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**Zhaobangji Lifestyle Holdings Limited**  
**兆邦基生活控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 1660)**

**ANNOUNCEMENT OF ANNUAL RESULTS**  
**FOR THE YEAR ENDED 31 MARCH 2025**

**RESULTS**

The board (the “**Board**”) of directors (the “**Director(s)**”) of Zhaobangji Lifestyle Holdings Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 March 2025 (the “**Year**”) together with comparative figures of the year ended 31 March 2024 (the “**Previous Year**”) as follows:

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	5	197,899	267,691
Cost of sales and services		<u>(176,879)</u>	<u>(226,378)</u>
<b>Gross profit</b>		<b>21,020</b>	41,313
Other gains and losses, net		(43,292)	(13,690)
Expected credit losses (“ECL”) on financial assets, net		(19,698)	(17,485)
Selling expenses		–	(24)
Administrative expenses		<u>(44,637)</u>	<u>(38,613)</u>
<b>Loss from operations</b>		<b>(86,607)</b>	(28,499)
Finance income		1,615	1,978
Finance costs		<u>(1,074)</u>	<u>(1,662)</u>
Finance income, net		<u>541</u>	<u>316</u>
<b>Loss before income tax</b>		<b>(86,066)</b>	(28,183)
Income tax credit	7	<u>8,261</u>	<u>149</u>
<b>Loss for the year</b>		<b>(77,805)</b>	(28,034)
<b>Other comprehensive (expense)/income</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on translating foreign operations		(1,245)	(7,931)
Release of reserve upon disposal of subsidiaries		504	–
<i>Items that will not be reclassified subsequently to profit or loss:</i>			
Fair value (loss)/gain on financial assets at fair value through other comprehensive income		<u>(2,827)</u>	<u>227</u>
Other comprehensive expense for the year, net of tax		<u>(3,568)</u>	<u>(7,704)</u>
<b>Total comprehensive expense for the year</b>		<b><u>(81,373)</u></b>	<b><u>(35,738)</u></b>

	<b>2025</b>	<b>2024</b>
<i>Notes</i>	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
<b>Loss for the year attributable to:</b>		
Owners of the Company	<b>(77,805)</b>	(28,034)
Non-controlling interests	<u>—</u>	<u>—</u>
	<b><u>(77,805)</u></b>	<b><u>(28,034)</u></b>
<b>Total comprehensive expense for the year attributable to:</b>		
Owners of the Company	<b>(81,373)</b>	(35,741)
Non-controlling interests	<u>—</u>	<u>3</u>
	<b><u>(81,373)</u></b>	<b><u>(35,738)</u></b>
<b>Loss per share for loss attributable to equity holders of the Company:</b>		
Basic and diluted	<i>10</i> <b><i>HK cents</i></b> <b><u>(1.26)</u></b>	<b><i>HK cents</i></b> <b><u>(0.45)</u></b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2025**

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
<b>Non-current assets</b>			
Property, plant and equipment	11	67,180	135,435
Right-of-use assets		15,047	22,044
Deferred tax assets		–	551
Goodwill		–	–
Financial assets at fair value through other comprehensive income	12	2,168	5,003
Financial assets at fair value through profit or loss	14	56,966	70,389
Deposits, prepayments and other receivables		14,090	2,533
Loans receivable		12,569	73,039
		<u>168,020</u>	<u>308,994</u>
<b>Current assets</b>			
Tax recoverable		1,589	2,426
Inventories		1,799	5,270
Trade receivables	13	106,482	94,035
Deposits, prepayments and other receivables	13	25,682	58,491
Loans receivable		78,938	3,389
Financial assets at fair value through profit or loss	14	3,753	9,395
Amounts due from related companies		820	84
Bank and cash balances		28,882	34,278
		<u>247,945</u>	<u>207,368</u>
<b>TOTAL ASSETS</b>		<u><b>415,965</b></u>	<u><b>516,362</b></u>

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 <i>HK\$'000</i>
<b>Current liabilities</b>			
Contract liabilities		5,783	9,460
Borrowings		2,677	7,482
Lease liabilities		15,202	20,824
Trade payables	15	24,565	21,140
Accruals and other payables	15	39,286	39,586
Amount due to a shareholder		1,918	1,825
Amounts due to related companies		3,750	133
Current tax liabilities		<u>130</u>	<u>3</u>
		<b>93,311</b>	<b>100,453</b>
<b>Net current assets</b>		<u><b>154,634</b></u>	<u>106,915</u>
<b>Total assets less current liabilities</b>		<u><b>322,654</b></u>	<u><b>415,909</b></u>
<b>Non-current liabilities</b>			
Borrowings		–	2,707
Lease liabilities		–	1,921
Deferred tax liabilities		<u>5,293</u>	<u>12,596</u>
		<b>5,293</b>	<b>17,224</b>
<b>Total liabilities</b>		<u><b>98,604</b></u>	<u><b>117,677</b></u>
<b>NET ASSETS</b>		<u><b>317,361</b></u>	<u><b>398,685</b></u>
<b>Capital and reserves attributable to owners of the Company</b>			
Share capital		12,390	12,390
Reserves		<u>304,971</u>	<u>386,344</u>
Equity attributable to the owners of the Company		<b>317,361</b>	<b>398,734</b>
Non-controlling interest		<u>–</u>	<u>(49)</u>
<b>TOTAL EQUITY</b>		<u><b>317,361</b></u>	<u><b>398,685</b></u>

## NOTES

### 1. GENERAL INFORMATION

Zhaobangji Lifestyle Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands with limited liability. The address of its registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The address of its principal place of business is Unit 13–15, 11th Floor, China Merchants Tower, Shun Tak Centre, 168–200 Connaught Road Central, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The Company is an investment holding company and its subsidiaries (the “**Group**”) are principally engaged in trading of machinery and spare parts, leasing of machinery and the provision of related services and money lending business in Hong Kong region and the provision of property management services, leasing of machinery, property leasing, subletting, retail and other businesses and money lending business in the People’s Republic of China (the “**PRC**”).

In the opinion of the directors of the Company as at 31 March 2025, Boardwin Resources Limited, a company incorporated in the British Virgin Islands, is the immediate and ultimate parent and Mr. Xu Chujia is the ultimate controlling party of the Company.

### 2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), which collective terms includes all applicable individual HKFRS Accounting Standards, Hong Kong Accounting Standards and Interpretations (“**HKFRS Accounting Standards**”) and the accounting principle generally accepted in Hong Kong. These consolidated financial statements also include applicable disclosure required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The HKICPA has issued certain new and revised HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

### 3. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS

#### (a) Amended HKFRS Accounting Standards that are effective for annual periods beginning on 1 April 2024

In the current year, the Group has applied for the first time the following amended HKFRS Accounting Standards as issued by the HKICPA, which are relevant to the Group's operations and effective for the Group's consolidated financial statements for the annual period beginning on 1 April 2024:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The adoption of the amended HKFRS Accounting Standards had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

#### (b) Issued but not yet effective HKFRS Accounting Standards

At the date of authorisation of these consolidated financial statements, certain new and amended HKFRS Accounting Standards have been published but are not yet effective, and have not been adopted early by the Group.

HKFRS 18	Presentation and Disclosure in Financial Statements <sup>3</sup>
HKFRS 19	Subsidiaries without Public Accountability: Disclosures <sup>3</sup>
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature – Dependent Electricity <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>4</sup>
Amendments to HKAS 21	Lack of Exchangeability <sup>1</sup>
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 <sup>2</sup>
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>4</sup> Effective date not yet determined

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. Information on new and amended HKFRS Accounting Standards that are expected to have impact on the Group's accounting policies is provided below. Other new and amended HKFRS Accounting Standards are not expected to have a material impact on the Group's consolidated financial statements.

***HKFRS 18 “Presentation and Disclosure in Financial Statements” and related amendments to Hong Kong Interpretation 5***

HKFRS 18 replaces HKAS 1 “Presentation of Financial Statements”. It carries forward many of the existing requirements in HKAS 1, with limited changes, and some HKAS 1 requirements will be moved to HKAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors” and HKFRS 7 “Financial Instruments: Disclosures”.

HKFRS 18 will not impact the recognition and measurement of financial statements items but the presentation of them. It introduces three major new requirements, including:

- reporting newly defined subtotals (namely “operating profits” and “profits before financing and income tax”), and classifying items into five newly defined categories (namely “operating”, “investing”, “financing”, “income tax” and “discontinued operation”), depending on the reporting entity's main business activities, in the statement of profit or loss;
- disclosure of management-defined performance measures (“MPMs”) in a single note to the financial statements; and
- enhanced guidance of aggregation and disaggregation of information in the financial statements.

Besides, narrow-scope amendments have been made to HKAS 7 “Statement of Cash Flows”, which includes:

- using “operating profit or loss” as the starting point for indirect method for the presentation of operating cash flows purposes; and
- the option for classifying interest and dividend cash flows as operating activities is eliminated.

In addition, there are consequential amendments to several other standards.

HKFRS 18, and the amendments to the other HKFRS Accounting Standards, are effective for annual period beginning on or after 1 January 2027 and must be applied retrospectively with specific transition provisions. The directors of the Company are still in the process of assessing the impact of HKFRS 18, particularly with respect to the structure of the Group's consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the additional disclosures required for MPMs.



#### 4. MATERIAL ACCOUNTING POLICIES

These consolidated financial statements have been prepared under the historical cost convention, except for financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

#### 5. REVENUE

##### Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service line for the year is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Revenue from contracts with customers within the scope of HKFRS 15</b>		
Sales of machinery and spare parts and provision of related services	2,434	22,401
Transportation services	138	2,407
Property management services	84,689	78,369
Property leasing, subletting, retail and others	54,675	71,132
	<u>141,936</u>	<u>174,309</u>
<b>Revenue from other sources</b>		
Interest income on loans receivable	4,889	3,782
Property leasing, subletting, retail and others	2,684	7,654
	<u>7,573</u>	<u>11,436</u>
Leasing of machinery and provision of related services	<u>48,390</u>	<u>81,946</u>
	<u>55,963</u>	<u>93,382</u>
	<u>197,899</u>	<u>267,691</u>

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines and geographical regions:

### Revenue from contracts with customers within the scope of HKFRS 15

	Sales of machinery and spare parts and provision of related services		Transportation services		Property management services		Property leasing, subletting, retail and others		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Primary geographical markets</b>										
Hong Kong	2,434	22,401	138	2,407	-	-	-	-	2,572	24,808
The PRC except Hong Kong	-	-	-	-	84,689	78,369	54,675	71,132	139,364	149,501
Revenue from external customers	<u>2,434</u>	<u>22,401</u>	<u>138</u>	<u>2,407</u>	<u>84,689</u>	<u>78,369</u>	<u>54,675</u>	<u>71,132</u>	<u>141,936</u>	<u>174,309</u>
<b>Timing of revenue recognition</b>										
Goods and services transferred at a point in time	2,434	22,401	138	2,407	-	-	-	-	2,572	24,808
Services transferred over time	-	-	-	-	84,689	78,369	54,675	71,132	139,364	149,501
<b>Total</b>	<u>2,434</u>	<u>22,401</u>	<u>138</u>	<u>2,407</u>	<u>84,689</u>	<u>78,369</u>	<u>54,675</u>	<u>71,132</u>	<u>141,936</u>	<u>174,309</u>

### Revenue from other source not within the scope of HKFRS 15

	Leasing of machinery and provision of related services		Property leasing, subletting, retail and others		Money lending		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Primary geographical markets</b>								
Hong Kong	44,630	75,232	-	-	3,608	3,430	48,238	78,662
The PRC except Hong Kong	3,760	6,714	2,684	7,654	1,281	352	7,725	14,720
Revenue from external customers	<u>48,390</u>	<u>81,946</u>	<u>2,684</u>	<u>7,654</u>	<u>4,889</u>	<u>3,782</u>	<u>55,963</u>	<u>93,382</u>

## 6. SEGMENT INFORMATION

The Group has five (2024: six) reportable segments as follows:

- |  |   |
|--|---|
| (i) Trading  | – Sales of machinery and spare parts and provision of related services      |
| (ii) Leasing   | – Leasing of machinery and provision of transportation and related services |
| (iii) Property management                            | – Provision of property management services                                 |
| (iv) Property leasing, subletting, retail and others | – Provision of property leasing, subletting, retail and other businesses    |
| (v) Money Lending                                    | – Provision of money lending business                                       |

During the year ended 31 March 2025, the transportation segment was no longer classified as a reportable segment due to significant decrease in its revenue and operational scale, which fell below the quantitative thresholds of HKFRS 8 “Operating Segments”. As a result, it has been included in the leasing segments category. Comparative figures have been restated accordingly. The restatement aligns with the updated information used by the chief operating decision maker (“**CODM**”) to assess performance and allocate resources. Further details on the restated amounts are provided in the segment reconciliation table below.

Information reported to the executive directors of the Company, being the CODM, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

The Group’s reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

Segment profits or losses do not include corporate income and expenses, certain other gain and losses, finance income, finance costs and income tax.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

**(i) Information about reportable segments profit or loss:**

	Property leasing, subletting, retail and others															
	Trading		Leasing		Property management		and others		Money lending		Unallocated		Inter segment elimination		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(restated)															
Year ended 31 March																
Revenue from external customers	2,434	22,401	48,528	84,353	84,689	78,369	57,359	78,786	4,889	3,782	-	-	-	-	197,899	267,691
Inter-segment revenue*	4,000	-	-	-	860	1,592	-	-	-	-	-	-	(4,860)	(1,592)	-	-
Reportable segment revenue	6,434	22,401	48,528	84,353	85,549	79,961	57,359	78,786	4,889	3,782	-	-	(4,860)	(1,592)	197,899	267,691
Segment (loss)/profit before tax	(5,009)	(5,353)	(32,109)	9,146	(7,580)	4,358	(3,984)	(748)	2,376	704	-	-	-	-	(46,306)	8,107
Depreciation and amortisation	-	-	(34,126)	(37,126)	-	-	(28,291)	(32,580)	-	-	(305)	(850)	-	-	(62,722)	(70,556)
(Loss)/Gain on disposal of property, plant and equipment	-	-	(4,260)	4,319	-	-	-	-	-	-	-	-	-	-	(4,260)	4,319
Written-off on property, plant and equipment	-	-	(448)	(5,119)	-	-	(2,769)	-	-	-	-	-	-	-	(3,217)	(5,119)
Impairment loss on property, plant and equipment	-	-	(15,312)	-	-	-	(3,765)	-	-	-	-	-	-	-	(19,077)	-
Gain on early termination of leases, net	-	-	-	-	-	-	255	-	-	-	-	-	-	-	255	-
Reversal of write down/(Write down) of inventories	470	(1,684)	-	-	-	-	-	-	-	-	-	-	-	-	470	(1,684)
Finance income	181	132	1,133	1,123	3	5	283	718	15	-	-	-	-	-	1,615	1,978
Finance costs	(192)	(28)	(317)	(366)	-	-	(565)	(1,268)	-	-	-	-	-	-	(1,074)	(1,662)
ECL allowance on financial assets, net	(689)	(232)	(6,899)	(9,727)	(9,226)	(3,735)	(1,789)	(713)	(1,095)	(3,078)	-	-	-	-	(19,698)	(17,485)
Capital additions (note)	-	-	22,559	34,661	65	-	20,481	32,886	-	-	-	-	-	-	43,105	67,547

\* Inter-segment revenue transactions are priced with reference to prices charged to external parties for similar orders based on similar terms and conditions of sales agreements entered.

**Note:** Capital additions to non-current segment assets (other than financial instruments and deferred tax assets) during the year.

(ii) **Reconciliations of reportable segments revenue and profit or loss:**

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Revenue</b>		
Total revenue of reportable segments	<u>197,899</u>	<u>267,691</u>
<b>Profit or loss</b>		
Total profit or loss of reportable segments	(46,306)	8,107
Unallocated amounts:		
Unallocated corporate income	912	315
Unallocated corporate expenses and losses	<u>(40,672)</u>	<u>(36,605)</u>
Consolidated loss before income tax	<u>(86,066)</u>	<u>(28,183)</u>

(iii) **Geographical information:**

**Revenue**

The Group's revenue from external customers by location of operations are detailed below:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong	50,810	103,470
PRC except Hong Kong	<u>147,089</u>	<u>164,221</u>
Consolidated total	<u>197,899</u>	<u>267,691</u>

***Non-current assets (excluding financial instruments)***

The Group's non-current assets (excluding financial instruments) by location of operations are detailed below:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong	76,623	101,975
PRC except Hong Kong	<u>19,604</u>	<u>55,504</u>
Consolidated total	<u>96,227</u>	<u>157,479</u>

(iv) **Revenue from major customers:**

	<b>2025</b> <b>HK\$'000</b>	2024 <b>HK\$'000</b>
Customer A*	<u>N/A</u>	<u>33,045</u>

- \* The revenue was derived from the leasing segment. Transactions with the customer did not exceed 10% of the Group's revenue during the year ended 31 March 2025. In addition, there was no customers individually contributed more than 10% of the Group's revenue during the year ended 31 March 2025.

**7. INCOME TAX CREDIT**

Income tax credit has been recognised in profit or loss as follows:

	<b>2025</b> <b>HK\$'000</b>	2024 <b>HK\$'000</b>
Current tax – Hong Kong Profits Tax		
Provision for the year	<b>165</b>	1,738
Overprovision in prior year	<b>(3)</b>	(56)
Current tax – PRC Enterprise Income Tax		
Overprovision in prior years	<u><b>(1,671)</b></u>	<u>–</u>
Deferred tax	<u><b>(6,752)</b></u>	<u>(1,831)</u>
	<u><b>(8,261)</b></u>	<u>(149)</u>

For the years ended 31 March 2025 and 2024 under the two-tiered profits tax regime of Hong Kong Profits Tax, profits tax rate for the first HK\$2,000,000 of assessable profits of qualifying corporations established in Hong Kong will be lowered to 8.25%, and profits above that amount will be subject to the tax rate of 16.5%. For the other Hong Kong established subsidiaries, Hong Kong Profits Tax has been provided at a rate 16.5% on the estimated assessable profits.

During the year ended 31 March 2025, no provision for PRC Enterprise Income Tax has been provided as the Company and its subsidiaries has either available tax losses brought forward from prior years to offset the assessable profits generated during the year or incurred a loss for taxation purpose. During the year ended 31 March 2024, no provision for PRC Enterprise Income Tax has been provided as the Company and its subsidiaries, which were subject to PRC Enterprise Income Tax, incurred a loss for taxation purpose.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/ regions in which the Group's subsidiaries operate, based on existing legislation, interpretation and practices in respect thereof.

## 8. LOSS FOR THE YEAR

The Group's loss for the year is stated after charging/(crediting) the following:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Depreciation of property, plant and equipment	40,242	43,195
Depreciation of right-of-use assets	22,480	27,361
Loss/(Gain) on disposals of property, plant and equipment	4,260	(4,319)
Gain on early termination of leases, net	(255)	–
Auditors' remuneration		
– Audit services	1,200	1,250
Cost of inventories sold	14,559	35,758
(Reversal of write down)/Write down of inventories to net realisable value	(470)	1,684
Written-off on property, plant and equipment	3,217	5,119
ECL allowance on financial assets, net	19,698	17,485
Short term lease expenses	<u>7,878</u>	<u>7,633</u>

*Note:* Cost of sales and services includes depreciation of property, plant and equipment, depreciation of right-of-use assets and cost of inventories sold of approximately HK\$68,525,000 (2024: HK\$102,030,000).

## 9. DIVIDENDS

The directors do not recommend the payment of any dividend for the year ended 31 March 2025 (2024: Nil).

## 10. LOSS PER SHARE

The calculation of the basic loss per share is based on the following:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Loss</b>		
Loss for the purpose of calculating basic loss per share (loss for the year attributable to owners of the Company)	<u>(77,805)</u>	<u>(28,034)</u>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	<u>6,195,000,000</u>	<u>6,195,000,000</u>

The Company did not have any potential dilutive shares for the years ended 31 March 2025 and 2024. Accordingly, the diluted loss per share are the same as the basic loss per share.

## 11. PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 March 2025, the Group purchased and disposed property, plant and equipment with carrying amount of approximately HK\$8,472,000 and HK\$14,145,000 (2024: HK\$41,086,000 and HK\$8,006,000) and depreciation and impairment loss of property, plant and equipment of HK\$40,242,000 and HK\$19,077,000 (2024: HK\$43,195,000 and Nil) was recorded respectively.

## 12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2025 HK\$'000	2024 HK\$'000
Unlisted equity securities	<u>2,168</u>	<u>5,003</u>

As at 31 March 2025, the unlisted equity securities represented an investment of 0.70% (2024: 0.70%) equity interest in a private company established in the PRC and are denominated in RMB.

The fair value of this investment at 31 March 2025 was valued on asset-based approach with reference to its consolidated management accounts provided by the management of the investee company. The valuation was performed by an independent qualified valuation firm, 深圳市國政房地產土地資產評估顧問有限公司 (“**Guo Zheng Appraisal**”) (2024: Guo Zheng Appraisal). Guo Zheng Appraisal took into consideration the assets and liabilities of this investment and its current financial status.

## 13. TRADE RECEIVABLES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

### (a) Trade receivables

	2025 HK\$'000	2024 HK\$'000
Trade receivables	139,219	121,162
Less: ECL allowance	<u>(32,737)</u>	<u>(27,127)</u>
	<u>106,482</u>	<u>94,035</u>

The Group's trading terms with customers are mainly on credit. The credit terms generally range from 1 to 90 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors and senior management.



The ageing analysis of the Group's gross trade receivables, based on the invoice date, is as follows:

	<b>2025</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
0 to 30 days	<b>2,556</b>	6,375
31 to 60 days	<b>5,879</b>	11,284
61 to 90 days	<b>4,709</b>	3,477
More than 90 days	<b>126,075</b>	100,026
	<b><u>139,219</u></b>	<u>121,162</u>

**(b) Deposits, prepayments and other receivables**

	<b>2025</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Current portion:		
Deposits	<b>1,459</b>	617
Prepayments	<b>4,831</b>	1,629
Other receivables	<b>19,392</b>	56,245
	<b><u>25,682</u></b>	<u>58,491</u>
Non-current portion:		
Deposits	<b>14,001</b>	844
Other receivables	<b>89</b>	1,689
	<b><u>14,090</u></b>	<u>2,533</u>
	<b><u>39,772</u></b>	<u>61,024</u>

#### 14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current portion:		
Equity securities listed in Hong Kong	1,449	6,890
Unlisted fund investment	<u>2,304</u>	<u>2,505</u>
	3,753	9,395
Non-current portion:		
Distressed asset	<u>56,966</u>	<u>70,389</u>
	<u><u>60,719</u></u>	<u><u>79,784</u></u>

The equity securities are listed in Hong Kong and the unlisted fund investment are denominated in HK\$. The distressed asset is denominated in RMB.

#### 15. TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	24,565	21,140
Accruals and other payables	<u>39,286</u>	<u>39,586</u>
	<u><u>63,851</u></u>	<u><u>60,726</u></u>

The ageing analysis of the Group's trade payables, based on the date of receipt of goods or service consumed, is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 30 days	895	1,951
31 to 60 days	1,586	2,726
61 to 90 days	1,424	453
More than 90 days	<u>20,660</u>	<u>16,010</u>
	<u><u>24,565</u></u>	<u><u>21,140</u></u>

#### 16. COMPARATIVE FIGURES

Certain comparative amounts have been reclassified to conform with current year's presentation.

## MANAGEMENT DISCUSSION AND ANALYSIS BUSINESS REVIEW AND MARKET PROSPECT

The Group is principally engaged in the trading of machinery and spare parts, leasing of machinery and provision of related services and money lending in Hong Kong, and provision of property management services, leasing of machinery, property leasing and subletting, and money lending in the People's Republic of China (the "**PRC**").

The overall market conditions were challenging this year as the real estate market in the PRC and in Hong Kong regions remained sluggish and many developers in the region struggled with cash flow. The demand for construction equipment leasing was therefore slow and there was also an overall trend to move into electric storage solutions which places some of our traditional diesel generators and related equipment obsolete. Our property management business also encountered difficulties as a larger percentage of residential property owners delayed payments which led to cost overrun. In light of the challenging market conditions, the Board will continue to employ a low leverage position and will continue to explore potential business opportunities to bring long-term value to the shareholders of the Company (the "**Shareholders**").

## FINANCIAL REVIEW

### Revenue

Our total revenue decreased by approximately HK\$69.8 million, or 26.1%, from approximately HK\$267.7 million for the Previous Year to approximately HK\$197.9 million for the Year. Such decrease was mainly attributable to (i) the reduction of leasing related revenue of HK\$33.6 million; (ii) the reduction of sales of machinery and spare parts related revenue of HK\$20.0 million; and (iii) the reduction of retail indoor arcade related revenue of HK\$16.5 million.

### *Leasing of construction machinery*

Our Group's revenue generated from leasing of construction machinery recorded a decreased by approximately HK\$35.8 million, or approximately 42.5%, from approximately HK\$84.4 million for the Previous Year to approximately HK\$48.5 million for the Year. Such decrease was mainly due to the sluggish real estate market which lead to lower demand for construction related equipment and an overall trend to move into electric storage solutions which places some of our traditional diesel generators and related equipment obsolete.

### ***Trading of construction machinery***

Our Group's revenue generated from trading of construction machinery recorded a decrease by approximately HK\$20.0 million, or approximately 89.1%, from approximately HK\$22.4 million for the Previous Year to approximately HK\$2.4 million for the Year. Such decrease was mainly due to a lack of market trading opportunity from an overall poor real estate market.

### ***Property management services***

Our Group's revenue generated from property management services increased by approximately HK\$6.3 million, or approximately 8.1%, from approximately HK\$78.4 million for the Previous Year to approximately HK\$84.7 million for the Year. The increase was mainly due to an increase in overall area under management.

### ***Property leasing, subletting services and retail businesses***

Our Group's revenue generated from property leasing, subletting services and retail businesses decreased by approximately HK\$21.4 million, or approximately 27.2%, from approximately HK\$78.8 million for the Previous Year to approximately HK\$57.4 million for the Year. Such decrease was mainly the result of lower income from our indoor amusement arcade business.

### ***Money Lending***

Our Group's revenue generated from money lending increased by approximately HK\$1.1 million from HK\$3.8 million to HK\$4.9 million. Such increase was mainly due to higher loan balance this year.

### **Cost of Sales and Services**

Our Group's cost of sales and services decreased by approximately HK\$49.5 million, or approximately 21.9%, from approximately HK\$226.4 million for the Previous Year to approximately HK\$176.9 million for the Year. Cost of sales and services mainly comprised costs of machinery and equipment and spare parts, staff costs and depreciation. The decrease in cost of sales and services was mainly due to lower revenue for the Year.

### **Gross Profit and Gross Profit Margin**

Our Group's gross profit decreased by approximately HK\$20.3 million, or approximately 49.1%, from approximately HK\$41.3 million for the Previous Year to approximately HK\$21.0 million for the Year, and our gross profit margin decreased from approximately 15.4% for the Previous Year to approximately 10.6% for the Year as a result of poor operating result as described above.

## **Other Losses**

Our Group's other losses increased by approximately HK\$29.6 million, from approximately HK\$13.7 million for the Previous Year to approximately HK\$43.3 million for the Year. The increase was mainly due to the recognition of impairment loss of property, plant and equipment and loss on disposal for obsolete equipment.

## **Expected credit losses on financial assets**

Our Group's expected credit losses on financial assets increased by approximately HK\$2.2 million, or approximately 12.7%, from approximately HK\$17.5 million to approximately HK\$19.7 million. The increase was mainly due to a larger amount of longer aged receivables this year.

## **Administrative Expenses**

Our Group's administrative expenses increased by approximately HK\$6.0 million, or 15.6%, from approximately HK\$38.6 million for the Previous Year to approximately HK\$44.6 million for the Year. The increase is mainly attributable to the increase in staff cost for administrative staff and increase in depreciation of property, plant and equipment.

## **Finance Income**

Our Group's finance income decreased by approximately HK\$0.4 million, or approximately 18.4%, from approximately HK\$2.0 million for the Previous Year to approximately HK\$1.6 million for the Year as a result of lower average cash deposit during the Year.

## **Finance Costs**

Our Group's finance costs decreased by approximately HK\$0.6 million, or approximately 35.4%, from approximately HK\$1.7 million for the Previous Year to approximately HK\$1.1 million for the Year. The decrease was mainly due to lower outstanding borrowings during the Year.

## **Income Tax Credit and Effective Tax Rate**

Our Group's income tax credit increased by approximately HK\$8.1 million, from approximately HK\$0.1 million for the Previous Year to approximately HK\$8.3 million for the Year. The increase was mainly due to the loss making position of the operating subsidiaries this Year.

The effective tax rate was not applicable for the Year and the Previous Year as the Group were loss-making.

## **Net Loss**

The Group's net loss increased by approximately HK\$49.8 million from approximately HK\$28.0 million in the Previous Year to approximately HK\$77.8 million this Year.

## **LIQUIDITY AND FINANCIAL RESOURCES REVIEW**

The Group financed its operations through a combination of cash flow from operations, borrowings and lease liabilities. As at 31 March 2025, the Group had cash and bank balance of approximately HK\$28.9 million (2024: approximately HK\$34.3 million) which were mainly denominated in HK\$ and RMB, and had borrowings of approximately HK\$2.7 million (2024: approximately HK\$10.2 million) and lease liabilities of approximately HK\$15.2 million (2024: approximately HK\$22.7 million) respectively that were mainly in HK\$ and RMB.

Gearing ratio is calculated as net debt divided by total equity at the end of the reporting period. Net debt is calculated as total borrowings and total obligations under finance leases less cash and bank balances and restricted cash. As at 31 March 2025, the Group was in a net cash position (2024: net cash position).

As at 31 March 2025, our Group's total current assets and current liabilities were approximately HK\$247.9 million (2024: approximately HK\$207.4 million) and approximately HK\$93.3 million (2024: approximately HK\$100.5 million) respectively. Our Group's current ratio was approximately 2.7 times as at 31 March 2025 (2024: 2.1 times).

## **PLEDGE OF ASSETS**

As at 31 March 2025, our Group's borrowings of HK\$2.7 million (2024: approximately HK\$10.2 million) and lease liabilities of HK\$15.2 million (2024: approximately HK\$22.7 million) were not secured by property, plant and equipment and right-of-use assets (2024: nil).

## **CAPITAL STRUCTURE**

As at 31 March 2025, the total issued share capital of the Company was HK\$12,390,000 divided into 6,195,000,000 ordinary shares of HK\$0.002 each.

## **CAPITAL EXPENDITURE**

The total capital expenditure incurred for the Year was approximately HK\$43.1 million (2024: approximately HK\$67.5 million) which was mainly used in purchase of property, plant and equipment for our leasing business and property decoration and additions of right-of-use for our retail business.

## **CURRENCY RISK**

Certain transactions of the Group are denominated in currencies which are different from the functional currencies of the Group's principal subsidiaries, namely, HK\$ and RMB. Therefore the Group is exposed to foreign exchange risk. At 31 March 2025, the Group held certain financial assets and financial liabilities which were denominated in US\$. The directors are of the opinion that the Group's exposure to US\$ and RMB foreign currency risk is minimal. Therefore, the directors of the Company consider the Group has no significant foreign currency risk.

The Group does not have a foreign currency hedging policy. However, the Group will continue to monitor closely its exposure to currency movement and take proactive measures.

## **CONTINGENT LIABILITIES**

The Group had no material contingent liabilities at the end of the reporting period (31 March 2024: Nil).

## **CAPITAL COMMITMENTS**

Our capital commitments consist primarily of purchase of construction machinery for leasing purpose. As at 31 March 2025, there were approximately HK\$0.1 million (31 March 2024: HK\$5.8 million) of capital commitments in machinery and equipment contracted but not provided for.

## **EMPLOYEES AND REMUNERATION POLICY**

As at 31 March 2025, our Group had 395 staff members (2024: 706). The total staff costs incurred by our Group for the Year were approximately HK\$52.4 million (2024: approximately HK\$57.1 million). The decrease in staff costs was mainly due to the reduction in staff costs from the selling departments as a result of lower revenue.

Employees' remuneration packages are determined with reference to the market information and individual performance and will be reviewed on a regular basis. The remuneration policy will be reviewed by the Board from time to time. In addition to basic remuneration, the Group also makes contributions to mandatory provident funds scheme in Hong Kong and contribute an amount to certain retirement benefit schemes of those employees in the PRC.

## **SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSET**

Save as to the distressed secured loan of RMB80,000,000 (equivalent to approximately HK\$91,200,000) principal amount acquired for a cash consideration of RMB65,000,000 (equivalent to approximately HK\$74,100,000), the details of which has been disclosed in the Company's announcement dated 8 September 2022, the Group did not have any significant investments held.

During the year ended 31 March 2025, neither the Company nor any of its subsidiaries had other material acquisition or disposal.

As at the date of this announcement, the Group does not have any plans for material investments or capital asset.

## **SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

There was no significant events affecting the Group after the end of the Year up to the date of this announcement.

## **PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY**

There were no purchase, redemption or sale of the listed securities of the Company by the Company or any of its subsidiaries during the Year.

## **SHARE OPTION SCHEME**

The Company's share option scheme (the "**Share Option Scheme**") was adopted pursuant to the written resolutions passed on 23 January 2017. From the date of the adoption of the Share Option Scheme and up to 31 March 2025, no share option has been granted, or agreed to be granted, under the Share Option Scheme.



## **OTHER INFORMATION**

### **Corporate Governance Practices**

The Group is committed to maintain high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the “**CG Code**”) as set out in Part 2 of Appendix C1 to the Listing Rules as our corporate governance practices. The Company has complied with the applicable code provisions under the CG Code during the Year.

### **Compliance with the Model Code for Securities Transactions**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. The Company has made enquiries to all Directors regarding any non-compliance with the Model Code.

All the Directors confirmed that they have fully complied with the required standard set out in the Model Code during the Year.

### **Scope of work of Grant Thornton Hong Kong 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 as set out in the preliminary announcement have been agreed by the Group’s auditor, Grant Thornton Hong Kong Limited, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Grant Thornton Hong Kong Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Grant Thornton Hong Kong Limited on the preliminary announcement.

### **Review by Audit Committee**

The annual results of the Group for the Year have been reviewed by the audit committee of the Company.

### **Dividend**

The Directors do not recommend the payment of a final dividend for the Year (2024: Nil).

## **Closure of Register of Members**

For determining the entitlement to attend and vote at the annual general meeting (“AGM”) of the Company to be held on Friday, 15 August 2025, the register of members of the Company will be closed from Tuesday, 12 August 2025 to Friday, 15 August 2025 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to be eligible to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company’s registrar, Tricor Investor Services Limited, 17th Floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Monday, 11 August 2025.

## **Publication of the Results Announcement and Annual Report**

This results announcement is published on the Company’s website (<https://www.szzhaobangji.com>) and the website of the Stock Exchange (<http://www.hkexnews.hk>).

The annual report of the Company for the Year will also be available at the respective websites of the Company and the Stock Exchange and will be despatched to the Shareholders in July.

By order of the Board  
**Zhaobangji Lifestyle Holdings Limited**  
**Xu Chujia**  
*Chairman*

Hong Kong, 30 June 2025

*As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Xu Chujia, Mr. Xu Zhicong, Ms. Zhang Yu and Ms. Zeng Yue Ying; one non-executive Director, namely, Ms. Tsim Ying Wah; and three independent non-executive Directors, namely, Mr. Hui Chin Tong Godfrey, Mr. Ye Longfei and Mr. Yu Chor On.*

\* *For identification purpose only*