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融太集團股份有限公司

MAGNUS CONCORDIA GROUP LTD

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1172)

FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2026 AND BUSINESS UPDATE

The board (the "**Board**") of directors (the "**Directors**") of Magnus Concordia Group Limited (the "**Company**") announces the consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 March 2026 (the "**year under review**") with the corresponding comparative figures for the year ended 31 March 2025 as follows:

FINANCIAL HIGHLIGHTS

	For the year ended		
	31 March 2026	31 March 2025 (Restated)	Change
Continuing operations			
Revenue	**HK$110 million**	HK$122 million	-10%
Gross profit	**HK$28 million**	HK$33 million	-15%
Loss attributable to owners of the Company	**HK$(95) million**	HK$(59) million	61%
Loss per share	**(1.65) HK cents**	(1.02) HK cents	62%

	As at		
	31 March 2026	31 March 2025	Change
Shareholders' funds	**HK$94 million**	HK$57 million	65%
Net asset value per share	**HK$0.02**	HK$0.01	100%

RESULTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2026

	Notes	**2026** **HK$'000**	2025 *HK$'000* (Restated)
Continuing operations			
Revenue	*6*	**110,174**	122,303
Cost of sales		**(82,027)**	(89,216)
Gross profit		**28,147**	33,087
Other income, expense and net losses	*7*	**(13,913)**	(5,523)
Selling and marketing expenses		**(5,210)**	(6,273)
Administrative and other operating expenses		**(28,397)**	(29,465)
Reversal of impairment of accounts receivable		**202**	1,842
Change in fair value of investment properties	*14*	**(77,643)**	(48,059)
Operating loss	*8*	**(96,814)**	(54,391)
Finance costs	*9*	**(4,273)**	(6,756)
Loss before tax		**(101,087)**	(61,147)
Income tax credit	*10*	**5,682**	2,154
Loss for the year from continuing operations		**(95,405)**	(58,993)
Discontinued operation			
Profit/(loss) for the year from discontinued operation	*11*	**145,334**	(26,179)
Profit/(loss) for the year		**49,929**	(85,172)

	Notes	**2026**	2025
		HK$'000	*HK$'000*
			(Restated)
Other comprehensive income/(loss) after tax:			
Items that may be reclassified to profit or loss:			
Exchange differences on translation of foreign operations		**975**	(307)
Exchange differences reclassified to profit or loss on disposal of subsidiaries		**(13,797)**	–
Other comprehensive loss for the year, net of tax		**(12,822)**	(307)
Total comprehensive income/(loss) for the year		**37,107**	(85,479)
Profit/(loss) for the year attributable to owners of the Company			
— Continuing operations		**(95,405)**	(58,993)
— Discontinued operation		**145,334**	(26,179)
		49,929	(85,172)
Total comprehensive income/(loss) for the year attributable to owners of the Company			
— Continuing operations		**(88,443)**	(60,235)
— Discontinued operation		**125,550**	(25,244)
		37,107	(85,479)
Basic and diluted earnings/(loss) per share *(HK cents)*	*13*		
— Continuing operations		**(1.65)**	(1.02)
— Discontinued operation		**2.51**	(0.45)
— Continuing and discontinued operations		**0.86**	(1.47)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**4,979**	9,685
Right-of-use assets		**2,779**	3,632
Investment properties	*14*	**156,655**	231,600
Intangible assets		**131**	424
Other assets		**4,164**	11,490
Deferred tax assets		**975**	3,220
Total non-current assets		**169,683**	260,051
CURRENT ASSETS			
Inventories		**6,196**	8,903
Completed properties for sale		**–**	179,324
Accounts receivable	*15*	**35,163**	66,824
Prepayments, other receivables and other assets		**33,261**	69,788
Restricted bank balances		**–**	3,559
Cash and bank balances		**11,648**	20,299
Total current assets		**86,268**	348,697
CURRENT LIABILITIES			
Accounts payable	*16*	**26,644**	60,360
Accrued charges and other payables		**11,024**	44,362
Contract liabilities		**2,045**	3,741
Bank and other borrowings		**106,915**	127,654
Tax payable		**8,288**	294,364
Lease liabilities		**625**	794
Total current liabilities		**155,541**	531,275
NET CURRENT LIABILITIES		**(69,273)**	(182,578)
TOTAL ASSETS LESS CURRENT LIABILITIES		**100,410**	77,473

	2026	2025
	HK$'000	*HK$'000*
NON-CURRENT LIABILITIES		
Bank and other borrowings	**–**	4,000
Deferred tax liabilities	**6,645**	16,190
Lease liabilities	**–**	625
Total non-current liabilities	**6,645**	20,815
NET ASSETS	**93,765**	56,658
EQUITY		
Equity attributable to owners of the Company		
Share capital	**577,920**	577,920
Deficit	**(484,155)**	(521,262)
TOTAL EQUITY	**93,765**	56,658

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

1. GENERAL INFORMATION

Magnus Concordia Group Limited (the "**Company**") is a limited liability company incorporated in the Cayman Islands and listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business in Hong Kong is Units 02–03, 7/F, Tung Wai Commercial Building, 109–111 Gloucester Road, Wan Chai, Hong Kong.

The Company is an investment holding company and the principal activities of the Company and its subsidiaries (collectively referred as the "**Group**") are manufacturing and trading of printed products, property investment and treasury business. During the year, the Group disposed of the property development business and the results of such business together with the related net gain on disposal have been presented as discontinued operation in the consolidated statement of profit or loss and other comprehensive income for the year. The comparative figures have been restated to conform presentation.

2. GOING CONCERN BASIS

The Group incurred a loss attributable to owners of the Company from continuing operations of HK$95,405,000 and had net operating cash outflow of HK$6,807,000 for the year ended 31 March 2026 and as at 31 March 2026 the Group had net current liabilities of HK$69,273,000. In addition, the Group's bank loans with the aggregate amount of HK$72,000,000 as at 31 March 2026 contain repayment on demand clause and financial covenants which were breached during the year ended 31 March 2026. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

The consolidated financial statements have been prepared on the assumptions that the Group will continue to operate as a going concern notwithstanding the conditions prevailing as at 31 March 2026 and subsequently thereto up to the date when the consolidated financial statements are authorised for issue. In order to improve the Group's financial position, immediate liquidity and cash flows, and otherwise to sustain the Group as a going concern, the directors of the Company have adopted several measures together with other measures in progress at the date when the consolidated financial statements are authorised for issue, which include, but are not limited to, the followings:

(i) in relation to the borrowings that the Group had breached the financial covenants during the year ended 31 March 2026 and are classified as current liabilities, subsequent to the end of the reporting period, the Group has repaid HK$7,000,000 to the bank and reached an extension of the facility for 2.5 years with the bank. Further, the borrowings was secured by a pledge of investment properties amounting to approximately HK$117,000,000. The directors of the Company is of the view that in the event that if the bank takes any legal action against the Group to demand immediate repayment, the investment properties will be disposed for the settlement, it would not have any material adverse impact on the business, operation and financial conditions of the Group;

(ii) the Group will also continue to seek for other alternatives to increase its working capital such as disposing of the Group's investment properties, if needed; and

(iii) the Group will also continue to seek for other alternative financing and bank borrowing to finance the settlement of the existing financial obligations and future operating and capital expenditure.

On the basis of the successful implementation of the measures described above in the foreseeable future and after assessing the Group's current and forecasted cash positions, the directors of the Company are optimistic that the Group will be able to meet in full the Group's financial obligations as they fall due for the twelve months from 31 March 2026. Accordingly, the consolidated financial statements of the Group have been prepared on the going concern basis.

Should the Group be unable to continue in business as a going concern, adjustments would have to be made to write down the carrying amounts of the Group's assets to their recoverable amounts, to provide for any further liabilities that may 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.

3. ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

In the current year, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") that are relevant to its operations and effective for its accounting year beginning on 1 April 2025. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards ("**HKFRS**"); Hong Kong Accounting Standards ("**HKAS**"); and Interpretations. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current year and prior years.

The Group has not applied the new and revised HKFRS Accounting Standards that have been issued but are not yet effective. The application of these new and revised HKFRS Accounting Standards will not have material impact on the consolidated financial statements of the Group. The Group has already commenced an assessment of the impact of these new and revised HKFRS Accounting Standards but is not yet in a position to state whether these new and revised HKFRS Accounting Standards would have a material impact on its results of operations and financial position.

4. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, accounting principles generally accepted in Hong Kong, and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties which are carried at their fair values.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain key assumptions and estimates. It also requires the directors to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these consolidated financial statements, are disclosed in the consolidated financial statements.

5. SEGMENT INFORMATION

Segment information by business lines

The operating segments of the Group are determined based on internal reporting to the Group's chief operation decision maker ("**CODM**") (the executive directors of the Company) for the purposes of assessing performance and allocating resources. The internal reporting focuses on the strategic operation and development of each business unit, of which business units with similar economic characteristics are organised into an operating segment for the Group's CODM to evaluate its performance.

The Group's operating and reportable segments are as follows:

Printing	—	Manufacture and sale of printed products
Property investment	—	Investment and leasing of real estate properties
Treasury	—	Investment and trading of debts, equity and other instruments, and asset management
Others and corporate	—	Other non-reportable business activities and operating segments and corporate not constituting a reportable segment individually, together with corporate income and expense items
Property development	—	Development, sale and trading of real estate properties (discontinued operation)

The Group's CODM assesses the performance of the operating segments based on a measure of earnings or loss before interest expense and tax ("**EBIT** or **LBIT**"), representing segment results, and earnings or loss before interest expense, tax, depreciation and amortisation ("**EBITDA** or **LBITDA**").

Others and corporate segment assets mainly include certain cash and bank balances, short-term deposits, property, plant and equipment and right-of-use assets that are managed on a group basis.

Others and corporate segment liabilities mainly include certain bank and other borrowings and lease liabilities that are managed on a group basis and other unallocated liabilities.

During the year ended 31 March 2026, the Group disposed of the property development business and the results of such business together with the related net gain on disposal have been presented as discontinued operation in segment information. The comparative figures have been restated to conform presentation.

The segment information by business lines is as follows:

	Continuing operations				Discontinued operation	
	Printing	Property investment	Treasury	Others and corporate	Property development	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
For the year ended 31 March 2026						
Segment revenue						
Sales to external customers	**105,401**	**4,773**	**–**	**–**	**1,919**	**112,093**
EBITDA/(LBITDA)	**490**	**(81,165)**	**(1,758)**	**(11,113)**	**145,617**	**52,071**
Depreciation	**(2,476)**	**–**	**–**	**(792)**	**–**	**(3,268)**
Segment results — (LBIT)/EBIT	**(1,986)**	**(81,165)**	**(1,758)**	**(11,905)**	**145,617**	**48,803**
Finance costs						**(4,663)**
Profit before tax						**44,140**
Income tax credit						**5,789**
Profit for the year						**49,929**
As at 31 March 2026						
Total assets	**82,050**	**162,718**	**577**	**10,606**	**–**	**255,951**
Total liabilities	**65,515**	**16,963**	**299**	**79,409**	**–**	**162,186**

	Continuing operations				Discontinued operation	
	Printing	Property investment	Treasury	Others and corporate	Property development	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
				(Restated)	(Restated)	
For the year ended 31 March 2025						
Segment revenue						
Sales to external customers	118,301	4,002	–	–	83,511	205,814
EBITDA/(LBITDA)	14,005	(53,216)	(1,531)	(10,296)	(24,342)	(75,380)
Depreciation	(2,558)	–	–	(795)	–	(3,353)
Segment results — EBIT/(LBIT)	11,447	(53,216)	(1,531)	(11,091)	(24,342)	(78,733)
Finance costs						(7,435)
Loss before tax						(86,168)
Income tax credit						996
Loss for the year						(85,172)
As at 31 March 2025						
Total assets	91,520	245,535	891	15,549	255,253	608,748
Total liabilities	62,084	16,993	61	96,292	376,660	552,090

Geographical segment information

The business of the Group operates in different geographical areas. Revenue is presented by the regions where customers are located. Non-current assets excluding intangible assets, other assets and deferred tax assets are presented by the regions where the assets are located. The segment information by geographical area is as follows:

	Revenue	
	2026	2025
	HK$'000	*HK$'000*
		(Restated)
Continuing operations		
Mainland China	**15,947**	8,592
Hong Kong	**4,454**	5,286
United States of America	**48,740**	61,643
United Kingdom	**23,908**	30,772
Canada	**3,168**	5,576
Germany	**4,340**	3,310
Other regions	**9,617**	7,124
	110,174	122,303
Discontinued operation	**1,919**	83,511
	112,093	205,814

	Non-current assets	
	2026	2025
	HK$'000	*HK$'000*
Continuing operations		
Mainland China	**46,710**	65,310
Hong Kong	**117,703**	179,607
	164,413	244,917
Discontinued operation	**–**	–
	164,413	244,917

Information about major customers

Revenue from a customer contributing over 10% of the total revenue of the Group is as follows:

	2026	2025
	HK$'000	*HK$'000*
Printing		
Customer A	**19,630**	25,132
Customer B	**21,762**	27,884
Customer C	**11,653**	N/A*
Property development (discontinued operation)		
Customer D	**N/A***	32,027

* *The corresponding revenue did not contribute over 10% of the total revenue of the Group.*

6. REVENUE

An analysis of revenue from continuing operations is as follows:

	2026	2025
	HK$'000	*HK$'000*
		(Restated)
Continuing operations		
Revenue from contracts with customers		
Sale of printed products	**105,401**	118,301
Revenue from other sources		
Rental income	**4,773**	4,002
Total revenue	**110,174**	122,303

Revenue from the sale of goods is recognised at a point in time when the goods are transferred and the control has been passed to customers, since only at that point in time the Group has an enforceable right to payment for the goods delivered.

7. OTHER INCOME, EXPENSE AND NET LOSSES

An analysis of other income, expense and net losses from continuing operations is as follows:

	2026	2025
	HK$'000	*HK$'000*
		(Restated)
Continuing operations		
Bank interest income	**68**	362
Sales of scrap materials	**43**	45
Other service income	**1,297**	1,060
Gain on disposal of property, plant and equipment	**–**	11
Loss on disposal of investment properties	**–**	(7,089)
Loss on lease termination	**–**	(74)
Write-down of other assets	**(7,326)**	(4,917)
Impairment of other receivables	**(133)**	–
Impairment of intangible assets	**(295)**	(351)
Impairment of property, plant and equipment	**(2,302)**	–
Termination benefits costs	**(58)**	(59)
Net exchange (losses)/gains	**(5,504)**	604
Sundries	**297**	4,885
	(13,913)	(5,523)

8. OPERATING LOSS

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

	2026	2025
	HK$'000	*HK$'000*
		(Restated)
Continuing operations		
Cost of inventories sold (printing business)	**81,304**	88,618
Depreciation of right-of-use assets	**853**	853
Depreciation of property, plant and equipment	**2,415**	2,500
Less: Amount capitalised and included in cost of inventories sold for printing business	**(1,090)**	(1,082)
Depreciation of property, plant and equipment included in selling and marketing expenses and administrative and other operating expenses	**1,325**	1,418
(Reversal of impairment)/impairment of inventories	**(182)**	424
Reversal of impairment of accounts receivable	**(202)**	(1,842)
Impairment of other receivables	**133**	–
Impairment of property, plant and equipment	**2,302**	–
Write-down of other assets	**7,326**	4,917
Government subsidies*	**(50)**	(56)

* *There are no unfulfilled conditions or contingencies relating to the subsidies.*

9. FINANCE COSTS

	2026	2025
	HK$'000	*HK$'000*
		(Restated)
Continuing operations		
Interest on bank and other borrowings	**4,213**	6,651
Interest on lease liabilities	**60**	105
Total finance costs	**4,273**	6,756

10. INCOME TAX

	2026	2025
	HK$'000	*HK$'000*
		(Restated)
Continuing operations		
Current — Mainland China		
Corporate income tax		
Charge for the year	**557**	1,719
Under/(over)-provision in prior years	**496**	(3)
Deferred tax	**(6,735)**	(3,870)
Total tax credit for the year	**(5,682)**	(2,154)

11. DISCONTINUED OPERATION AND DISPOSAL OF SUBSIDIARIES

On 20 November 2025, a directly wholly-owned subsidiary of the Company, Clever Star Development Limited (the "**Vendor**"), entered into a sale and purchase agreement with an independent third party for the disposal of the entire interests of the Vendor in Jinjin Investments Co., Limited and its subsidiaries ("**Disposal Group**") and the entire amounts owed by the Disposal Group to the Group on the completion date at a cash consideration of HK$4,000,000. The Disposal Group was principally engaged in development, sale and trading of real estate properties. Upon the completion of disposal of the Disposal Group on 28 January 2026, the Group ceased the property development business segment.

The above disposal constituted discontinued operation under HKFRS 5, and accordingly, property development business is reported in the current year as discontinued operation. The comparative figures have been restated to conform presentation.

The profit/(loss) for the year from the discontinued operation is analysed as follows:

	2026	2025
	HK$'000	*HK$'000*
		(Restated)
Loss from discontinued operation	**(7,676)**	(26,179)
Gain on disposal of discontinued operation	**153,010**	–
Profit/(loss) for the year from discontinued operation	**145,334**	(26,179)

12. DIVIDENDS

The Board does not recommend the payment of a final dividend for the year ended 31 March 2026 (2025: nil). No interim dividend was declared during the year (2025: nil).

13. EARNINGS/(LOSS) PER SHARE

The calculation of the basic earnings/(loss) per share is based on the following profit/(loss) for the year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the year:

	2026			2025		
	Continuing operations	**Discontinued operation**	**Total**	Continuing operations	Discontinued operation	Total
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
				(Restated)	(Restated)	
Profit/(loss) attributable to owners of the Company	**(95,405)**	**145,334**	**49,929**	(58,993)	(26,179)	(85,172)

	Number of shares	
	2026	2025
Weighted average number of shares	**5,779,196,660**	5,779,196,660

The diluted earnings/(loss) per share is equal to the basic earnings/(loss) per share since there were no potential shares in issue during both years.

14. INVESTMENT PROPERTIES

	2026	2025
	HK$'000	*HK$'000*
Carrying amount at the beginning of the year	**231,600**	320,804
Changes in fair value	**(77,643)**	(48,059)
Disposals	**–**	(40,722)
Exchange realignment	**2,698**	(423)
Carrying amount at the end of the year	**156,655**	231,600

15. ACCOUNTS RECEIVABLE

	2026	2025
	HK$'000	*HK$'000*
Accounts receivable	**39,175**	71,014
Less: Impairment	**(4,012)**	(4,190)
	35,163	66,824

The Group allows a credit period ranging from 0 day to 180 days to its trade customers of the printing business. Rental income is received in advance. Proceeds from sale of properties are received in advance or upon delivery of the completed properties to customers. For customers with long-term business relationship, a longer credit period may be granted. Accounts receivable are non-interest-bearing.

An ageing analysis of the accounts receivable (mainly arising from printing business (2025: printing business and sales of properties)) based on the invoice date and net of loss allowance at the end of the reporting period is as follows:

	2026	2025
	HK$'000	*HK$'000*
Within 30 days	**5,571**	37,564
31 to 60 days	**7,601**	6,067
61 to 90 days	**6,242**	7,410
Over 90 days	**15,749**	15,783
	35,163	66,824

16. ACCOUNTS PAYABLE

An aging analysis of accounts payable at the end of the reporting period based on the date of suppliers' invoices is as follows:

	2026	2025
	HK$'000	*HK$'000*
Within 30 days	**5,291**	15,410
31 to 60 days	**4,223**	6,293
61 to 90 days	**4,462**	5,274
Over 90 days	**12,668**	33,383
	26,644	60,360

17. EVENT AFTER THE REPORTING PERIOD

In respect of the bank borrowing of HK$72,000,000 which the Group breached the financial covenant during the year, the Group has repaid HK$7,000,000 to the bank in April 2026. Further, the Group has reached a new agreement with the bank and secured an extension of the facility for a further 2.5 years.

FINAL DIVIDEND

The Board has resolved not to recommend the payment of a final dividend for the year ended 31 March 2026 (2025: nil). No interim dividend was declared and paid during the year (2025: nil).

ANNUAL GENERAL MEETING

The forthcoming annual general meeting of the Company will be held on Friday, 28 August 2026 (the "**AGM**"). Notice of the AGM will be published and issued to the shareholders of the Company in due course.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the shareholders' rights to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 25 August 2026 to Friday, 28 August 2026 (both days inclusive), during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the AGM, unregistered holders of shares should ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited (the "**Branch Share Registrar**"), at 17th floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 24 August 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Review of financial performance

For the year ended 31 March 2026, the Group recorded a consolidated revenue from continuing operations of approximately HK$110 million (2025: HK$122 million), representing a decrease of 10% from the last year. The drop in revenue was mainly resulted from the decrease in sales of printed products to approximately HK$105 million (2025: HK$118 million).

The Group's gross profit from continuing operations decreased by 15% from last year to approximately HK$28 million (2025: HK$33 million). The Group's gross margin from continuing operations also reduced to 26% (2025: 27%) of the consolidated revenue from continuing operations, as a result of lower gross margin recorded from the sale of printed products in the printing business. Due to the rising cost of materials, the gross margin of the printing business decreased to 23% (2025: 25%).

The Group's selling and marketing expenses from continuing operations as well as the administrative and other operating expenses from continuing operations dropped to approximately HK$5 million (2025: HK$6 million) and approximately HK$28 million (2025: HK$29 million) respectively, which was a result of the various cost control measures.

The Group's other income, expense and net losses and reversal of impairment of accounts receivable from continuing operations amounted to a net loss of approximately HK$14 million (2025: HK$4 million). The amount mainly included the reversal of impairment of accounts receivable of approximately HK$0.2 million (2025: HK$2 million), impairment of intangible assets of approximately HK$0.3 million (2025: HK$0.4 million), write-down on other assets of approximately HK$7 million (2025: HK$5 million), impairment of property, plant and equipment of approximately HK$2 million (2025: nil) and net exchange loss of approximately HK$6 million (2025: net exchange gain of approximately HK$0.6 million).

The fair value loss from revaluation of investment properties as at 31 March 2026 amounted to approximately HK$78 million (2025: HK$48 million). The market values of investment properties as at 31 March 2026 were being affected by the weak market sentiment resulting from the slower-than-expected growth in Mainland China and Hong Kong's economy, despite that stable rental income continues to be generated from such properties. Moreover, a shift in the Hong Kong market was observed, with increased cross-border consumption in Mainland China. This shift contributed to a moderation in the demand of properties for retail use.

The Group's finance costs from continuing operations during the year under review amounted to approximately HK$4 million (2025: HK$6 million), which were mainly related to interest charged by bank borrowings to finance the general working capital of the Group during the year. The decrease in finance costs was mainly due to the drop in Hong Kong Interbank Offered Rate and decrease in bank and other borrowings during the year.

During the year under review, the Group recorded a loss before tax from continuing operations of approximately HK$101 million (2025: HK$61 million), which was attributed to the following operating segments and factors:

(i) Printing — loss of approximately HK$2 million (2025: profit of approximately HK$11 million);

(ii) Property investment — loss of approximately HK$81 million (2025: HK$53 million);

(iii) Treasury — loss of approximately HK$2 million (2025: HK$2 million);

(iv) Net corporate expenses and other businesses of approximately HK$12 million (2025: HK$11 million); and

(v) Finance costs of approximately HK$4 million (2025: HK$6 million).

During the year under review, the Group disposed of the property development business and as a result, the profit from the property development business of approximately HK$145 million (comprising a net gain of approximately HK$153 million on disposal and a net loss of approximately HK$8 million on operation) was classified under profit from discontinued operation. Details of which has been disclosed in paragraph heading "Notifiable Transaction" below.

Profit for the year attributable to owners of the Company amounted to approximately HK$50 million (2025: loss of approximately HK$85 million), and loss per share from continuing operations was 1.65 HK cents (2025: 1.02 HK cents) while earnings per share from discontinued operation was 2.51 HK cents (2025: loss per share of 0.45 HK cent). The turnaround to profit of the Group's result was mainly attributable to the net gain of approximately HK$153 million on the disposal of the property development business during the year under review.

Review of financial position

Regarding the Group's financial position as at 31 March 2026, total assets decreased by 58% to approximately HK$256 million (2025: HK$609 million), which was mainly due to the completion of disposal of the property development business during the year under review. As at 31 March 2026, net current liabilities amounted to approximately HK$69 million (2025: HK$183 million), whereas current ratio deriving from the ratio of current assets to current liabilities amounted to 0.55 times (2025: 0.66 times). Such changes were mainly affected by the completion of disposal of the property development business during the year under review.

The net cash outflow from operating activities was approximately HK$7 million (2025: HK$12 million). The net cash inflow from investing activities was approximately HK$4 million (2025: HK$29 million). Taking into account the net cash outflow from financing activities of approximately HK$9 million (2025: HK$32 million), the Group recorded a net decrease in cash and cash equivalents of approximately HK$12 million (2025: HK$15 million). After accounting for the exchange gain on cash and cash equivalents of approximately HK$4 million during the year under review, the balance of cash and cash equivalents amounted to approximately HK$12 million as at 31 March 2026 (2025: HK$20 million).

Shareholders' funds attributable to owners of the Company increased by 65% to approximately HK$94 million (2025: HK$57 million), representing HK$0.02 per share (2025: HK$0.01 per share) as at 31 March 2026. The change in equity was resulted from the net profit for the year of approximately HK$50 million (2025: net loss of approximately HK$85 million), and after net of the Renminbi exchange gain arising from translation of foreign operations of approximately HK$1 million (2025: exchange loss of approximately HK$0.3 million) and exchange differences reclassified to profit or loss on disposal of subsidiaries of approximately HK$14 million (2025: nil) during the year under review.

Review of operations and business development

Printing business

The printing business includes the manufacture and sale of printed products, including art books, packaging boxes and children's books, with the production facilities located in Huizhou City, Guangdong Province, the People's Republic of China (the "**PRC**"). It recorded an operating loss of approximately HK$2 million (2025: profit of approximately HK$11 million) for the year under review.

Under the influence of the soft demand of printed products resulting from the decelerating economic growth momentum under the high inflationary environment in Europe and the United States of America, the revenue of the printing business recorded a decline to approximately HK$105 million (2025: HK$118 million) for the year under review. Due to the rising cost of materials, the gross margin of the printing business decreased to 23% (2025: 25%). The management has reacted promptly to reduce the market challenges to a minimum by devising various modernized sourcing, manufacturing, distribution, logistics and market segmentation solutions.

The management remains cautiously optimistic about the growth momentum in the global book printing and paper packaging markets, and appropriate risk management and prompt business deployment have been carried out to channel threats into growth opportunities.

Property investment business

The property investment business involves the investment and leasing of real estate properties, which recorded an operating loss of approximately HK$81 million (2025: HK$53 million) for the year under review. The loss was mainly resulted from the unrealised revaluation loss of the investment properties located in Hong Kong and Mainland China of approximately HK$78 million (2025: HK$48 million), which their market values as at 31 March 2026 were being affected by the weak market sentiment resulting from the slower-than-expected growth in Mainland China and Hong Kong's economy. Moreover, a shift in the Hong Kong market was observed, with increased cross-border consumption in Mainland China. This shift contributed to a moderation in the demand of properties for retail use.

As at 31 March 2026, the Group held the following investment properties carried at fair market value of approximately HK$157 million (2025: HK$232 million), which contributed rental income of approximately HK$5 million (2025: HK$4 million) during the year:

Location	**Gross Floor Area**	**Usage**
Investment properties in Hong Kong		
Shop B, Ground Floor, Wuhu Residence, No. 111 Wuhu Street, Hunghom, Kowloon	1,014 square feet (“**sq ft**”)	Commercial
Shop D, Ground Floor, Wuhu Residence, No. 111 Wuhu Street, Hunghom, Kowloon	1,293 sq ft	Commercial
Shops 3, 4, 5, Parkes Residence, No. 101 Parkes Street, Kowloon	2,090 sq ft	Commercial
Investment properties in Mainland China		
Level 6, Chengdu Digital Plaza, No. 1 Renmin South Road Fourth Portion, Wuhou District, Chengdu City, Sichuan Province, the PRC	4,255 sq m	Commercial

The Group remains cautiously optimistic about the prospect of the property investment business. The portfolio of investment properties was acquired for long term investment purpose so as to provide a stable income stream to the Group. The Group keeps on monitoring the capital change and rental yields of the portfolio and considers to rebalance the investment portfolio when ideal opportunities arise.

Treasury business

The treasury business involves the investment and trading of debts, equity and other treasury instruments, as well as the licensed regulated activities namely advising on securities (Type 4) and asset management (Type 9) under the Securities and Futures Ordinance (Chapter 571 of the Law of Hong Kong) in Hong Kong. An operating loss of approximately HK$2 million (2025: HK$2 million) was recorded for the year under review, which was mainly affected by an impairment loss of intangible assets as at 31 March 2026 of approximately HK$0.3 million (2025: HK$0.4 million).

The Group remains cautious in monitoring the investment portfolio's underlying price risk and credit risk by adopting an optimal risk-return balance investment strategy. In order to capture opportunities in the Hong Kong asset management market emerging from being a leading global financial hub within the Greater Bay Area, the Group is exploring into the financial and asset management services markets.

Property development business

The property development business involves the development, sale and trading of real estate properties principally in Mainland China. In order to reduce the Group's exposure to the volatility of the PRC real estate market, strengthening the financial position of the Group and reallocating its resources to the Group's other businesses, the Group has completed the disposal of the Group's subsidiaries holding the Group's property project in Zigong City, Sichuan Province, the PRC for a consideration of HK$4 million during the year. This discontinued operations contributed revenue of approximately HK$2 million (2025: HK$84 million) to the Group and recorded an operating loss of approximately HK$7 million (2025: HK$24 million) for the year.

Details of which has been disclosed in paragraph heading "Notifiable Transaction" below.

Liquidity and capital resources

As at 31 March 2026, the Group's total assets amounted to approximately HK$256 million (2025: HK$609 million), which were financed by shareholders' funds and various credit facilities. Banking facilities are maintained to finance the Group's working capital and committed capital expenditures, which bear interest at market rate with contractual terms of repayment ranging from within one year to five years. The Group adopts a treasury policy to maximize the return on equity, which manages the funding requirements for new capital projects by considering all available options including a hybrid of debt and equity financing.

The Group mainly generated income and incurred costs in Hong Kong dollar, Renminbi and United States dollar. During the year under review, no financial instruments had been used for hedging purpose, and no foreign currency net investments had been hedged by currency borrowings or other hedging instruments. The Group manages the exposures of fluctuation on exchange rate and interest rate on individual transaction basis.

As at 31 March 2026, the Group's bank and other borrowings amounted to approximately HK$107 million (2025: HK$132 million) while bank borrowings amounted to approximately HK$95 million (2025: HK$105 million) which were repayable on demand or within one year. The bank borrowings bore interest at floating rate, approximately HK$72 million (2025: HK$88 million) of which were denominated in Hong Kong dollar and approximately HK$23 million (2025: HK$17 million) of which were denominated in Renminbi. The Group's gearing ratio was 1.14 (2025: 2.32), which was calculated based on the ratio of total bank and other borrowings of approximately HK$107 million (2025: HK$132 million) to the shareholders' funds of approximately HK$94 million (2025: HK$57 million).

As at 31 March 2026, the Group's cash and cash equivalents and restricted bank balances amounted to approximately HK$12 million (2025: HK$20 million) and nil (2025: HK$4 million) respectively. Approximately HK$10 million (2025: HK$16 million) of the Group's cash and cash equivalents and restricted bank balances were denominated in Hong Kong dollar, approximately HK$0.4 million (2025: HK$0.1 million) were denominated in United States dollar, approximately HK$1 million (2025: HK$8 million) were denominated in Renminbi and approximately HK$0.2 million (2025: HK$0.2 million) were denominated in other currencies. As at 31 March 2026, the Group had a net debt position (being bank and other borrowings net of cash and cash equivalents and restricted bank balances) of approximately HK$95 million (2025: HK$108 million).

Outlook

Looking ahead to 2026, the global macroeconomic environment continues to face increased complexity due to evolving market dynamics and persistent uncertainties. Global inflation expectations remain elevated, and long-term interest rates across major economies, including Mainland China, the US, and the Eurozone, continue to exhibit volatility. In this context, the Group has adopted a cautious, capital-preservation approach focused on risk mitigation and financial stability.

Following the successful completion of recent asset reallocations, the Group is actively exploring further divestment opportunities for its investment properties in Hong Kong. This deliberate de-leveraging strategy aims to optimize resource allocation, strengthen the balance sheet, and reduce portfolio risk. Supported by the successful 2.5-year extension of its Hong Kong bank borrowings, the Group's immediate priority remains on reinforcing its capital base and enhancing cash flow through prudent corporate financing initiatives, aligned with market conditions and sentiment.

Leveraging on the effective risk management and internal control systems, the Group is staying particularly alert to market value volatility of its investment portfolios. Supported by decades of remarkable operation of the printing business, the Group will continue to rely on the sustained resilience of this core segment as a stabilizing anchor. We remain deeply committed to maintaining stable operations while carefully navigating the path toward sustainable, long-term financial health.

CONTINGENT LIABILITIES

As at 31 March 2025, the Group provided financial guarantees in respect of mortgage loans made by certain banks to certain purchasers of the properties in the PRC, either directly provided to the banks or to the housing provident fund management center who arranged the bank mortgage, which amounted to approximately HK$601 million (2026: nil).

NUMBER OF EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2026, the Group employed 90 staff and workers (2025: 114). The Group provides its employees with benefits including performance-based bonus, retirement benefits contribution, medical insurance and staff training. Also, the Company adopts a share option scheme to provide alternative means to align the employees' career goal with the Group's business strategy.

PLEDGE OF ASSETS

As at 31 March 2026, the Group pledged certain assets including right-of-use assets, property, plant and equipment and investment properties with an aggregate carrying value of approximately HK$124 million (2025: HK$186 million) to secure bank facilities of the Group.

As at 31 March 2026, the other borrowings of approximately HK$8 million are secured by the pledge of the Group's investment properties amounting to approximately HK$40 million. As at 31 March 2025, the other borrowings of approximately HK$22 million are secured by the pledge of the Group's completed properties for sale amounting to approximately HK$19 million.

COMMITMENTS

As at 31 March 2026, the Group did not have capital expenditure contracted for but not provided for in the consolidated financial statements (2025: nil).

NOTIFIABLE TRANSACTION

On 20 November 2025, Clever Star Development Limited (the "**Vendor**"), a directly wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Vanguard Investments Special Opportunities Fund I, L.P., a limited partnership fund incorporated in Hong Kong and an independent third party, for the disposal (the "**Disposal**") of the entire interests of the Vendor in Jinjin Investments Co., Limited and its subsidiaries ("**Disposal Group**") and the entire amounts owed by the Disposal Group to the Group on the completion date at a cash consideration of HK$4 million. The Disposal Group was principally engaged in development, sale and trading of real estate properties holding property project in Zigong City, Sichuan Province, the PRC. The Disposal was approved by the shareholders of the Company at the extraordinary general meeting of the Company held on 22 December 2025 and was completed on 28 January 2026. Upon completion of Disposal, the Group ceased the property development business segment.

The net proceeds from the Disposal, after deducting the transaction costs attributable to the Disposal were approximately HK$3.4 million and had been applied for the general working capital of the Group.

The Disposal constituted a major transaction of the Company under Chapter 14 of the Listing Rules. For details of this major transaction, please refer to the Company's announcement and circular dated 20 November 2025 and 28 November 2025 respectively. Save as disclosed above, the Group had not entered into any notifiable transaction during the year, which is required to be disclosed under Chapter 14 of the Listing Rules.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

Save for the Disposal as disclosed in the paragraph heading "Notifiable Transaction" above, the Group did not have material acquisition or disposal of subsidiaries, associates and joint ventures during the year ended 31 March 2026.

EVENT AFTER THE REPORTING PERIOD

In respect of the bank borrowing of HK$72,000,000 which the Group breached the financial covenant during the year, the Group has repaid HK$7,000,000 to the bank in April 2026. Further, the Group has reached a new agreement with the bank and secured an extension of the facility for a further 2.5 years.

CORPORATE GOVERNANCE

The Company has applied the principles of and has complied with all code provisions contained in the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") throughout the year ended 31 March 2026.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the model code for securities transactions by directors of listed issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the Directors. In response to specific enquiries by the Company, all the Directors confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31 March 2026.

COMPETING INTERESTS

During the year ended 31 March 2026, none of the Directors or their respective close associates had any interest in a business that compete or is likely compete with the business of the Group.

REVIEW OF PRELIMINARY ANNOUNCEMENT

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 this preliminary results announcement have been agreed by the Group's independent auditor, ZHONGHUI ANDA CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by ZHONGHUI ANDA CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by ZHONGHUI ANDA CPA Limited on this preliminary results announcement.

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:

Opinion

*In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.*

Material Uncertainty Related to Going Concern

We draw attention to note 2 to the consolidated financial statements, which mentions that the Group incurred a loss attributable to owners of the Company from continuing operations of HK$95,405,000 and had net operating cash outflow of HK$6,807,000 for the year ended 31 March 2026 and as at 31 March 2026 the Group had net current liabilities of HK$69,273,000. In addition, the Group's bank loans with the aggregate amount of HK$72,000,000 as at 31 March 2026 contain repayment on demand clause and financial covenants which were breached during the year ended 31 March 2026, as detailed in note 32 to the consolidated financial statements. These conditions indicate a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

AUDIT COMMITTEE

An audit committee has been established by the Company (the "**Audit Committee**") with clear terms of reference. The current members of the Audit Committee are three independent non-executive Directors, namely Mr. Liu Ying Shun (chairman of the Audit Committee), Mr. Wang Ping and Mr. Zhang Zhirui.

The principal duties of the Audit Committee are reviewing the financial information and reports of the Group and considering any significant or unusual items raised by the financial officers of the Group or independent auditor before submission to the Board; reviewing and supervising the Group's financial reporting process and its risk management and internal control systems, and reviewing the relationship with and the terms of appointment of the independent auditor and making relevant recommendation to the Board.

The Audit Committee has reviewed the Group's consolidated financial statements for the year ended 31 March 2026, including the accounting principles and practices adopted by the Group.

Based on this review and discussion with the management of the Company and taken into account the Directors' views thereto and the plans and measures undertaken by the Group to support the going concern assumptions used in preparation of the consolidated financial statements, the Audit Committee concurs with the Directors' assessment and the basis for forming such a view with respect to adopting going concern assumptions in the preparation of the consolidated financial statements.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within knowledge of the Directors, as at the date of this announcement, the Company has maintained sufficient public float as required by the Listing Rules throughout the year ended 31 March 2026.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 March 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities listed and traded on the Stock Exchange (2025: nil).

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the websites of The Stock Exchange (www.hkexnews.hk) and the Company (www.mcgrouphk.com). The annual report of the Company for the year ended 31 March 2026 containing all applicable information required by the Listing Rules will be dispatched to the shareholders of the Company and published on the above websites in due course.

BUSINESS UPDATE

The Group has put in tremendous effort to address disclaimer of opinion issued by the independent auditor of the Company on the consolidated financial statements of the Group for the year ended 31 March 2025 relating to the Group's ability to continue as going concern and has succeeded to witness the withdrawal of disclaimer of opinion for the year under review. In view of the going concern issue mentioned in the audit opinion for the year under review, the management will continue to work hard to strengthen the financial position of the Group with the aim to give better return to the shareholders of the Company.

APPRECIATION

We would like to take this opportunity to express our gratitude to our shareholders, customers and partners for their continuous support and confidence in the Group, as well as our appreciation to our executives and staff for their dedication and contribution throughout the year.

By Order of the Board
Magnus Concordia Group Limited
Xiang Jun
Director

Hong Kong, 30 June 2026

As at the date of this announcement, the executive directors of the Company are Mr. Xiang Jun and Ms. Zhou Lan, and the independent non-executive directors of the Company are Mr. Liu Ying Shun, Mr. Wang Ping and Mr. Zhang Zhirui.