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CHINA TANGSHANG HOLDINGS LIMITED
中國唐商控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 674)

ANNOUNCEMENT OF THE FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2026

FINAL RESULTS

The board (the "**Board**") of directors (the "**Directors**") of China Tangshang Holdings Limited (the "**Company**", together with its subsidiaries, collectively, the "**Group**") announces the consolidated results of the Group for the year ended 31 March 2026 with comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2026

	Notes	**2026** *HK$*	2025 *HK$*
Revenue	*3*	**661,012,159**	580,823,418
Other losses, net		**(114,837,391)**	(118,211,211)
Cost of completed properties sold		**(548,222,814)**	(462,998,003)
Depreciation on property, plant and equipment		**(183,386)**	(1,674,834)
Staff costs		**(6,813,413)**	(8,412,998)
Other operating expenses	*4*	**(108,720,911)**	(71,464,617)
Finance costs		**(36,027,743)**	(38,080,710)
Loss before income tax	*5*	**(153,793,499)**	(120,018,955)
Income tax credit	*6*	**46,798,150**	47,760,746
Loss for the year		**(106,995,349)**	(72,258,209)

	Notes	2026 HK$	2025 HK$
Other comprehensive income/(loss)			
Item that may be reclassified subsequently to profit or loss			
Exchange differences arising on translating foreign operations		**35,998,512**	(7,874,573)
Release of foreign exchange reserve upon de-registration of subsidiaries		**11,949**	(428,172)
Other comprehensive income/(loss) for the year, net of tax		**36,010,461**	(8,302,745)
Total comprehensive loss for the year		**(70,984,888)**	(80,560,954)
Loss for the year attributable to:			
Owners of the Company	*8*	**(77,133,806)**	(89,056,166)
Non-controlling interests		**(29,861,543)**	16,797,957
Loss for the year		**(106,995,349)**	(72,258,209)
Total comprehensive loss for the year attributable to:			
Owners of the Company		**(47,638,682)**	(94,883,243)
Non-controlling interests		**(23,346,206)**	14,322,289
Total comprehensive loss for the year		**(70,984,888)**	(80,560,954)

		2026 HK cent	2025 HK cent
Loss per share attributable to owners of the Company	*8*		
Basic		**(2.250)**	(2.598)
Diluted		**NA**	NA

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 HK$	2025 HK$
Assets			
Non-current assets			
Property, plant and equipment		**133,907**	315,920
Investment properties	9	**141,017,573**	99,738,268
Finance lease receivables	10	**87,305,663**	113,192,665
Total non-current assets		**228,457,143**	213,246,853
Current assets			
Completed properties held for sale		**799,596,130**	1,475,885,592
Other receivables	11	**504,528,128**	544,659,866
Contract costs		**3,640,974**	7,399,619
Finance lease receivables	10	**3,346,827**	14,280,795
Amounts due from related parties		**1,715**	1,617
Prepaid tax		**–**	1,057,312
Cash and bank balances		**65,177,955**	39,077,064
Total current assets		**1,376,291,729**	2,082,361,865
Total assets		**1,604,748,872**	2,295,608,718
Liabilities			
Current liabilities			
Trade and other payables	12	**44,012,745**	36,763,411
Contract liabilities		**200,042,029**	773,042,239
Amounts due to non-controlling shareholders of subsidiaries		**38,020,828**	36,895,476
Lease liabilities		**39,360,506**	34,620,128
Current tax liabilities		**677,955**	–
Total current liabilities		**322,114,063**	881,321,254
Net current assets		**1,054,177,666**	1,201,040,611
Total assets less current liabilities		**1,282,634,809**	1,414,287,464

	Notes	**2026**	2025
		HK$	*HK$*
Non-current liabilities			
Convertible bonds	*13*	**214,526,222**	198,643,754
Deferred tax liabilities		**78,529,408**	127,917,465
Lease liabilities		**237,243,980**	264,655,658
Total non-current liabilities		**530,299,610**	591,216,877
Total liabilities		**852,413,673**	1,472,538,131
NET ASSETS		**752,335,199**	823,070,587
Capital and reserves attributable to owners of the Company			
Share capital		**171,423,328**	171,423,328
Reserves		**351,574,317**	399,212,999
		522,997,645	570,636,327
Non-controlling interests		**229,337,554**	252,434,260
TOTAL EQUITY		**752,335,199**	823,070,587

Notes

1. BASIS OF PREPARATION

(a) Statement of compliance

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

(b) Basis of measurement

The consolidated financial statements have been prepared under the historical cost basis, except for the investment properties which are measured at fair value.

(c) Functional and presentation currency

The Company's functional currency is Renminbi ("**RMB**"). The consolidated financial statements are presented in Hong Kong Dollar ("**HK$**") as the directors are of the view that the HK$ is the appropriate presentation currency for the users of the Group's financial statements given that the shares of the Company are listed on the Stock Exchange.

2. ADOPTION OF NEW OR AMENDED HKFRS ACCOUNTING STANDARDS

(a) Adoption of amended HKFRS Accounting Standards – effective 1 April 2025

The HKICPA has issued a number of amended HKFRS Accounting Standards that are first effective for the current accounting period of the Group:

Amendments to HKAS 21	Lack of Exchangeability

The amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosure set out in these consolidated financial statements.

(b) New or amended HKFRS Accounting Standards that have been issued but are not yet effective

The following amended HKFRS Accounting Standards, potentially relevant to the Group's consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[3]
HKFRS 19 and Amendments to HKFRS 19	Subsidiaries without Public Accountability: Disclosures[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 amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all the new and amendments to HKFRS Accounting Standards not yet effective for the current year will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements, which 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 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. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. SEGMENT REPORTING

Management determines operating segments based on the reports regularly reviewed by the chief operating decision maker (the "**CODM**"), which is the board of directors (the "**Board**"), in assessing performance and allocating resources. The CODM considers the business primarily on the basis of the types of services supplied by the Group.

The Group had the following reportable operating segments during the year:

Property sub-leasing and investment business	–	sub-leasing and leasing of investment properties
Property development business	–	development of real estates
Money lending business	–	provision of loans to customers, including individuals and corporations under the provisions of Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) in Hong Kong

Segment information is presented below:

(a) Information about reportable segment revenue, profit or loss, assets and liabilities and other information

	2026			
	Property sub-leasing and investment business *HK$*	**Property development business** *HK$*	**Money lending business** *HK$*	**Total** *HK$*
Reportable segment revenue				
External revenue	**44,248,518**	**616,763,641**	**–**	**661,012,159**
Inter-segment revenue	–	–	–	–
	44,248,518	**616,763,641**	**–**	**661,012,159**
Reportable segment profit/(loss) before income tax	**14,281,278**	**(140,247,839)**	**(21,203)**	**(125,987,764)**
Other segment information				
Interest income	**8,082**	**27,659**	**237**	**35,978**
Interest expenses	**20,133,435**	**–**	**–**	**20,133,435**
Depreciation of property, plant and equipment	**–**	**5,227**	**–**	**5,227**
Fair value gain of investment properties	**3,577,145**	**–**	**–**	**3,577,145**

	2026			
	Property sub-leasing and investment business *HK$*	**Property development business** *HK$*	**Money lending business** *HK$*	**Total** *HK$*
Loss on termination of lease contracts	–	–	–	–
Loss on termination of finance lease receivables	–	–	–	–
Loss on modification of subleases in respect of finance lease receivables	**549,616**	–	–	**549,616**
Loss on transfer of investment property	–	–	–	–
Provision for impairment losses on completed properties held for sales	–	**156,837,132**	–	**156,837,132**
Reversal of impairment losses for finance lease receivables	**893,217**	–	–	**893,217**
Reversal of/(provision for) impairment losses on other receivables, net	**710,658**	**(32,569,842)**	–	**(31,859,184)**
Reportable segment assets	**250,886,699**	**1,339,847,649**	**456,828**	**1,591,191,176**
Reportable segment liabilities	**302,057,786**	**332,740,541**	**3,546**	**634,801,873**

	2025			
	Property sub-leasing and investment business *HK$*	Property development business *HK$*	Money lending business *HK$*	Total *HK$*
Reportable segment revenue				
External revenue	45,459,654	535,363,764	–	580,823,418
Inter-segment revenue	–	–	–	–
	45,459,654	535,363,764	–	580,823,418
Reportable segment loss before income tax	(89,682,942)	(7,607,848)	(11,576)	(97,302,366)
Other segment information				
Interest income	7,243	90,436	1,764	99,443
Interest expenses	23,359,746	–	–	23,359,746
Depreciation of property, plant and equipment	–	1,306,399	–	1,306,399
Fair value loss of investment properties	(34,668,882)	–	–	(34,668,882)
Loss on termination of lease contracts	1,546,160	–	–	1,546,160
Loss on termination of finance lease receivables	1,265,947	–	–	1,265,947
Loss on modification of subleases in respect of finance lease receivables	60,105,624	–	–	60,105,624

	2025			
	Property sub-leasing and investment business *HK$*	Property development business *HK$*	Money lending business *HK$*	Total *HK$*
Loss on transfer of investment property	322,366	–	–	322,366
Impairment loss for finance lease receivables	(1,623,859)	–	–	(1,623,859)
Provision for impairment loss on other receivables, net	(14,139,425)	(13,048,162)	–	(27,187,587)
Reportable segment assets	253,847,010	2,026,576,782	457,340	2,280,881,132
Reportable segment liabilities	316,345,218	955,321,231	3,546	1,271,669,995

(b) Reconciliation of reportable segment profit or loss, assets and liabilities

Loss before income tax

	2026	2025
	HK$	*HK$*
Reportable segment loss before income tax	**(125,987,764)**	(97,302,366)
Unallocated gain on deregistration of subsidiaries	**143,197**	1,710,123
Unallocated interest income and other income	**584,650**	310,960
Unallocated staff costs	**(5,538,700)**	(5,536,741)
Unallocated finance costs	**(15,894,308)**	(14,720,964)
Unallocated depreciation of property, plant and equipment	**(178,159)**	(368,435)
Unallocated head office and corporate expenses *(note)*	**(6,922,415)**	(4,111,532)
Loss before income tax	**(153,793,499)**	(120,018,955)

Note:

Unallocated head office and corporate expenses mainly include professional and consultancy fees, administrative expenses and business development expenses.

Assets

	2026	2025
	HK$	*HK$*
Reportable segment assets	**1,591,191,176**	2,280,881,132
Property, plant and equipment	**104,008**	282,169
Other receivables	**7,306,771**	5,601,617
Cash and cash equivalents	**6,145,202**	8,842,183
Unallocated head office and corporate assets	**1,715**	1,617
Total assets	**1,604,748,872**	2,295,608,718

Liabilities

	2026	2025
	HK$	*HK$*
Reportable segment liabilities	**634,801,873**	1,271,669,995
Convertible bonds	**214,526,222**	198,643,754
Lease liabilities	**106,565**	296,325
Unallocated head office and corporate liabilities	**2,979,013**	1,928,057
Total liabilities	**852,413,673**	1,472,538,131

(c) Geographical information

The Group's operations are mainly located in Hong Kong and the PRC.

An analysis of the Group's geographical segments is set out as follows:

	2026		
	Hong Kong	**PRC**	**Total**
	HK$	***HK$***	***HK$***
Revenue	**–**	**661,012,159**	**661,012,159**
Non-current assets other than financial instruments	**104,008**	**141,047,472**	**141,151,480**

	2025		
	Hong Kong	PRC	Total
	HK$	*HK$*	*HK$*
Revenue	–	580,823,418	580,823,418
Non-current assets other than financial instruments	282,308	99,771,880	100,054,188

4. OTHER OPERATING EXPENSES

	2026	2025
	HK$	*HK$*
Property sub-leasing and investment business expenses	**741,692**	980,715
Property development business expenses	**6,550,799**	6,314,695
Legal and professional fees	**1,758,372**	1,000,047
Consultancy fee	**3,115,422**	1,086,597
Travelling expenses	**64,405**	42,779
Auditor's remuneration	**850,000**	830,000
Written-off on other receivables	**79,292,530**	60,039,033
Compensation	**12,504,928**	–
Others	**3,842,763**	1,170,751
	108,720,911	71,464,617

5. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging/(crediting):

	2026	2025
	HK$	*HK$*
Cost of completed properties sold	**548,222,814**	462,998,003
Gain on deregistration of subsidiaries#	**(143,197)**	(1,710,123)
Loss on termination of lease contracts#	**–**	1,546,160
Loss on termination of finance lease receivables#	**–**	1,265,947
Loss on modification of subleases in respect of finance lease receivables#	**549,616**	60,105,624
Loss on transfer of investment property#	**–**	322,366
(Reversal of)/provision for impairment losses on finance lease receivable, net#	**(893,217)**	1,623,859
(Reversal of)/provision for impairment losses on other receivables, net#	**(31,859,184)**	27,187,587
Provision for impairment losses on completed properties held for sale#	**156,837,132**	–
Auditor's remuneration	**850,000**	830,000
Fair value (gain)/loss on investment properties#	**(3,577,145)**	34,668,882

The amount is included under the "other losses, net" in the consolidated statement of comprehensive income.

6. INCOME TAX CREDIT

The income tax credit in the consolidated statement of comprehensive income represents:

	2026	2025
	HK$	*HK$*
Current tax for the year:		
– Hong Kong profits tax	**–**	–
– PRC Enterprise Income Tax	**(2,074,507)**	(1,118,642)
– PRC Land Appreciation Tax ("**LAT**")	**(432,447)**	(1,541,048)
Under-provision in prior years:		
– PRC Enterprise Income Tax	**(82,953)**	(4,429,658)
– PRC LAT	**–**	(722,836)
Deferred tax	**49,388,057**	55,572,930
	46,798,150	47,760,746

For the years ended 31 March 2026 and 2025, no Hong Kong profits tax have been provided as the Group has no estimated assessable profits for the year.

The PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% (2025: 25%).

The provision for LAT is estimated according to the requirements set forth in the relevant PRC tax laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

7. DIVIDENDS

No dividend was paid or proposed in respect of the year ended 31 March 2026, nor has any dividend been proposed since the end of reporting period (2025: nil).

8. LOSS PER SHARE

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

	2026	2025
	HK$	*HK$*
Loss		
Loss for the purpose of basic loss per share and diluted loss per share		
Loss for the year attributable to owners of the Company	**(77,133,806)**	(89,056,166)
	No. of share	No. of share
Number of shares		
Weighted average number of ordinary shares in issue for the purpose of basic loss per share and diluted loss per share	**3,428,466,570**	3,428,466,570

The computation of diluted loss per share for the year ended 31 March 2026 and 2025 does not assume the conversion of the Company's outstanding convertible bonds since their assumed exercise would result in a decrease in loss per share for the year.

9. INVESTMENT PROPERTIES

	2026	2025
	HK$	*HK$*
At 1 April	**99,738,268**	187,634,438
Termination of lease contracts	–	(26,668,247)
Modification of lease liabilities in respect of lease contracts	–	(35,606,270)
Transfer from finance lease receivables	**32,181,584**	13,556,975
Transfer to finance lease receivables	–	(1,561,015)
(Gain/(loss) on change in fair value recognised in consolidated statement of comprehensive income	**3,577,145**	(34,668,882)
Exchange realignment	**5,520,576**	(2,948,731)
At 31 March	**141,017,573**	99,738,268

Investment properties were revalued at 31 March 2026 and 2025 on market value basis by APAC Appraisal and Consulting Limited ("**APAC**"), an independent valuer, has appropriated qualification and relevant experience in the location and category of the investment property being valued.

10. FINANCE LEASE RECEIVABLES

	2026	2025
	HK$	*HK$*
Gross finance lease receivables	**163,970,902**	220,686,419
Less: unearned finance income	**(71,640,012)**	(90,728,199)
Net finance lease receivables	**92,330,890**	129,958,220
Less: loss allowance	**(1,678,400)**	(2,484,760)
Finance lease receivables	**90,652,490**	127,473,460
Finance lease receivables analysed as:		
Receivable within one year	**3,346,827**	14,280,795
Receivable after one year	**87,305,663**	113,192,665
	90,652,490	127,473,460

The finance lease receivables are arising from the property sub-leasing business. For finance lease receivables, the customers are obligated to settle the amounts according to the terms set out in the relevant lease contracts.

11. OTHER RECEIVABLES

	2026	2025
	HK$	*HK$*
Deposits	**13,947,069**	13,273,251
Prepayments and other receivables *(note (a))*	**490,581,059**	531,386,615
	504,528,128	544,659,866

Notes:

(a) An analysis of the prepayments and other receivables are as follows:

	2026	2025
	HK$	*HK$*
Prepayments		
Prepayment to contractors	**769,524**	820,161
Others	**5,080**	6,006
	774,604	826,167
Value-added tax receivables	**20,412,584**	21,932,007
Other receivables		
Refundable payment for a potential urban renewal project	**264,639,844**	318,813,577
Refundable payment for cooperation of potential property development projects	**96,268,192**	92,107,972
Other receivables from landlord	**98,257,717**	89,357,065
Other receivables from projects promotion	**–**	1,705,623
Others	**10,228,118**	6,644,204
	469,393,871	508,628,441
Total prepayments and other receivables	**490,581,059**	531,386,615

Refundable payment for a potential urban renewal project

During the prior year ended 31 March 2024, Puning Huachuangwen Industrial Development Co., Ltd. ("**Puning Huachuangwen**"), a non-wholly owned subsidiary of the Company, entered into a letter of intent with an independent third party for the potential cooperation of an urban renewal project in the PRC. As at 31 March 2026, the refundable payment was paid by Puning Huachuangwen for a potential urban renewal project amounted to HK$264,639,844 (2025: HK$318,813,577).

Refundable payment for cooperation of potential property development projects

Puning Huachuangwen was acquired by the Company in the prior year ended 31 March 2023. As disclosed in the Company's circular dated 20 January 2023, Puning Huachuangwen is principally engaged in the property development in the PRC and had the other receivables amounted to RMB371,916,000 as at 30 September 2022, which mainly represented the refundable payment for cooperation of potential property development projects.

As at 31 March 2026, the carrying amount of other receivables relating to the cooperation of potential property development projects as at 31 March 2026 amounted to HK$96,268,192 (2025: HK$92,107,972) was remained outstanding.

Other receivables from landlord

The balance mainly represents as the rental receivable from the Group's landlord, which received the rental payment of the Company's lessees from the Company on behalf.

Other receivables from projects promotion

The balance mainly represents as the receivable relating to the promotion of potential projects in property development and urban renewal.

12. TRADE AND OTHER PAYABLES

	2026	2025
	HK$	*HK$*
Trade payables *(note (a))*	**12,773,484**	15,477,727
Accruals	**3,922,931**	1,234,884
Other payables	**3,218,728**	2,892,136
Other deposits received	**24,097,602**	17,158,664
	44,012,745	36,763,411

Notes:

(a) Included in trade and other payables are trade payables with the following ageing analysis based on invoice date as of the end of reporting period:

	2026	2025
	HK$	*HK$*
Current or within 30 days	**45,978**	–
31 to 60 days	**499**	–
61 to 90 days	**181,019**	–
Over 90 days	**12,545,988**	15,477,727
	12,773,484	15,477,727

13. CONVERTIBLE BONDS

	2026	2025
	HK$	*HK$*
Convertible bonds:		
– Liability component	**214,526,222**	198,643,754
Classified under non-current liabilities:		
– Convertible bonds	**214,526,222**	198,643,754

Notes

(i) Convertible Bonds March 2023

On 10 March 2023, the Company issued convertible bonds with the aggregate principal amount of HK$249,150,000 (the "**Convertible Bonds March 2023**") as part of the consideration for acquisition of the 100% equity interest in Reach Glory Holdings Limited ("**Reach Glory**") and its subsidiaries (collectively referred to as the "**Reach Glory Group**"). The convertible bonds bear zero interest and carry a right for convertible bondholder to convert the principal amount into share of HK$0.05 each in the share capital of the Company at an initial conversion price of HK$0.2 per share during the period commencing from 10 March 2023 (the "**Bond Issue Date**") to 10 March 2028 (the "**Bond Maturity Date**"). The conversion price is subject to adjustment on the occurrence of dilutive or concentration event. The Company may at anytime from the Bond Issue Date to the Bond Maturity Date redeem the convertible bonds at par.

The convertible bonds contain two components: liability and equity components. The equity component is presented in the equity heading "convertible bonds reserve". The effective interest rate of the debt component on initial recognition is 8% per annum.

The fair value of the liability component of the Convertible Bonds March 2023 was estimated to be HK$169,495,811 at the issue date as valued by the external valuer based on the present value of the estimated future cash outflows discounted at the prevailing market rate for an equivalent non-convertible loan.

Details of principal valuation parameters applied in determining the initial fair value of the Convertible Bonds March 2023 liability component is summarized as follows:

	Bond Issue Date
Principal amount:	HK$249,150,000
Coupon rate:	Nil
Maturity date:	10 March 2028
Conversion price:	HK$0.20
Risk-free rate:	3.70%
Expected volatility:	79.46%
Expected dividend yield:	0%

No repayment for and conversion of the Convertible Bonds March 2023 took place during the current year and the Convertible Bonds March 2023 remained outstanding as at 31 March 2026.

The movement of the liability component of the Convertible Bonds March 2023 is set out below:

	HK$
Carrying amount at 1 April 2024	183,937,146
Effective interest expenses	14,706,608
Carrying amount at 31 March 2025 and 1 April 2025	198,643,754
Effective interest expenses	**15,882,468**
Carrying amount at 31 March 2026	**214,526,222**

14. CONTINGENT LIABILITIES

At the respective reporting dates, the contingent liabilities of the Group were as follows:

	2026	2025
	HK$	*HK$*
Guarantees granted to financial institutions on behalf of purchasers of property units	**623,167,905**	679,861,872

The Group arranges with various domestic banks in the PRC to provide loan and mortgage facilities to purchasers of its properties prior to the transfer of building ownership certificate. In line with the consumer banking practices in the PRC, these banks require the Group to provide guarantees in respect of these loans including the principal, interest and other incidental costs. If a purchaser defaults on a loan, the relevant mortgagee bank is entitled to settle the amount repayable from the Group. These guarantees would be released by the banks upon the receipt of the building ownership certificate of the respective properties when the certificate have been issued by the relevant authorities.

The directors consider that it is not probable for the Group to sustain a loss under these guarantees as during the period of these guarantees, the Group can take over the ownerships of the related properties under default and sell the properties at prices which are well above the amounts paid/payable by the Group to the banks under the guarantees, accordingly no provision for the guarantees has been made in the consolidated financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Consolidated results

For the year ended 31 March 2026, the Group recorded revenue of approximately HK$661.0 million compared to approximately HK$580.8 million from continuing operations for the last financial year, representing an increase of about 13.8%, and loss for the year ended 31 March 2026 of approximately HK$107.0 million compared to approximately a loss of HK$72.3 million for the last financial year, representing an increase of loss of about 48.1%. The increase in loss was primarily resulted from (1) the property development market and sub-leasing investment market of the PRC continued to be sluggish, with lower income and lower gross profit margin of property projects of the Group being carried forward from the Reporting Period; (2) the Group made provisions for impairment losses of certain assets under the property development market; and (3) the Group suffered a compensation for the lease termination with sub-lessee under the sub-leasing investment market during the year.

The Board considers that the fair value gain on investment properties are non-cash items and has no effect on the cash flow of the Group's operations.

Business Review

Property sub-leasing and investment business

For the year ended 31 March 2026, this business segment recorded revenue of approximately HK$44.2 million compared to approximately HK$45.5 million for the last financial year, representing a decrease of about 2.7%, this business segment recorded profit for the year ended 31 March 2026 of approximately HK$14.3 million as compared to loss of approximately HK$89.7 million for the last financial year. The increase in profit was mainly resulted from the increase in fair value gain on investment properties.

The completed properties held for investment is located in No. 109 Jinghaisanlu, Beijing Economic Technological Development Area, Beijing. The existing usage is for office, research and development and the properties are held for long term leases which are sub-leasing from landlord.

Property development business

During the year ended 31 March 2026, the property development business in the PRC contributed revenue of approximately HK$616.8 million compare to approximately HK$535.4 million for the last financial year, and segment recorded loss of approximately HK$140.2 million (2025: loss of approximately HK$7.6 million) to the Group. The increase in segment revenue was attributable to two development projects, namely (i) Tangshang Hanlin Mansion*（唐商翰林居）in Dongguan land situates at Caole Village, Xiegang Town, Dongguan City, the PRC designated for urban residential use and business service use (R2 Class II residential land（R2二類居住用地）) and (ii) Puning Tangshang Zhongyang Garden*（普寧唐商中央花園）in Beihuan Avenue, Puning, Jieyang, Guangdong Province, the PRC. The construction of the properties was completed in December 2021 and October 2022, respectively. The existing use in the properties held for sale/lease is mainly residential, car parks and commercial shops. The site area of Tangshang Hanlin Mansion is approximately 30,000 sq.m and Puning Tangshang Zhongyang Garden is approximately 45,000 sq.m, and the gross floor area ("**GFA**") of Tangshang Hanlin Mansion is approximately 88,000 sq.m and Puning Tangshang Zhongyang Garden is approximately 216,000 sq.m. There were approximately 61,000 sq.m. booked GFA delivered and recognised into the revenue during the year.

The Group had indirect acquisition of the 35% equity interest of the Huachuangwen Land by the Company from Mr. Chen Weiwu in accordance with the equity sale and purchase agreement signed on 9 April 2020. It had acquired 55% equity interest of Huachuangwen Land by the Company from Shenzhen Yaoling in accordance with the equity sale and purchase agreement signed on 30 July 2021. At as 31 March 2026, the Group holds 90% of the equity interest in Huachuangwen Land. In 2023, the Group had acquired the total issued share capital of Reach Glory Holdings Limited, a company is indirectly holding 70% equity interest in the project company Puning Huachuangwen Industrial Development Co., Ltd., and completed the very substantial acquisition and connected transaction on 10 March 2023.

As at 31 March 2026, the Group's completed properties held for sale/lease and investment properties amounted to HK$799.6 million (49.8% of the total assets) and HK$141.0 million (8.8% of total assets) respectively. The completed properties are held for sale/lease and the management expects part of the remaining GFA will recognise in future.

Financial Services Business

Money lending

During the year ended 31 March 2026, no interest income was recognised (2025: nil). The management would continue to find new opportunity for this segment.

Securities, futures and asset management

The Group returned its Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 9 (asset management) licenses to Securities and Futures Commission in November 2020 as no suitable business opportunities have been identified. The management would like to focus more on the other business segments of the Group.

Liquidity and financial resources

As at 31 March 2026, no bank borrowings were incurred by the Group (31 March 2025: nil).

The carrying amounts of all the Group's bank and other borrowings were denominated in RMB. As at 31 March 2026, the Group's bank borrowings was nil in 2026 and 2025.

The gearing ratio of the Group as at 31 March 2026 was 28.6% compared with 28.0% as at 31 March 2025. Such ratio was calculated with reference to the convertible bonds deduction of cash and bank balances over the Company's equity attributable to owners of the Company. As at 31 March 2026, the Group had net current assets of approximately HK$1,054.2 million as compared with the net current assets as at 31 March 2025 of approximately HK$1,201.0 million. The current ratio of the Group as at 31 March 2026 was 4.3 compared with 2.4 as at 31 March 2025.

The revenue of the Group, being mostly denominated in Renminbi and Hong Kong dollar, matches the currency requirement of the Group's expenses while other foreign currencies were immaterial. During the year ended 31 March 2026, no financial instrument was entered into by the Group used for hedging purpose. The Group was not exposed to any exchange rate risk or any related hedges.

Fund raising activities

In previous years, the Group completed the following fund raising exercise to strengthen its financial position:

In 2018, convertible bonds in the aggregate principal amount of approximately HK$42.0 million were issued, with the net proceeds of approximately HK$41.8 million after deduction of issuance expenses. Details of which are set out as follows:

Date of announcement	Description of fund raising activities	Intended Use of Proceeds	Amount of Net Proceeds Brought Forward to the year ended 31 March 2025	Amount utilized up to 31 March 2025	Amount of Net Proceeds Brought Forward to the year ended 31 March 2026	Amount utilized up to 31 March 2026	Amount of unutilized proceeds	Expected timeline/ Intended use of unutilized proceeds
31 August 2018	Issue of convertible bonds in an aggregate principal amount of HK$42,031,080, which has been converted into ordinary shares of the Company on 30 July 2020	Money lending business of the Group in Hong Kong: approximately HK$27.2 million (as per the announcement of the Company dated 25 August 2021, the use of proceeds have been reallocated to general working capital)	nil	nil	nil	nil	nil	N/A
		General working capital of the Group: approximately HK$14.6 million	nil	nil	nil	nil	nil	N/A

In 2017, convertible bonds in the aggregate principal amount of approximately HK$46.3 million were issued, with the net proceeds of approximately HK$46.1 million after deduction of issuance expenses. Details of which are set out as follows:

Date of announcement	Description of fund raising activities	Intended Use of Proceeds	Amount of Net Proceeds Brought Forward to the year ended 31 March 2025	Amount utilized up to 31 March 2025	Amount of Net Proceeds Brought Forward to the year ended 31 March 2026	Amount utilized up to 31 March 2026	Amount of unutilized proceeds	Expected timeline/ Intended use of unutilized proceeds
26 July 2017	Issue of convertible bonds in an aggregate principal amount of HK$46,341,960, which has been converted into ordinary shares of the Company on 30 July 2020	Potential acquisition *(Note 1)* approximately HK$32.1 million	nil	nil	nil	nil	nil	N/A
		General working capital of the Group: approximately HK$14.0 million	nil	nil	nil	nil	nil	N/A

In 2022, convertible bonds in the aggregate principal amount of approximately HK$27.1 million were issued to Shenzhen Yaoling Investment Company Ltd.* (深圳市耀領投資有限公司) for part of the consideration of RMB137,300,000 for the acquisition of the 55% of the issued share capital of Dongguan Huachuangwen Land Ltd.* (東莞市華創文置地有限公司) ("**Huachuangwen Land**"). Shenzhen Yaoling Investment Company Ltd. had converted the convertible bonds to ordinary shares on 21 July 2022.

In 2023, convertible bonds in the aggregate principal amount of approximately HK$249.2 million were issued to Mr. Chen Weiwu for part of the consideration of RMB315 million for the acquisition of the entire issued share capital of Reach Glory Holdings Limited. For the year ended 31 March 2026, no repayment for and conversion of the convertible bonds took place.

Note 1: The proceeds of approximately HK$32.1 million was utilized to settle the consideration of an acquisition in July 2020.

Charges

As at 31 March 2026, no bank borrowings were incurred by the Group and no charges and guarantees were secured.

Contingent liabilities

Please refer to note 14 of this announcement for material contingent liabilities of the Group as at 31 March 2026.

Emolument policy

As at 31 March 2026, the Group employed a total number of 17 (2025: 16) employees. The remuneration of the employees of the Group is amounted to approximately HK$6.8 million for the year ended 31 March 2026 (2025: HK$8.4 million). The Group remunerates its employees based on their performance, experience and prevailing industry practices. The emoluments of the directors and senior management of the Company are decided by the remuneration committee of the Company, having regard to the Company's operating results, individual performance and comparable market statistics.

The Group periodically reviews its remuneration package in order to attract, motivate and retain its employees. Discretionary bonuses may be rewarded to the directors and employees depending on the Group's operating results and their performance.

Further, the Company has also adopted a share option scheme for the primary purpose of providing incentives or rewards to any the director, employee and other eligible participant who made significant contribution to the Group. The Share Option Scheme had been lapsed in 22 December 2023.

Significant investments held, material acquisitions and disposals of subsidiaries, associates and joint ventures, and future plans for material investments or capital assets

There was no significant investments held, no material acquisitions or disposals of subsidiaries, associates or joint ventures during the year ended 31 March 2026.

Outlook

Looking ahead to the year ending 31 March 2026, the Chinese economy is expected to maintain a steady recovery trajectory, supported by continued government efforts to stabilise growth and enhance market confidence. The property sector, after an extended period of adjustment, is showing gradual signs of stabilisation, underpinned by a series of targeted policy measures. While the market may still face challenges from existing inventory overhang and developer financing constraints, the Chinese government's sustained implementation of supportive policies, including easing of purchase restrictions, mortgage rate reductions, and liquidity support for developers, are anticipated to gradually restore consumer confidence and market sentiment.

In this context, the Chinese government has adopted more flexible and city specific approaches to regulate the market, while simultaneously implementing counter cyclical supportive measures to address short term market weaknesses. These measures are not intended to reignite speculative demand, but rather to support genuine housing needs and ensure market stability. Key policy directions include controlling new supply, reducing existing inventory, optimising the supply structure, promoting urban renewal, and supporting the acquisition of existing commercial properties for affordable housing. These measures are designed to stabilise market expectations and foster a healthier, more sustainable development model for the real estate industry. The Group expects that the cumulative effect of these policy measures will become more apparent throughout 2026, potentially creating improved conditions for property sales and development activities. Against this backdrop, the Group will continue to implement measures to improve operational efficiency, accelerate project sales, and achieve its business objectives.

Concurrently, we are refining leasing and marketing approaches to attract a more diverse tenant base and expand service offerings, aligning with increasingly varied consumer demands. We maintain a prudent operational stance, focusing on enhancing management efficiency, strengthening internal controls, and intensifying sales initiatives to underpin sustainable growth within the property development sector. The Group remains committed to consolidating and realigning its core businesses, particularly in property development, to improve its financial position and achieve performance objectives. Furthermore, we are actively exploring and evaluating suitable new investment opportunities within the PRC to diversify revenue streams and enhance overall earnings potential.

The Board expects management to remain vigilant while actively seeking new projects within China that can strengthen the Group's financial profitability. We have full confidence in the capability of our highly experienced and professional management team and Board of Directors. Their deep industry expertise, extensive resources, and well-established networks across China constitute a significant competitive advantage. This solid foundation is crucial for leveraging future growth opportunities in property development, sub-leasing, and strategic investments within the PRC market.

The Group's unwavering commitment is to achieve sustainable growth, maximise shareholder value, and solidify its market position for long-term success.

PROPOSED FINAL DIVIDEND

The Directors do not recommend any payment of final dividend for the year ended 31 March 2026 (2025: nil).

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining shareholders of the Company who are entitled to attend and vote at the 2026 annual general meeting of the Company ("**2026 AGM**"), the register of members of the Company will be closed from Monday, 14 September 2026 to Friday, 18 September 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the 2026 AGM, unregistered holders of shares of the Company should ensure that all transfers of shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the office of the Company's share registrar, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 11 September 2026.

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

Neither the Company nor its subsidiaries purchased, sold or redeemed the Company's listed securities during the year ended 31 March 2026.

SCOPE OF WORK OF CCTH CPA LIMITED

The figures in respect of the consolidated statement of financial position, consolidated statement of 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, CCTH CPA Limited, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by CCTH CPA Limited 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 CCTH CPA Limited on the preliminary announcement.

CODE OF CORPORATE GOVERNANCE

Throughout the year ended 31 March 2026, the Company has complied with the code provisions of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules, save for the deviation which is explained below:

Pursuant to code provision C.5.1 of the CG Code, Board meetings should be held at least four times a year at approximately quarterly internals. Although only two regular Board meetings were held during the year ended 31 March 2026 on 26 June 2025 and 28 November 2025 respectively, the Board considered that sufficient meetings had been held as business operations were under the management and the supervision of the executive Directors. In addition, senior management of the Group provided to the Directors the information in respect of the Group's business development and activities from time to time and, when required, ad hoc Board meetings will be held.

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the code of conduct for Directors in their dealings in the securities of the Company. The Company has made specific enquiry with all the Directors and, all the Directors confirmed that they have fully complied with the required standards set out in the Model Code during the year.

AUDIT COMMITTEE

The audit committee of the Company ("**Audit Committee**"), comprises three independent non-executive Directors, namely Mr. Chen Youchun, Ms. Lui Mei Ka and Mr. Zhou Xin, has reviewed, together with the participation of the management, the accounting principles and practices adopted by the Group and discussed auditing and financial reporting matters including the review of the audited financial statements of the Group for the year ended 31 March 2026.

PUBLIC FLOAT

As at the date of this announcement, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Directors.

ANNUAL GENERAL MEETING

The 2026 AGM will be held on Friday, 18 September 2026 and the notice of the 2026 AGM will be published and despatched in the manner as required by the Listing Rules and the Company's memorandum and articles in due course.

PUBLICATION OF RESULTS ON THE STOCK EXCHANGE'S AND COMPANY'S WEBSITE

The Company's annual report for the year ended 31 March 2026 will be despatched to the shareholders of the Company and available for viewing on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk under "**Latest Listed Company Information**" and on the website of the Company at http://www.ts674.com in due course.

On behalf of the Board
China Tangshang Holdings Limited
Chen Weiwu
Chairman

Hong Kong, 26 June 2026

As at the date of this announcement, the executive Directors are Mr. Chen Weiwu (Chairman), Mr. Zhou Houjie and Mr. Jiang Ruowenhao; and the independent non-executive Directors are Mr. Chen Youchun, Ms. Lui Mei Ka and Mr. Zhou Xin.

* *for identification purpose only*