XINHUA NEWS MEDIA HOLDINGS LIMITED
新華通訊頻媒控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 309)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2026

RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Xinhua News Media Holdings Limited (the "**Company**") announces the consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the year ended 31 March 2026 (the "**Year**"), together with the comparative figures for the year ended 31 March 2025 (the "**Prior Year**"), as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 March 2026

	Notes	**2026** *HK$'000*	2025 *HK$'000*
Revenue	5	**358,417**	360,134
Other income and gains	6	**1,810**	7,158
Staff costs	7	**(260,376)**	(249,594)
Depreciation and amortisation	7	**(4,543)**	(4,854)
Gain (loss) on fair value changes of financial assets at fair value through profit or loss	7	**250**	(136)
Other operating expenses		**(109,052)**	(118,745)
Finance costs	8	**(222)**	(416)
LOSS BEFORE INCOME TAX	7	**(13,716)**	(6,453)
Income tax expenses	9	**–**	–
LOSS FOR THE YEAR		**(13,716)**	(6,453)

	Notes	**2026** **HK$'000**	2025 HK$'000
Other comprehensive (loss) income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of financial statements of subsidiaries, net of tax		**(272)**	30
Other comprehensive (loss) income		**(272)**	30
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(13,988)**	(6,423)
(LOSS) PROFIT FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		**(13,312)**	(7,444)
Non-controlling interests		**(404)**	991
		(13,716)	(6,453)
TOTAL COMPREHENSIVE (LOSS) INCOME FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the Company		**(13,501)**	(7,411)
Non-controlling interests		**(487)**	988
		(13,988)	(6,423)
		HK$	*HK$* (restated)
LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY			
– Basic and diluted	10	**(0.2757)**	(0.1542)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	**2026**	2025
		HK$'000	*HK$'000*
Non-current assets			
Property, plant and equipment		**6,177**	6,397
Right-of-use assets		**2,807**	1,221
Total non-current assets		**8,984**	7,618
Current assets			
Inventories		**475**	45
Trade receivables	12	**63,538**	62,890
Prepayments, deposits and other receivables	13	**11,442**	15,192
Financial assets at fair value through profit of loss	11	**–**	5,902
Pledged time deposits	14	**7,292**	7,111
Cash and bank balances	14	**50,258**	56,239
Total current assets		**133,005**	147,379
Current liabilities			
Trade payables	15	**12,305**	14,093
Other payables and accruals	16	**50,947**	38,351
Promissory notes payable	17	**3,000**	3,000
Amount due to a related company		**1,055**	1,055
Lease liabilities		**1,380**	1,504
Loans from directors		**861**	11,291
Tax payables		**–**	283
Total current liabilities		**69,548**	69,577
Net current assets		**63,457**	77,802
Total assets less current liabilities		**72,441**	85,420

	Notes	**2026**	2025
		HK$'000	*HK$'000*
Non-current liabilities			
Lease liabilities		**1,448**	90
Total non-current liabilities		**1,448**	90
NET ASSETS		**70,993**	85,330
Equity			
Equity attributable to owners of the Company			
Share capital		**19,311**	19,311
Reserves		**51,958**	65,808
		71,269	85,119
Non-controlling interests		**(276)**	211
TOTAL EQUITY		**70,993**	85,330

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

1. CORPORATE INFORMATION

Xinhua News Media Holdings Limited (the "**Company**") is a limited liability company incorporated in the Cayman Islands. The registered office address of the Company is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The principal place of business of the Company is located at Unit 3710, 37/F, Cosco Tower, 183 Queen's Road Central, Hong Kong, changed from Unit 508B, 5/F, New East Ocean Centre, 9 Science Museum Road, Tsim Sha Tsui, Kowloon, Hong Kong, effective from 26 February 2026.

During the year, the Company and its subsidiaries (collectively referred to as the "**Group**") was principally engaged in the provision of cleaning and related services, the provision of waste treatment service and the provision of advertising media service.

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest thousand ("**HK$'000**"), unless otherwise stated.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

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

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

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

In addition, the HKICPA has issued amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37 Disclosures about Uncertainties in the Financial Statements, which added illustrative examples in the corresponding HKFRS Accounting Standards. These examples reflect existing requirements in the corresponding HKFRS Accounting Standards to report the effects of uncertainties in the financial statements using climate-related examples. Therefore, the amendments do not have an effective date or transitional provisions.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not applied the following new and amended HKFRS Accounting Standards, that have been issued but are not yet effective, in these financial statements. The Group intends to apply these new and amended HKFRS Accounting Standards, if applicable, when they become effective.

HKFRS 18	Presentation and Disclosure in Financial Statements[2]
HKFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[1]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Annual Improvements to HKFRS Accounting Standards – Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7[1]

[1] Effective for annual periods beginning on or after 1 January 2026
[2] Effective for annual/reporting periods beginning on or after 1 January 2027
[3] No mandatory effective date yet determined but available for adoption

Further information about those HKFRS Accounting Standards that are expected to be applicable to the Group is described below.

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards are effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

HKFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other HKFRS Accounting Standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in HKFRS 10 *Consolidated Financial Statements*, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements available for public use which comply with HKFRS Accounting Standards. HKFRS 19 was amended in April 2025 to include IFRS Accounting Standards in the eligibility criteria for applying the standard. The standard was further amended in October 2025 to (i) remove disclosure objectives from HKFRS 19; (ii) reduce the disclosure requirements relating to supplier finance arrangements and a specific class of financial liabilities; and (iii) replace disclosure requirements relating to management-defined performance measures with a cross-reference to HKFRS 18 for entities that use these measures. Earlier application is permitted. As the Company is a listed company, it is not eligible to elect to apply HKFRS 19 and its amendments. Some of the Company's subsidiaries are considering the application of HKFRS 19 and its amendments in their specified financial statements.

Amendments to HKFRS 9 and HKFRS 7 *Amendments to the Classification and Measurement of Financial Instruments* clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 9 and HKFRS 7 *Contracts Referencing Nature-dependent Electricity* clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. The amendments relating to the own-use exception shall be applied retrospectively. Prior periods are not required to be restated and can only be restated without the use of hindsight. The amendments relating to the hedge accounting shall be applied prospectively to new hedging relationships designated on or after the date of the initial application. Earlier application is permitted. The amendments to HKFRS 9 and HKFRS 7 shall be applied at the same time. The amendments are not expected to have any significant impact on the Group's financial statements.

Amendments to HKFRS 10 and HKAS 28 address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss resulting from a downstream transaction when the sale or contribution of assets constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 was removed by the HKICPA. However, the amendments are available for adoption now.

Annual Improvements to HKFRS Accounting Standards – Volume 11 set out amendments to HKFRS 1, HKFRS 7 (and the accompanying *Guidance on implementing HKFRS 7*), HKFRS 9, HKFRS 10 and HKAS 7. Details of the amendments that are expected to be applicable to the Group are as follows:

- HKFRS 7 *Financial Instruments: Disclosures*: The amendments have updated certain wording in paragraph B38 of HKFRS 7 and paragraphs IG1, IG14 and IG20B of the *Guidance on implementing HKFRS 7* for the purpose of simplification or achieving consistency with other paragraphs in the standard and/or with the concepts and terminology used in other standards. In addition, the amendments clarify that the Guidance on implementing HKFRS 7 does not necessarily illustrate all the requirements in the referenced paragraphs of HKFRS 7 nor does it create additional requirements. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKFRS 9 *Financial Instruments*: The amendments clarify that when a lessee has determined that a lease liability has been extinguished in accordance with HKFRS 9, the lessee is required to apply paragraph 3.3.3 of HKFRS 9 and recognise any resulting gain or loss in profit or loss. However, the amendments do not address how a lessee distinguishes between a lease modification as defined in HKFRS 16 and an extinguishment of a lease liability in accordance with HKFRS 9. In addition, the amendments have updated certain wording in paragraph 5.1.3 of HKFRS 9 and Appendix A of HKFRS 9 to remove potential confusion. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKFRS 10 *Consolidated Financial Statements*: The amendments clarify that the relationship described in paragraph B74 of HKFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor, which removes the inconsistency with the requirement in paragraph B73 of HKFRS 10. Earlier application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

- HKAS 7 *Statement of Cash Flows*: The amendments replace the term "cost method" with "at cost" in paragraph 37 of HKAS 7 following the prior deletion of the definition of "cost method". Earlier application is permitted. The amendments are not expected to have any impact on the Group's financial statements.

3. BASIS OF PREPARATION

The financial information set out in this announcement does not constitute the Group's annual consolidated financial statements for the year ended 31 March 2026, but is derived from those financial statements.

The consolidated financial statements have been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the changes in accounting policies set out in note 2.

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, as modified by the financial assets at fair value through profit or loss, which are carried at their fair values.

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and by the Hong Kong Companies Ordinance.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

(a) the cleaning and related services segment engages in the provision of cleaning and related services for office buildings, public areas and residential areas;

(b) the advertising media business segment engages in the provision of media strategy, planning and management, product launching and selling, brand building, event marketing as well as developing and operating advertising media; and

(c) the waste treatment business segment engages in the provision of organic waste treatment and sale of by products produced.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment result, which is a measure of adjusted loss before income tax. The adjusted loss before income tax is measured consistently with the Group's loss before income tax except that interest income, dividend income on financial assets at fair value through profit or loss, finance costs and unallocated head office and corporate expenses are excluded from such measurement.

Segment liabilities exclude loans from directors as these liabilities are managed on a group basis.

There are no inter-segment revenue and transfers between the segments for both years.

	For the year ended 31 March 2026			
	Cleaning and related services	Advertising media business	Waste treatment	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue:				
Service income from external customers recognised over time	**358,417**	**–**	**–**	**358,417**
Segment results	**2,034**	**(675)**	**(1,324)**	**35**
Reconciliation:				
Unallocated other incomes and gains				**120**
Interest income				**737**
Unallocated expenses				**(14,386)**
Finance costs				**(222)**
Loss before income tax				**(13,716)**
Income tax expenses				**–**
Loss for the year				**(13,716)**

The following is an analysis of the Group's assets and liabilities by reportable segments:

Segment assets:	**129,290**	**8,514**	**4,185**	**141,989**
Total assets				**141,989**
Segment liabilities:	**42,192**	**25,685**	**2,258**	**70,135**
Reconciliation:				
Loans from directors				**861**
Total liabilities				**70,996**
Other segment information:				
Capital expenditure *(note)*	**6,074**	**–**	**–**	**6,074**
Depreciation and amortisation	**3,341**	**144**	**1,058**	**4,543**

	For the year ended 31 March 2025			
	Cleaning and related services	Advertising media business	Waste treatment	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue:				
Service income from external customers recognised over time	360,134	–	–	360,134
Segment results	2,476	(987)	3,287	4,776
Reconciliation:				
Unallocated other incomes and gains				211
Interest income				1,520
Unallocated expenses				(12,544)
Finance costs				(416)
Loss before income tax				(6,453)
Income tax expenses				–
Loss for the year				(6,453)

The following is an analysis of the Group's assets and liabilities by reportable segments:

	Cleaning and related services	Advertising media business	Waste treatment	Total
Segment assets:	137,884	13,056	4,057	154,997
Total assets				154,997
Segment liabilities:	40,377	15,945	2,054	58,376
Reconciliation:				
Loans from directors				11,291
Total liabilities				69,667
Other segment information:				
Capital expenditure *(note)*	649	–	–	649
Depreciation and amortisation	3,606	217	1,031	4,854

Note: Capital expenditure consists of additions of property, plant and equipment and right-of-use assets.

Geographical information

	Revenue from external customers Year ended 31 March		Non-current assets Year ended 31 March	
	2026	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**358,417**	360,134	**5,546**	3,152
The People's Republic of China (the "**PRC**")	**–**	–	**3,438**	4,466
	358,417	360,134	**8,984**	7,618

The revenue and non-current assets information above are based on the location of the customers and that of the assets, respectively.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	2026	2025
	HK$'000	*HK$'000*
Customer A	**79,377**	74,841
Customer B	**156,751**	160,403

5. **REVENUE**

Group's revenue represents the net invoiced value of services rendered. An analysis of the Group's revenue is as follows:

	2026	2025
	HK$'000	*HK$'000*
Cleaning and related service fee income	**358,417**	360,134

(a) **Disaggregation of revenue from contracts with customers**

	Cleaning and related services	
Segments	**2026**	2025
	HK$'000	*HK$'000*
Geographical markets		
Hong Kong	**358,417**	360,134
Total	**358,417**	360,134
Timing of revenue recognition		
Over time	**358,417**	360,134
Total	**358,417**	360,134

The Group provides cleaning and related services are recognised on a monthly basis when the services are rendered. The amount for which can be reliably estimated and it is probable that the income will be received. The cleaning and related services income is normally made with credit terms of 0 to 90 days.

(b) Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date

The aggregated amounts of transaction price allocated to the remaining performance obligations under the Group's existing contracts are as follows:

	Cleaning and related services *HK$'000*	**Advertising media business** *HK$'000*	**Waste treatment** *HK$'000*	**Total** *HK$'000*
As at 31 March 2026				
Expected to be recognised within one year	**317,259**	**–**	**–**	**317,259**
Expected to be recognised after one year	**163,468**	**–**	**–**	**163,468**
	480,727	**–**	**–**	**480,727**

	Cleaning and related services *HK$'000*	Advertising media business *HK$'000*	Waste treatment *HK$'000*	Total *HK$'000*
As at 31 March 2025				
Expected to be recognised within one year	249,000	–	–	249,000
Expected to be recognised after one year	159,865	–	–	159,865
	408,865	–	–	408,865

The amounts represent revenue expected to be recognised in the future from the Group's service contracts for the respective services. The Group will recognise the expected revenue in the future when services are rendered, which is expected to occur over the next 12 to 37 months (2025: next 12 to 33 months).

6. OTHER INCOME AND GAINS

	2026 *HK$'000*	2025 *HK$'000*
Interest income	**737**	1,520
Management fee income	**60**	60
Government subsidies	**51**	89
Dividend income on financial assets at fair value through profit or loss	**120**	211
Write-back of other payables	**–**	4,450
Gain on disposal of subsidiaries	**218**	–
Gain on deregistration of subsidiaries	**89**	–
Gain on lease termination	**19**	–
Gain on disposal of financial assets at fair value through profit or loss	**302**	–
Net gain on disposals of property, plant and equipment	**6**	–
Reversal of impairment loss on the trade receivables, net	**1**	41
(Impairment loss) reversal of impairment loss on other receivables, net	**(612)**	65
Sundry income	**819**	722
	1,810	7,158

7. LOSS BEFORE INCOME TAX

The Group's loss before income tax is arrived at after charging (crediting):

	2026 *HK$'000*	2025 *HK$'000*
Employee benefit expenses (including directors' remuneration):		
Wages, salaries and other benefits	**247,410**	236,296
Contribution to defined contribution pension plans	**10,992**	10,267
Defined benefit plan obligation	**(135)**	832
Provision for untaken paid leave	**2,109**	2,199
Total staff costs	**260,376**	249,594
Cost of services rendered*	**341,256**	343,277
Auditors' remuneration		
– Audit service	**868**	580
– Non-audit service	**140**	148
Depreciation on property, plant and equipment	**2,221**	2,232
Depreciation on right-of-use assets	**2,322**	2,622
Written-off of property, plant and equipment	**19**	132
(Gain) loss on fair value changes in financial assets at fair value through profit or loss	**(250)**	136
Reversal of impairment loss on trade receivables, net	**(1)**	(41)
Impairment loss (reversal of impairment loss) on other receivables, net	**612**	(65)

* The cost of services rendered includes employee benefit expenses of approximately HK$248,721,000 (2025: HK$235,554,000) incurred in the provision of services which has been included in the employee benefit expenses above.

8. FINANCE COSTS

	2026	2025
	HK$'000	*HK$'000*
Leases interest	**222**	176
Interest on promissory notes	**–**	240
	222	416

9. INCOME TAX EXPENSE

	2026	2025
	HK$'000	*HK$'000*
Current tax:		
Hong Kong	**–**	–
The PRC	**–**	–
	–	–

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

No provision for Hong Kong profits tax and the PRC corporate income tax have been made as the Group did not generate any assessable profits arising in Hong Kong and the PRC during the year (2025: Nil).

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands or the British Virgin Islands.

Pursuant to the relevant tax law of the Hong Kong Special Administrative Region, the provision for Hong Kong Profits Tax is calculated by applying the estimated annual effective tax rate of 16.5% (2025: 16.5%) to the year, except for one subsidiary of the Group which is a qualifying corporation under the two-tiered Profits Tax rate regime. For this subsidiary, the first HK$2 million of assessable profits are taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in 2025.

Subsidiaries of the Group located in the PRC are subject to the PRC Enterprise Income Tax at a rate of 25% (2025: 25%) on their assessable profits.

10. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic loss per share

The calculation of the basic loss per share is based on the loss for the year attributable to owners of the Company of approximately HK$13,312,000 (2025: HK$7,444,000), and the weighted average number of ordinary shares of 48,276,744 (2025: 48,276,744, as restated) in issue during the year.

For the year ended 31 March 2026, the weighted average number of ordinary shares for the purpose of basic loss per share has been adjusted for the share consolidation effective on 24 June 2026.

Comparative figures of the weighted average number of shares for calculating basic loss per share has been adjusted on the assumption that the share consolidation had been effective in prior year.

Diluted loss per share

The diluted loss per share is the same as the basic loss per share for the years ended 31 March 2026 and 2025 because the Company's share options outstanding during these years were anti-dilutive.

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2026	2025
	HK$'000	*HK$'000*
Assets management funds	**–**	5,902

12. TRADE RECEIVABLES

	2026	2025
	HK$'000	*HK$'000*
Trade receivables	**63,542**	63,053
Less: Impairment loss recognised on trade receivables	**(4)**	(163)
	63,538	62,890

The Group's trading terms with its customers are mainly on credit. Trade receivables are non-interest-bearing and are generally terms of 0 to 90 days. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by management. The Group does not hold any collateral or other credit enhancements over its trade receivables balances.

As at 1 April 2025, trade receivables from contracts with customers amounted to HK$60,242,000.

Reconciliation of impairment loss for trade receivables:

	2026	2025
	HK$'000	*HK$'000*
Balance at the beginning of the year	**163**	205
Impairment losses reversed, net	**(1)**	(41)
Disposal of subsidiaries	**(158)**	–
Exchange realignment	**–**	(1)
Balance at the end of the year	**4**	163

An aged analysis of trade receivables, based on the invoice dates and net of loss allowance at the end of the reporting period, is as follows:

	2026	2025
	HK$'000	*HK$'000*
Within 30 days	**29,280**	30,035
31 to 60 days	**24,368**	27,964
61 to 90 days	**7,708**	4,706
91 to 120 days	**2,050**	151
Over 120 days	**132**	34
	63,538	62,890

The Group's credit risk is primarily attributable to its trade receivables. In order to minimise credit risk, the Directors have delegated a team to be responsible for the determination of credit limits, credit approvals and other monitoring procedures. In addition, the Directors review the recoverable amount of each individual trade debt regularly to ensure that adequate impairment losses are recognised for irrecoverable debts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

The Group applies the simplified approach under HKFRS 9 to provide for expected credit losses using the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The weighted average expected credit losses also incorporate forward looking information.

	Current	**Within 30 days past due**	**31–60 days past due**	**61–120 days past due**	**121 days– 1 year past due**	**Over 1 year past due**	**Total**
At 31 March 2026							
Weighted average expected loss rate	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**100.0%**	
Receivable amount *(HK$'000)*	**29,284**	**24,368**	**7,708**	**2,050**	**132**	**–**	**63,542**
Loss allowance *(HK$'000)*	**4**	**–**	**–**	**–**	**–**	**–**	**4**
At 31 March 2025							
Weighted average expected loss rate	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	
Receivable amount *(HK$'000)*	30,037	27,966	4,707	151	34	158	63,053
Loss allowance *(HK$'000)*	2	2	1	–	–	158	163

13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2026	2025
	HK$'000	*HK$'000*
Prepayments	**2,143**	1,946
Deposits	**2,877**	1,980
Other receivables	**524**	4,799
Amount due from a related company, gross	**6,945**	7,030
Less: Impairment loss recognised on other receivable	**(1,047)**	(563)
	11,442	15,192

Reconciliation of impairment loss for other receivables and deposits:

	2026	2025
	HK$'000	*HK$'000*
Balance at the beginning of the year	**563**	630
Impairment losses recognised (reversed)	**612**	(65)
Disposal of subsidiaries	**(127)**	–
Exchange realignment	**(1)**	(2)
Balance at the end of the year	**1,047**	563

14. CASH AND BANK BALANCES AND PLEDGED TIME DEPOSITS

	2026	2025
	HK$'000	*HK$'000*
Cash at banks and on hand	**31,203**	27,985
Time deposits with initial term no more than three months	**21,171**	30,365
Time deposits with initial term over three months	**5,176**	5,000
Cash and bank balances and pledged time deposits presented in consolidated statement of financial position	**57,550**	63,350
Less: Time deposits with initial term over three months		
Less: Pledged time deposits with initial term over three months for banking facilities	**(5,176)**	(5,000)
Less: Pledged short-term time deposits for banking facilities	**(2,116)**	(2,111)
Cash and cash equivalents presented in consolidated statement of cash flows	**50,258**	56,239

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi ("**RMB**") amounted to approximately HK$366,000 (2025: HK$183,000). RMB is not freely convertible into other currencies; however, under PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between five days and one year depending on the immediate cash requirements of the Group, and earn interest at the respective time deposit rates. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.

At the end of the reporting period, the Group's banking facilities amounting to HK$7,000,000 (2025: HK$7,000,000), of which HK$2,215,000 (2025: HK$2,222,000) had been utilised as at the end of the reporting period, are secured by the pledge of certain of the Group's time deposits amounting to approximately HK$7,292,000 (2025: approximately HK$7,111,000).

15. TRADE PAYABLES

An aged analysis of trade payables, based on the invoice dates at the end of the reporting period, is as follows:

	2026	2025
	HK$'000	*HK$'000*
Within 30 days	**6,795**	7,256
31 to 60 days	**5,399**	6,139
Over 90 days	**111**	698
	12,305	14,093

The trade payables are non-interest-bearing and are normally settled on 30-day terms.

16. OTHER PAYABLES AND ACCRUALS

	2026	2025
	HK$'000	*HK$'000*
Other payables	**20,015**	9,991
Provisions and accruals *(Note a)*	**30,932**	28,360
	50,947	38,351

Note:

a. Provisions and accruals mainly represent the accrued staff costs incurred in the Group.

17. PROMISSORY NOTES PAYABLE

During the prior year ended 31 March 2021, the Company issued three promissory notes to an investor in the aggregate principal sum of HK$3,000,000 and bearing interest at 8% per annum. The promissory notes should be repayable in full by 31 January 2023 but the expiry date has been extended to 31 January 2024 and further extended to 31 January 2025 by the Company and the investor. In January 2025, the Group was unable to repay the promissory notes payable which was due for payment in accordance with the respective loan agreement. The suspension of payment of principal and interest of promissory notes payable constitute a default of payment. The default promissory notes payable amounted to HK$3,000,000 is presented under current liabilities in the Group's consolidated statement of financial position as at 31 March 2026. No remedies in respect of the defaults have been agreed with the notes holders up to the date of this announcement.

18. DIVIDEND

The Directors do not recommend the payment of a dividend to shareholders for the year ended 31 March 2026 (2025: Nil).

19. DISPOSAL OF SUBSIDIARIES

On 27 June 2025, the Group entered into a sale and purchase agreement with an independent third party for the disposal of two group entities, namely Precise Vision International Limited and Utter Enlightenment International Limited along with their respective subsidiaries. The sub-consolidated financial information for these entities is presented below:

		27 June 2025
	Notes	*HK$'000*
Net assets disposed of:		
Property, plant and equipment		227
Trade receivables		–
Prepayments, deposits and other receivables		3,807
Cash and bank balances		11
Trade payables		(613)
Other payables and accruals		(16,068)
Subtotal		(12,636)
Exchange fluctuation reserve		(349)
Amounts due with intra-group companies		13,067
Gain on disposal of subsidiaries	6	218
Total consideration		300
Satisfied by:		
Cash		300

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

	27 June 2025
	HK$'000
Cash consideration	300
Cash and bank balances disposed of	(11)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	289

20. LITIGATIONS

Legal Proceedings Taken by Former Non-Executive Director

On 10 June 2025, a Chinese Arbitration Award being issued in related to a loan alleged to be borrowed, by Heng Qin Hetong Cultural Communication Company Limited and Fujian Yu Sheng Da Supply Chain Management Company Limited (the "**related subsidiaries**") from Mr. Wang Chunping, a non-executive director, retired on 25 September 2024. The alleged loan amount of RMB5.2 million had not been repaid on the agreed date of 30 June 2024 by the related subsidiaries, and therefore constituting a clear default. Thereafter, Mr. Wang initiated arbitration proceedings, which was accepted by the Fuzhou Arbitration Commission (the "**Commission**") on 13 November 2024 and on 10 June 2025, the Commission issued an Award in favor of Mr. Wang with terms that the related subsidiaries are ordered to repay Mr. Wang, inter alia, the principal loan amount of RMB5.2 million within 10 days from the date of the decision, and overdue interest on the principal loan amount at an annual rate of 3.1%, calculated from 11 November 2024, until full principal amount is repaid.

The legal advisor is of the view that while the repayment agreement referenced in the arbitral award stipulates that disputes may be resolved through arbitration, it does not explicitly state that arbitration is the final and exclusive remedy.

Additionally, since the debt under the repayment agreement has already been adjudicated by the court, the subsequent repayment agreement signed by Mr. Wang regarding the same loan does not involve any actual lending to the related subsidiaries. Consequently, it is highly likely that this agreement would be unenforceable.

Having consulted legal adviser, it is viewed that the Company has strong ground to oppose the alleged loan. As disclosed in note 19 of this announcement, the related subsidiaries have been disposed during the Year.

Winding-up Petition

Subsequent to the year ended 31 March 2026, the Board has become aware that, on 17 June 2026, that a winding-up petition (the "**Petition**") was filed by Ngans Lawyers LLP (the "**Petitioner**") on 16 June 2026 at the High Court of the Hong Kong Special Administrative Region (the "**High Court**") against the Company, on the ground that the Company is indebted to the Petitioner for the outstanding service fee in the sum of approximately HK$588,808.00 in relation to a Retainer Agreement for Annual Legal Services in Chinese. The Petition is scheduled to be heard before the High Court on 9 September 2026.

Pursuant to section 182 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) (the "**Companies (WUMP) Ordinance**"), in the event that the Company is ultimately wound up as a result of the Petition, any disposition of the property directly owned by the Company (for the avoidance of doubt, excluding the property of the subsidiaries of the Company), any transfer of shares of the Company, or alteration in the status of the members of the Company, made after the commencement date of the winding up, which is 16 June 2026 when the Petition was filed (the "**Commencement Date**"), will be void unless a validation order is obtained from the High Court. Any disposition of the property, transfer or alteration made on or after the Commencement Date will not be affected if the Petition is subsequently struck out, dismissed or permanently stayed.

Given the effect of section 182 of the Companies (WUMP) Ordinance, the Board wishes to remind the shareholders and potential investors of the Company that, the transfer of the shares in the Company made on or after the Commencement Date would be void without a validation order from the High Court.

Pursuant to the circular dated 28 December 2016 issued by Hong Kong Securities Clearing Company Limited ("**HKSCC**") in relation to the transfer of the shares of listed issuers after a winding up petition has been presented, in view of these restrictions and the uncertainties that may arise in relation to the transfer of shares, for participant(s) who conduct share transfers through HKSCC (the "**Participant(s)**"), HKSCC may at any time, and without notice, exercise its powers under the General Rules of Central Clearing and Settlement System ("**CCASS**") to temporarily suspend any of its services in respect of shares of the Company. This may include the suspension of acceptance of deposits of share certificates of the Company into CCASS. The share certificates of the Company received by HKSCC but not yet re-registered in HKSCC Nominees Limited's name will also be returned to the relevant Participant and HKSCC shall reserve the right to reverse any credit granted to such Participant by debiting the relevant securities from its CCASS account accordingly. These measures would generally cease to apply from the date when the Petition has been dismissed or permanently stayed, or the Company has obtained the necessary validation order from the High Court.

The filing of the Petition does not represent the successful winding up of the Company by the Petitioner. No winding up order has been granted by the High Court to wind up the Company as at the date of this announcement.

The Company will strongly oppose the Petition and is of the view that the Petition does not represent the interests of other stakeholders and may impair the value of the Company. The Company will take action to settle the dispute with the Petitioner and procure the withdrawal of the Petition as soon as possible. It is expected that the Petition would not materially affect the Group's operations as a whole in the near term. If an amicable settlement cannot be reached between the Petitioner and the Company, the Company will seek legal advice on an application for a validation order and take all legal measures to protect its legal rights.

The Company will make further announcement(s) to keep its shareholders and investors informed of any significant developments in relation to the Petition as appropriate or as required under the Listing Rules.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report on the Group's consolidated financial statements for the year ended 31 March 2026.

DISCLAIMER OF OPINION

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

The directors of the Company were unable to access the supporting documents of the accounting books and records of certain subsidiaries, namely, Heng Qin Hetong Cultural Communication Company Limited and Fujian Yu Sheng Da Supply Chain Management Company Limited (hereinafter collectively referred to as the "**Sub-Group**") (the "**Inaccessible Accounting Supporting**"). As a result of the above, we were unable to obtain sufficient appropriate audit evidence to ascertain the occurrence, accuracy, completeness, cutoff, classification and presentation of any transactions that may need to be presented or have been presented in the consolidated statement of profit or loss and other comprehensive income of the Sub-Group in accordance with HKFRS Accounting Standards. Since the consolidated financial statements of the Sub-Group form part of the consolidated financial statements of the Group, the inability to perform sufficient audit procedures on the Inaccessible Accounting Supporting resulted in limitation on our audit of the consolidated financial statements of the Group. As disclosed in note 29 to the consolidated financial statements, during the year ended 31 March 2026, the Sub-Group had been disposed to the independent third party.

There were no other satisfactory audit procedures that we could adopt to obtain sufficient evidence regarding the matter as mentioned above. As a result, we were unable to determine whether any adjustments might have been found to be necessary in respect of the elements making up the consolidated profit or loss and other comprehensive income, and the related disclosures in the consolidated financial statements of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group's revenue for the Year was approximately HK$358,417,000, representing a slight decrease of approximately 0.5% compared to HK$360,134,000 for the year ended 31 March 2025. The Group recorded a net loss attributable to owners of the Company of approximately HK$13,312,000 (2025: HK$7,444,000).

During the Year, the Group continues to operate principally in the provision of cleaning and related services, waste management service and advertising media business. In addition, the Group has been developing business and investment opportunities in properties investment, technology, media and telecommunication (TMT) sector and water treatment business.

Advertising Media Business

The advertising media segment recorded a segment loss of approximately HK$675,000 (2025: HK$987,000). The business continued to face challenges from industry shifts towards digital platforms and evolving marketing demands. The shifts in consumer behaviour, with Hong Kong residents now venturing north to mainland cities like Shenzhen for their consumption needs, has adversely impacted the marketing demands in Hong Kong. At the same time, the advertising media segment is disrupted by the availability of Artificial Intelligence ("**AI**") tools. Such disruption has led to cost reductions, with a growing number of clients opting to employ internal staff for their advertising and social media management needs. The Group maintained a cautious approach while exploring adaptation strategies.

Cleaning and Related Services

This segment contributes all of the Group's external revenue of HK$358,417,000 (2025: HK$360,134,000). The segment recorded a profit of approximately HK$2,034,000 in 2026 compared to a profit of HK$2,476,000 in 2025. The performance was maintained despite relatively higher staff costs and increased operational expenses amid a competitive labour market and cost pressures, due to stable contract renewals and continued demand from key customers. The Group was successful in obtaining new contracts from new sources, which included providing cleaning services to a residential estate located in Yuen Long and to commercial buildings located on Hong Kong Island.

Waste Treatment Business

The waste treatment segment recorded a segment loss of approximately HK$1,324,000 (2025: profit of HK$3,287,000). The Prior Year's profit included a significant one-off write-back of provisions. The Group continues to evaluate suitable options for this investment.

FINANCIAL REVIEW

Revenue

Revenue decreased marginally by 0.5% to HK$358,417,000 (2025: HK$360,134,000), primarily due to softer performance in the cleaning segment despite sustained demand from major customers.

Other Income and Gains

Other income and gains decreased significantly to HK$1,810,000 (2025: HK$7,158,000). The reduction was mainly attributable to the absence of a major one-off write-back of other payables (HK$4,450,000 in 2025) and lower interest income, partially offset by gains on disposal and deregistration of subsidiaries.

Operating Expenses

Staff costs increased to HK$260,376,000 (2025: HK$249,594,000), reflecting higher wages, salaries, and related benefits in a tight labour market. Other operating expenses decreased to HK$109,052,000 (2025: HK$118,745,000). Cost of services rendered was HK$341,256,000 (2025: HK$343,277,000).

Loss for the Year and Total Comprehensive Loss for the Year Attributable to Owners of the Company

The Group recorded a loss before income tax of HK$13,716,000 (2025: HK$6,453,000) and a net loss of HK$13,716,000 (2025: HK$6,453,000). Total comprehensive loss for the Year attributable to owners of the Company was HK$13,501,000 (2025: HK$7,411,000). The increased loss and total comprehensive loss were mainly driven by higher staff costs and lower other income.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2026, the Group's cash and bank balances and pledged time deposits totalled approximately HK$57,550,000 (31 March 2025: HK$63,350,000). Cash and cash equivalents stood at HK$50,258,000 (2025: HK$56,239,000). The current ratio was approximately 1.9 (2025: 2.1).

Net assets as at 31 March 2026 were HK$70,993,000 (31 March 2025: HK$85,330,000). Equity attributable to owners of the Company was HK$71,269,000 (2025: HK$85,119,000).

The gearing ratio as at 31 March 2026 was approximately 4.2% (2025: 3.5%), calculated as total interest-bearing debts divided by total equity. The Group had lease liabilities of HK$2,828,000 (2025: HK$1,594,000) and loans from directors of HK$861,000 (2025: HK$11,291,000). Promissory notes payable of HK$3,000,000 remained outstanding.

The Group maintains a prudent approach to cash management. Revenues and expenses are primarily denominated in Hong Kong dollars for the cleaning business, with RMB exposure in other segments. Foreign exchange risks are monitored, with natural hedges from RMB revenues and liabilities.

Banking facilities amounting to HK$7,000,000 (2025: HK$7,000,000) are secured by pledged time deposits of approximately HK$7,292,000 (2025: HK$7,111,000), of which HK$2,215,000 (2025: HK$2,222,000) had been utilised as at the end of the reporting period,

PROSPECTS

Advertising Media Business

The sector continues to undergo digital transformation. The Group will monitor market developments, including opportunities in precision marketing and new media formats, while managing costs prudently.

In response to market shifts, the directors intend to expand the business strategic layout in Mainland China and accelerated its transformation towards smart marketing. The Directors will explore opportunities in AI and research on multi-agent collaboration technologies to build automated smart marketing workflows to bring a revamped marketing solution to businesses through technological empowerment.

Cleaning and Related Services

In the coming year, the Group will continue to expand its cleaning business to gain new business partners so as to enrich its customer base. The Group will continue to supplement its workforce through the supplementary labor optimization scheme by importing a suitable number of foreign workers to fill vacancies, and will also actively introduce intelligent cleaning robots to reduce operating costs.

The impact on rising oil prices due to the war in the Middle East resulted in one of the Group's major clients, whose business is in the aviation industry, reducing its demand on our services following a drop in demand for its own business because many airlines reduce their flight schedules. The financial effect on our Group is likely to be felt more significantly in the following year.

The Group will continue to aim to increase its competitiveness and maintain stable growth by addressing both of looking to generate additional revenue and finding ways to control cost.

FUND RAISING ACTIVITY

Save as disclosed in this announcement, the Company did not conduct any fund raising activities during the year ended 31 March 2026.

DIVIDEND

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

PLEDGE OF ASSETS

Save as disclosed elsewhere in this announcement, there was no other pledge of assets as at 31 March 2026.

CONTINGENT LIABILITIES

The Group had performance guarantees of approximately HK$2,215,000 (2025: HK$2,222,000) in respect of services provided to customers. The Group maintains insurance coverage for potential employment and personal injury claims, which the Directors consider adequately covered based on current information. Save as disclosed above, there are no other known material contingent liabilities of the Group not disclosed and would materially affect the Group's financial condition.

CAPITAL COMMITMENTS

As at 31 March 2026, the Group had no material capital commitments (2025: Nil).

LITIGATIONS

Save as disclosed in note 20 and elsewhere in this announcement, there is no other material litigations with significant impact on the Group during the Year.

EVENTS SUBSEQUENT TO THE REPORTING PERIOD

On 6 May 2026, the Company and a subscriber (the "**Subscriber**") have entered into a subscription agreement (the "**Subscription Agreement**"), pursuant to which the Company has conditionally agreed to allot and issue, under general mandate, and the Subscriber has conditional agreed to subscribe for the 153,000,000 Subscription Shares at the Subscription Price of approximately HK$0.033 per Subscription Share. The Subscription money payable by the Subscriber of approximately HK$5.0 million under the Subscription Agreement shall be satisfied by way of off-setting against the principal amount and the interest of the debt confirmation agreement of HK$5,049,000 payable by the Company to the Subscriber. All the conditions as set out in the Subscription Agreement have been fulfilled and completion took place on 27 May 2026.

On 17 May 2026, the Board proposes to implement the Share Consolidation on the basis that every forty (40) issued and unissued Shares of par value of HK$0.01 each be consolidated into one (1) Consolidated Share of HK$0.40 each. The authorised share capital of the Company was HK$40,000,000 divided into 4,000,000,000 Existing Shares with par value of HK$0.01 each, of which 1,931,069,796 Shares have been allotted and issued as fully paid or credited as fully paid as at 31 March 2026.

On 22 June 2026, an extraordinary general meeting ("**EGM**") has taken place and the proposed ordinary resolution of share consolidation on the basis that every forty (40) issued shares of par value of HK$0.01 each existing then be consolidated into one (1) Consolidated Share of HK$0.40 each, was duly passed by the Shareholders at the EGM by way of poll. The Share Consolidation has become effective on Wednesday, 24 June 2026. Dealing in the Consolidated Shares has commenced at 9:00 a.m. on Wednesday, 24 June 2026. Please refer to the Circular published on 26 May 2026 for the details, including the trading arrangement, the Change in Board Lot Size, the exchange of share certificates and matching services for odd lots in connection with the Share Consolidation. Shareholders should note that the new share certificates of the Consolidated Shares are in grey colour, while the existing share certificates in blue colour will cease to be valid for delivery, trading and settlement purposes after 4:10 p.m. on Friday, 31 July 2026, but will remain valid and effective as documents of title.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

It is the Group's corporate mission to continue to explore ways to improve its financial performance and to broaden the sources of revenue within acceptable risk level. Hence, the Company does not rule out the possibility of investing in or changing to other business as long as it is in the interest of the Company and the shareholders as a whole. Also, as part of its routine exercise, the Company reviews the performance of its existing business portfolio and evaluates possible investment opportunities available to the Company from time to time. Subject to the result of such review and the then market and economy situation, the Company may make suitable investment decisions which may involve the disposal of part of its existing business portfolio and/or change of the asset allocation of its business and investment portfolio and/or expanding its business portfolio with a view of realizing and/or optimizing the expected return and minimizing the risks. Meanwhile, the Company does not preclude the possibility that the Company may implement debt and/or equity fund raising plan(s) to satisfy the financing needs arising out of any business development of the Group as well as to improve its financial position in the event that suitable fund raising opportunities arise, as the Company has from time to time been approached by investors for potential investment projects. In these regards, the Company will publish announcement as and when appropriate according to applicable rules and regulations.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES

Save as disclosed in note 19 and elsewhere in this announcement, there was no material acquisition and disposal of subsidiaries during the Year.

SIGNIFICANT INVESTMENTS

During the Year, the Group did not have any significant investment plans.

EMPLOYEES AND REMUNERATION POLICIES

The total number of employees of the Group as at 31 March 2026 was 1,273 (2025: 1,241). Total staff costs, including directors' emoluments and net pension contributions, for the year under review amounted to approximately HK$260,376,000 (2025: approximately HK$249,594,000). The Group provides employees with training programmes to equip them with the latest skills and other benefits including share option scheme.

Remunerations are commensurate with individual job nature, work experience and market conditions, and performance related bonuses are granted to employees on discretionary basis.

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

Save as aforesaid, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

CORPORATE GOVERNANCE PRACTICES

The Board recognises the vital importance of a good corporate governance to the Group's management, success and sustainability. Corporate governance practices would be reviewed from time to time to ensure compliance with the regulatory requirements and to meet the rising expectations of Shareholders and investors relating to corporate value, transparency and accountability of all its operations.

The Company strived to maintain a high standard of corporate governance and complied with the Corporate Governance Code (the "**CG Code**") as stated in Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange.

The Company has adopted the code provisions in the CG Code as its own code of corporate governance.

INTERNAL CONTROL

In response to the Inaccessible Accounting Supporting of the Sub-group, in June 2025, PAL Advisory Limited (the "**Investigator**") was engaged to perform an investigation.

Pursuant to the investigation report (the "**Investigation Report**"), the Investigator, is of the view that:

(a) the Sub-Group had no issues in providing the financial statements necessary for the interim results of the Company for the six months ended 30 September 2024. As such, there was no impediments to the preparation of financial statements and the non-provision of the required financial information for FY2025 is an intentional action on behalf of the Sub-Group in breach of the Company Law of the PRC and the constitutions of the companies;

(b) for the period from 1 October 2024 to 31 March 2025, save as the provision in relation to an unresolved dispute between the Sub-Group and a former director at the Fuzhou Arbitration Commission in the amount of RMB5,200,000 and ancillary expenses, the Sub-Group has had no operations, no material transactions, no material borrowings, guarantee or financing activities or material acquisition or disposal of assets; and

(c) given that the actions undertaken by the Company, including but not limited to the company secretary and the management of the Company having (a) attempted to contact the responsible personnel of the Sub-Group consistently; (b) sought the legal advice from PRC counsel on the prospects of any actions that could be taken against the Sub-Group; and (c) instructed the PRC counsel to prepare demand letters, the Investigator is of the view that the Company has made its best effort, via various reasonable and legal methods and channels to obtain the financial information of the Sub-Group and has undertaken all feasible remedial actions.

The Board (including the independent non-executive Directors) has reviewed the Investigation Report and is of the view that the content and findings in the Investigation Report are reasonable and acceptable and adequately addressed the Issues.

The Board (including the independent non-executive Directors) is of the view that the problems identified in the Investigation Report do not affect the business operations of the Group and would adopt the suggestions from the Investigator for better internal control and corporate governance.

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted its own code of conduct governing Directors' dealings in the Company's securities (the "**Code**") on terms no less exacting than the Model Code for Securities Transactions by Directors of the Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. Specific enquiry has been made to all Directors and all of them have confirmed that they have complied with the Code and the Model Code throughout the Year.

The Company has also established written guidelines on terms no less exacting than the Model Code (the "**Employees Written Guidelines**") for governing the securities transactions by employees who are likely to be in possession of unpublished price-sensitive information of the Company. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by the Company.

SCOPE OF WORK OF PRISM HONG KONG LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, 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 auditors, Prism Hong Kong Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Prism Hong Kong Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Prism Hong Kong Limited on the preliminary announcement.

AUDIT COMMITTEE

The Company established an audit committee of the Company (the "**Audit Committee**") with written terms of reference in compliance with the Listing Rules. As at the date of this announcement, the Audit Committee comprised four independent non-executive Directors, namely, Mr. Yau Pak Yue (the chairman of the Audit Committee), Mr. Wang Qi, Mr. Leung Nga Tat and Mr. Mui Kay Boon. The Audit Committee has reviewed together with the management of the Company the accounting principles, accounting standards and methods adopted by the Company, discussed the matters concerning internal control, auditing and financial reporting matters and has reviewed the consolidated financial statements of the Group for the year ended 31 March 2026.

PUBLICATION OF RESULTS ANNOUNCEMENT AND DESPATCH OF ANNUAL REPORT

The annual results announcement is published on the websites of the Stock Exchange at (www.hkexnews.hk) and the Company at (www.XHNmedia.com). The 2025/26 annual report containing all the information required by the Listing Rules will be despatched 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 my sincere gratitude to the management team and staff for their tireless dedication that helped fuel the Group's healthy development. In addition, I would also like to thank all our shareholders, business partners and customers for their continuous support. We will continue to devote unwavering efforts to reap promising returns for all parties.

By order of the Board
Xinhua News Media Holdings Limited
Lin Shuang
Co-Chairman and Executive Director

Hong Kong, 29 June 2026

As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Lo Kou Hong, Mr. Lin Shuang, Mr. Chan Frank Clifford Shui Ting Chu and Ms. Chen Yun; two non-executive Directors, namely, Ms. Wang Guan and Mr. Yuen Ka Tai, Wilson; and four independent non-executive Directors, namely, Mr. Wang Qi, Mr. Yau Pak Yue, Mr. Leung Nga Tat and Mr. Mui Kay Boon.