.

11. DIGITAL ASSETS

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Digital assets:		
Held in own wallets of the Group	<u>122,483</u>	<u>–</u>
Represented by:		
Bitcoin	<u>122,483</u>	<u>–</u>

Digital assets mainly represent cryptocurrencies held in a third party's digital assets trading platform (connect to the internet).

Digital asset is held mainly for the purposes of trading in the ordinary course of the Group.

Digital asset is stated at the lower of cost and net realizable value. Net realizable value represents the bitcoin market price as at 31 March 2026 which is equivalent to the HKEX Bitcoin Reference rate. For the year ended 31 March 2026, impairment loss of approximately HK\$49,339,000 has been recognised for the digital assets.

12. LOAN RECEIVABLES

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Loan receivables	131,840	124,633
Interest receivables	<u>6,891</u>	<u>6,515</u>
	138,731	131,148
Less: Loss allowance (<i>Note (b)</i>)		
Stage 3	<u>(138,731)</u>	<u>(131,148)</u>
Carrying amount of loan receivables	<u>–</u>	<u>–</u>

As at 31 March 2026 and 2025, all loan receivables were secured by collaterals.

The customers are obliged to settle the amounts according to the terms set out in relevant contracts. Interest rates are offered based on the assessment of a number of factors including the borrowers' creditworthiness and repayment ability, collaterals as well as the general economic trends. The Group's loan principals charged interests at rate approximately 6% to 15% (2025: 6% to 15%) per annum.

The Group's management considers that the fair values of loan receivables are not materially different from their carrying amounts.

(a) Ageing analysis

Ageing analysis of loan receivables based on the loan drawdown date and before loss allowance, at the end of reporting period is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Over 5 years	<u>138,731</u>	<u>131,148</u>

Ageing analysis of loan receivables based on the due date and before loss allowance, at the end of the reporting period is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Over 5 years	<u>138,731</u>	<u>131,148</u>

(b) Movement in impairment losses

Loss allowance for loan receivables during the year was recognised as follows:

	Stage 3 Lifetime ECL credit impaired <i>HK\$'000</i>
At 1 April 2024	131,919
Exchange adjustments	<u>(771)</u>
At 31 March 2025 and 1 April 2025	131,148
Exchange adjustments	<u>7,583</u>
At 31 March 2026	<u>138,731</u>

For the year ended 31 March 2026 and 2025, no increase of loss allowance was charged to profit or loss as an impairment.

The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

13. PROPERTIES HELD FOR SALE

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Completed properties held for sale	<u>756,348</u>	<u>809,717</u>

The management of the Group had engaged an independent qualified professional valuer to carry out valuation on the properties held for sale by market comparison approach. An impairment loss on completed properties held for sale of HK\$27,334,000 has been recognised for the year ended 31 March 2026 (2025: HK\$51,851,000).

14. TRADE AND OTHER RECEIVABLES

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Trade receivables	144,399	146,611
Less: Loss allowance	<u>(143,636)</u>	<u>(146,383)</u>
	<u>763</u>	<u>228</u>
Prepayments	<u>80,772</u>	<u>2,589</u>
Other receivables		
Other deposits (<i>Note (i)</i>)	62,817	9,232
Other receivables (<i>Note (ii)</i>)	<u>43,386</u>	<u>35,907</u>
	106,203	45,139
Less: Loss allowance	<u>(9,236)</u>	<u>(6,023)</u>
	<u>96,967</u>	<u>39,116</u>
	<u>178,502</u>	<u>41,933</u>

Note:

- (i) Included in other deposits are refundable IC chips deposits, tender deposits and project deposits.
- (ii) Included in other receivables are consideration receivables related to the disposal of a subsidiary in 2024, advances to staff and recoverable project costs.

The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

(a) Ageing analysis

The ageing analysis of trade receivables after loss allowance of the Group, presented based on the date of delivery of services to the customers, at the end of the reporting period is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
0-90 days	744	–
1-2 years	19	228
	<u>763</u>	<u>228</u>

(b) Movement in impairment losses of trade receivables

Movement in loss allowance of trade receivables of the Group during the year are as follows:

	Year ended 31 March	
	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Beginning of the year	146,383	320
(Reversal of impairment loss) impairment loss charged to profit or loss	<u>(2,747)</u>	<u>146,063</u>
End of the year	<u>143,636</u>	<u>146,383</u>

(c) Movement in loss allowance of other receivables of the Group during the year are as follows:

	Year ended 31 March	
	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Beginning of the year	6,023	3,661
Impairment loss charged to profit or loss	3,110	2,363
Exchange adjustments	<u>103</u>	<u>(1)</u>
End of the year	<u>9,236</u>	<u>6,023</u>

The balances of other deposits and other receivables are not past due. The Group's management considers that the credit risk associated with these receivables is minimal but a general provision for impairment loss is provided for as in the aforesaid.

15. FACTORING RECEIVABLES

	2026	2025
	HK\$'000	HK\$'000
Factoring receivables	65,789	62,193
Interest receivables	2,363	2,233
	<u>68,152</u>	<u>64,426</u>
<i>Less: Loss allowance (Note (b))</i>		
Stage 3	<u>(68,152)</u>	<u>(64,426)</u>
Current portion included under current assets	<u><u>–</u></u>	<u><u>–</u></u>

As at 31 March 2026 and 2025, all factoring receivables were secured by accounts receivable of the debtors with interest rate of 6.5% (2025: 6.5%). The Group has recourse right on the debts in the event of default. However, the collaterals are not permitted to be sold or re-pledged by the Group.

(a) Ageing analysis

Ageing analysis of factoring receivables based on the loan drawdown date and before loss allowance at the end of reporting period is as follows:

	2026	2025
	HK\$'000	HK\$'000
Over 5 years	<u><u>68,152</u></u>	<u><u>64,426</u></u>

Ageing analysis of factoring receivables based on the due date and before loss allowance, at the end of the reporting period is as follows:

	2026	2025
	HK\$'000	HK\$'000
Over 5 years	<u><u>68,152</u></u>	<u><u>64,426</u></u>

(b) **Movement in impairment losses**

Loss allowance for factoring receivables during the year was recognised as follows:

	Stage 3 Lifetime ECL credit impaired HK\$'000
At 1 April 2024	64,806
Exchange adjustments	<u>(380)</u>
At 31 March 2025 and 1 April 2025	64,426
Exchange adjustments	<u>3,726</u>
At 31 March 2026	<u><u>68,152</u></u>

The Group's formal credit policy in place is to monitor the Group's exposure to credit risk through regular reviews of receivables and follow-up actions taken on overdue accounts. Credit evaluations are performed on all customers requiring credit over a certain amount.

16. TRADE AND OTHER PAYABLES

	2026 HK\$'000	2025 HK\$'000
Trade payables (<i>Note</i>)	5,298	5,266
Accrued construction costs to contractors	111,354	154,933
Interest payables	66,155	290,079
Other payables	162,394	83,079
Other tax payables	<u>231,705</u>	<u>218,102</u>
	<u><u>576,906</u></u>	<u><u>751,459</u></u>

Note:

The following is an ageing analysis of the Group's trade payables, presented based on the date of materials and services received, at the end of the reporting period:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
0 – 90 days	5,289	5,258
Over 365 days	9	8
	<u>5,298</u>	<u>5,266</u>

17. BORROWINGS

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Borrowings, secured (<i>Note (a)</i>)	131,721	124,521
Borrowings, unsecured (<i>Note (b)</i>)	669,148	406,517
	<u>800,869</u>	<u>531,038</u>
Carrying amount of borrowings repayable:		
Within 1 year	162,166	531,038
More than 2 years, but not exceeding 5 years	638,703	–
	<u>800,869</u>	<u>531,038</u>
Less: amounts shown under current liabilities	<u>(162,166)</u>	<u>(531,038)</u>
Amounts shown under non-current liabilities	<u>638,703</u>	<u>–</u>

All borrowings were denominated in RMB during both years. The ranges of effective interest rates on the Group's borrowings are as follows:

	2026	2025
Effective interest rates	<u>3% – 18%</u>	<u>3% – 18%</u>

Notes:

- (a) The followings show the carrying amounts of assets pledged to secure the borrowings provided to the Group:

	Carrying amounts of assets pledged <i>HK\$'000</i>
At 31 March 2026	
Property, plant and equipment	<u>69,358</u>
At 31 March 2025	
Property, plant and equipment	<u>65,567</u>

As at 31 March 2026, hotel rooms under construction in progress (included in property, plant and equipment) of HK\$69,358,000 (2025: HK\$65,567,000) are pledged as security for one of the Group's borrowings of HK\$131,721,000 (2025: HK\$124,521,000) at a fixed rate of 6.5% per annum.

- (b) As at 31 March 2026, the Group's unsecured borrowings represent:
- (i) Unsecured borrowings of HK\$7,759,000 (2025: HK\$7,335,000) provided by independent third parties with interest at a fixed rate of 18% per annum;
 - (ii) Unsecured borrowings of HK\$22,686,000 (2025: HK\$21,446,000) provided by Radiant Path Global Limited, a related party of non-controlling owner of the Company's subsidiary with interest at a fixed rate of 3% per annum; and
 - (iii) Unsecured borrowings of HK\$377,736,000 provided by 廣西正和實業集團有限公司 (Guangxi Zhenghe Industrial Co., Ltd*), the former related party of Liuzhou Zhenghe, with interest at a fixed rate of 12% per annum for the year ended 31 March 2025. During the year ended 31 March 2026, the borrowing, together with the related interest payable, amounting to HK\$638,703,000, was transferred by 廣西正和實業集團有限公司 to 福州良食投資有限公司, an independent third party.

Following negotiations between the new lender and the Group, the borrowing was restructured into a three-year loan bearing a lower interest at a five-year or above Loan Prime Rate published by the National Interbank Funding Centre.

18. CONTRACT LIABILITIES

Considerations in respect of properties sold are received in accordance with the terms of the related sales and purchase agreements. Part of the consideration are received on or before the date of delivery of the properties to customers which is recorded as contract liabilities.

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Contract liabilities arising from property development business	<u>1,990</u>	<u>5,956</u>
	Year ended 31 March	
	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Beginning of the year	5,956	84,254
Revenue recognised for the balances included in the contract liabilities at the beginning of the year	(4,047)	(78,233)
Exchange adjustments	<u>81</u>	<u>(65)</u>
End of the year	<u>1,990</u>	<u>5,956</u>

As at 31 March 2026 and 2025, the amount of sales deposits received expected to be recognised as revenue after one year is nil.

19. CONTINGENT LIABILITIES

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Guarantees given to banks for mortgage facilities granted to purchasers of the Group's properties	<u>475,701</u>	<u>449,670</u>

The Group had provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchaser to banks, the Group is then entitled to take over the legal title of the related properties. The guarantee period commences from the dates of grant of the relevant mortgage loans and ends after the buyer obtained the individual property ownership certificate.

The Group's management, with its assessment of the current and outlook of the market, perceives that the possibility of default in mortgage loans by home buyers is remote and, in the event of default, the liabilities caused to the Group will be minimal as the loss will be adequately mitigated by the proceeds recovered from the sales of the repossessed properties. Accordingly, no provision is made in the accounts for the guarantees.

FINAL DIVIDEND

The Board does not recommend the payment of a dividend for the year ended 31 March 2026 (2025: nil).

OVERALL RESULTS

Key performance indicator (Financial Ratio)

	<i>Notes</i>	Year ended 31 March	
		2026	2025
Revenue (<i>HK\$'000</i>)		216,242	186,195
Gross loss (<i>HK\$'000</i>)		(38,536)	(31,231)
Gross loss margin (%)	<i>(i)</i>	(17.8%)	(16.8%)
Loss for the year (<i>HK\$'000</i>)		(355,770)	(387,351)
Loss per share (<i>HK cent</i>)		(1.36)	(1.13)
Net asset value per share (<i>HK cents</i>)	<i>(ii)</i>	1.89	0.83

Notes:

- (i) Gross loss margin is calculated as gross loss divided by revenue and multiplying the resulting value by 100%.
- (ii) Net asset value per share is calculated based on the number of 23,101,402,320 ordinary shares issued as at 31 March 2026 (2025: 20,319,072,320 ordinary shares).

The Group's revenue for the current year is approximately HK\$216,242,000, compared to HK\$186,195,000 in 2025, represented an increase of 16.1%. The Group recorded an overall gross loss of approximately HK\$38,536,000 for the current year (2025: HK\$31,231,000). The gross loss was attributable to the sale of remaining properties at low gross margins, as well as the decline in Bitcoin prices during current year, which negatively impacted the performance of the Group's the cryptocurrency-related business.

The Group recorded a loss of approximately HK\$355,770,000 for the current year (2025: HK\$387,351,000). The loss was primarily attributable to: (i) share based payment expenses of HK\$136,248,000 recognised during the year, apportioned from the granting of share options to Directors and staff of the Group on 15 October 2025; (ii) an impairment loss of HK\$49,339,000 on Bitcoin digital assets held and an impairment loss of HK\$21,533,000 on Bitcoin mining servers were recognised during the current year, primarily driven by the decline in Bitcoin prices; and (iii) impairment losses on construction in progress included in property, plant and equipment, and on properties held for sale, amounting to HK\$10,744,000 and HK\$27,334,000 respectively.

The basic and diluted loss per share was approximately HK\$1.36 cents for the current year (2025: HK\$1.13 cents).

REVIEW OF OPERATIONS AND PROSPECT

Cryptocurrency-related Business

The Group believes that the emerging Fintech industry is one of the innovative factors that will improve the delivery of global financial services in the future. The Group continues to explore various opportunities in the Fintech sector, including, but not limited to, Fintech-related upstream and downstream services, as well as infrastructure projects connected to Fintech. In line with this development strategy, on 8 August 2025, the Company announced the formation of a joint venture company to develop its cryptocurrency business. The Group may generate revenue and profits by various strategies, including mining of cryptocurrency, selling mined coins on exchanges from time to time depending on market conditions, renting out hash power through joining mining pools, and reselling mining hardware.

During the current year, the Group primarily conducts cryptocurrency mining for the Group's own account for investment and capital appreciation purposes, through (i) its own mining operation using its self-owned supercomputing server and (ii) third-party cloud mining service provider.

Self-owned supercomputing servers

As the first major step in this development, on 19 September 2025 the Group entered into agreements to acquire 1,863 high-performance HASH supercomputing servers from Bitmain group, a provider of cryptocurrency mining hardware and hosting solutions. Each server has a minimum hash rate of 358T and a power consumption of 5,370W, representing a meaningful investment to strengthen the Group's mining capacity and efficiency. The aggregate purchase price was approximately US\$10.9 million, equivalent to approximately HK\$84.9 million. The consideration may be settled in cash, Bitcoin pledge, or a combination of both.

The Group elected to settle the acquisition by way of Bitcoin pledge. Under this arrangement, the Group purchased Bitcoin from the open market and transferred 89.16 units of Bitcoins to Bitmain group as payment, while retaining the right to redeem an equivalent amount of Bitcoin at the same reference price of US\$112,207.8 per unit of Bitcoin in September 2026. The Group considers Bitcoin to be a store of value with long-term potential, supported by open-source architecture and Bitcoin pledge arrangement can let the Group to enjoy the possibility of value preservation and appreciation of Bitcoins over time.

The Group has also entered into managed hosting service framework agreements with Bitmain group, who provides hosting and maintenance services for holding the servers at their data centre facilities in the United States and Paraguay, for monthly service charge calculated by reference to the applicable rate and the actual electricity consumption used. The hosting and maintenance services to be provided by Bitmain group include the provision of physical space with controlled environment, sufficient server rooms, server positions, racks, power load and facilities, network facilities, heat dissipation equipment, dust prevention equipment, security monitoring and other facilities which are required for the operation under normal conditions. By partnering with the equipment manufacturer's own service subsidiaries, the Group ensures its significant capital investment in hardware is effectively supported by the most qualified technical expertise. This model guarantees that the cryptocurrency mining solutions are hosted in professionally managed, high-uptime data centres with optimal power infrastructure, cooling systems, and physical security.

The Group holds legal title and ownership of these servers, which are recognised as fixed assets. Throughout their estimated useful life of approximately five years, these servers function as revenue-generating units, enabling the Group to operate them for cryptocurrency mining and generate revenue in the coming five years. Up to 31 March 2026, 51.6 units of Bitcoins has been mined by our self-own supercomputing servers.

Third-party cloud mining services

The Group further broadened its mining strategy by introducing cloud mining. This approach offers greater flexibility by reducing the need for large upfront investments in hardware, facilities and maintenance, while shifting a substantial portion of the costs into operating expenses. It also helps limit exposure to issues such as equipment failure, energy management and technical maintenance, while allowing the Group to scale its operations more efficiently in response to market conditions.

On 10 November 2025, the Group entered into an initial Cloud Hashrate Service Agreement with Sharpening Technology Limited, a wholly-owned subsidiary of Bitdeer Technologies Group which is listed on NASDAQ (ticker: BTDR) and is a world-leading digital-asset mining company renowned for large-scale Bitcoin mining operations, cloud-mining services and proprietary mining hardware. Pursuant to the Cloud Hashrate Service Agreement, the Group procured target a hashrate of 1 EH/s cloud mining services for a term of 365 days for a consideration of US\$15.0 million (equivalent to approximately HK\$117.0 million) worth of Bitcoins.

The Group purchased Bitcoins from the open market and transferred 146.7 units of Bitcoins to Sharpening Technology Limited for the aforesaid cloud mining services. It is expected that the Group will receive a return of 155 units of Bitcoin over the term of the Cloud Hashrate Service Agreement, representing a rate of return of approximately 5.7% based on number of units. Such rate of return is not a capped return. Depending on the network difficulty level that adjusts from time to time, the actual return from cloud mining could be higher.

Up to 31 March 2026, 65.9 units of Bitcoins has been mined from the cloud mining services.

For the year under review, the Group successfully mined approximately 117.5 Bitcoins in total from the self-owned supercomputing servers and cloud mining services. The revenue recognised from the mining activities is approximately HK\$77,447,000, based on the spot rate on the mining date. The segment recorded a loss of approximately HK\$94,891,000, primarily due to the decrease in the fair value of Bitcoin of HK\$49,339,000 as at year end, representing the difference between the fair value of Bitcoin at year end and the spot rate on the mining date, together with salary expenses and hosting charges relating to the mining equipment.

Apart from mining through its own operating supercomputing servers and third-party cloud mining services, the Group also acquire Bitcoins from open market during the year. In addition to Bitcoins mined during the year, the number of Bitcoins held by the Group as at 31 March 2026 is 234.1 units and they are accounted for as inventory of the Group. Although the value of Bitcoin dropped recently and resulted in loss, the Group believes Bitcoin has ample room for appreciation in value and remains bullish on Bitcoin prices in the coming future, considering factors such as faster pace of institutional adoption, aggressive pro-crypto policies, development of new tools and products for Bitcoin investors, and continued increasing usage of Bitcoin payments.

Due to recent macroeconomic and geopolitical conditions, there is a certain degree of uncertainty in the current investment environment, especially for cryptocurrency and in Web 3.0. The ongoing US-Iran conflict has led to significant market volatility, with Bitcoin price experiencing fluctuation. The risk of prolonged closure of the Strait of Hormuz has disrupted global supply chain and caused higher commodity prices and transportation costs, which in turn has fuelled inflationary pressures. Central banks, including the Federal Reserve, may possibly adjust interest rates in response to changing market conditions such as inflation movements. The current global instability and changing interest rate expectations present uncertainty for investment in the cryptocurrency market and Web 3.0 sectors, which historically thrive in conditions of lower interest rates and higher investor risk appetite.

In light of the significant uncertainties in the overall investment market, the Group has adopted a more conservative approach in its investment. This prudent stance ensures that any further acquisitions or investments in cryptocurrency markets and Web 3.0 sectors will only be proceeded after more careful consideration, deliberation and feasibility studies to ensure they are in the interest of the Company and its Shareholders as a whole.

Meanwhile, expansion through acquisition and investment remains an important part of the Group's development strategy. In addition to expansion in the cryptocurrency related business, the Group plans to explore new opportunities in different areas to further diversify its business and enhance long-term shareholder value. As such, the Group will continue to actively and prudently identify suitable targets for strategic acquisitions and investments in the fintech industry and/or other potential sectors subject to market conditions and trends.

Liuzhou Zhenghe (property development and hotel business segment)

Zhenghe City is a mix-used complex project located at No. 102, Xinliu Avenue, Liudong New District, Liuzhou, Guangxi Zhuang Autonomous Region, the PRC, which offers a wide range of properties, including villas, townhouses, commercial buildings, office buildings, hotels and high-rise apartments developed by 柳州正和樺桂置業集團有限公司 (Liuzhou Zhenghe Huagui Real Estate Group Company Limited*) ("Liuzhou Zhenghe").

Zhenghe City comprises two phases with Phase I providing a stack of residential and commercial properties with gross floor area of approximately 485,000 square meters. Phase II will provide another stack of residential and commercial properties with a total gross floor area of approximately 513,000 square meters. Both Phase I and Phase II have substantially completed construction and development. The Group owns 100% interest in properties held for development and properties held for sale in both Phase I and Phase II.

(a) Detailed area of the properties under development and completed properties are as follows:

	Site area <i>(sq.m)</i>	Approximate gross floor area <i>(sq.m)</i>	Saleable area remaining unsold <i>(Note 2)</i> <i>(sq.m)</i>	Properties held for self- operating/ own use <i>(sq.m)</i>
Phase I:				
Zone A	76,000	97,000	8,000	–
Zone B	94,000	130,000	9,000	–
Zone C	61,000	258,000	98,000	–
	<u>231,000</u>	<u>485,000</u>	<u>115,000</u>	<u>–</u>
Phase II:				
Zone D	71,000	191,000	44,000	–
Zone E	30,000	140,000	78,000	31,000
Zone F	41,000	182,000	31,000	–
	<u>142,000</u>	<u>513,000</u>	<u>153,000</u>	<u>31,000</u>
Total:	<u><u>373,000</u></u>	<u><u>998,000</u></u>	<u><u>268,000</u></u>	<u><u>31,000</u></u>

Note 1: The number of square meters (“sq.m”) are rounded to nearest thousand for illustrative purpose only.

Note 2: Representing saleable gross floor area of completed properties that were unsold as at 31 March 2026.

(b) The progress of each phase in Zhenghe City are shown as follows:

	Property type	Status
Phase I:		
Zone A	Villas and high-rise apartment buildings with retail outlets, farmers market and car parking spaces	The construction works were completed and most of the residential units were sold in the past financial years. Farmers market attached with a total saleable area of approximately 8,000 square meters are held for sale.
Zone B	Villas and high-rise apartment buildings with retail outlets and car parking spaces	The construction works were completed and most of the residential units were sold in the past financial years. Remaining unsold saleable area are retail outlets and car parking spaces with approximately 9,000 square meters which are held for sale.
Zone C	Residential and commercial complexes and studio/office buildings with retail outlets and car parking spaces	<p>There are 7 blocks of residential and commercial complexes and 3 blocks of studio/office buildings in this zone. The construction works of these buildings were completed.</p> <p>Most of the units were sold and approximately 15,000 square meters of unsold saleable area associated with this studio/office building remain available for sale as 31 March 2026.</p> <p>Besides, retail outlets and car parking spaces attached to other buildings with saleable area of approximately 83,000 square meters in this zone are also held for sale.</p>

	Property type	Status
Phase II:		
Zone D1	Villas	The construction works of the villas in this zone were completed and sold to the customers and revenue was recognised in the past financial years.
Zone D1	High-rise apartment buildings with retail outlets and car parking spaces	<p>There are 5 blocks of high-rise apartment buildings in this zone.</p> <p>The construction works of these 5 blocks of high-rise apartment buildings were completed and most of the units were sold in the past financial years.</p> <p>Car parking spaces and few remaining retail shops with a total saleable area of approximately 44,000 square meters in this zone are held for sale.</p>
Zone D2	Villas	The construction works of 36 villas are completed and were sold in the past financial years.
Zone E	Hotel and high-rise apartment buildings with retail outlets and car parking spaces	<p>The construction works of high-rise apartment buildings were completed and most of the units were sold in the past financial years. Retail outlets and car parking spaces attached to this apartment building with a saleable area of approximately 24,000 and 54,000 square meters respectively are held for sale.</p> <p>The substantial construction works of the hotel building were completed and the pre-sale permit was granted. The acceptance certificate of completion is expected to be obtained in due course, subject to the completion of all statutory requirements and the approval process by the relevant authorities. The Group intends to operate the hotel directly instead of holding for sale. Therefore, constructing area of approximately 31,000 square meters of the hotel building are recorded in property, plant, and equipment.</p>

	Property type	Status
Zone F	Residential and commercial complexes with retail outlets and car parking spaces	<p>There are 6 blocks of residential and commercial complexes in this zone.</p> <p>The construction works of 6 blocks of residential and commercial complexes were completed and most of the units together with the attached retail outlets were sold in the past financial years.</p> <p>Remaining unsold saleable area mainly included retail outlets and car parking spaces attached to this complex with a saleable area of approximately 4,000 and 27,000 square meters respectively.</p>

- (i) For property development segment in Liuzhou Zhenghe, an area of approximately 11,000 square meters was sold during the year (2025: 11,000 square meters). A segment revenue of HK\$80,165,000 (2025: HK\$78,233,000) was recorded for the current year and a gross profit of HK\$10,390,000 (2025: HK\$17,893,000) was generated.

A segment loss of approximately HK\$52,070,000 was recorded for the current year (2025: HK\$130,114,000). Segment loss recorded was mainly due to (i) impairment loss of HK\$27,334,000, which was recognized on properties held for sale, reflecting adjusted fair values in light of the continued softening of PRC real estate transaction volumes and pricing trends; and (ii) finance costs of HK\$22,934,000, which were expensed during the year as construction activities at Liuzhou Zhenghe have largely been completed, preventing further capitalization under accounting standards.

An external expert was engaged to help to assess the fair value of the properties development project as at 31 March 2026. For those properties which had completed the construction work and were held for sale, a market comparison method by making reference to comparable sales transactions as available in the relevant market was used. For those properties still under construction, the value was derived by using a market comparison method with the assumption that the construction works of the properties would have been completed at the date of valuation and have taken into account the construction costs expected and costs that will be expended to complete the development. An impairment loss amounted to HK\$27,334,000 is recognized for completed properties held for sale for the year ended 31 March 2026 as the net realisable value is lower than carrying amount.

At 31 March 2026, majority of its construction works is completed and the total unsold salable area is approximately 268,000 square meters. The Group's current strategic focus is on accelerating the sale of the remaining unsold units of Zhenghe City and enhancing capital recovery. In light of the challenging conditions in the PRC real estate sector, the Group will adopt a prudent and conservative approach to the future development of its property business segment. At this stage, the Group does not actively pursue new property development investments, although the Group continues to cautiously seek and assess potential opportunities in the PRC on an ongoing basis.

- (ii) The hotel business is located in Zone E1 of Zhenghe City with gross floor area of approximately 31,000 square meters. Substantial construction works of the hotel building has been completed but acceptance certificate of completion has not yet been obtained. In 2018, the Group entered into a franchising agreement with a well-known international hotel franchisee to operate the hotel with the required brand standards. The agreement has since lapsed as the certificate of completion was not obtained within the contractual period. No revenue has been generated from the hotel project as operations have not yet commenced. The Group does not expect to incur any further significant construction costs in relation to the project.

An external expert was engaged to assess the fair value of the hotel building as at 31 March 2026, an impairment loss of HK\$10,744,000 was recognized for the year ended 31 March 2026, as the net realizable value fell below the carrying amount due to unfavorable conditions in the real estate market in the PRC.

Property Management Business

The Group is primarily engaged in property development. After spent several years in the property development sector in the PRC, the Group has been actively exploring opportunities to broaden its business scope by tapping into other property related activities.

During the last financial year, the Group established a joint venture in Hong Kong, with the Group holding a 51% interest and an independent third party, possessing over ten years of experience in property management in the PRC and extensive sector contacts, holding the remaining 49%. Through this joint venture, the Group acquired 100% equity interests of a PRC company, 居住主題公園(福州)物業管理有限公司 (Residential Theme Park (Fuzhou) Property Management Co., Ltd.*), which engages in property management business in PRC and manage an estate with gross floor area of 492,000 square meters of residential space and 19,000 square meters of commercial space in Fuzhou.

The Board believes that this acquisition provides the Group with a strategic opportunity to leverage its property development expertise to expand into property management in the PRC. This will enable the Group to diversify its revenue streams and achieve stable and sustainable long-term growth, thereby enhancing shareholder value.

The Group continues to explore the business opportunity in property management business in the PRC after it tapped into this business in early 2025. With the help of the joint venture partner, the Group obtained various property management service contracts through subcontracting arrangements. During the year ended 31 March 2026, the Group has obtained management rights over multiple property estates in Fuzhou and Lanzhou, with a total gross floor area under management of 1,970,000 square meters of residential space and 78,000 square meters of commercial space. As at 31 March 2026, the total gross floor area managed by the Group was 2,462,000 square meters of residential space and 97,000 square meters of commercial space in Fuzhou and Lanzhou.

Revenue generated from the new property management segment in the current year has shown steady growth, amounting to approximately HK\$58,630,000 (2025: HK\$1,100,000), with segment loss of HK\$5,945,000 (2025: HK\$194,000).

The property management business provides a stable and recurring revenue stream to the Group. Going forward, the Group intends to allocate additional resources to expand this segment and secure more property management service contracts across different provinces in the PRC with the aim of further scaling its operations and supporting the Group's stable earnings in the long term.

Computer Equipment Business

In 2022, the Group launched a business leasing computer equipment to customers who provide virtual storage space for end-users in exchange for Filecoin, as well as trading of computer equipment.

Leasing of computer equipment

The leasing business continued to expand in 2023. There was no problem with payment of rentals by the customers back then. However, the income and cash-flow generation capacity of the customers is highly related to the price of Filecoins. The significant and prolonged decline trend of the price of Filecoins materially weakened the debtors' ability to generate cash flow and repay their outstanding receivables. Starting from December 2023, the customers began to request for extension for rental payment. Although the Filecoin prices recorded certain rebounds, Filecoin prices remained weak and continued to drop. The price of Filecoin fell to around US\$3.66 per Filecoin in September 2024.

From December 2024 onwards, customers decided not to renew their leasing agreements as a result of the prolonged downward trend of the price of Filecoin. The Group had spent lots of resources to try to recover the outstanding rentals, including issue formal demand letters, engage legal advisers to issue letters to pursue recovery and conduct numerous meetings with the customers to follow up on repayments.

Although the customers committed to settle the outstanding rentals, the recovery rate is low. In view of the long outstanding rentals with limited recovery and termination of leasing agreements without renewal, full provision was made on the rental receivable in the financial year ended 31 March 2025.

The computer equipment has been idled since the termination of the leasing agreements in late 2024. In view of the low market price of the Filecoin, it is very challenging to attract new customers to lease our equipment. No rental income was generated for the year ended 31 March 2026. The total expenses incurred for maintaining the equipment in good condition for the year ended 31 March 2026 amounted to HK\$14,719,000 which represent mainly the rental for the data centers.

As the maintenance costs to keep the equipment in good condition is very high, the Group decided not to renew the lease of data centers and terminate this equipment leasing business in 2026. In January 2026, the Group entered into an agreement with an independent buyer to dispose of all idle equipment for US\$5,493,629 (equivalent to HK\$42,850,000). As the equipment were fully depreciated, the disposal resulted in a gain of HK\$42,850,000.

Regarding long-outstanding accounts receivable amounting to HK\$143,636,000 in rental payments for equipment leases, the Company filed statutory demands against the debtors on 29 January 2026. As the debts remained unsettled, the Company proceeded to present winding-up petitions against the respective debtors. A winding-up petitions were issued by the High Court of Hong Kong on 13 April 2026, and the matter is now under active court proceedings. The Company is closely monitoring these developments and will make further announcements as and when appropriate, in accordance with regulatory requirements, should there be any material updates requiring disclosure.

Trading of computer equipment

The Group has been continuously exploring business opportunities for the computer equipment business. In December 2025, the Group began to offer IC chips. The Group purchases wafers from an independent third-party supplier. The Group then procures subcontractor to provide fabrication, sealing and packaging services to transform the wafers into IC chips for on-sale to the Group's customer.

As at 31 March 2026, US\$7,000,000 of deposit has been received from the customer. However, the progress is not as smooth as expected in view of the geopolitical environment in the chips industry. Although challenges on procurement of raw materials and selection of sub-contractors encountered, the problems eventually resolved. The required wafers were procured and in the process of sealing. The first portion of the IC chips is expected to be delivered to the customers in July 2026.

The trading of IC chips expands the product portfolio of the Group's computer equipment business to capitalise on growth opportunities within the IC chip market. The Group remains committed to pursuing business developments that enhance long-term Shareholder value. It is intended that the computer equipment business will complement the cryptocurrency-related business in offering cryptocurrency-mining equipment, with the overall objective in developing the Group as an integrated services and hardware provider in the cryptocurrency mining industry.

Other Operations

Contact lens business in Fuzhou

The Group partially disposed of its equity interest in contact lens business in Fuzhou in 2023 and became a 34% associated company. The loss shared by the Group for the current year amounted to HK\$17,126,000 (2025: HK\$3,974,000). To support the operation of the associate, the Group entered into a counter-guarantee agreement to provide counter-guarantee security over its 34% equity interest and related rights in the associated company in favor of the major shareholder, who is a guarantor under a credit facility granted to support the repayment obligations of the associate under the facility.

Financing business

The Group adopted a prudent and careful strategy to operate its financing business and no new loan has been lent during the current year. In relation to the long overdue loans having been fully impaired in the previous years, we will continue to monitor the situation and explore any possible actions to recover the loans.

UPDATE ON THE PROGRESS OF THE PROPOSED NEW PROJECTS

Termination on digital logistics services business

In March 2024, the Group planned to set up a joint venture in Fuzhou to operate a logistic platform to provide digital logistic services. Due to restrictions on foreign investments in this business operation under the PRC laws, a variable interest entity (VIE) structure arrangement was proposed. In view of the prolonged application process for the relevant license and the major operation terms cannot be reached and concluded among the joint venture partners, a termination agreement was mutually agreed upon and executed by all parties in September 2025. According to the termination agreement, neither party holds any responsibility or liability towards the other. No payment of capital has been made by the Group.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 29 August 2025, the Company entered into subscription agreements pursuant to which the Company has conditionally agreed to allot and issue and the subscribers have conditionally agreed to subscribe for 2,782,330,000 new shares in aggregate at the subscription price of HK\$0.18 per share in accordance with the terms and conditions of the subscription agreement (the “Subscription”). The Subscription Shares were allotted and issued under the general mandate granted. The completion of the Subscription took place on 30 September 2025. The net proceeds received by the Company from the Subscription after deducting related fees and expenses were approximately HK\$500.3 million.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There was no specific plan for material investments or capital assets as at 31 March 2026 and up to the date of this announcement.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

There was no material acquisitions and disposal of subsidiaries and associated companies during the current year.

EVENTS AFTER REPORTING DATE

There were no major subsequent events since the year end date and up to the date of this announcement.

FINANCIAL REVIEW

Finance position, liquidity and gearing

As at 31 March 2026, the total assets and liabilities of the Group were approximately HK\$1,935,983,000 (31 March 2025: HK\$1,545,770,000) and approximately HK\$1,499,531,000 (31 March 2025: HK\$1,376,375,000) respectively. The Group recorded a total equity of approximately HK\$436,452,000 as at 31 March 2026 (31 March 2025: HK\$169,395,000).

The Group recorded net current assets of approximately HK\$716,698,000 as at 31 March 2026 (31 March 2025: net current liabilities of approximately HK\$208,178,000). The bank balances and cash as at 31 March 2026 was approximately HK\$519,071,000 (31 March 2025: HK\$315,413,000), of which most were denominated in US dollars, Hong Kong dollars and Renminbi.

The Group's current ratio (defined as current assets divided by current liabilities) was 1.83 (31 March 2025: 0.85).

As at 31 March 2026, the Group's total borrowings amounted to HK\$800,869,000 (31 March 2025: HK\$531,038,000), all of which were denominated in Renminbi. Included in borrowings were interest-bearing borrowings of HK\$557,309,000 (31 March 2025: HK\$531,038,000), which carried interest rates ranging from 3% to 18%.

The gearing ratio, as a ratio of total borrowings to total equity, as at 31 March 2026 was 1.83 (31 March 2025: 3.13).

Financial resources

During the year, the Group's operations continued to be mainly financed by internal resources, borrowings as well as proceeds raised from equity financing exercise in December 2016 and subscription of new shares on 30 September 2025 as disclosed in the section headed "Placing of New shares under General Mandate" of this announcement. The management believes that the Group will generate its liquidity from business operations and will consider making use of further equity financing when necessary.

Share capital

As at 31 March 2026, the total issued share capital of the Company was HK\$23,101,402 (31 March 2025: HK\$20,319,072) which is divided into 23,101,402,320 (31 March 2025: 20,319,072,320) shares of ordinary shares of the Company. The total equity of the Group was approximately HK\$436,452,000 (31 March 2025: HK\$169,395,000).

Charges on assets

As at 31 March 2026, certain property, plant and equipment with carrying amount of approximately HK\$69,358,000 (31 March 2025: HK\$65,567,000), were pledged to secure certain other borrowings granted to the Group.

Contingent liabilities

The Group had provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is any default of the mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage loans together with accrued interests thereon and any penalty owed by the defaulted purchaser to banks, the Group is then entitled to take over the legal title of the related properties. The guarantee period commences from the dates of granting the relevant mortgage loans and ends after the buyer obtains the individual property ownership certificate. As at 31 March 2026, the guarantee given to banks for the above-mentioned mortgage facilities amounted to approximately HK\$475,701,000 (31 March 2025: HK\$449,670,000).

Foreign exchange exposure

As part of the Group's assets and liabilities are denominated in Renminbi, US dollars and Hong Kong dollars, in order to minimise the foreign exchange risk, the Group aims to utilise the fund for transactions that are denominated in the same currency.

EMPLOYMENT AND REMUNERATION POLICIES

As at 31 March 2026, the Group had approximately 110 employees (2025: 100). The employees' salaries are reviewed and adjusted annually based on their performance and experience. The Group's employee benefits include performance bonus, medical insurance, mandatory provident fund scheme, local municipal government retirement scheme and education subsidy to encourage continuous professional development of staff.

On 15 October 2025, the Company has granted a total of 2,000,000,000 share options under the share option scheme adopted by the Company on 11 September 2023 (the "Scheme") to Directors and certain employees of the Group ("Grantees") who are contributing to the Group as their incentives and rewards, to subscribe, in aggregate, for up to 2,000,000,000 ordinary shares, subject to acceptance of the Grantees.

MODEL CODE FOR DEALING IN SECURITIES 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 of the Listing Rules. Having made specific enquiry of all Directors, the Company received confirmation from all of the Directors that they had complied with the required standard set out in the Model Code and its code of conduct regarding Directors’ securities transactions throughout the current year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S SHARES

There was no purchase, sale or redemption by the Company, or any of its subsidiaries, of the Company’s securities during the year ended 31 March 2026.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix C1 of the Listing Rules throughout the year ended 31 March 2026 except for certain deviations as specified and explained below with considered reasons for such deviations.

- (a) In accordance with the code provision C.2.1, the role of Chairman and Chief Executive Officer (“CEO”) should not be performed by the same individual. However, the Company did not officially appoint a Chairman or a CEO during the year. The responsibilities of the Chairman and daily management of the Group’s business is handled by the executive Directors collectively and supported by a team of senior management, which is in turn supported by staff with relevant expertise and experience.

The Board considers that this arrangement allows for contributions from all executive Directors with different expertise and is beneficial to the continuity of the Company’s policies and strategies and the interest of the shareholders of the Company as a whole. Depending on the future development of the business of the Company, the Board will review the existing structure and consider the issue of nominating appropriate candidate to fill up the role of Chairman and CEO.

- (b) Code provision C.2.7 stipulates that the Chairman should at least annually hold meetings with the independent non-executive Directors without the presence of other directors. Since the Company has not appointed a new Chairman and no meeting was held between the Chairman and the non-executive Directors (including independent non-executive Directors) without the executive Directors present during the year ended 31 March 2026.

- (c) Code provision F.1.3 stipulates that the Chairman should attend the annual general meeting. The Company does not at present have any officer with the title Chairman. However, one of the Directors presents at the annual general meeting held on 15 September 2025 was elected as chairman for the purpose of that annual general meeting to ensure an effective communication with the shareholders thereat.
- (d) Code provision C.6.3 stipulates that the company secretary should report to the Chairman and/or the CEO. As the Company did not officially appoint a Chairman or a CEO, the company secretary reported to the executive Directors during the year.

Save as those mentioned above, in the opinion of the Directors, the Company complied with the code provisions of the CG Code during the current year.

AUDIT COMMITTEE

As at the date of this announcement, the Audit Committee of the Company comprised of three independent non-executive Directors, namely, Mr. Yap Yung (chairman of the Audit Committee), Ms. Chen Lanran and Mr. Wong Kin Ping. The Audit Committee has reviewed the audited consolidated results of the Group for the year ended 31 March 2026 and discussed with the management the accounting principles and practices adopted by the Group, risk management and internal controls and financial reporting matters of the Group.

SCOPE OF WORK OF RONGCHENG (HONG KONG) CPA LIMITED

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 31 March 2026 as set out in the preliminary announcement have been agreed by the Group's auditor, Rongcheng (Hong Kong) CPA Limited (formerly known as CL Partners CPA Limited) ("RCHK"), to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board on 25 June 2026. The work performed by RCHK in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by RCHK on the preliminary announcement.

PUBLICATION OF FINAL RESULTS AND DISPATCH OF ANNUAL REPORT

This final results announcement is published on the websites of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk and the Company at www.147hk.com. The 2025/2026 annual report containing all information required by the Listing Rules will be disseminated to the Company's shareholders and available on the above websites in due course.

APPRECIATION

On behalf of the Board, I would like to express our gratitude to the shareholders of the Company and business associates for their continued support, and extend our sincere appreciation to all management and staff for their ongoing dedication, commitments and contributions throughout the year.

By Order of the Board
International Business Settlement Holdings Limited
Yuen Leong
Executive Director

Hong Kong, 25 June 2026

* *The English name is for identification purpose only*

As at the date of this announcement, the Board comprises Mr. Yuen Leong and Mr. Chan Siu Tat as executive Directors; Mr. Liu Yu as non-executive Director; and Mr. Yap Yung, Ms. Chen Lanran and Mr. Wong Kin Ping as independent non-executive Directors.