華夏文化科技集團
CA CULTURAL TECHNOLOGY GROUP

CA CULTURAL TECHNOLOGY GROUP LIMITED
華 夏 文 化 科 技 集 團 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 01566)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2026

31 MARCH 2026 FINANCIAL HIGHLIGHTS

– Revenue was approximately HK$360.4 million for the year ended 31 March 2026, representing a decrease of approximately 1.8% as compared with approximately HK$367.0 million for the year ended 31 March 2025.

– Gross profit was approximately HK$121.1 million for the year ended 31 March 2026, representing a significant increase of approximately 35.9% as compared with approximately HK$89.1 million for the year ended 31 March 2025. Gross profit margin for the year ended 31 March 2026 was approximately 33.6%, representing an increase of approximately 9.3% as compared with approximately 24.3% for the year ended 31 March 2025.

– Loss attributable to owners of the Company was approximately HK$99.9 million for the year ended 31 March 2026, representing a significant increase of approximately 202.7% as compared with a loss of approximately HK$33.0 million for the year ended 31 March 2025.

– Basic loss per share amounted to approximately 8.5 HK cents for the year ended 31 March 2026, representing a significant increase of approximately 203.6% as compared with basic loss per share of approximately 2.8 HK cents for the year ended 31 March 2025.

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to present the audited consolidated annual results of the Group for the year ended 31 March 2026, together with the comparative figures, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2026

		2026	2025
	Notes	***HK$'000***	*HK$'000*
Revenue	*4*	**360,441**	366,959
Cost of sales and services		**(239,333)**	(277,816)
Gross profit		**121,108**	89,143
Other income		**3,964**	1,023
Other gains and losses	*5*	**(560)**	45,893
Selling, marketing and distribution expenses		**(29,843)**	(21,832)
Administrative expenses		**(54,304)**	(70,627)
Research and development expenses		**(9,487)**	(8,155)
Share of loss of associates		**–**	(10)
Finance costs		**(106,140)**	(97,099)
Impairment loss on investment in an associate		**–**	(2,731)
(Provision for)/reversal of impairment loss under expected credit loss model, net of reversal		**(3,122)**	24,009
Loss before taxation		**(78,384)**	(40,386)
Income tax expense	*6*	**(344)**	(526)
Loss for the year	*7*	**(78,728)**	(40,912)

	Notes	**2026** **HK$'000**	2025 HK$'000
Other comprehensive income (expense):			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plans		**(934)**	(856)
Fair value gain on financial assets at fair value through other comprehensive income – investment in equity instrument at fair value through other comprehensive income		**462**	6
Items that may be reclassified subsequently to profit or loss:			
Fair value gain/(loss) on financial assets at fair value through other comprehensive income – investment in debt instrument at fair value through other comprehensive income		**274**	(132)
Exchange differences arising on translation of:			
– subsidiaries		**(5,571)**	(1,391)
Other comprehensive expense for the year		**(5,769)**	(2,373)
Total comprehensive expense for the year		**(84,497)**	(43,285)
(Loss)/profit for the year attributable to:			
Owners of the Company		**(99,938)**	(33,043)
Non-controlling interests		**21,210**	(7,869)
		(78,728)	(40,912)
Total comprehensive (expense)/income attributable to:			
Owners of the Company		**(105,540)**	(34,980)
Non-controlling interests		**21,043**	(8,305)
		(84,497)	(43,285)
Loss per share	*9*		
– Basic (HK$)		**(0.085)**	(0.028)
– Diluted (HK$)		**(0.085)**	(0.028)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
Non-current assets			
Property, plant and equipment		**86,003**	42,440
Right-of-use assets		**96,774**	118,367
Goodwill		**2,425**	2,425
Intangible assets	*11*	**–**	–
Interest in associates		**–**	–
Interest in a joint venture	*12*	**–**	–
Financial assets at fair value through other comprehensive income	*10*	**493**	3,304
Deposits for acquisition of property, plant and equipment	*14*	**23,812**	72,112
Deposit for theme park development projects	*14*	**50,000**	50,000
Rental deposits		**12,127**	11,676
		271,634	300,324
Current assets			
Inventories		**6,938**	6,657
Trade receivables	*13*	**66,408**	57,681
Other receivables, deposits and prepayments	*14*	**48,768**	49,489
Restricted bank balances and cash		**19**	2,240
Financial assets at fair value through other comprehensive income	*10*	**3,535**	—
Bank balances and cash		**19,197**	11,384
		144,865	127,451

	Notes	**2026**	2025
		HK$'000	*HK$'000*
Current liabilities			
Trade payables	*15*	**1,783**	4,026
Other payables and accruals		**438,924**	338,175
Amount due to a director	*16*	**397**	82
Contract liabilities		**11,754**	19,496
Tax payable		**26,071**	25,652
Guaranteed note		**25,000**	25,000
Bonds		**722,166**	721,755
Lease liabilities		**8,812**	10,942
Obligation arising from a put option to a non-controlling interest		**10,377**	—
Bank and other borrowings	*17*	**191,517**	162,565
		1,436,801	1,307,693
Net current liabilities		**(1,291,936)**	(1,180,242)
Total assets less current liabilities		**(1,020,302)**	(879,918)
Non-current liabilities			
Bank and other borrowings	*17*	**36,158**	48,915
Lease liabilities		**84,065**	98,465
Contract liabilities		**8,264**	24,578
Obligation arising from a put option to a non-controlling interest		**—**	10,900
Provision for reinstatement costs for rented premises		**24,338**	25,854
		152,825	208,712
Net liabilities		**(1,173,127)**	(1,088,630)
Capital and reserves			
Share capital		**118,204**	118,204
Reserves		**(1,296,766)**	(1,191,226)
Equity attributable to owners of the Company		**(1,178,562)**	(1,073,022)
Non-controlling interests		**5,435**	(15,608)
Total capital deficiency		**(1,173,127)**	(1,088,630)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

1. CORPORATE INFORMATION

CA Cultural Technology Group Limited (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability on 25 September 2013 and its shares are listed on the main board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The registered office of the Company is at Cricket Square, Hutchins Drive, PO BOX 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business of the Company is Room 2905, 29th Floor, China Resources Building, No. 26 Harbour Road, Wanchai, Hong Kong. The Company's shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and have been suspended for trading since 21 November 2024.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the "**Group**") are engaged in the sales of animation derivative products, establishment and operation of indoor theme parks and multimedia animation entertainment.

The consolidated financial statements are presented in Hong Kong dollar ("**HK$**"), which is the same as the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

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

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability

The Group has applied the new standard and the relevant amendments for the first time in the current year.

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

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

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKFRS 9 and HKFRS 7	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]

1 Effective for annual periods beginning on or after a date to be determined.
2 Effective for annual periods beginning on or after 1 January 2026.
3 Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

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. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have a significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

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

Going Concern

The Group recorded a net loss of HK$78,728,000 for the year ended 31 March 2026, and, as at 31 March 2026, the Group recorded net current liabilities of HK$1,291,936,000 and net liabilities of HK$1,173,127,000. The Group's total bank and other borrowings, bonds payable and guaranteed notes amounted to HK$974,841,000, out of which HK$938,683,000 were due for repayment or would be due for repayment within the next twelve months, while its cash and cash equivalents amounted to HK$19,197,000 only as at 31 March 2026.

As at 31 March 2026, the Group also has defaulted on repayment of certain bonds payable, a guaranteed note and other borrowings of approximately HK$721,066,000, HK$25,000,000 and HK$121,743,000 respectively which were included as part of current liabilities as at 31 March 2026. Furthermore, the Group received several demand letters and statutory demands from bondholders in relation to the overdue payments of the bonds' principals and related interest.

The conditions described above indicate the existence of material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern. The directors are of the view that the Group will be able to raise adequate funds to enable it to operate as a going concern, based on the Group's business forecast and cash flow projection which, inter alia, take into account the past actual operating performance of the Group and assume the following:

(i) successfully completing the debt restructuring, including debt restructuring of the Company by way of scheme of arrangement to be entered into between the Company and creditors of the Company under the Companies Ordinance (Cap. 622) (the "**Creditors' Scheme**") involving its bonds payables and amounts owed to other creditors;

(ii) successfully obtaining additional new sources of financing as and when needed;

(iii) successfully implementing measures to collect outstanding sales proceeds, outstanding proceeds from disposal of various assets and to control costs and expenses effectively;

(iv) successful maintaining relationships with the Group's existing lenders such that no action will be taken by the relevant lenders to demand immediate repayment of the borrowings and other debts for which principal and interest payments are in default.

For the purpose of debt restructuring, on 12 December 2022, the Company and an independent third party investor (the "**Investor**") entered into a term sheet in relation to the proposed restructuring which included the Creditors' Scheme, the subscription of the Company's shares and its convertible bonds by the Investor, the capital reorganisation of the Company and change in board lot size for trading in the Company's shares.

If the Creditors' Scheme is successfully implemented and becomes effective, claims against and liabilities of the Company falling within the Creditors' Scheme will be compromised and discharged in accordance with the Companies Ordinance (Cap. 622). Under the Creditors' Scheme, a cash consideration of not less than HK$160,000,000 (the "**Cash Consideration**"), allocated from the aggregate net proceeds of approximately HK$220,000,000 to be raised from the share subscription and convertible bonds subscription by the Investor, will be transferred to the scheme company ("**SchemeCo**") for distribution to the Scheme Creditors. In addition, an aggregate of 59,000,000 new shares of the Company ("**Scheme Shares**") at an issue price of HK$0.1772 per Scheme Share will be allotted and issued to SchemeCo for the benefit of the Scheme Creditors. The share subscription by the Investor comprises 530,800,000 new shares at HK$0.1772 per share for total consideration of approximately HK$94,057,760 (the "**Share Subscription**") and a subscription for zero-coupon convertible bonds in the principal amount of HK$160,942,240 at 100% of principal (the "**CB Subscription**") (collectively referred to as the "**Subscriptions**"), both of which remain subject to fulfilment of conditions precedent on or before the long stop date of 31 July 2026 (being a further extended long stop date pursuant to the 7th supplementary subscription agreements to the Share subscription Agreement and the CB Subscription Agreement respectively (collectively, the "**7th Supplemental Subscription Agreements**") entered into between the Investor and the Company on 30 June 2026). As the Subscriptions will ultimately result in a change in control of the Company, the Investor has applied for a waiver from the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong (the "**Executive**") pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code in respect of the obligations of the Investor to make a mandatory general offer for all of the shares not already owned or agreed to be acquired by the Investor and any parties acting in concert with it which would otherwise arise as a result of the completion of the Share Subscriptions (the "**Whitewash Waiver**"). Further details of the Proposed Restructuring, the Creditors' Scheme, the Share Subscription and the CB Subscription are set out in the Company's circular dated 27 April 2026 and related announcements and supplemental agreements.

By an Order dated 21 April 2023 (the "**Court Order**") made by the High Court of the Hong Kong Special Administrative Region ("**Court**") in relation to the proposed Creditors' Scheme, the Court has directed that a scheme meeting (the "**Scheme Meeting**") be convened of the creditors of the Company for the purpose of considering and, if thought fit, approving (with or without modification or condition approved and imposed by the Court) the Scheme proposed to be made between the Company and the creditors pursuant to the Companies Ordinance (Cap. 622). The Scheme was approved by the requisite majorities of the creditors of the Company on the Scheme Meeting on 27 June 2023. The Creditors' Scheme was sanctioned without modification by the order of the High Court of Hong Kong on 19 March 2024. On 22 May 2026, the Executive conditionally granted the Whitewash Waiver and at the Extraordinary General Meeting ("**EGM**") of the Company held on 27 May 2026, all proposed resolutions relating to the debt restructuring of the Company by way of the Creditors' Scheme were duly passed by the independent shareholders.

The Creditors' Scheme will become effective when all the conditions precedent to the Creditors' Scheme, among others, the completion of the Subscriptions having taken place, are satisfied. For details please refer to the announcements of the Company dated 5 June 2023, 27 June 2023, 19 May 2026 and 17 June 2026, and joint announcement issued by the Company and Kyosei-Bank Co., Ltd. dated 15 March 2023, 6 April 2023, 21 April 2023, 12 May 2023, 2 June 2023, 14 July 2023, 21 August 2023, 25 September 2023, 26 October 2023 and 13 November 2023, 22 December 2023, 22 January 2024, 9 February 2024, 8 March 2024, 10 April 2024, 13 May 2024, 14 June 2024, 27 April 2026 and 27 May 2026. As at the date of issuance of the consolidated financial statements, the Subscription, have not yet been completed and the Creditors' Scheme has not yet become effective.

The directors believe that, taking into account the above factors, the Group will have sufficient working capital to satisfy its present requirements for at least the next 12 months from the end of the reporting period. However, should the above financing be unavailable or the eventual outcome of the above matters be unsuccessful or unfavorable to the Group, the Group may be unable to continue as a going concern, in which case adjustments might have to be made to the carrying values of the Group's assets to write down to their realisable values, to provide for any further liabilities which might arise and to reclassify its non-current assets and non-current liabilities to current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

Revenue represents revenue arising from sales of animation derivative products, establishment and operation of indoor theme parks and multimedia animation entertainment in Hong Kong, Japan and the PRC during the year.

Information reported to the chief executive of the Company, being the chief operating decision maker ("**CODM**"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered or services provided. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

The Group's operating and reportable segments currently are: (i) sales of animation derivative products, (ii) establishment and operation of indoor theme parks and (iii) multimedia animation entertainment. The CODM considers the Group has three operating and reportable segments which are based on the internal organisation and reporting structure. This is the basis upon which the Group is organised.

(i) Revenue from contract with customers within the scope of HKFRS 15

(a) Disaggregation of revenue from contracts with customers

	2026	2025
	HK$'000	*HK$'000*
Sales of animation derivative products	**136,433**	147,229
Sales of admission tickets	**176,796**	186,862
Sales of theme park machinery	**1,174**	25,018
Licensing income of indoor theme parks	**2,902**	2,648
Licensing income from multimedia animation entertainment	**2**	128
Sales of other products	**1,077**	513
Revenue from provision of theme park design and consultancy services	**42,057**	4,561
	360,441	366,959

Timing of revenue recognition:

	2026	2025
	HK$'000	*HK$'000*
At point in time	**343,680**	364,183
Over time	**16,761**	2,776
	360,441	366,959

(b) Performance obligations for contracts with customers

Sales of animation derivative products

Revenue from sales of animation derivative products is recognised when control of the goods has transferred, being when the goods have been shipped to the customer's specific location (i.e. upon delivery). Following the delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods.

Sales of admission tickets

Customers obtain control of the services when the tickets are accepted and surrendered by the customers upon entering the theme parks. Revenue from tickets sold for use at a future date is deferred and recognised as contract liability until the tickets are surrendered or have expired, which amounted to approximately HK$6,399,000 as at 31 March 2026 (2025: HK$4,370,000). There is generally only one performance obligation.

Licensing income of indoor theme parks

Licensing income is recognised over time in accordance with the terms of the license agreements. There is generally only one performance obligation. Invoices are usually payable within 90 days.

The licensing income is included in the segment revenue of establishment and operation of theme park.

Sales of theme park machinery

Revenue from sales of theme park machinery is recognized when control of the goods has transferred, being when the goods have been accepted by the customers. Following the delivery and acceptance, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibilities when on selling the goods and bears the risks of obsolescence and loss in relation to the goods.

The income from sales of theme park machinery is included in the segment of establishment and operation of theme park.

Provision for theme park design and consultancy services

The Group provides integrated theme park design and consultancy services to customers under fixed-price contracts. The performance obligation of the Group includes delivery of theme park design and business plan in a single reporting package, or a provision of theme park design and consultancy services on periodic intervals. For revenue from the provision for theme park design and consultancy services which involved delivery of reporting package to customers, such revenue is recognised at a point in time when the customer has accepted and approved the reporting package. For revenue from the provision for theme park design and consultancy services which are rendered by customers on periodic intervals, such revenue is recognised over-time in accordance with the terms of the design and consultancy agreement.

The service income is included in the segment revenue of establishment and operation of theme park.

(c) Transaction price allocated to the remaining unsatisfied performance obligation for contracts with customers:

	Establishment and operation of indoor theme park	
	2026	2025
	HK$'000	*HK$'000*
Within one year	**1,701**	1,608
More than one year but not more than two years	**1,701**	1,608
More than two years	**4,112**	5,495
	7,514	8,711

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its contracts for sales of animation derivative products, sales of admission tickets of indoor theme parks, provision for theme park design and consultancy services and sales of indoor theme park machinery such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the aforesaid contracts that had an original expected duration of one year or less.

(ii) Segment information

(a) Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segments:

	Sales of animation derivative products *HK$'000*	Establishment and operation of indoor theme parks *HK$'000*	Multimedia animation entertainment *HK$'000*	Total *HK$'000*
For the year ended 31 March 2026				
Segment revenue	**136,433**	**222,929**	**1,079**	**360,441**
Segment (loss)/profit	**(17,999)**	**77,604**	**6,868**	**66,473**
Unallocated expense				**(41,828)**
Unallocated other income, other gains and losses				**(228)**
Unallocated finance cost				**(102,801)**
Loss before tax				**(78,384)**
For the year ended 31 March 2025				
Segment revenue	147,229	219,087	643	366,959
Segment (loss)/profit	(12,176)	113,136	9,180	110,140
Unallocated expense				(58,329)
Unallocated other income, other gains and losses				2,710
Unallocated finance cost				(92,176)
Unallocated impairment loss on investment in an associate				(2,731)
Loss before tax				(40,386)

(i) There was no inter-segment revenue for the years ended 31 March 2026 and 2025.

(b) ***Segment assets and liabilities***

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

Segment assets

	2026	2025
	HK$'000	*HK$'000*
Sales of animation derivative products	**72,373**	83,241
Establishment and operation of indoor theme parks	**312,849**	317,649
Multimedia animation entertainment	**3,796**	4,828
Total segment assets	**389,018**	405,718
Unallocated property, plant and equipment	**38**	38
Unallocated other receivables, deposits and prepayments	**1,774**	2,666
Goodwill	**2,425**	2,425
Financial assets at FVTOCI	**4,028**	3,304
Restricted bank deposit and cash	**19**	2,240
Bank balances and cash	**19,197**	11,384
Consolidated total assets	**416,499**	427,775

Segment liabilities

	2026	2025
	HK$'000	*HK$'000*
Sales of animation derivative products	**2,249**	2,717
Establishment and operation of indoor theme parks	**170,847**	213,633
Total segment liabilities	**173,096**	216,350
Unallocated other payables and accruals	**404,844**	305,186
Amount due to a director	**397**	82
Bank and other borrowings	**227,675**	211,480
Tax payable	**26,071**	25,652
Bonds	**722,166**	721,755
Guaranteed note	**25,000**	25,000
Obligation arising from a put option to a non-controlling interest	**10,377**	10,900
Consolidated total liabilities	**1,589,626**	1,516,405

Segment assets represent certain property, plant and equipment, right-of-use assets, intangible assets, deposits for acquisition of property, plant and equipment, deposits for a theme park development project, interest in associates, interest in a joint venture, inventories, trade receivables, certain other receivables, rental deposits and deposits and prepayments which are directly attributable to the relevant operating and reportable segments.

Segment liabilities represent trade payables, certain other payables and accruals, contract liabilities, lease liabilities, retirement benefit obligations, provision for reinstatement costs for rented premises and tax payable which are directly attributable to the relevant operating and reportable segments. These are the measures reported to the CODM for the purpose of resources allocation and assessment of segment performance.

(c) Other segment information

	Sales of animation derivative products	Establishment and operation of indoor theme parks	Multimedia animation entertainment	Segment total	Unallocated	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2026						
Amounts included in the measurement of segment profit or loss and segment assets:						
Additions to property, plant and equipment	**–**	**50,800**	**–**	**50,800**	**–**	**50,800**
Depreciation of property, plant and equipment	**4,450**	**3,828**	**227**	**8,505**	**–**	**8,505**
Depreciation of right-of-use assets	**587**	**10,898**	**–**	**11,485**	**–**	**11,485**
Impairment loss/(reversal of impairment loss) under expected credit loss model, net of reversal	**358**	**9,118**	**(6,800)**	**2,676**	**446**	**3,122**
Research and development costs	**–**	**9,487**	**–**	**9,487**	**–**	**9,487**
Finance costs	**–**	**3,339**	**–**	**3,339**	**102,801**	**106,140**
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:						
Income tax expense	**–**	**344**	**–**	**344**	**–**	**344**

	Sales of animation derivative products *HK$'000*	Establishment and operation of indoor theme parks *HK$'000*	Multimedia animation entertainment *HK$'000*	Segment total *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
2025						
Amounts included in the measurement of segment profit or loss and segment assets:						
Addition to right-of-use assets	–	683	–	683	–	683
Additions to property, plant and equipment	–	1,737	79	1,816	380	2,196
Depreciation of property, plant and equipment	5,997	14,558	7	20,562	109	20,671
Depreciation of right-of-use assets	587	15,769	–	16,356	–	16,356
Share of (loss)/profit of associates	–	–	–	–	(10)	(10)
Impairment loss/(reversal of impairment loss) under expected credit loss model, net of reversal	7,272	(22,500)	(8,942)	(24,170)	161	(24,009)
Research and development costs	–	8,155	–	8,155	–	8,155
Finance costs	–	4,923	–	4,923	92,176	97,099
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss:						
Income tax expense	–	526	–	526	–	526

Segment profit/(loss) represents the profit/(loss) earned/(incurred) by each segment without allocation of certain administrative expenses, other gains and losses, finance costs and certain other income and expenses. This is the measure reported to CODM for the purpose of resource allocation and performance assessment.

All the segment revenue reported above is from external customers.

(d) Geographical information

The Group's operations are located in Hong Kong, Japan, Cambodia and the PRC.

Information about the Group's revenue from external customers is presented based on the destination of shipment for sales of products or location of services rendered/operations. Information about the Group's non-current assets is presented based on the geographical location of the assets.

Revenue from external customers

	2026	2025
	HK$'000	*HK$'000*
PRC	**28,945**	17,371
Hong Kong	**72,773**	111,105
Japan	**258,723**	238,483
	360,441	366,959

Non-current assets by geographical location

	2026	2025
	HK$'000	*HK$'000*
PRC*	**92,015**	144,979
Hong Kong	**50**	50
Japan	**161,208**	133,987
Cambodia	**5,741**	6,328
	259,014	285,344

Note: Non-current assets excluded financial assets at FVTOCI and rental deposits.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total sales of the Group, which was mainly derived from sales of animation derivative products is as follows:

	2026	2025
	HK$'000	*HK$'000*
Customer A[1]	**71,493**	90,319
Customer B[1]	**40,083**	N/A[2]

1 Revenue from sales of animation derivative products.

2 The corresponding revenue did not contribute to over 10% of the total revenue for the year ended 31 March 2025.

5. OTHER GAINS AND LOSSES

	2026	2025
	HK$'000	*HK$'000*
Net foreign exchange gain/(loss)	**171**	(9)
Gain on waiver of lease payable	**–**	18,451
Net gain on a put option to a non-controlling interest	**–**	3,894
Loss on disposal of property, plant and equipment	**(681)**	(2,860)
Gain on derecognition of right-of-use assets and lease liabilities	**–**	29,461
Loss on disposal of an associate	**–**	(2,926)
Other loss	**(50)**	(118)
	(560)	45,893

6. INCOME TAX EXPENSE

	2026	2025
	HK$'000	*HK$'000*
The tax expense comprises:		
Corporate tax in Japan		
Current tax	**344**	526
	344	526

Under the two-tiered profits tax rates regime in Hong Kong, the first HK$2 million of profits of the qualifying group entity is taxed at 8.25%, and profits above HK$2 million are taxed at 16.5%. The profits of group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime are taxed at a flat rate of 16.5%.

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards. The tax rate of the PRC subsidiaries is 25% for both years.

Corporate tax in Japan is calculated at 23.25% (2025: 23.25%) on the estimated assessable profit. Pursuant to relevant laws and regulations in Japan, withholding tax is imposed at 20.42% (2025: 20.42%) and 5% (2025: 5%) on dividends declared to local investors and foreign investors, respectively, in respect of profit generated by subsidiaries incorporated in Japan.

7. LOSS FOR THE YEAR

	2026	2025
	HK$'000	*HK$'000*
Loss for the year has been arrived at after charging:		
Cost of sales and services		
Staff costs:		
Salaries and other benefits	**26,187**	25,102
Retirement benefit schemes	**4,157**	3,737
Defined benefits costs	**165**	445
Depreciation of property, plant and equipment	**3,621**	13,818
Depreciation of right-of-use assets	**10,502**	15,362
Cost of inventories recognised as expenses		
– sales of animation derivative products	**132,355**	136,376
– sales of theme park machineries	**554**	22,948
– sales of other products	**1,008**	402
Building management fee	**8,417**	9,055
Short-term and low value leases	**2,895**	3,708
Outsourcing cost for operation of indoor theme parks	**13,786**	9,804
Utility cost for operation of indoor theme parks	**7,869**	9,198
Licensing fee for operation of indoor theme parks	**5,336**	5,582
Written down of inventories	**—**	540
Other operating cost of indoor theme parks	**22,481**	21,739
	239,333	277,816
Administrative expenses		
Staff Costs:		
Directors' emoluments	**3,359**	3,145
Salaries and other benefits	**19,568**	21,143
Retirement benefit schemes	**3,617**	2,912
Defined benefits costs	**437**	309
	26,981	27,509
Auditor's remuneration		
– audit services	**3,200**	3,200
Legal and professional fees	**1,908**	14,644
Depreciation of property, plant and equipment	**4,767**	6,779
Depreciation of right-of-use assets	**587**	587
Short-term and low value leases	**2,058**	2,928
Service fee	**2,923**	3,334
Travelling expenses	**1,990**	2,495
Entertainment expenses	**2,664**	2,844
Other administrative expenses	**7,226**	6,307
	54,304	70,627

	2026	2025
	HK$'000	*HK$'000*
Research and development expenses		
– Operation of indoor theme parks		
Staff Costs:		
Salaries and other benefits	**6,169**	6,169
Retirement benefit schemes	**1,248**	1,078
Defined benefits costs	**232**	203
Depreciation of property, plant and equipment	**117**	74
Depreciation of right-of-use assets	**396**	407
Cost of materials for research and development activities	**535**	–
Other research and development cost	**790**	224
	9,487	8,155

8. DIVIDENDS

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

9. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to owners of the Company of HK$99,938,000 (2025: HK$33,043,000) and the weighted average of 1,182,042,000 ordinary shares (2025: 1,182,042,000 ordinary shares) in issue during the year.

(b) Diluted loss per share

For the years ended 31 March 2026 and 2025, diluted loss per share were the same as the basic loss per share as there were no dilutive potential ordinary share in issue.

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Financial assets at FVTOCI include the following:

Non-current assets:

	2026	2025
	HK$'000	*HK$'000*
Equity instruments at fair value through other comprehensive income		
Equity securities listed in Hong Kong *(i)*	**493**	32
	493	32
Debt instruments at fair value through other comprehensive income		
Investments in unlisted bonds *(ii)*	**—**	3,272
	493	3,304

Current assets:

	2026	2025
	HK$'000	*HK$'000*
Debt instruments at fair value through other comprehensive income		
Investments in unlisted bonds *(ii)*	**3,535**	—

(i) The above listed equity investments represent ordinary shares of entities listed in Hong Kong. These investments are not held for trading, instead, they are held for long-term strategic purposes. The Directors have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

The fair value of the listed equity securities is based on their current bid prices in active markets, and therefore classified under level 1 of fair value hierarchy.

(ii) The Group invested in a bond issued by an independent third party with a nominal amount of HK$3,580,000 at a consideration of HK$3,580,000. The bond has a coupon interest rate of 8.0% per annum and maturity date in June 2026.

The bond is held by the Group within a business model whose objective is both to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding and to sell these financial assets. Hence, the investment in the unlisted bond is classified as at FVTOCI.

11. INTANGIBLE ASSETS

	Film rights and applications *HK$'000* *(note i)*	Animation characters *HK$'000* *(note ii)*	Indoor theme park right *HK$'000* *(note iii)*	Trademark *HK$'000* *(note iv)*	Total *HK$'000*
COST					
At 1 April 2024, 31 March 2025 and 2026	192,788	112,270	2,279	25,793	333,130
AMORTISATION AND IMPAIRMENT					
At 1 April 2024, 31 March 2025 and 2026	192,788	112,270	2,279	25,793	333,130
CARRYING VALUES					
At 31 March 2026	–	–	–	–	–
At 31 March 2025	–	–	–	–	–

Notes:

(i) Film rights and applications represent the acquisition of film rights and applications from production parties for the distribution of films and gaming applications in various videogram formats, film exhibition, licensing and sub-licensing of film titles and mobile phone gaming applications. Film rights and applications are stated at cost less accumulated amortisation and accumulated impairment losses. The costs of film rights and applications are amortised on a straight-line basis over their estimated useful lives starting from the completion of films and applications.

(ii) Animation characters represent the acquired intellectual properties in the form of trademarks and copyrights of various animation brands and related characters under the ownership of the Group.

(iii) Indoor theme park right represents the acquired intellectual property rights in the form of trademarks and know-how under a licensing agreement (the "**Licensing Agreement**") with SEGA Corporation, a Japanese corporation. The term of the Licensing Agreement is 10 years from the date of the Licensing Agreement which is renewable subject to negotiation among the parties concerned.

(iv) The trademark acquired on acquisition of CA Sega Group under Trademark Licence Agreement (the "**Trademark Licence Agreement**") with SEGA Holdings Co., Ltd. for a non-transferrable and non-exclusive right to use and sub-license the JOYPOLIS trademark for the establishment and operation of indoor theme parks with JOYPOLIS worldwide. The term of the Trademark Licence Agreement is 5 years from the date of the Trademark Licence Agreement which is renewable for another 5 years subject to negotiation among the parties concerned.

The above intangible assets have finite useful lives. Such intangible assets are amortised on a straight-line basis over the useful lives:

Film rights and applications	2–5 years
Animation characters	5 years
Indoor theme park right	10 years
Trademark	5 years

12. INTEREST IN A JOINT VENTURE

	2026 HK$'000	2025 HK$'000
Cost of investment in a joint venture	**100,120**	100,120
Share of post-acquisition loss and other comprehensive expense	**(97,964)**	(97,964)
	2,156	2,156
Less: Impairment loss	**(2,156)**	(2,156)
Carrying amount of the Group's investment in Success View	**–**	–

Details of the Group's joint venture as at 31 March 2026 and 2025 are as follows:

Name of joint venture	Place of establishment	Paid up registered capital	Proportion of equity interest held by the Group		Proportion of voting rights held by the Group		Principal activity
			2026	2025	**2026**	2025	
Success View Global Limited (“**Success View**”)	BVI	USD25,770,100	**50%**	50%	**50%**	50%	Multimedia animation entertainment business

13. TRADE RECEIVABLES

	2026 HK$'000	2025 HK$'000
Trade Receivables	**310,084**	292,585
Less: accumulated impairment losses	**(243,676)**	(234,904)
	66,408	57,681

As at 1 April 2024, the trade receivables from contracts with customers (net of accumulated impairment loss) amounted to approximately HK$41,609,000.

The Group generally allows a credit period ranging from 30 days to 90 days to its customers of sales of animation derivative products except certain customers with strategic business relationship which are granted a longer credit period of 180 days.

For customers of licensing income, the Group allows a credit period ranging from 90 to 365 days.

The following is an aged analysis of trade receivables presented based on the invoice dates:

	2026 HK$'000	2025 HK$'000
0 to 90 days	**64,096**	56,890
91 to 180 days	**846**	352
181 to 365 days	**1,466**	439
	66,408	57,681

Before accepting any new customers, the Group assesses the potential customer's credit quality and defines credit limits by each customer. Limits attributed to customers are reviewed once a year.

Included in the Group's trade receivables are receivables with the following carrying amounts which are past due at the end of each reporting period for which the Group has not provided for impairment loss as there has not been a significant change in the credit quality and the settlements after the end of the reporting period from those debtors are satisfactory. The Group does not hold any collateral over these balances. Ageing of trade receivables which are past due but not impaired, aged based on past due dates, is as follows:

	2026	2025
	HK$'000	*HK$'000*
0 to 90 days	**56,072**	43,346
91 to 180 days	**846**	352
181 to 365 days	**1,466**	439
	58,384	44,137

The Group's trade receivables that are denominated in currencies other than the functional currencies of the respective group entities are set out below:

	2026	2025
	HK$'000	*HK$'000*
United States Dollars ("**US$**")	**26,553**	31,713

14. DEPOSIT FOR ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT/DEPOSITS FOR THEME PARK DEVELOPMENT PROJECTS/OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Non-current assets:

		2026	2025
	Notes	***HK$'000***	*HK$'000*
Deposit for acquisition of property, plant and equipment	*(i)*	**23,812**	72,112
Deposits for theme park development projects	*(ii)*	**50,000**	50,000

Notes:

(i) The deposit for acquisition of property, plant and equipment is advance payment made to a construction vendor who is independent third party for interior design works, fire safety facilities and playground facilities for future construction of "Wonder Forest" and "Joypolis" indoor theme parks in Shanghai, PRC. The construction contract was still valid as at 31 March 2026 with expiry dates extended to the second quarter of 2028.

(ii) Pursuant to contracts entered into between the Group and independent consultants, deposits for theme park development projects were made as an advance payment to the said consultants for the intended formation of joint venture and acquisition of facilities for construction of theme parks.

Current assets:

	Notes	2026 HK$'000	2025 HK$'000
Rental deposit		**51**	742
VAT recoverable		**1,678**	649
Other receivables		**122**	27
Prepayments	*(i)*	**46,402**	47,525
Interest receivable		**322**	342
Deposit paid		**193**	204
		48,768	49,489

Note:

(i) As at 31 March 2026, included in the balance of prepayments is a prepayment for purchase of animation derivation products made to the main supplier of the Group, amounting to approximately HK$39,964,000 (2025: HK$40,291,000).

15. TRADE PAYABLES

	2026 HK$'000	2025 HK$'000
Trade payables	**1,783**	4,026
	1,783	4,026

The average credit periods on purchases of goods range from 0 to 30 days. The following is an age analysis of trade payables presented based on the invoice dates at the end of the reporting period:

	2026 HK$'000	2025 HK$'000
0 to 30 days	**–**	796
31 to 60 days	**–**	–
61 to 90 days	**–**	–
Over 90 days	**1,783**	3,230
	1,783	4,026

16. AMOUNT DUE TO A DIRECTOR

	2026 HK$'000	2025 HK$'000
Chong Heung Chung Jason	**397**	82

The amount is unsecured, interest-free and repayable on demand.

17. BANK AND OTHER BORROWINGS

	2026	2025
	HK$'000	*HK$'000*
Bank borrowings and overdraft	**46,509**	59,279
Other borrowings	**181,166**	152,201
	227,675	211,480

(i) Bank borrowings

	2026	2025
	HK$'000	*HK$'000*
The carrying amount of the bank borrowing are repayable		
Within one year	**19,540**	10,922
Within a period of more than one year but not exceeding two years	**7,301**	19,670
Within a period of more than two years but not exceeding five years	**18,522**	25,575
More than five years	**1,146**	3,112
	46,509	59,279
Less: Amount due within 1 year shown under current liabilities	**(19,540)**	(10,922)
Amount of bank borrowing shown under non-current liabilities	**26,969**	48,357

(ii) Other Borrowings

	2026	2025
	HK$'000	*HK$'000*
The carrying amount of the other borrowings is repayable		
Within one year	**171,977**	151,643
Within a period of more than one year but not exceeding two years	**9,189**	558
	181,166	152,201
Less: Amount due within 1 year shown under current liabilities	**(171,977)**	(151,643)
Amount of other borrowings shown under non-current liabilities	**9,189**	558
Bank and other borrowings shown under non-current liabilities	**36,158**	48,915
Bank and other borrowings shown under current liabilities	**191,517**	162,565

18. EVENTS AFTER THE REPORTING PERIOD

On 22 May 2026, the Executive conditionally granted the Whitewash Waiver and at the EGM of the Company held on 27 May 2026, all proposed resolutions relating to the debt restructuring of the Company by way of the Creditors' Scheme were duly passed by the independent shareholders.

On 30 June 2026, the Company and the Investor entered into the 7th supplementary subscription agreement and the CB Subscription agreement, pursuant to which the parties agreed to further extend the long stop date to 31 July 2026. For details, please refer to the announcement issued by the Company dated 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is a multimedia entertainment group in China which is engaged in three main business segments, including:

1) expansion of the world's No.1 indoor theme park CA SEGA JOYPOLIS brand through asset-light licensing model;

2) animation-derived products trading business, meanwhile on this basis, to explore the IP Pop Toy Collectibles related business;

3) Multimedia animation entertainment business focusing on animation IP and VR (including eSports).

CA SEGA JOYPOLIS LTD. (formerly known as "**SEGA Live Creation Inc.**") is the world's No.1 indoor theme park brand company acquired by the Group from SEGA Holding in 2017. The Group cooperated with different business partners through asset-light licensing model to promote theme park brand. Currently, the Group directly operates two large-scale theme parks CA SEGA JOYPOLIS in Tokyo and Sendai, Japan, a licensed CA SEGA JOYPOLIS indoor theme park in Guangzhou and licensed Wonder Forest kids amusement parks in first-tier and second-tier cities in China. The Joypolis Sports, which is invested and established by an external investor and licensed by the Group was opened in December 2024. It becomes the Group's first operating park in Hong Kong at the Kai Tak Sports Park, which makes an additional contribution to our performance growth.

The Group has over 30 years' experience in the IP pop toy industry (mainly IP pop toy manufacturing business), engaging in the trading business as well as relevant value-added services of sales of animation-derived products (mainly toys) featuring a wide range of popular third-party owned animation characters in the Japanese market. Most of the customers of the Group are companies in Japan sourcing animation-derived products for leading toys companies and for leading outdoor theme parks in Japan. The Group maintained a long term and solid relationships with such companies. The Group has accumulated years of experience, resources, and reputation in the animation industry to fully develop the IP pop toy business.

The Group owns the license rights to many famous animation IPs, including two global top 10 national cartoon characters — "Han Ba Gui" and "Violet," as well as characters from movies and animated dramas such as "The King of Tibetan Antelope", "Animal Conference on the Environment" and "Amazing UU". China's first virtual artist "Violet" created by the Group has held 3D Holographic Concerts in Shenzhen and Hong Kong since 2015. The Group also established close cooperative relationships with many world-leading IP brands such as "Transformers" in the US, SEGA Sonic the Hedgehog, and Initial D, etc. The Group also participated in the co-investment and coproduction of the animated series "The Reflection" with internationally famous partners such as Studio Deen from Japan and Stan Lee "Father of Marvel" which was broadcasted over 38 countries and regions.

The Group established VR eSports and VR O2O game model, and became one of the leaders in the VR eSport industry. The Group is the organizer of the eSports tournament in the "World Conference on VR industry 2019" authorized by the China Information Industry Trade Association and the Ministry of Industry and Information Technology. The Group launched its groundbreaking and self-innovated VR eSports game "Huang Yangjie Battle 黃洋界保衛戰" to promote red cultural tourism, which was awarded prestigious industry awards named the "Chinese Information Consumption Innovation award 2018 (2018中國信息消費創新獎)" and the "Gold Award of Chinese eSports Innovative Software 2019 (2019中國電子競技創新獎軟件金獎)" presented by China Information Industry Trade Association (中國信息產業協會). It was also awarded the "Outstanding Award of Global Digital Technology Creative Design Competition 2021" (2021年全球數字科技創意設計大賽傑出獎).

INDUSTRY REVIEW

Theme Park Industry

Heading towards a boom period of 'immersive complexes'

In 2025, the industry is in a phase of rapid expansion, moving towards creating diverse, immersive spaces that combine sports, leisure, socializing, and entertainment.

– Market size: There are already over 100,000 indoor theme parks nationwide, and the market is expected to reach RMB200 billion by 2026.

– Consumer groups: Generation Z and Millennials are the main consumers (accounting for over 60%), while families with kids are still the core customer base.

– Technology and experience: widely integrating VR/AR to create immersive experiences, and deeply combining with education and cultural tourism to offer study programs and special activities.

Toys Industry

Domestic collectible toys are booming, while exports are under pressure and transforming

In 2025, the industry shows a trend of 'domestic sales divergence and export pressure,' and is shifting from 'contract manufacturing' to 'branding and IP'.

– Domestic market: Traditional toy retail sales totaled RMB103.53 billion (+5.8%); trendy toys saw rapid growth, with retail sales of RMB67.69 billion (+45.4%).

– Import and Export: Total exports were USD34.81 billion, down 12.7% year-on-year; imports grew 18.7%, reflecting stronger demand for high-end, IP-based imported toys.

– Trends and Events: IP collaborations are driving a sales boom (like merchandise for "**Ne Zha 2**"); LABUBU is going viral overseas, becoming a flagship of Chinese trends going global. However, the PRC government is updating mandatory toy safety standards, raising environmental and safety requirements.

Gaming Industry

Premium Products and Going Global in a Saturated Market

In 2025, both revenue and user numbers in the gaming market hit record highs, but with the competition over existing users, it's shifted from 'making quick money' to 'refining and cultivating'.

– Market size: Actual sales revenue was RMB350.789 billion (+7.68%); user base was 683 million (+1.35%).

– Going abroad and niche markets: Self-developed games made USD20.455 billion overseas (+10.23%), exceeding 100 billion for the sixth consecutive year. Mini-program games are growing strong, becoming an important growth market.

– Tech and Products: The use of generative AI in R&D and operations is heating up; standalone and AI-native games are becoming new breakout opportunities for small to mid-sized teams.

– Challenge: The high-investment projects of the industry are at greater risk of failure, and regulations are getting stricter, especially regarding the protection of minors.

These industries are showing strong momentum and deep changes in the year 2025.

BUSINESS REVIEW

During the Year under Review, the overall performance of the Group is as follows:

1. **Trading business of animation derivatives**

   During the Year under Review, the Group retained stable trading business by adjusting its sales strategy and providing high-quality value-added services, and continually reviewed operating costs and efficiency so as to make progress and maintain stability in the tough and challenging market environment.

2. **Indoor theme park business**

   During the Year under Review, the whole Group continued implement cost reduction strategy, the Group was actively explorating business opportunities to develop and launch different types of theme parks by the Group's rich animation IP resources and sports parks.

3. **Multimedia animation entertainment business**

   During the Year under Review, the Group's business partners had resumed their IP projects and in business negotiation to explore different surrounding derivatives, including but not limited to theme parks and virtual platforms.

BUSINESS PROSPECTS

The Company is an investment holding company and the Group is principally engaged in the trading of animation derivative products, establishment and operation of indoor theme parks and multimedia animation entertainment in the PRC, Hong Kong and Japan.

On 21 November 2024, at the request of the Company, trading in the shares of the Company on the Stock Exchange has been halted with effect from 9:00 a.m.. The Company has engaged an independent advisor to conduct an independent forensic investigation covering the background and commercial rationale behind various transactions entered into with various parties, including those which eventually led to the impairments made in the financial years of 2022 and 2023. The investigation was completed and the investigation report was finalised in March 2026. The Company is actively taking steps to fulfill the Resumption Guidance.

Even though the difficulties, the Group still continues to develop and launch IP theme parks and different types of amusement facilities through the Group's rich animation IP resources to cater to different target groups. The Group is also developing AI customer products so as to explore for more surrounding derivatives consumption areas to increase income sources.

FINANCIAL REVIEW

The following sets forth a summary of the performance of the Group for the year ended 31 March 2026 with comparative figures for the latest year as follows:

	For the year ended 31 March	
	2026	2025
Revenue *(HK$'000)*	**360,441**	366,959
Gross profit *(HK$'000)*	**121,108**	89,143
Gross profit margin *(%)*	**33.6**	24.3
Loss attributable to owners of the Company *(HK$'000)*	**(99,938)**	(33,043)

Revenue

The revenue decreased by approximately HK$6.6 million, or approximately 1.8%, from approximately HK$367.0 million for the year ended 31 March 2025 to approximately HK$360.4 million for the year ended 31 March 2026. The revenue was maintained at a similar level to that of last year.

Sales of animation derivative products

The revenue from sales of animation derivative products decreased by approximately 7.3% from approximately HK$147.2 million for the year ended 31 March 2025 to approximately HK$136.4 million for the year ended 31 March 2026. The revenue from sales of animation derivative products dropped due to more intense competition in the toy industry.

Establishment and operation of indoor theme parks

The revenue from establishment and operation of indoor theme parks increased by approximately 1.7% from approximately HK$219.1 million for the year ended 31 March 2025 to approximately HK$222.9 million for the year ended 31 March 2026. The increase was primarily due to increase in revenue from provision of theme parks design and consultancy services which offset the drop in sales of theme park machinery.

The number of visitors based on ticket sales decrease by 22.9% from 820,000 for the year ended 31 March 2025 to 632,000 for the year ended 31 March 2026. The analysis of the number of visitors is set out below:

	2026	2025
	'000	*'000*
PRC	**—**	132
Japan	**632**	688

Multimedia animation entertainment

The revenue from multimedia animation entertainment increased by approximately HK$436,000 from approximately HK$643,000 for the year ended 31 March 2025 to approximately HK$1,079,000 for the year ended 31 March 2026. The revenue from multimedia animation entertainment included income from licensing of animation characters, trading of products embedded with multimedia element, trading of VR gaming machines and event activities.

Cost of sales and services

The cost of sales and services decreased by approximately HK$38.5 million, or approximately 13.9%, from approximately HK$277.8 million for the year ended 31 March 2025 to approximately HK$239.3 million for the year ended 31 March 2026. The decrease was mainly due to the decrease in cost of goods sold for theme park machineries and the decrease in depreciation of theme park assets during the year ended 31 March 2026.

Gross profit and gross profit margin

The Group's gross profit increased significantly by approximately HK$32.0 million, or approximately 35.9%, from approximately HK$89.1 million for the year ended 31 March 2025 to approximately HK$121.1 million for the year ended 31 March 2026. The Group's gross profit margin increased significantly from approximately 24.3% for the year ended 31 March 2025 to approximately 33.6% for the year ended 31 March 2026. The significant increase in gross profit and gross profit margin was mainly due to the increase in revenue from provision of theme park design and consultancy services for the year ended 31 March 2026 which had higher profit margin and the decrease in cost of sales and services recognized in theme park segment for the year ended 31 March 2026 as a result of significant drop in depreciation expenses on theme park assets.

Other income

Other income increased by approximately HK$3.0 million from approximately HK$1.0 million for the year ended 31 March 2025 to approximately HK$4.0 million for the year ended 31 March 2026. The other income was maintained at a similar level to that of the last year.

Other gains and losses

The Group recorded a loss of approximately HK$0.6 million for the year ended 31 March 2026, compared to a gain of approximate HK$45.9 million for the year ended 31 March 2025. The substantial decrease was primarily because during the year ended 31 March 2025, the Group incurred one-off gain on waiver of lease payable of approximately HK$18.5 million and one-off gain on derecognition of right-of-use assets and lease liabilities of approximately HK$29.5 million, which were absent during the year ended 31 March 2026. The one-off gain during the year ended 31 March 2025 was mainly due to an one-time gain from the waiver of lease payable resulted from the termination of operation of a theme park of the Group in Shanghai, the PRC.

Selling and distribution expenses

The selling and distribution expenses increased by approximately HK$8.0 million, or approximately 36.7%, from approximately HK$21.8 million for the year ended 31 March 2025 to approximately HK$29.8 million for the year ended 31 March 2026. The increase was mainly due to increased promotion of self-developed AI consumer products.

Research and development expenses

The research and development expenses increased by approximately HK$1.3 million from approximately HK$8.2 million for the year ended 31 March 2025 to approximately HK$9.5 million for the year ended 31 March 2026. The research and development expenses was maintained at a similar level to that of the last year.

Reversal of/provision of Impairment loss under expected credit loss model, net of reversal

The Group recognised a provision of impairment loss under expected credit loss model, of approximately HK$3.1 million for the year ended 31 March 2026, as compared to a reversal of approximated HK$24.0 million for the year ended 31 March 2025.

The impairment losses under expected credit loss model, net of reversal, for the year ended 31 March 2026 comprised of provision for impairment losses of trade receivables of approximately HK$8.8 million (2025: approximately HK$7.6 million), reversal of impairment losses of other receivables and deposits of approximately HK$5.7 million as a result of settlement arrangements with debtors (2025: reversal of approximately HK$31.8 million) and impairment on financial asset at fair value through other comprehensive income of approximately HK$12,000 (2025: approximately HK$112,000).

Loss attributable to owners of the Company

The loss attributable to owners of the Company increased by approximately HK$66.9 million, or approximately 202.7%, from approximately HK$33.0 million for the year ended 31 March 2025 to approximately HK$99.9 million for the year ended 31 March 2026. The reasons included (i) an increase in finance costs by approximately HK$1.0 million; (ii) provision of impairment loss of approximately HK$3.1 million for the year ended 31 March 2026 as compared to a reversal of approximated HK$24.0 million for the year ended 31 March 2025; and (iii) gain attributable to the non-controlling interest of approximately HK$21.2 million for the year ended 31 March 2026 as compared to a loss attributable to the non-controlling interest of approximately HK$7.9 million for the year ended 31 March 2025.

Deposits for acquisition of property, plant and equipment

	2026	2025
	HK$'000	*HK$'000*
Project		
Development of Wonder Forest and Joypolis in Shanghai, PRC	**23,812**	72,112
Development and establishment of new Joypolis	**50,000**	50,000
	73,812	122,112

Other receivables, deposits and prepayments

The amount was decreased by HK$0.7 million from HK$49.5 million for the year ended 31 March 2025 to HK$48.8 million for the year ended 31 March 2026.

CAPITAL STRUCTURE, LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2026, the authorised share capital of the Company was HK$500.0 million divided into 5,000,000,000 shares of HK$0.1 each and the issued share capital of the Company was approximately HK$118.2 million divided into 1,182,042,000 shares of HK$0.1 each.

As at 31 March 2026, the cash and bank balances of the Group were approximately HK$19.2 million (31 March 2025: approximately HK$11.4 million). The cash and bank balances was maintained a similar level to that of last year.

As at 31 March 2026, the Group had a gearing ratio (calculate as bank borrowings and other borrowings, lease liabilities, guaranteed note and bonds, divided by total assets) of approximately 265.4% (31 March 2025: approximately 249.6%).

During the year ended 31 March 2026, no bond or guarantee note was issued by the Company (31 March 2025: Nil).

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group will continue to focus on enhancing brand awareness and operational efficiency, expanding the global presence of CA SEGA JOYPOLIS through theme park licensing models in China and overseas. Joypolis Sports theme parks have demonstrated stable revenue performance since their opening, serving as a successful example of the Group's asset-light licensing model. In the future, the Group will accelerate the replication and expansion of such projects, characterized by more flexible floor space, lower investment, shorter payback periods, and alignment with new consumption trends in more cities and regions. Furthermore, the Group will moderately advance the development of its online systems, including membership systems and related management tools, to improve operational efficiency and further refine its overall business structure.

Given the continued uncertainty in the international trade environment, the Group will focus on maintaining a stable and long-term value customer portfolio to ensure robust business scale and profitability. Simultaneously, the Group is systematically advancing the planning of its proprietary product lines, leveraging its existing supply chain and production advantages to moderately extend its business scope and enhance overall operational flexibility and market competitiveness.

The Group will also continue to advance research and development in VR and related technologies, exploring more integration opportunities with theme park and IP businesses. At the same time, the Group will also pay attention to the development trends of emerging AI technologies, and study their potential applications in multimedia entertainment content and interactive experiences, so as to build more innovative foundations for future business growth.

MORTGAGES AND PLEDGES

As at 31 March 2026, no bank deposit of the Group (31 March 2025: Nil) was pledged to a banks for banking facilities obtained.

CONTINGENT LIABILITIES

The Group did not have significant contingent liabilities as at 31 March 2026 (31 March 2025: Nil).

FOREIGN EXCHANGE EXPOSURE

There has been no significant change in the Group's policy in terms of exchange rate risks. The Group's transactions are mainly denominated in Hong Kong dollars, Renminbi, Japanese Yen or US dollars. Management of the Group is closely monitoring foreign exchange risks and would consider the use of hedging instruments as and when appropriate.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The Executive conditionally granted the Whitewash Waiver and consented to the Special Deals on 22 May 2026. At the EGM of the Company held on 27 May 2026, all proposed resolutions relating to the Debt Restructuring were duly passed by the Independent Shareholders by way of poll.

On 30 June 2026, the Investor and the Company have entered into the 7th Supplemental Subscription Agreements, pursuant to which the parties agreed to extend the Long Stop Date under each of the Subscription Agreements to 31 July 2026 or such later dates as the Company and the Investor may from time to time agree in writing being a condition precedent to the Creditor's Scheme.

ENVIRONMENTAL POLICY

The Group is committed to the protection of the environment. The Group adheres to the principle of recycling and energy saving. The Group has encouraged and motivated our staff to be environmentally friendly in the office including the use of recycled papers for printing and photocopying and reducing electricity consumption by switching off idle lighting and electrical appliances when they are not in use.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2026, the Group had 121 employees (31 March 2025: 116 employees). For the year ended 31 March 2026, employees' remuneration and benefits in kind and contribution to the pension scheme (including the Directors' remuneration and benefits in kind and contribution to the pension scheme) amounted to approximately HK$65.1 million (31 March 2025: approximately HK$64.2 million). The amount was maintained at a similar level to that of the last year. The Group's remuneration package is determined with reference to the experience and qualification of the individual employees and the general market conditions. The Group also ensures that all employees are provided with adequate training and continued professional opportunities according to their needs.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Save as the repayment of guaranteed note and the placing of bonds as disclosed under the section headed "Capital Structure, Liquidity and Financial Resources" in this announcement, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's securities during the year ended 31 March 2026.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL INFORMATION

The audit committee of the Board consists of three independent non-executive Directors, namely, Mr. HUNG Muk Ming (Chairman), Mr. WANG Guozhen and Mr. NI Zhenliang and have met the auditors of the Company, Messrs. KTC Partners CPA Limited, for the review of the Group's results for the year ended 31 March 2026.

The audit committee of the Board has reviewed the Company's audited consolidated financial statements for the year ended 31 March 2026 and the accounting principles and practices adopted by the Group and has discussed auditing, risk management, internal controls and financial reporting matters for the year ended 31 March 2026 with the management. They have also reviewed and approved the remuneration in respect of audit provided by external auditors.

OTHER INFORMATION

Compliance with Corporate Governance Code

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of shareholders and to enhance corporate value and accountability. The Company has adopted the principles and code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 14 to the Listing Rules during the Reporting Period.

Code provision C.2.1

The Code provision C.2.1 of the Corporate Governance Code in Appendix 14 of the Listing Rules stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. CHONG Heung Chung Jason ("**Mr. CHONG**") serves as chairman as well as chief executive officer of the Company and this dual role leadership has been in practice by the Company for many years. Such deviation is deemed appropriate as it is considered to be more efficient to have one single person to be chairman of the Company as well as to discharge the executive functions of a chief executive thereby enabling more effective planning and better execution of long-term strategies. In addition, the balance of power is ensured by the following reasons:

– the audit committee of the Company is comprised of all independent non-executive Directors; and

– the independent non-executive Directors have free and direct access to the Company's external auditor and independent professional advisers when considered necessary.

The Board believes that the present structure is considered to be appropriate under the current size of operation, enabling the Company to make and implement decisions promptly and efficiently. The Board has full confidence in Mr. CHONG, and believes that his appointment to the posts of chairman and chief executive officer is beneficial to the business prospects of the Company. The Company will review the current structure when and as it becomes appropriate.

Save as disclosed above, the Company has complied with the applicable code provisions of the CG Code during the Reporting Period.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTION

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set forth in Appendix 10 of the Listing Rules (the "**Model Code**") as its own code of conduct regarding securities transaction by the Directors. Having made specific enquiry with the directors, all directors confirmed that they have fully complied with the required standard as set out in the Model Code throughout the year ended 31 March 2026.

The Board has also adopted the Model Code to regulate all dealings by relevant employees who are likely to be in possession of unpublished inside information of the Company in respect of securities in the Company as referred to in code provision C.5.3 of the CG Code. No incident of non-compliance with the Model Code by the Company's relevant employees has been noted during the Reporting Period after making reasonable enquiry.

The Company has complied with the applicable code provisions of the CG Code during the Reporting Period, except from the deviation from code provision C.2.1 of the CG Code.

FINAL DIVIDEND

The Board has resolved not to recommend the payment of any final dividend for the year ended 31 March 2026.

AUDIT COMMITTEE

The Group's annual results for 2026 have been reviewed by the Audit Committee of the Company.

The Audit Committee has considered and reviewed the Group's annual results for the year ended 31 March 2026, the accounting principles and practices adopted by the Company and the Group and discussed matters in relation to internal control and financial reporting with the management. The Audit Committee considers that the annual financial results for the year ended 31 March 2026 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been duly made.

SCOPE OF WORK OF KTC PARTNERS CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2026 as set out in the preliminary announcement have been agreed by the Group's auditor, KTC Partners CPA LIMITED, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by KTC Partners 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 KTC Partners CPA LIMITED on the preliminary announcement.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditors' report on the Group's consolidated financial statements for the year ended 31 March 2026 which included a disclaimer of opinion:

BASIS FOR DISCLAIMER OF OPINION

Material uncertainties relating to going concern

Limitation of scope relating to the appropriateness of the going concern basis for the preparation of the consolidated financial statements

As disclosed in Note 3.1 to the consolidated financial statements, the Group reported a net loss of approximately HK$78,728,000 for the year ended 31 March 2026, and, as at 31 March 2026, the Group was in net current liabilities position of approximately HK$1,291,936,000 and net liabilities position of approximately HK$1,173,127,000. As at 31 March 2026, the Group's total bank and other borrowings, bonds payable and guaranteed notes amounted to approximately HK$974,841,000, out of which approximately HK$938,683,000 were due for repayment or would be due for repayment within the next twelve months, while its cash and cash equivalents amounted to approximately HK$19,197,000 only as at 31 March 2026.

As at 31 March 2026, the Group has defaulted on repayment of certain bonds payable, a guaranteed note and other borrowings of approximately HK$721,066,000, HK$25,000,000 and HK$121,743,000 respectively which were included as part of current liabilities as at 31 March 2026. Furthermore, the Group has received several demand letters and statutory demands from bondholders in relation to the repayment of the overdue principals and interest. Details of which are set out in Notes 33, 36 and 50 to the consolidated financial statements.

These events and conditions, together with other matters set out in Note 3.1 to the consolidated financial statements, indicate the existence of material uncertainties that may cast significant doubt on the Group's ability to continue as a going concern.

As set out in Note 3.1 to the consolidated financial statements, for the purpose of debt restructuring, on 12 December 2022, the Company and an independent third party investor (the "**Investor**") entered into a term sheet in relation to the proposed restructuring which included debt restructuring of the Company by way of scheme of arrangement to be entered into between the Company and creditors of the Company under the Companies Ordinance (Cap. 622) (the "**Creditors Scheme**"), the subscription of the Company's shares and its convertible bonds by the Investor (the "**Subscriptions**"), the capital reorganisation of the Company and change in board lot size for trading in the Company's shares. By an Order dated 21 April 2023 (the "**Court Order**") made by the High Court of the Hong Kong Special Administrative Region ("**Court**") in relation to the proposed Creditors' Scheme, the Court has directed that a scheme meeting (the "**Scheme Meeting**") be convened of the creditors of the Company for the purpose of considering and, if thought fit approving with or without modification or condition approved and imposed by the Court) the Scheme proposed to be made between the Company and the creditors pursuant to the Companies Ordinance (Cap. 622). The Creditors' Scheme was approved by the requisite majorities of the creditors of the Company on the Scheme Meeting on 27 June 2023. The Creditors' Scheme was sanctioned without modification by the order of the High Court of Hong Kong on 19 March 2024. On 22 May 2026, the Executive conditionally granted the Whitewash Waiver and at the extraordinary general meeting of the Company held on 27 May 2026, all proposed resolutions relating to the debt restructuring of the Company by way of the Creditors' Scheme were duly passed by the independent shareholders. As at the date of approval for issuance of the consolidated financial statements, the Subscriptions have not yet been completed and the Creditors' Scheme has not yet become effective.

As detailed in Note 3.1 to the Consolidated Financial Statements, in assessing the appropriateness of the use of the going concern basis in the preparation of these consolidated financial statements, the directors of the Company have prepared cash flow forecasts covering a period of 12 months from the date of approval of the consolidated financial statements which take into account of the plans and measures being taken by the Group to improve the Group's liquidity and financial position as set out in Note 3.1 to the consolidated financial statements. Based on the going concern assessment made by the directors of the Company, assuming that the Creditors' Scheme and other plans and measures for future actions can be successfully implemented or executed as scheduled, the directors are of the view that the Group is able to continue as a going concern and it is appropriate to prepare the consolidated financial statements on a going concern basis.

The validity of the going concern assumption on which the consolidated financial statements have been prepared depends on the successful eventual outcome of the plans and measures for future actions, as follows:

(i) successfully completing the debt restructuring, including the Creditors' Scheme involving its bonds payables and amounts owed to other creditors;

(ii) successfully obtaining additional or new sources of financing as and when needed;

(iii) successfully implementing measures to collect outstanding sales proceed, outstanding proceeds from disposal of various assets, and to control costs and expenses effectively; and

(iv) successfully maintaining relationship with the Group's other existing lenders such that no action will be taken by the relevant lenders to demand immediate repayment of the borrowings and other debts for which principal and interest payments are in default.

The directors of the Company are in the opinion that, based on the assumption that the Creditors' Scheme and other plans and measures for future actions described in Note 3.1 to the consolidated financial statements would be successfully implemented and would improve the liquidity and financial position of the Group, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 March 2026 and would be able to continue as a going concern. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

However, the appropriateness of the management's use of the going concern basis of accounting in the preparation of the consolidated financial statements depends on the reliability of the underlying data generated to prepare the forecasts and adequacy of support for the assumptions underlying the forecasts, including the feasibility of successfully completing the debt restructuring by way of the Creditor's Scheme and the other plans and measures for future actions referred to above. We were unable to obtain sufficient appropriate evidence to satisfy ourselves that the assumptions underlying the forecasts were reasonable and supportable, including the supporting bases that the debt restructuring by way of the Creditor's Scheme will be successfully completed and for the management's other plans and measures for future actions to deal with these events and conditions. There were no alternative audit procedures that we could perform to obtain sufficient appropriate audit evidence to support the feasibility of the above plans and measures and whether they can be successfully completed or implemented. As a result, we were unable to obtain sufficient appropriate evidence to conclude whether the directors' use of the going concern basis of accounting to prepare the consolidated financial statements is appropriate.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in these consolidated financial statements and we were unable to determine whether such adjustments were necessary.

ANNUAL GENERAL MEETING

The forthcoming Annual General Meeting ("**AGM**") will be held on Monday, 31 August 2026. A notice convening the AGM and all other relevant documents will be published and despatched to shareholders.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the AGM to be held on Monday, 31 August 2026, the registers of members of the Company will be closed from Wednesday, 26 August 2026 to Monday, 31 August 2026, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the AGM, all transfers of shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged with the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:30 p.m. on Tuesday, 25 August 2026.

PUBLICATION OF 2026 ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement of the Group for 2026 is published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.animatechina.com. The 2025/26 Annual Report containing all applicable information required by the Listing Rules will be despatched to the shareholders of the Company and published on the above websites in due course.

GENERAL INFORMATION

A circular containing, inter alia, the information required by the Listing Rules, together with the notice of the upcoming annual general meeting, will be dispatched to the Shareholders in due course.

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this annual results announcement, the Company has maintained sufficient prescribed public float of the issued shares as required under the Listing Rules.

By order of the Board
CA CULTURAL TECHNOLOGY GROUP LIMITED
CHONG Heung Chung Jason
Chief Executive Officer and Executive Director

Hong Kong, 30 June 2026

As of the date of this announcement, the executive Directors are Mr. Chong Heung Chung Jason and Ms. Liu Moxiang, and the independent non-executive Directors are Mr. Ni Zhenliang, Mr. Wang Guozhen and Mr. Hung Muk Ming.