

APPENDIX I

ACCOUNTANTS’ REPORT

The following is the text of a report received from the Company’s independent reporting accountants, Moore CPA Limited and Ascenda Cachet CPA Limited, Certified Public Accountants, Hong Kong, for the purpose of incorporation in this document.



ACCOUNTANTS’ REPORT ON HISTORICAL FINANCIAL INFORMATION TO THE DIRECTORS OF CHEUK POWER INTERNATIONAL HOLDING LIMITED AND PATRONS CAPITAL LIMITED

Introduction

We report on the historical financial information of Cheuk Power International Holding Limited (the “**Company**”) and its subsidiaries (together, the “**Group**”) set out on pages I-4 to I-47, which comprises the consolidated statements of financial position of the Group as at 31 March 2025 and 2026 and 30 June 2026, and the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the years ended 31 March 2025 and 2026 and the three months ended 30 June 2026 (the “**Track Record Period**”) and material accounting policy information and other explanatory information (together, the “**Historical Financial Information**”). The Historical Financial Information set out on pages I-4 to I-47 forms an integral part of this report, which has been prepared for inclusion in the document of the Company dated [Date] (the “**Document**”), in connection with the initial [REDACTED] of the shares of the Company on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Directors’ responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in note 2.2 to the Historical Financial Information, and for such internal control as the directors of the Company determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants’ responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 “*Accountants’ Reports on Historical Financial Information in Investment Circulars*” issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

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Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants’ judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity’s preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of preparation and presentation set out in note 2.2 to the Historical Financial Information in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Company, as well as evaluating the overall presentation of the Historical Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants’ report, a true and fair view of the Group’s financial position as at 31 March 2025 and 2026 and 30 June 2026, and of the Group’s financial performance and cash flows for the Track Record Period in accordance with the basis of preparation and presentation set out in note 2.2 to the Historical Financial Information.

Review of the Stub Period Comparative Financial Information

We have reviewed the stub period comparative financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the three months ended 30 June 2025 and other explanatory information (the “**Stub Period Comparative Financial Information**”). The directors of the Company are responsible for the preparation of the Stub Period Comparative Financial Information in accordance with the basis of preparation and presentation set out in note 2.2 to the Historical Financial Information. Our responsibility is to express a conclusion on the Stub Period Comparative Financial Information based on our review. We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Stub Period Comparative Financial Information, for the purposes of the accountants’ report, is not prepared, in all material respects, in accordance with the basis of preparation and presentation set out in note 2.2 to the Historical Financial Information.

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Report on matters under the Rules Governing the Listing of Securities on GEM of the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to note 13 to the Historical Financial Information which contains information about the dividends declared or paid by a subsidiary of the Company and states that no dividends have been paid by the Company in respect of the Track Record Period.

No historical financial statements for the Company

No financial statements have been prepared for the Company since the date of its incorporation.

Moore CPA Limited

Certified Public Accountants

Hong Kong, [Date]

Ascenda Cachet CPA Limited

Certified Public Accountants

Hong Kong, [Date]

Hung Wan Fong Joanne

Practising Certificate Number: P05419

Chan Yuk Tong

Practising Certificate Number: P03723

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HISTORICAL FINANCIAL INFORMATION OF THE GROUP

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants’ report.

The consolidated financial statements of the Group for the Track Record Period, on which the Historical Financial Information is based, have been prepared in accordance with the accounting policies which conform with HKFRS Accounting Standards issued by the HKICPA and were audited by us in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the “**Underlying Financial Statements**”).

The Historical Financial Information is presented in Hong Kong dollars (“**HK\$**”) and all values are rounded to the nearest thousand (HK\$’000) except when otherwise indicated.

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CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended 31 March		Three months ended 30 June	
		2025	2026	2025	2026
	Notes	HK\$'000	HK\$'000	HK\$'000	HK\$'000
				(Unaudited)	
Revenue	7	77,280	136,800	29,970	43,190
Cost of services		<u>(58,239)</u>	<u>(97,399)</u>	<u>(21,158)</u>	<u>(28,359)</u>
Gross profit		19,041	39,401	8,812	14,831
Other income and other gains	8	491	776	139	30
Administrative and other operating expenses		(9,068)	(10,746)	(2,413)	(2,336)
[REDACTED]		—	—	—	[REDACTED]
Finance costs	9	<u>(198)</u>	<u>(149)</u>	<u>(42)</u>	<u>(39)</u>
Profit before income tax	10	10,266	29,282	6,496	11,399
Income tax expense	11	<u>(1,617)</u>	<u>(5,051)</u>	<u>(1,133)</u>	<u>(1,956)</u>
Profit and total comprehensive income for the year/period		<u>8,649</u>	<u>24,231</u>	<u>5,363</u>	<u>9,443</u>
Profit and total comprehensive income for the year/period attribute to:					
Owners of the Company		8,191	23,899	4,763	9,398
Non-controlling interests		<u>458</u>	<u>332</u>	<u>600</u>	<u>45</u>
		<u>8,649</u>	<u>24,231</u>	<u>5,363</u>	<u>9,443</u>

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

		As at 31 March 2025 HK\$'000	2026 HK\$'000	As at 30 June 2026 HK\$'000
	Notes			
Non-current assets				
Property and equipment	15	1,690	3,550	3,917
Right-of-use assets	16	688	382	306
Deferred tax assets	26	50	184	185
		<u>2,428</u>	<u>4,116</u>	<u>4,408</u>
Current assets				
Trade receivables	17	8,393	6,119	1,409
Contract assets	18	22,280	23,233	21,868
Deposits, other receivables and prepayments	19	2,561	1,404	1,886
Amounts due from related companies	29(b)	897	7,130	4
Amounts due from shareholders	29(b)	27,636	28,734	16,375
Cash at banks	20	8,530	28,930	26,950
		<u>70,297</u>	<u>95,550</u>	<u>68,492</u>
Current liabilities				
Trade payables	21	11,621	4,197	2,744
Contract liabilities	18	172	6,317	865
Accruals and other payables	22	1,452	1,431	11,950
Lease liabilities	23	274	290	294
Bank borrowings	24	4,488	3,751	5,585
Income tax payables		4,403	9,153	10,492
		<u>22,410</u>	<u>25,139</u>	<u>31,930</u>
Net current assets		<u>47,887</u>	<u>70,411</u>	<u>36,562</u>
Total assets less current liabilities		<u>50,315</u>	<u>74,527</u>	<u>40,970</u>
Non-current liabilities				
Lease liabilities	23	399	82	—
Provision for long service payment	25	386	386	386
Deferred tax liabilities	26	—	298	380
		<u>785</u>	<u>766</u>	<u>766</u>
Net assets		<u>49,530</u>	<u>73,761</u>	<u>40,204</u>
Equity				
Share capital	27	19,400	19,400	19,400
Reserves	28	29,668	53,567	19,965
		<u>49,068</u>	<u>72,967</u>	<u>39,365</u>
Equity attributable to owners of the Company		462	794	839
Non-controlling interests		<u>462</u>	<u>794</u>	<u>839</u>
Total equity		<u>49,530</u>	<u>73,761</u>	<u>40,204</u>

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CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	<u>Attributable to owners of the Company</u>			Non-	
	Share	Retained	Total	controlling	Total
	capital	profits		interests	equity
	HK\$’000	HK\$’000	HK\$’000	HK\$’000	HK\$’000
	(note 27)				
At 1 April 2024	3,400	21,477	24,877	—	24,877
Profit and total comprehensive income for the year	—	8,191	8,191	458	8,649
Incorporation of a non-wholly owned subsidiary	—	—	—	4	4
Issuance of shares upon allotment	16,000	—	16,000	—	16,000
At 31 March 2025 and 1 April 2025	19,400	29,668	49,068	462	49,530
Profit and total comprehensive income for the year	—	23,899	23,899	332	24,231
At 31 March 2026 and 1 April 2026	19,400	53,567	72,967	794	73,761
Profit and total comprehensive income for the period	—	9,398	9,398	45	9,443
Interim dividends (note 13)	—	(43,000)	(43,000)	—	(43,000)
At 30 June 2026	<u>19,400</u>	<u>19,965</u>	<u>39,365</u>	<u>839</u>	<u>40,204</u>
At 1 April 2025	19,400	29,668	49,068	462	49,530
Profit and total comprehensive income for the period (Unaudited)	—	4,763	4,763	600	5,363
At 30 June 2025 (Unaudited)	<u>19,400</u>	<u>34,431</u>	<u>53,831</u>	<u>1,062</u>	<u>54,893</u>

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CONSOLIDATED STATEMENTS OF CASH FLOWS

		Year ended 31 March		Three months ended	
		2025	2026	30 June	2026
	Notes	HK\$'000	HK\$'000	HK\$'000	HK\$'000
				(Unaudited)	
Cash flows from operating activities					
Profit before income tax		10,266	29,282	6,496	11,399
Adjustments for:					
Bank interest income	8	(4)	(1)	(1)	—
Depreciation on property and equipment	10	2,260	2,099	368	569
Depreciation on right-of-use assets	10	319	306	76	76
Finance costs	9	198	149	42	39
Gain on disposal of property and equipment	8	(99)	—	—	—
Remeasurement of provision for long service payment	10	61	—	—	—
Written-off of property and equipment	10	6	—	—	—
Operating cash flows before working capital changes		13,007	31,835	6,981	12,083
(Increase)/decrease in trade receivables		(4,434)	2,274	2,575	4,710
(Increase)/decrease in contract assets		(10,145)	(953)	(249)	351
Decrease/(increase) in deposits, other receivables and prepayments		181	1,157	(418)	(482)
Decrease/(increase) in amounts due from related companies		4,335	(3,094)	(4,200)	—
Increase/(decrease) in trade payables		6,185	(7,424)	(3,321)	(1,453)
(Decrease)/increase in contract liabilities		(2,799)	6,145	2,347	(4,438)
Increase/(decrease) in accruals and other payables		695	(21)	253	1,519
Cash generated from operations		7,025	29,919	3,968	12,290
Income tax paid		(68)	(137)	(23)	(536)
Net cash generated from operating activities		6,957	29,782	3,945	11,754

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		Year ended 31 March		Three months ended	
		2025	2026	2025	2026
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(Unaudited)			
		Notes			
Cash flows from investing activities					
Bank interest income		4	1	1	—
Proceeds from disposal of property and equipment		3,000	—	—	—
Purchase of property and equipment	15	(349)	(3,959)	(1,473)	(936)
(Advances to)/repayment from shareholders		(2,606)	(1,098)	9,830	1,589
Advances to related companies		(1,288)	(3,139)	(234)	(4,104)
Net cash (used in)/generated from investing activities		(1,239)	(8,195)	8,124	(3,451)
Cash flows from financing activities					
Repayment to shareholders		(61)	—	—	—
Repayment of bank borrowings		(703)	(737)	(182)	(189)
Interest paid on bank borrowings		(167)	(121)	(34)	(34)
Dividend paid		—	—	—	(12,000)
Repayment of lease liabilities — principal		(340)	(301)	(74)	(78)
Repayment of lease liabilities — interests		(31)	(28)	(8)	(5)
Net cash used in financing activities		(1,302)	(1,187)	(298)	(12,306)
Net increase/(decrease) in cash and cash equivalents		4,416	20,400	11,771	(4,003)
Cash and cash equivalents at beginning of year/period		4,114	8,530	8,530	28,930
Cash and cash equivalents at end of year/period		<u>8,530</u>	<u>28,930</u>	<u>20,301</u>	<u>24,927</u>
Analysis of cash and cash equivalents					
Cash at banks	20	8,530	28,930	20,301	26,950
Bank overdraft	24	—	—	—	(2,023)
		<u>8,530</u>	<u>28,930</u>	<u>20,301</u>	<u>24,927</u>

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NOTES TO HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

Cheuk Power International Holding Limited (the “**Company**”) is a limited company incorporated in the Cayman Islands on 19 August 2026. The registered office and the principal place of business of the Company is located at 4th Floor, Harbour Place, 103 South Church Street, PO Box 10240, Grand Cayman, KY1-1002, Cayman Islands and Unit 1, 19/F, Marina House, No. 68 Hing Man Street, Shau Kei Wan, Hong Kong, respectively.

The Company is an investment holding company and has not carried on any business since the date of its incorporation save for the group reorganisation (the “**Reorganisation**”) as detail below. The principal activities of the operating companies becoming the Company’s subsidiaries now comprising the Group (collectively referred to as the “**Group**”) and are principally engaged in the provision of demolition services in Hong Kong.

Pursuant to the Reorganisation, which was completed on 19 August 2026, as detailed in note 2.1, the Company became the holding company of the entities now comprising the Group.

During the years ended 31 March 2025 and 2026 and the three months ended 30 June 2026 (the “**Track Record Period**”) and as at the date of this report, the particulars of the Company’s subsidiaries, which are private limited liability companies, of which the Company has direct or indirect interests, are as follows:

Name of the subsidiary	Place and date of incorporation/ establishment	Particulars of issued and fully paid-up share capital/ registered capital	Attributable equity interest		Principal activities/ place of operation
			Direct	Indirect	
Cheuk Power Holding Limited (<i>note (a)</i>)	The British Virgin Islands (the “ BVI ”) 9 July 2026	nil	100%	—	Investment holding/ Hong Kong
Riseship Construction Company Limited (“ Riseship Construction ”) (<i>note (b)</i>)	Hong Kong 4 May 1993	Hong Kong dollar (“ HK\$ ”) 19,400,000	—	100%	Demolition service projects/Hong Kong
Power Construction Company Limited (“ Power Construction ”) (<i>note (c)</i>)	Hong Kong 16 January 2025	HK\$10,000	—	60%	Demolition service projects/Hong Kong

All subsidiaries now comprising the Group have adopted 31 March as their financial year end date.

Notes:

- (a) No audited financial statements have been prepared for the period from the date of incorporation to the date of this report as there is no statutory audit requirement in the country of its incorporation.
- (b) The statutory financial statements of Riseship Construction for the year ended 31 March 2025, which were prepared in accordance with HKFRS for Private Entities Accounting Standard issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”), were audited by Sidus CPA Limited, certified public accountants.

[The statutory financial statements of Riseship Construction for the year ended 31 March 2026 were audited by Ascenda Cachet CPA Limited, certified public accountants. These statutory financial statements were prepared in accordance with HKFRS Accounting Standards issued by the HKICPA.]

- (c) [The statutory financial statements of Power Construction for the period from 16 January 2025 (date of incorporation) to 31 March 2026 were audited by Ascenda Cachet CPA Limited, certified public accountants. These statutory financial statements were prepared in accordance with HKFRS Accounting Standards issued by the HKICPA.]

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2. GROUP REORGANISATION AND BASIS OF PREPARATION AND PRESENTATION

2.1 Group reorganisation

The companies comprising the Group underwent the Reorganisation to rationalise the Group’s structure in preparation for the [REDACTED] (the “[REDACTED]”) of the shares of the Company on GEM of the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Reorganisation involved the followings:

Incorporation of HonTide Holding Limited (“HonTide”) and Legacy Capital International Holdings Limited (“Legacy Capital”)

On 8 July 2026, HonTide was incorporated in the BVI. On the same date, 706,149, 59,868, 600,082 and 299,901 shares of HonTide were allocated, issued and credited as fully-paid, to Mr. Lo Kam Kenny, Ms. Mak Wai Chun, Mr. Lo Siu Kai and Mr. Lo Siu Tong at par, respectively. After the allotment, Mr. Lo Kam Kenny, Ms. Mak Wai Chun, Mr. Lo Siu Kai and Mr. Lo Siu Tong became the shareholders of HonTide.

On 8 July 2026, Legacy Capital was incorporated in the BVI. On the same date, one share of Legacy Capital was allocated and issued to Mr. Lo Cheuk Pui at par. After the subscription, Mr. Lo Cheuk Pui became the sole shareholder of Legacy Capital.

Incorporation of Cheuk Power Holding Limited

Cheuk Power Holding Limited was incorporated in the BVI on 9 July 2026 with limited liability. As at the date of incorporation, 1,666,000 and 1,734,000 ordinary shares of Cheuk Power Holding Limited were allotted, issued and credited as fully-paid to HonTide and Legacy Capital respectively. On 27 July 2026, Mr. Lo Cheuk Pui, Mr. Lo Kam Kenny, Ms. Mak Wai Chun, Mr. Lo Siu Kai, Mr. Lo Siu Tong transferred 9,894,000, 4,029,200, 341,600, 3,424,000 and 1,711,200 shares, respectively, in Riseship Construction, representing 51%, 20.8%, 1.8%, 17.6%, and 8.8% respectively, of the entire share capital of Riseship Construction, to Cheuk Power Holding Limited.

[REDACTED] investors

In May 2026, Riseship Construction entered into investment agreements with [REDACTED], and [REDACTED], a company controlled by [REDACTED] in relation to [REDACTED] investment, pursuant to which [REDACTED] and [REDACTED] subject to certain terms and conditions, agreed to subscribe for and Riseship Construction agreed to procure Cheuk Power Holding Limited to issue and allot to [REDACTED], [REDACTED], and [REDACTED], or his nominee, [REDACTED] shares, [REDACTED] shares, [REDACTED] shares and [REDACTED] shares, respectively, in Cheuk Power Holding Limited at the consideration of investing HK\$[REDACTED], HK\$[REDACTED], HK\$[REDACTED] and HK\$[REDACTED] in Riseship Construction, respectively. The said investment amount was paid and settled by the [REDACTED] investors in full and received by Riseship Construction in July 2026.

On 11 August 2026, after receipt of payment of the relevant investment amount by each of the [REDACTED] investors as set out above, Cheuk Power Holding Limited allotted and issued [REDACTED] shares, [REDACTED] shares, [REDACTED] shares and [REDACTED] shares, to [REDACTED] and [REDACTED], a company controlled by [REDACTED], respectively. After the completion of the above allotment and issue of shares, Cheuk Power Holding Limited was owned by [REDACTED] and [REDACTED] as to [REDACTED], respectively.

Capital Reduction of Riseship Construction Company Limited

As part of the Reorganisation, the share capital of Riseship Construction was reduced from HK\$19,400,000 to HK\$3,400,000 pursuant to the shareholders’ written resolution on 2 July 2026. Riseship Construction completed the registration of the above changes with the Companies Registry of Hong Kong on 7 August 2026.

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Incorporation of the Company as a [REDACTED] vehicle

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 19 August 2026 to act as the proposed [REDACTED] vehicle. As at the date of incorporation, the Company had an authorised share capital of HK\$100,000,000 divided into 10,000,000,000 shares of HK\$0.01 each, and one share was allotted and issued to HonTide credited as nil paid.

Transfer of Cheuk Power Holding Limited to the Company

On 19 August 2026, HonTide, Legacy Capital, [REDACTED] and [REDACTED] transferred their entire shares of Cheuk Power Holding Limited to the Company. In consideration of the transfer, the Company allotted and issued [REDACTED], [REDACTED], [REDACTED] and [REDACTED] shares in the Company to HonTide, Legacy Capital, [REDACTED], [REDACTED] and [REDACTED], respectively. All the shares in issue (including the first subscriber share held by HonTide) were credited as fully paid at par.

Following the above steps, the Company owned as to approximately [REDACTED], [REDACTED] and [REDACTED] by HonTide, Legacy Capital, [REDACTED], and [REDACTED], respectively, Riseship Construction became the Company’s indirect wholly-owned subsidiary and Power Construction, a subsidiary of Riseship Construction, became the Company’s indirect non-wholly-owned subsidiary.

Mr. Lo Cheuk Pui, Mr. Lo Kam Kenny, Ms. Mak Wai Chun, Mr. Lo Siu Kai, Mr. Lo Siu Tong (collectively, the “**Controlling Shareholders**”) entered into the acting in concert confirmation to acknowledge, agree and confirm, among other things, that they were and had been parties acting in concert in respect of each of the members of the Group since the date on which they became the registered owners and/or beneficial owners of the shares of each of the members of the Group. As such, immediate before and after the Reorganisation, in the opinion of the directors of the Company, the Controlling Shareholders are the ultimate controlling parties of the Company and the Group.

2.2 Basis of preparation and presentation

The Historical Financial Information has been prepared in accordance with HKFRS Accounting Standards, which collective term includes all individual Hong Kong Financial Reporting Standards (“**HKFRSs**”), Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the HKICPA. The Historical Financial Information also complies with the applicable disclosure requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange.

Pursuant to the Reorganisation described above, the Company has become the holding company of the above-mentioned companies now comprising the Group on 19 August 2026.

As the Reorganisation involved inserting newly formed entities as the new holding companies of Riseship Construction and has not resulted in any change of economic substance, the Historical Financial Information has been prepared and presented as a continuation of the financial statements of Riseship Construction with the assets and liabilities recognised and measured at their historical carrying amounts prior to the Reorganisation. The consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for the Track Record Period have been prepared as if the current group structure had been in existence throughout the Track Record Period, or since the respective dates of incorporation/establishment of the relevant companies now comprising the Group where this is a shorter period. The consolidated statements of financial position of the Group as at 31 March 2025 and 2026 and 30 June 2026 have been prepared to present the assets and liabilities of the companies now comprising the Group as if the current group structure were in existence at those dates. Intra-group balances, transactions and unrealised gains/losses on intra-group transactions are eliminated in full in preparing the Historical Financial Information.

No statutory financial statements of the Company have been prepared since the date of its incorporation as it is incorporated in the jurisdiction where there are no statutory audit requirements.

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The Historical Financial Information has been prepared under the historical cost convention. The Historical Financial Information is presented in HK\$, which is also the functional currency of the Company. All values are rounded to the nearest thousand except when otherwise indicated.

3. ADOPTION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

The HKICPA has issued a number of new and amendments to HKFRS Accounting Standards which were relevant to the Group and became effective during the Track Record Period. In preparing the Historical Financial Information, the Group has applied all these new and amendments to HKFRS Accounting Standards which are effective for the Group’s accounting period on or before 1 April 2026, consistently throughout the Track Record Period.

At the date of this report, the HKICPA has issued the following new and amendments to HKFRS Accounting Standards that are not yet effective. The Group has not early adopted these standards and amendments.

		Effective for annual periods beginning on or after
HKFRS 18	Presentation and Disclosures in Financial Statements	1 January 2027
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group has already commenced an assessment of the impact of these new and amendments to HKFRS Accounting Standards, certain of which are relevant to the Group’s operations. According to the preliminary assessment made by the directors of the Company, the amendments to HKFRS Accounting Standards are not expected to have a significant impact on the Group’s financial performance and position, except HKFRS 18 as follows:

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the consolidated statements of profit or loss and other comprehensive income; provide disclosures on management-defined performance measures in the notes to the Historical Financial Information and improve aggregation and disaggregation of information to be disclosed in the Historical Financial Information. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the consolidated statements of profit or loss and other comprehensive income and disclosures in the future financial statements. The Group is still in the process of assessing the detailed impact of HKFRS 18 on the Group’s Historical Financial Information.

It should be noted that accounting estimates and assumptions have been used in the preparation of the Historical Financial Information. Although these estimates are based on management’s best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Historical Financial Information are set out in note 5 “Significant accounting judgements and estimates”.

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4. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of consolidation and subsidiaries

As disclosed in notes 2.1 and 2.2, the Historical Financial Information incorporates the financial statements of the Company and its subsidiaries comprising the Group for the Track Record Period.

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee; exposure, or rights, to variable returns from the investee; and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the Track Record Period are included in the consolidated statements of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Property and equipment

Property and equipment are stated at cost, less provisions for depreciation and impairment losses, if any.

The cost of an item of property and equipment comprises its purchase price and any directly attributable cost of bringing the asset to its working condition and location for its intended use. When an item of property and equipment is sold, its cost and accumulated depreciation are removed from the Historical Financial Information and any gain or loss resulting from the disposal, being the difference between the net disposal proceeds and the carrying amount of the asset, is included in the consolidated statements of profit or loss and other comprehensive income.

Depreciation is provided on the straight-line method, based on the estimated economic useful life of the individual assets, as follows:

Owned property	25 years
Leasehold improvements	5 years
Furniture and equipment	5 years
Motor vehicles	3 years
Site equipment	3 to 10 years

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at the end of each reporting period.

Financial assets

Financial assets are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are recognised immediately in profit or loss.

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The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

(a) *Classification and subsequent measurement*

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

(b) *Impairment on financial assets*

The Group assesses on a forward-looking basis the expected credit loss (“ECLs”) associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

ECLs are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial assets.

For trade receivables and contract assets, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the assets. The provision matrix is determined based on historical observed default rates over the expected life of the trade receivables and contract assets with similar credit risk characteristics and is adjusted for forward-looking estimates. At each reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Impairment on deposits and other receivables and cash at banks are measured as either 12-month ECLs or lifetime ECLs, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime ECLs.

(c) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on trade date — the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss.

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Financial liabilities

Initial recognition, measurement and presentation

All financial liabilities are recognised initially at fair value and, net of directly attributable transaction costs.

The Group’s financial liabilities are classified as financial liabilities at amortised cost, include trade and other payables, accruals, lease liabilities and bank borrowings.

Subsequent measurement

After initial recognition, interest-bearing bank borrowings are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the consolidated statements of profit or loss and other comprehensive income.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statements of profit or loss and other comprehensive income.

Leases

The Group as lessee

Leases are recognised as a right-of-use asset and corresponding liability at the date of which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of the following lease payments, where applicable:

- (i) fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- (ii) variable lease payment that are based on an index or a rate;
- (iii) amounts expected to be payable by the lessee under residual value guarantees;
- (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, or the Group’s incremental borrowing rate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at costs comprising the following, where applicable:

- (i) the amount of the initial measurement of lease liability;
- (ii) any lease payments made at or before the commencement date less any lease incentives received;

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(iii) any initial direct costs; and

(iv) reinstatement cost

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term unless the Group is reasonably certain to obtain ownership at the end of the lease term.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to anyone item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required, or the amount of obligation cannot be measured reliably.

Revenue recognition

Demolition services

The Group provides demolition services to customers who are project owners. Demolition services include (a) demolition; and (b) site clearance of salvage materials resulting from demolition.

Revenue is recognised over time as the project owners simultaneously receives and consumes the benefits provided by the Group as the demolition services are performed. Progress towards completion of the demolition services is measured using the input method, based on costs incurred to date relative to the estimated total costs for each service.

Transaction price of a demolition services project includes net fixed amount received or receivable directly from the project owners and variable considerations with proceeds from disposal of salvage materials removed from the demolition sites to third party salvage materials buyers. Variable revenue from proceeds from disposal of salvage materials are revised if market price of salvage materials change. Any resulting increases or decreases in estimated revenues are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management. Accumulated experience and recent market prices are used to estimate the variable consideration to the extent that it is highly probable that a significant reversal will not occur, using the expected value method, to be included in the transaction price.

Certain contracts require the Group to arrange surety bonds to guarantee contractual performance and payment obligations to customers. Collateral deposits placed with certain surety companies for arranging surety bonds that included in deposits, other receivables and prepayment.

If the value of the services rendered by the Group exceed the net payments billed, a contract asset is recognised. If the payments exceed the value of the services rendered, a contract liability is recognised.

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Trade receivables are recognised for amounts billed to project owners for services and salvage materials buyers for salvage materials. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Other construction works

Other construction works included repair works, rectification works, improvement works and site upkeeping works. Revenue is recognised over time as the Group’s performance creates or enhances an asset that the project owners control as the asset is created or enhanced. Progress towards completion of the other construction works is measured using the input method, based on costs incurred to date relative to the estimated total costs for each service. Transaction price of other construction works project includes net fixed amount received or receivable directly from the project owners.

Other employee benefits

Defined contribution plan

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “**MPF Scheme**”) under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the consolidated statements of profit or loss and other comprehensive income as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. An accrual is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Employee long service payment

For long service payment (“**LSP**”) obligation, the Group accounts for the employer Mandatory Provident Fund (“**MPF**”) contributions expected to be offset as a deemed employee contribution towards the LSP obligation in terms of HKAS 19.93(a) and it is measured on a net basis. The estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group’s MPF contributions that have been vested with employees, which are deemed to be contributions from the relevant employees.

The provision for long service payment is provided based on the employees’ basic salaries and their respective length of service in accordance with the applicable rules and regulations in their respective countries of employment.

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances and have a short maturity of generally within three months when acquired. Bank overdrafts repayable on demand and form an integral part of the Group’s cash management are also included as a component of cash and cash equivalent for the purpose of the consolidated statements of cash flows.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in the consolidated statements of profit or loss and other comprehensive income in the period in which they become receivable. Such grants are presented under other income and other gains.

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Income tax

Income tax represents the sum of current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and at the time of the transaction does not give rise to equal taxable and deductible temporary differences; and
- in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and at the time of the transaction does not give rise to equal taxable and deductible temporary differences; and
- in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax is calculated, without discounting, at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

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5. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

In the application of the Group’s accounting policies, which are described in note 4, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Estimation of transaction prices for demolition service projects

The Group’s management estimates the transaction price of each demolition service project based on the management budgets prepared for the demolition service revenue. Transaction price included variable considerations with expected proceeds from disposal of salvage and other materials removed from the demolition sites to third party salvage materials buyers. Accumulated experience and recent market prices are used to estimate the variable consideration. Management conducts periodic review on the management budgets by reviewing the actual amounts earned. Items that are subjected to significant variances that will impact the estimated transaction price of the projects include the changes in estimations of actual salvage materials available for sale and actual price of salvage materials upon sale.

(b) Measure of progress of demolition service projects

The Group measures its progress and recognises its revenue according to the proportion of actual cost of work performed to date as compared to total budgeted costs of demolition. Due to the nature of the activity undertaken in these projects, the date at which the project activity is entered into and the date when the activity is completed may fall into different accounting periods.

Budgeted costs which mainly comprise labour costs, sub-contracting charges and consumables are estimated by management. Management conducts periodic review on the management budgets by reviewing the actual amounts incurred. Items that are subjected to significant variances that will impact the budgeted costs, and hence the measurement of progress.

(c) Provision for income taxes

The Group is subject to income taxes in jurisdictions in which the Group operates. Significant judgement is required in determining the tax liabilities to be recognised. There are many transactions and calculations for which the ultimate tax determination is uncertain.

The Group recognises provisions for tax based on estimates of the taxes that are likely to become due. The Group believes that its provision for tax is adequate for the years based on its assessment of many factors including advices from tax expert, past experience and interpretations of tax law. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the current income tax and deferred tax provisions in the periods in which such determination is made.

6. SEGMENT INFORMATION

The chief operating decision makers (“CODM”) have been identified as the executive directors of the Company who reviews the Group’s internal reporting in order to assess performance and allocate resources.

The CODM assesses the performance based on a measure of profit for the year and considers all businesses to be included in a single operating segment.

The Group is principally engaged in the provision of demolition services in Hong Kong. Information reported to CODM, for the purpose of resources allocation and performance assessment, focuses on the operating results of the Group as a whole as the Group’s resources are integrated and no discrete operating segment financial information is available. Accordingly, no operating segment information is presented.

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Geographical information

No geographical segment information is presented as the Group’s revenue are all derived from Hong Kong based on the location of services delivered and all the Group’s non-current assets are located in Hong Kong.

Information about major customers

Revenue from customers for the Track Record Period contributing over 10% of the total revenue of the Group are as follows:

	Year ended 31 March		Three months ended 30 June	
	2025	2026	2025	2026
	HK\$’000	HK\$’000	HK\$’000	HK\$’000
			(Unaudited)	
Projects A and B	20,167	122,453	26,194	34,600
Project C	12,351	N/A*	N/A*	N/A*
Projects G, Q and R	10,648	N/A*	N/A*	5,823
Projects D and S	9,703	N/A*	N/A*	N/A*

* Revenue from these customers contributed less than 10% of the total revenue of the Group during the respective reporting period.

7. REVENUE

An analysis of revenue is as follows:

	Year ended 31 March		Three months ended 30 June	
	2025	2026	2025	2026
	HK\$’000	HK\$’000	HK\$’000	HK\$’000
			(Unaudited)	
<i>Revenue from contracts with customers</i>				
<i>recognised over time:</i>				
Provision of demolition services	72,003	128,027	28,960	37,254
Other construction works	<u>5,277</u>	<u>8,773</u>	<u>1,010</u>	<u>5,936</u>
	<u>77,280</u>	<u>136,800</u>	<u>29,970</u>	<u>43,190</u>

Remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied or partially unsatisfied at 31 March 2025 and 2026 and 30 June 2026:

	As at 31 March		As at 30 June
	2025	2026	2026
	HK\$’000	HK\$’000	HK\$’000
Within one year	105,046	61,423	35,073
Over one year	<u>32,452</u>	<u>—</u>	<u>—</u>
	<u>137,498</u>	<u>61,423</u>	<u>35,073</u>

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8. OTHER INCOME AND OTHER GAINS

	Year ended 31 March		Three months ended 30 June	
	2025 HK\$'000	2026 HK\$'000	2025 HK\$'000 (Unaudited)	2026 HK\$'000
Other income				
Bank interest income	4	1	1	—
Government grant (<i>note</i>)	—	437	—	—
Sundry income	<u>388</u>	<u>338</u>	<u>138</u>	<u>30</u>
	<u>392</u>	<u>776</u>	<u>139</u>	<u>30</u>
Other gains				
Gain on disposal of property and equipment	<u>99</u>	<u>—</u>	<u>—</u>	<u>—</u>
	<u>491</u>	<u>776</u>	<u>139</u>	<u>30</u>

Note: The Group received unconditional subsidies from the Hong Kong government authority during the year ended 31 March 2026 for encouraging the Group to adopt innovative construction methods and new technologies in the construction industry and for providing on-the-job training for youth graduates. There were no unfulfilled conditions and other contingencies attaching to government grants that had been recognised.

9. FINANCE COSTS

	Year ended 31 March		Three months ended 30 June	
	2025 HK\$'000	2026 HK\$'000	2025 HK\$'000 (Unaudited)	2026 HK\$'000
Interest on bank borrowings	167	121	34	34
Interest on lease liabilities	<u>31</u>	<u>28</u>	<u>8</u>	<u>5</u>
	<u>198</u>	<u>149</u>	<u>42</u>	<u>39</u>

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10. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging:

	Year ended 31 March		Three months ended 30 June	
	2025	2026	2025	2026
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(Unaudited)	
Employee benefit expenses (including directors’ emoluments (<i>note 12</i>)) (<i>note (i)</i>)				
— Salaries, wages, allowances and benefits in kind	8,525	26,982	6,426	7,229
— Discretionary bonuses	800	626	—	—
— Contributions to defined contribution scheme (<i>note (ii)</i>)	226	701	364	254
— Provision for long service payment	61	—	—	—
Total staff costs	<u>9,612</u>	<u>28,309</u>	<u>6,790</u>	<u>7,483</u>
Auditor’s remuneration	270	220	—	—
Depreciation of property and equipment (<i>notes (iii) and 15</i>)	2,260	2,099	368	569
Depreciation of right-of-use assets (<i>note 16</i>)	319	306	76	76
Rental expenses for equipment (<i>note 16</i>)	2,163	6,403	1,015	1,761
Sub-contracting fees included in cost of services	38,808	39,061	9,643	11,369
Transportation cost for removing scrap materials	1,259	8,049	708	3,457
Written-off of property and equipment	<u>6</u>	<u>—</u>	<u>—</u>	<u>—</u>

Notes:

- (i) During the years ended 31 March 2025 and 2026 and three months ended 30 June 2025 and 2026, employee benefit expenses (including directors’ emoluments) of approximately HK\$4,482,000, HK\$21,186,000, HK\$5,144,000 and HK\$5,893,000 were included in cost of services and approximately HK\$5,130,000, HK\$7,123,000, HK\$1,646,000 and HK\$1,590,000 were included in administrative and other operating expenses, respectively.
- (ii) As at 31 March 2025 and 2026 and 30 June 2026, the Group had no forfeited contributions available to reduce its contributions to the retirement benefit schemes in future years.
- (iii) During the years ended 31 March 2025 and 2026 and three months ended 30 June 2025 and 2026, depreciation of property and equipment of approximately HK\$2,063,000, HK\$1,890,000, HK\$313,000 and HK\$536,000 were included in cost of services and approximately HK\$197,000, HK\$209,000, HK\$55,000 and HK\$33,000 were included in administrative and other operating expenses, respectively.

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11. INCOME TAX EXPENSE

	Year ended 31 March		Three months ended 30 June	
	2025	2026	2025	2026
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(Unaudited)	
Hong Kong Profits Tax				
— Charge for current year	2,024	4,887	985	1,875
Deferred tax				
— (Credited)/charge for current year (<i>note 26</i>)	(407)	164	148	81
	<u>1,617</u>	<u>5,051</u>	<u>1,133</u>	<u>1,956</u>

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

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax under these jurisdictions during the Track Record Period.

Under the two-tiered profits tax rates regime in Hong Kong Profits Tax, the first HK\$2,000,000 of profits of the qualifying entity will be taxed at 8.25%, and profits above HK\$2,000,000 will be taxed at 16.5%. The profits of entity not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Accordingly, the Hong Kong Profits Tax of the qualifying entity is calculated at 8.25% of the first HK\$2,000,000 of the estimated assessable profits and at 16.5% on the estimated profits above HK\$2,000,000, taking into account the tax concession granted by the Government of Hong Kong Special Administrative Region during the Track Record Period.

A reconciliation of the income tax expenses applicable to profit before income tax at the applicable tax rates to income tax expense at the effective tax rate is as follows:

	Year ended 31 March		Three months ended 30 June	
	2025	2026	2025	2026
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(Unaudited)	
Profit before income tax	<u>10,266</u>	<u>29,282</u>	<u>6,496</u>	<u>11,399</u>
Tax at the applicable tax rate of 16.5%	1,694	4,832	1,072	1,881
Effect of two-tiered tax rate regime	(165)	(165)	(165)	(165)
Tax effect of non-taxable income	(1)	—	—	—
Tax effect of non-deductible expenses	92	275	229	190
Tax effect of tax losses not recognised	—	112	—	50
Tax concession	<u>(3)</u>	<u>(3)</u>	<u>(3)</u>	<u>—</u>
Income tax expense	<u>1,617</u>	<u>5,051</u>	<u>1,133</u>	<u>1,956</u>

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12. EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

(a) Directors

The emoluments paid or payable to the directors and chief executive of the Company (including emoluments for services as employees/directors of the entities comprising the Group prior to becoming the directors of the Company) during the Track Record Period are as follows:

	Directors’ fees HK\$’000	Salaries, allowances and benefits in kind HK\$’000 (note (ii))	Discretionary bonuses HK\$’000 (note (ii))	Contribution to defined contribution scheme HK\$’000	Total HK\$’000
Year ended 31 March 2025					
Executive directors					
Mr. Lo Cheuk Pui (note (i))	—	447	57	20	524
Mr. Lo Siu Kai	—	646	90	21	757
	<u>—</u>	<u>1,093</u>	<u>147</u>	<u>41</u>	<u>1,281</u>
Year ended 31 March 2026					
Executive directors					
Mr. Lo Cheuk Pui (note (i))	—	960	60	36	1,056
Mr. Lo Siu Kai	—	1,164	94	36	1,294
	<u>—</u>	<u>2,124</u>	<u>154</u>	<u>72</u>	<u>2,350</u>
Three months ended 30 June 2025 (Unaudited)					
Executive directors					
Mr. Lo Cheuk Pui (note (i))	—	240	—	9	249
Mr. Lo Siu Kai	—	291	—	9	300
	<u>—</u>	<u>531</u>	<u>—</u>	<u>18</u>	<u>549</u>
Three months ended 30 June 2026					
Executive directors					
Mr. Lo Cheuk Pui (note (i))	—	240	—	9	249
Mr. Lo Siu Kai	—	291	—	9	300
	<u>—</u>	<u>531</u>	<u>—</u>	<u>18</u>	<u>549</u>

Notes:

- (i) Mr. Lo Cheuk Pui has been appointed as director of Riseship Construction on 10 February 2026. He is also the Chairman and Chief Executive Officer of the Company.
- (ii) The emoluments shown above represent emoluments received or receivable from the Group by these directors in their capacity as directors or management of the companies comprising the Group during the Track Record Period.
- (iii) Mr. Lo Cheuk Pui and Mr. Lo Siu Kai were appointed as the executive directors of the Company on 19 August 2026.

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- (iv) Mr. Chan Ming Cheung Ivan, who was appointed as non-executive director of the Company on 19 August 2026, and Mr. Ng Kwok Sing, Ms. Wong Man Ming Melinda and Mr. Yue Ming Wai Bonaventure, who were appointed as independent non-executive directors of the Company on [●], did not receive any remuneration during the Track Record Period.

(b) Five highest paid individuals

The five individuals with the highest emoluments in the Group included 2, 2, 2 and 2 directors of the Company for the years ended 31 March 2025 and 2026 and the three months ended 30 June 2025 and 2026 respectively, whose emoluments is disclosed above. The emoluments of the 3, 3, 3 and 3 individuals, whose emoluments fell within the salary band of Nil to HK\$1,000,000 for each of the years ended 31 March 2025 and 2026 and the three months ended 30 June 2025 and 2026 respectively, are analysed below:

	Year ended 31 March		Three months ended 30 June	
	2025	2026	2025	2026
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(Unaudited)	
Salaries, allowances and other benefits	1,432	1,780	423	425
Retirement benefit scheme contributions	36	54	14	14
	<u>1,468</u>	<u>1,834</u>	<u>437</u>	<u>439</u>

- (c) During the Track Record Period, no emoluments were paid by the Group to the directors of the Company or any of the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office. No directors or any of the five highest paid individuals waived or agreed to waive any emoluments during the Track Record Period.

13. DIVIDEND

	Year ended 31 March		Three months ended 30 June	
	2025	2026	2025	2026
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(Unaudited)	
Interim dividends	<u>—</u>	<u>—</u>	<u>—</u>	<u>43,000</u>

Other than the above interim dividends paid or declared by Riseship Construction, the subsidiary of the Company, no dividend was paid or declared by the Company since its incorporation.

During the three months ended 30 June 2026, interim dividends amounting to HK\$43,000,000, representing dividends paid/payable by Riseship Construction, the subsidiary of the Company, to its Controlling Shareholders, were approved by the written resolutions of directors of Riseship Construction on 27 May 2026.

The rate of dividend and the number of shares ranking for dividend is not presented as such information is not meaningful having regard to the purpose of this Historical Financial Information.

14. EARNINGS PER SHARE

No earnings per share information is presented as its inclusion, for the purpose of the Historical Financial Information, is not considered meaningful with regard to the Reorganisation as set out in note 2.1.

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15. PROPERTY AND EQUIPMENT

	Owne d property <i>HK\$'000</i>	Leasehold improvements <i>HK\$'000</i>	Furniture and equipment <i>HK\$'000</i>	Motor vehicles <i>HK\$'000</i>	Site equipment <i>HK\$'000</i>	Total <i>HK\$'000</i>
Cost						
At 1 April 2024	4,234	442	897	1,246	9,245	16,064
Additions	—	5	—	226	118	349
Disposals	(4,234)	—	—	—	—	(4,234)
Written-off	—	(368)	—	—	—	(368)
At 31 March 2025 and 1 April 2025	—	79	897	1,472	9,363	11,811
Additions	—	—	—	—	3,959	3,959
At 31 March 2026 and 1 April 2026	—	79	897	1,472	13,322	15,770
Additions	—	—	17	—	919	936
At 30 June 2026	—	79	914	1,472	14,241	16,706
Accumulated depreciation						
At 1 April 2024	1,333	390	620	1,246	5,967	9,556
Charge for the year	—	20	132	45	2,063	2,260
Disposals	(1,333)	—	—	—	—	(1,333)
Written-off	—	(362)	—	—	—	(362)
At 31 March 2025 and at 1 April 2025	—	48	752	1,291	8,030	10,121
Charge for the year	—	16	125	68	1,890	2,099
At 31 March 2026 and 1 April 2026	—	64	877	1,359	9,920	12,220
Charge for the period	—	5	11	17	536	569
At 30 June 2026	—	69	888	1,376	10,456	12,789
Net carrying amount						
At 31 March 2025	—	31	145	181	1,333	1,690
At 31 March 2026	—	15	20	113	3,402	3,550
At 30 June 2026	—	10	26	96	3,785	3,917

As at 1 April 2024, the owned property including its leasehold improvement with net carrying amount of approximately HK\$2,901,000 in aggregate was pledged as collateral for the Group’s bank borrowings (note 24). During the year ended 31 March 2025, the property was disposal of to a related company, controlled by Mr. Lo Cheuk Pui, with a consideration of HK\$3,000,000, which the directors of the Company considered the transaction is in the normal course of its business and mutually agreed between both parties. Gain on disposal of property of approximately HK\$99,000 was recognised in other income and other gains during the year ended 31 March 2025.

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16. RIGHT-OF-USE ASSETS

	Leased office premises HK\$'000
Cost	
At 1 April 2024	1,072
Additions	<u>918</u>
At 31 March 2025, 1 April 2025, 31 March 2026, 1 April 2026 and 30 June 2026	<u>1,990</u>
Accumulated depreciation	
At 1 April 2024	983
Charge for the year	<u>319</u>
At 31 March 2025 and 1 April 2025	1,302
Charge for the year	<u>306</u>
At 31 March 2026 and 1 April 2026	1,608
Charge for the period	<u>76</u>
At 30 June 2026	<u><u>1,684</u></u>
Net carrying amount	
At 31 March 2025	<u><u>688</u></u>
At 31 March 2026	<u><u>382</u></u>
At 30 June 2026	<u><u>306</u></u>

The Group leased various office premises for its operations. Lease contracts are entered into for fixed term of 3 years. Leased assets may not be used as security for borrowing purposes.

The Group rented various equipment from independent suppliers for its operations, which the suppliers have the substantive right to substitute the asset throughout the period of use. Therefore, these arrangements are not classified as a lease in accordance with HKFRS 16 and recognised as rental expenses over the leased terms.

The amounts recognised in consolidated profit or loss in relation to leases are as follows:

	Year ended 31 March		Three months ended	
	2025	2026	30 June	2026
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
			(Unaudited)	
Interest on lease liabilities	31	28	8	5
Depreciation on right-of-use assets	<u>319</u>	<u>306</u>	<u>76</u>	<u>76</u>
Total amounts recognised in consolidated profit or loss	<u><u>350</u></u>	<u><u>334</u></u>	<u><u>84</u></u>	<u><u>81</u></u>

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Amount included in the consolidated statements of cash flows comprises the following:

	Year ended 31 March		Three months ended 30 June	
	2025	2026	2025	2026
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(Unaudited)	
Within financing cash flows	<u>371</u>	<u>329</u>	<u>82</u>	<u>83</u>

17. TRADE RECEIVABLES

	As at 31 March		As at 30 June
	2025	2026	2026
	HK\$'000	HK\$'000	HK\$'000
Trade receivables	<u>8,393</u>	<u>6,119</u>	<u>1,409</u>

The Group normally grants credit period ranging from 0 to 30 days to its customers. The following is an aged analysis of trade receivables, presented based on the invoice date at the end of each reporting period:

	As at 31 March		As at 30 June
	2025	2026	2026
	HK\$'000	HK\$'000	HK\$'000
1 to 30 days	4,863	3,670	1,409
31 to 90 days	3,071	2,449	—
91 to 180 days	<u>459</u>	<u>—</u>	<u>—</u>
	<u>8,393</u>	<u>6,119</u>	<u>1,409</u>

As at 1 April 2024, trade receivables from contracts with customers amounted to approximately HK\$3,959,000.

Trade receivables represent receivables for demolition services that are billed to the customers. The Group will assess the credit quality of each potential customer and define rating and credit limit for each customer. In addition, the Group will review the repayment history of receivables by each customer with reference to the payment terms stated in contracts to determine the recoverability of trade receivables.

The Group does not hold any collateral over these balances.

The debtors are primarily reputable project owners and salvage material buyers and with long history of business relationship. Management considers the credit risk is not high. The Group maintains frequent communications with the counterparties. Management has closely monitored the credit qualities and the collectability of these receivables and consider that the expected credit risks of them are minimal in view of the history of cooperation with them, taking into account the current and forward-looking information. The details of impairment assessment on trade receivables are set out in note 31(b).

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18. CONTRACT ASSETS AND CONTRACT LIABILITIES

The Group has recognised the following revenue-related contract assets and liabilities:

	As at 31 March		As at 30 June
	2025	2026	2026
	HK\$'000	HK\$'000	HK\$'000
Unbilled work in progress	18,525	19,752	18,387
Retention receivables	<u>3,755</u>	<u>3,481</u>	<u>3,481</u>
Contract assets	22,280	23,233	21,868
Contract liabilities	<u>(172)</u>	<u>(6,317)</u>	<u>(865)</u>

As at 1 April 2024, unbilled work in progress, retention receivables and contract liabilities from contracts with customers amounted to approximately HK\$9,970,000, HK\$2,165,000 and HK\$2,971,000 respectively.

The contract assets primarily relate to the Group’s rights to consideration for work completed but not billed at the reporting date. The contracts of the Group can be billed to the customers once the work completed by the Group is certified by qualified independent parties every one to two months. This arrangement prevents the build-up of significant contract assets. The contract assets are transferred to receivables when the rights become unconditional and the Group has billed to the customers. The contract liabilities primarily relate to the advanced consideration received from customers, for which revenue is recognised based on the progress of the provision of related services. The ageing of the unbilled work in progress, based on the date of recognising revenue, are as follows:

	As at 31 March		As at 30 June
	2025	2026	2026
	HK\$'000	HK\$'000	HK\$'000
1 to 30 days	16,374	11,762	4,816
31 to 90 days	1,347	6,317	10,741
91 to 180 days	804	1,584	2,830
181 to 365 days	<u>—</u>	<u>89</u>	<u>—</u>
	<u>18,525</u>	<u>19,752</u>	<u>18,387</u>

The movement of the unbilled work in progress are as follows:

	As at 31 March		As at 30 June
	2025	2026	2026
	HK\$'000	HK\$'000	HK\$'000
At the beginning of the year/period	9,970	18,525	19,752
Certified and billed work in progress	(51,652)	(114,207)	(40,284)
Uncertified services provided during the year/period	<u>60,207</u>	<u>115,434</u>	<u>38,919</u>
At the end of the year/period	<u>18,525</u>	<u>19,752</u>	<u>18,387</u>

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The contract assets also includes retention receivables which payment are withheld by customers for retention purposes, and the amount retained is withheld on each payment up to a maximum amount calculated as a prescribed percentage at 10% of the contract sum, and subject to a limit as prescribed in the contract. The retention receivables should be released to the Group generally ranging from 6 months to 12 months after the completion of the projects pursuant to the provisions of the relevant contracts, or an earlier day as agreed by the customers. The ageing of the retention receivables, based on the date of certification, are as follows:

	As at 31 March		As at 30
	2025	2026	June
	HK\$'000	HK\$'000	2026
			HK\$'000
1 to 30 days	3,755	2,758	2,758
31 to 90 days	—	530	—
91 to 180 days	—	193	530
181 to 365 days	—	—	193
	<u>3,755</u>	<u>3,481</u>	<u>3,481</u>

The movement of retention receivables are as follows:

	As at 31 March		As at 30
	2025	2026	June
	HK\$'000	HK\$'000	2026
			HK\$'000
At the beginning of the year/period	2,165	3,755	3,481
Retention withheld by customers during the year/period	2,134	1,896	—
Settlement of retention received from customers	<u>(544)</u>	<u>(2,170)</u>	<u>—</u>
At the end of the year/period	<u>3,755</u>	<u>3,481</u>	<u>3,481</u>

The details of impairment assessment on contract assets are set out in note 31(b).

The following table shows how much of the revenue recognised during each reporting period relates to carried-forward contract liabilities:

	Year ended 31 March		Three months ended	
	2025	2026	30 June	
	2025	2026	2025	2026
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(Unaudited)	
Decrease in contract liabilities as a result of recognising revenue during the year/period that was included in the contract liabilities at the beginning of the year/period	<u>2,971</u>	<u>172</u>	<u>172</u>	<u>—</u>

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19. DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 March		As at
	2025	2026	30 June
	HK\$'000	HK\$'000	2026
			HK\$'000
Deposits for surety bonds (<i>note</i>)	1,397	669	669
Other receivables	639	339	339
Prepayments	6	19	18
Prepaid [REDACTED]	—	—	480
Rental and utility deposits	299	202	224
Deposits	<u>220</u>	<u>175</u>	<u>156</u>
	<u>2,561</u>	<u>1,404</u>	<u>1,886</u>

Note:

Deposits for surety bonds represent collateral deposits placed with certain surety companies. The Group has entered into certain surety bonds with surety companies in the ordinary course of demolition projects to guarantee contractual performance to customers.

20. CASH AT BANKS

The carrying amounts of cash at banks are denominated in the following currencies:

	As at 31 March		As at
	2025	2026	30 June
	HK\$'000	HK\$'000	2026
			HK\$'000
HK\$	8,530	28,887	26,907
RMB	<u>—</u>	<u>43</u>	<u>43</u>
	<u>8,530</u>	<u>28,930</u>	<u>26,950</u>

The interest rate for cash at banks is ranging from 0.00% to 0.01% per annum as at 31 March 2025 and 2026 and 30 June 2026.

21. TRADE PAYABLES

	As at 31 March		As at
	2025	2026	30 June
	HK\$'000	HK\$'000	2026
			HK\$'000
Trade payables	<u>11,621</u>	<u>4,197</u>	<u>2,744</u>

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The credit period on trade payables is ranging from 0 to 90 days. The ageing analysis of the trade payables based on invoice date is as follows:

	As at 31 March		As at
	2025	2026	30 June
	HK\$'000	HK\$'000	2026
			HK\$'000
1 to 30 days	9,245	2,879	887
31 to 90 days	260	57	165
91 to 180 days	52	23	455
181 to 365 days	1,014	593	—
Over 1 year	1,050	645	1,237
	<u>11,621</u>	<u>4,197</u>	<u>2,744</u>

22. ACCRUALS AND OTHER PAYABLES

	As at 31 March		As at
	2025	2026	30 June
	HK\$'000	HK\$'000	2026
			HK\$'000
Payroll payables	131	221	272
Professional service fees payable	949	1,060	1,078
Dividend payable	—	—	9,000
Accrued [REDACTED]	—	—	[REDACTED]
Others	372	150	150
	<u>1,452</u>	<u>1,431</u>	<u>11,950</u>

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23. LEASE LIABILITIES

The carrying amounts of the Group’s lease liabilities are as follows:

	Present value of minimum lease payment as at 31 March 2025 <i>HK\$’000</i>	Minimum lease payment as at 31 March 2025 <i>HK\$’000</i>	Present value of minimum lease payment as at 31 March 2026 <i>HK\$’000</i>	Minimum lease payment as at 31 March 2026 <i>HK\$’000</i>	Present value of minimum lease payment as at 30 June 2026 <i>HK\$’000</i>	Minimum lease payment as at 30 June 2026 <i>HK\$’000</i>
Leases liabilities payable:						
Within 1 year	274	302	290	302	294	302
After 1 year but within 2 years	317	330	82	83	—	—
After 2 years but within 5 years	<u>82</u>	<u>83</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
	<u>673</u>	715	<u>372</u>	385	<u>294</u>	302
Less: Total future interest expenses		<u>(42)</u>		<u>(13)</u>		<u>(8)</u>
Present value of lease liabilities		<u>673</u>		<u>372</u>		<u>294</u>
Analysed into:						
Current portion		274		290		294
Non-current portion		<u>399</u>		<u>82</u>		<u>—</u>
		<u>673</u>		<u>372</u>		<u>294</u>
Analysed by:						
Leasehold office premises		<u>673</u>		<u>372</u>		<u>294</u>

The incremental borrowing rate applied to the lease liabilities is 4.97 % per annum.

24. BANK BORROWINGS

The analysis of the carrying amounts of bank borrowings is as follows:

	As at 31 March 2025 <i>HK\$’000</i>	2026 <i>HK\$’000</i>	As at 30 June 2026 <i>HK\$’000</i>
Secured term loans from bank contain a repayment on demand clause (shown under current liabilities)	4,488	3,751	3,562
Secured bank overdraft repayment on demand clause	<u>—</u>	<u>—</u>	<u>2,023</u>
	<u>4,488</u>	<u>3,751</u>	<u>5,585</u>

Term loans repayable on demand are carried at amortised cost and denominated in HK\$ as at the end of each reporting date, which bear variable interests at the bank’s best lending rate minus 2.25% per annum. Bank overdraft bears variable interests at higher of HIBOR plus a premium at 1.5% per annum or prime rate of the bank minus 0.375%. As at 31 March 2025 and 2026 and 30 June 2026, the effective interest rates of these borrowings are at 2.76%, 2.53% and ranging from 2.80% to 4.88% per annum, respectively.

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At 31 March 2025 and 2026 and 30 June 2026, the bank borrowings were (i) secured by certain properties owned by a related company, of which Mr. Lo Kam Kenny, Mr. Lo Cheuk Pui and Mr. Lo Siu Kai are the directors and beneficiary owners of the related company; (ii) guaranteed by the Controlling Shareholders; and/or (iii) HKMC Insurance Limited.

At 31 March 2025 and 2026 and 30 June 2026, bank borrowings due for repayment, based on the scheduled repayment terms set out in the borrowing agreements and without taking into account the effect of any repayment on demand clause are as follows:

	As at 31 March		As at
	2025	2026	30 June
	HK\$'000	HK\$'000	2026
			HK\$'000
Bank borrowings repayable within one year	737	761	2,789
Bank borrowings due for repayment after one year			
After 1 year but within 2 years	761	782	788
After 2 years but within 5 years	2,134	1,712	1,604
After 5 years	856	496	404
	3,751	2,990	2,796
	4,488	3,751	5,585

25. RETIREMENT BENEFITS PLANS

Under the Mandatory Provident Fund Schemes Ordinance regulated by the Mandatory Provident Fund Schemes Authority in Hong Kong, the Group participates in a MPF Scheme operated by an approved trustee in Hong Kong and makes contributions for its eligible employees. Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees’ relevant income, subject to a cap of monthly relevant income. The cap of monthly relevant income is HK\$30,000 during the Track Record Period. Contributions to the scheme vest immediately. The aggregate amounts of employer’s contribution made by the Group during the Track Record Period were disclosed in note 10.

Hong Kong employees that have been employed continuously for at least five years are entitled to LSP in accordance with the Hong Kong Employment Ordinance under certain circumstances. These circumstances include where an employee is dismissed for reasons other than serious misconduct or redundancy, that employee resigns at the age of 65 or above, or the employment contract is of fixed term and expires without renewal. The amount of LSP payable is determined with reference to the employee’s final salary (capped at HK\$22,500) and the years of service, reduced by the amount of any accrued benefits derived from the Group’s contributions to MPF scheme, with an overall cap of HK\$390,000 per employee. Currently, the Group does not have any separate funding arrangement in place to meet its LSP obligation. As at 31 March 2025 and 2026 and 30 June 2026, the provision for long service payment were amounted to approximately HK\$386,000, HK\$386,000 and HK\$386,000 respectively in the consolidated statements of financial position of the Group. In the opinion of the directors of the Company, there is no significant actuarial assumption for determination of the LSP obligation.

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26. DEFERRED TAX TAXATION

The following are the major deferred tax assets/(liabilities) recognised and movements thereon during the Track Record Period:

	Differences between depreciation allowances and the related depreciation HK\$'000	Right-of-use assets HK\$'000	Lease liabilities HK\$'000	Total HK\$'000
At 1 April 2024	(359)	(14)	16	(357)
Credited/(charged) to profit or loss (<i>note 11</i>)	<u>411</u>	<u>(99)</u>	<u>95</u>	<u>407</u>
At 31 March 2025 and 1 April 2025	52	(113)	111	50
(Charged)/credited to profit or loss (<i>note 11</i>)	<u>(164)</u>	<u>50</u>	<u>(50)</u>	<u>(164)</u>
At 31 March 2026 and 1 April 2026	(112)	(63)	61	(114)
(Charged)/credited to profit or loss (<i>note 11</i>)	<u>(82)</u>	<u>13</u>	<u>(12)</u>	<u>(81)</u>
At 30 June 2026	<u>(194)</u>	<u>(50)</u>	<u>49</u>	<u>(195)</u>

For the purpose of presentation in the consolidated statements of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for the financial reporting purpose:

	As at 31 March 2025 HK\$'000	2026 HK\$'000	As at 30 June 2026 HK\$'000
Deferred tax assets	50	184	185
Deferred tax liabilities	<u>—</u>	<u>(298)</u>	<u>(380)</u>
	<u>50</u>	<u>(114)</u>	<u>(195)</u>

As at 31 March 2025 and 2026 and 30 June 2026, the Group had unused tax losses of approximately nil, HK\$681,000 and HK\$984,000 available to offset against future profits sourced in Hong Kong. Such unused tax losses are subject to the approval of the Hong Kong Inland Revenue Department and may be carried forward indefinitely. No deferred tax asset has been recognised due to unpredictability of future profit streams.

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27. SHARE CAPITAL

For the purpose of preparing this Historical Financial Information, share capital represented the issued share capital of Riseship Construction, with issued 19,400,000 shares at total HK\$19,400,000 fully paid as at 31 March 2025 and 2026 and 30 June 2026.

	Number of shares	Share capital HK\$'000
Issued:		
At 1 April 2024	3,400,000	3,400
Issuance of shares upon allotment (<i>note</i>)	<u>16,000,000</u>	<u>16,000</u>
At 31 March 2025, 1 April 2025, 31 March 2026, 1 April 2026 and 30 June 2026	<u>19,400,000</u>	<u>19,400</u>

Note: On 8 May 2024 and 24 May 2024, Riseship allotted 10,000,000 ordinary shares and 6,000,000 ordinary shares to the Controlling Shareholders, respectively, with a consideration of HK\$16,000,000 in aggregate (*note 33(a)*).

On 2 July 2026, pursuant to the shareholders’ special resolution of Riseship Construction on 2 July 2026, the share capital of Riseship Construction was reduced from HK\$19,400,000 to HK\$3,400,000. The capital reduction of HK\$16,000,000 was included in amounts due from shareholders.

28. RESERVES

Details of the movements on the Group’s reserves are as set out in the consolidated statements of changes in equity.

29. RELATED PARTY TRANSACTIONS

Other than disclosed in notes 12, 15 and 24, the Group has the following material related party transactions in the normal course of its business:

(a) Compensation of key management personnel

Remuneration for key management personnel of the Group, including amounts paid to the directors of the Company disclosed in note 12, is as follows:

	Year ended 31 March		Three months ended 30 June	
	2025	2026	2025	2026
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(Unaudited)	
Salaries, wages, allowances and benefits in kind	1,474	2,788	711	715
Discretionary bonuses	207	256	—	—
Contributions to defined contribution scheme	<u>59</u>	<u>90</u>	<u>23</u>	<u>23</u>
	<u>1,740</u>	<u>3,134</u>	<u>734</u>	<u>738</u>

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(b) Balances with related parties

The balance with related parties are non-trade, unsecured, interest-free and repayable on demand. Details of the amounts due from/to directors and related parties are disclosed as follows:

	As at 31 March		As at
	2025	2026	30 June
	HK\$'000	HK\$'000	2026
			HK\$'000
Amounts due from shareholders:			
Amount due from Mr. Lo Kam Kenny (<i>note (ii)</i>)	19,291	20,167	16,375
Amount due from Mr. Lo Cheuk Pui (<i>note (i)</i>)	3,526	3,568	—
Amount due from Ms. Mak Wai Chun (<i>note (ii)</i>)	420	437	—
Amount due from Mr. Lo Siu Kai (<i>note (i)</i>)	2,928	3,091	—
Amount due from Mr. Lo Siu Tong (<i>note (ii)</i>)	1,471	1,471	—
	<u>27,636</u>	<u>28,734</u>	<u>16,375</u>
Amounts due from related companies:			
Amount due from UNI Real Estate Company Limited (formerly known as Uni Construction Company Limited) (“ Uni Real Estate ”) (<i>note (iii)</i>)	893	7,126	—
Amount due from Lek Hin Demolition Company Limited (<i>note (iv)</i>)	<u>4</u>	<u>4</u>	<u>4</u>
	<u>897</u>	<u>7,130</u>	<u>4</u>

Notes:

- (i) Mr. Lo Cheuk Pui and Mr. Lo Siu Kai are the executive directors and the Controlling Shareholders of the Company.
- (ii) Ms. Mak Wai Chun, Mr. Lo Kam Kenny and Mr. Lo Siu Tong are the Controlling Shareholders of the Company.
- (iii) Mr. Lo Kam Kenny, Mr. Lo Cheuk Pui and Mr. Lo Siu Kai are the directors and beneficiary owners of Uni Real Estate.
- (iv) Lek Hin Demolition Company Limited is a non-controlling interest of Power Construction.

(c) Transactions with related parties

The Group had the following material transactions with a related company during the Track Record Period:

	Year ended 31 March		Three months ended	
	2025	2026	30 June	2026
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			(Unaudited)	
Employee benefit expenses paid to the Controlling Shareholders (including the directors’ emoluments paid to Mr. Lo Cheuk Pui and Mr. Lo Siu Kai (<i>note 12</i>))	2,318	3,740	866	867
Subcontracting services provided by Uni Real Estate	17,400	18,182	2,550	—
Disposal of property to Uni Real Estate	<u>3,000</u>	<u>—</u>	<u>—</u>	<u>—</u>

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(d) Guarantees provided by the Controlling Shareholders

	As at 31 March		As at
	2025	2026	30 June
	HK\$'000	HK\$'000	2026
			HK\$'000
Guarantees of bank borrowings provided by Mr. Lo Kam Kenny	4,488	3,751	5,585
Guarantees of bank borrowings provided by Mr. Lo Cheuk Pui	4,488	3,751	5,585
Guarantees of bank borrowings provided by Ms. Mak Wai Chun	—	—	2,023
Guarantees of bank borrowings provided by Mr. Lo Siu Kai	—	—	2,023
Guarantees of bank borrowings provided by Mr. Lo Siu Tong	—	—	2,023

[Guarantees of bank borrowings provided by the Controlling Shareholders (*note 24*) shall be released prior to the [REDACTED].]

30. FINANCIAL INSTRUMENTS BY CATEGORY

	As at 31 March		As at
	2025	2026	30 June
	HK\$'000	HK\$'000	2026
			HK\$'000
<u>Financial assets</u>			
At amortised cost:			
Trade receivables	8,393	6,119	1,409
Contract assets	22,280	23,233	21,868
Deposits and other receivables	2,555	1,385	1,388
Amounts due from related companies	897	7,130	4
Amounts due from shareholders	27,636	28,734	16,375
Cash at banks	8,530	28,930	26,950
	<u>70,291</u>	<u>95,531</u>	<u>67,994</u>
<u>Financial liabilities</u>			
At amortised cost:			
Trade payables	11,621	4,197	2,744
Accruals and other payables	1,452	1,431	11,950
Lease liabilities	673	372	294
Bank borrowings	4,488	3,751	5,585
	<u>18,234</u>	<u>9,751</u>	<u>20,573</u>

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31. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

The Group’s principal financial instruments comprise trade and other receivables, deposits, amounts due from related companies and shareholders, cash at banks, trade and other payables and accruals, lease liabilities and bank borrowings. Details of the financial instruments are disclosed in respective notes. The main risk arising from the Group’s financial instruments are interest rate risk, credit risk and liquidity risk. The Group does not have any written risk management policies and guidelines. The directors of the Company monitor the financial risk management of the Group and take such measures as considered necessary from time to time to minimise such financial risks.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group’s exposure to the risk of changes in market interest rates relates primarily to the Group’s bank borrowings with floating interest rates. The management will continue to monitor the interest rate exposure.

In the opinion of the management of the Group, given the insignificant scale of borrowings of the Group, fluctuations in market interest rates would not generate material adverse impact on the Group’s profit or loss, other comprehensive income and cash flows. Therefore, the Group’s exposure to interest rate risk is considered to be immaterial.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily for trade receivables and contract assets and amounts due from related companies and shareholders). The Group performs ongoing credit evaluation of the debtors’ financial condition and maintains an account for allowance for ECL of trade receivable and contract assets based upon the expected collectability of all trade receivables and contract assets.

At 31 March 2025 and 2026 and 30 June 2026, the Group has a significant concentration of credit risk as 38%, 23% and 81% of the gross trade receivables was due from the Group’s largest trade debtor and 87%, 56% and 100% of the gross trade receivables was due from the Group’s three largest trade debtors, respectively.

The bank balances were deposited with creditworthy banks. Bank balances of the Group are with counter parties with sound credit ratings to minimise credit exposures.

Impairment of financial assets

The following types of financial assets are subject to the ECL model:

- trade receivables and contract assets;
- refundable deposits and other receivables; and
- amounts due from related companies and shareholders

While bank balances are also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial because the counterparties are financial institutions with good reputation and high credit ratings assigned by international credit-rating agencies.

Trade receivables and contract assets

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

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The Group applies the simplified approach to provide for ECLs prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for trade receivables and contract assets, unless there is significant increase in credit risk since initial recognition.

The Group measures ECLs, for trade receivables and contract assets at an amount equal to lifetime ECL, which is calculated using a provision matrix. In measuring the ECLs, the trade receivables and contract assets have been assessed on a collective basis and debtors ageing is applied to assess ECLs because these customers share common risk characteristics that are representative of the customers’ ability to pay all amounts due in accordance with the contractual terms. They have been grouped based on the days past due. The estimated ECL loss rates are estimated based on the Group’s historical settlement pattern and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

The Group considers a financial asset in default when contractual payments are 180 days past due. The Group rebutted the 90 days past due presumption of default based on reasonable and supportable information, including the Group’s credit risk control practices and the historical recovery rate of financial assets over 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

On that basis, the ECL of trade receivables and contract assets as at 31 March 2025 and 2026 and 30 June 2026 were immaterial.

The following is an aged analysis of trade receivables, presented based on the past due date at the end of each reporting period:

	As at 31 March		As at
	2025	2026	30 June
	HK\$’000	HK\$’000	2026
			HK\$’000
Not past due	6,516	4,627	1,409
1 to 30 days past due	—	1,492	—
31 to 90 days past due	1,572	—	—
91 to 180 days past due	305	—	—
	<u>8,393</u>	<u>6,119</u>	<u>1,409</u>

All contract assets as at 31 March 2025 and 2026 and 30 June 2026 are not yet past due.

Other financial assets at amortised cost

ECL for other financial assets at amortised cost, including amounts due from related companies and shareholders and refundable deposits and other receivables, are assessed on 12-month ECL basis as there had been no significant increase in credit risk since initial recognition.

In order to minimise the credit risk on refundable deposits and other receivables, the management of the Group closely monitor the follow-up action taken to recover any receivable balances outstanding over 180 days. In addition, the Group monitors subsequent settlement of each of the receivables to ensure that adequate impairment losses are made for irrecoverable amounts. In addition, the Group performs impairment assessment under ECL model in accordance with HKFRS 9 on other balances individually. In this regard, the directors of the Company consider that the Group’s credit risk on the refundable deposits and other receivables is immaterial.

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The management of the Company performed impairment assessment on amounts due from related companies and shareholders based on the sufficiency of accessible highly liquid assets, or the expected manner of recovery in the next 12 months. In addition, equity interest of the shareholder in the Company is also considered. The ECL will be the effect of discounting the expected repayments at the loans effective interest rate over the period until cash is realised. On that basis, as at 31 March 2025 and 2026 and 30 June 2026, the ECL of the amounts due from related companies and shareholders were immaterial.

(c) Liquidity risk

The Group aims at maintaining a balance between continuity of funding and flexibility through maintaining sufficient cash and bank balances. The Group monitored its compliance with covenants and repayment schedules of bank borrowings, and took measures to improve the Group’s financial position. The directors of the Company have also reviewed the Group’s working capital and capital expenditure requirements and determined that the Group has no significant liquidity risk.

The following table details the Group’s remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank borrowings with a repayment on demand clause are included in the earliest time based regardless of the probability of the banks choosing to exercise their rights. The total undiscounted cash flows of each financial liability based on the earliest date on which the Company can be required to pay approximate to their carrying amounts at each of the end of the reporting period as follows:

	Weighted average interest rate per annum %	On demand or within 1 year HK\$’000	Over 1 year but within 2 years HK\$’000	Over 2 years but within 5 years HK\$’000	Total contractual undiscounted cash flows HK\$’000	Carrying amount HK\$’000
At 31 March 2025						
Trade payables	—	11,621	—	—	11,621	11,621
Accruals and other payables	—	1,452	—	—	1,452	1,452
Lease liabilities	4.97	302	330	83	715	673
Bank borrowings	2.76	4,488	—	—	4,488	4,488
		<u>17,863</u>	<u>330</u>	<u>83</u>	<u>18,276</u>	<u>18,234</u>
At 31 March 2026						
Trade payables	—	4,197	—	—	4,197	4,197
Accruals and other payables	—	1,431	—	—	1,431	1,431
Lease liabilities	4.97	302	83	—	385	372
Bank borrowings	2.53	3,751	—	—	3,751	3,751
		<u>9,681</u>	<u>83</u>	<u>—</u>	<u>9,764</u>	<u>9,751</u>
At 30 June 2026						
Trade payables	—	2,744	—	—	2,744	2,744
Accruals and other payables	—	11,950	—	—	11,950	11,950
Lease liabilities	4.97	302	—	—	302	294
Bank borrowings	3.58	5,585	—	—	5,585	5,585
		<u>20,581</u>	<u>—</u>	<u>—</u>	<u>20,581</u>	<u>20,573</u>

The table below summarises the maturity analysis of bank borrowings with a repayment on demand clause based on agreed scheduled repayments set out in the loan agreements. The amounts include interest payments computed using contractual rates. As a result, these amounts were greater than the amounts disclosed in the “on demand or within 1 year” time band in the maturity analysis contained in the above table.

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The directors of the Company do not consider that it is probable that the bank will exercise its discretion to demand immediate repayment. The directors of the Company believe that such bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

Maturity analysis — Bank borrowings subject to a repayable on demand clause based on scheduled repayments						
	On demand or within 1 year HK\$'000	Over 1 year but within 2 years HK\$'000	Over 2 years but within 5 years HK\$'000	Over 5 years HK\$'000	Total contractual undiscounted cash flows HK\$'000	Carrying amount HK\$'000
At 31 March 2025						
Bank borrowings	858	855	2,287	885	4,885	4,488
At 31 March 2026						
Bank borrowings	855	855	1,811	506	4,027	3,751
At 30 June 2026						
Bank borrowings	2,878	855	1,692	411	5,836	5,585

(d) Fair values of financial instruments

At 31 March 2025 and 2026 and 30 June 2026, all financial instruments are carried at amounts not materially different from their fair values.

32. CAPITAL RISK MANAGEMENT

To ensure the Group is able to attain the minimum level of working capital for its business operations and maintenance of their qualifications, the Group has adopted a prudent treasury management policy to (i) ensure that the Group’s funds are properly and efficiently collected and deployed such that there is no material shortfall in cash which may interrupt the Group’s daily business obligations; (ii) maintain sufficient level of funds to settle the Group’s capital commitments when they fall due; (iii) maintain adequate liquidity to cover the Group’s operation cash flow, project expenditures and administrative expenses; and (iv) streamline the Group’s operational processes to achieve savings in project-related costs, maintenance and other operating costs. The Group expects to finance its operation and capital requirements by utilising its existing financial resources. The Group’s overall strategy remains unchanged throughout the Track Record Period.

The capital structure of the Group consists of net debts, which includes bank borrowings and lease liabilities, net of cash at banks and equity attributable to owners of the Group, comprising share capital and reserves. The Group is not subject to any externally imposed capital requirement.

In particular, the management have adopted the following measures to manage the liquidity and working capital positions:

- (i) the management is responsible for the overall monitoring of the current and expected liquidity requirements on a monthly basis to ensure that the Group maintains sufficient financial resources to meet the liquidity requirements;
- (ii) as a general policy, the Group only procures goods and services from the suppliers and subcontractors (such as renting of machinery and equipment and purchase of building work services from the subcontractors) on an as-needed basis according to the requirements and schedule of the project to prevent excessive purchases; and
- (iii) the management closely monitor the working capital to ensure that the financial obligations can be fulfilled when due, by, among other things, ensuring healthy bank balances and cash for payment of short-term working capital needs, performing monthly review of trade receivables and ageing analysis, and following up closely to ensure prompt receipt of amounts due from customers, and performing monthly review of trade payables and ageing analysis to ensure that payments to the suppliers and subcontractors are made on a timely basis.

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	As at 31 March		As at
	2025	2026	30 June
	HK\$'000	HK\$'000	2026
			HK\$'000
Bank borrowings	4,488	3,751	5,585
Lease liabilities	673	372	294
Total debt	5,161	4,123	5,879
Equity attributable to owners of the Company	49,068	72,967	19,965
Capital and total debt	54,229	77,090	25,844
Gearing ratio	9.5%	5.3%	22.7%

33. CASH FLOWS INFORMATION

(a) Non-cash transaction

During the year ended 31 March 2025, one of the subsidiaries of the Group allotted 16,000,000 ordinary shares to the controlling shareholders, with a consideration of HK\$16,000,000 in aggregate. The consideration was included in amounts due from shareholders.

During the six months ended 30 June 2026, the amount due from Uni Real Estate of HK\$11,230,000 is transferred to and assumed by Mr. Lo Kam Kenny by way of assignment.

During the six months ended 30 June 2026, the entire amounts due from Mr. Lo Cheuk Pui, Ms. Mak Wai Chun, Mr. Lo Siu Kai and Mr. Lo Siu Tong are transferred to and assumed by Mr. Lo Kam Kenny by way of assignment.

During the six months ended 30 June 2026, the dividend of HK\$22,000,000 was offset with the amount due from Mr. Lo Kam Kenny and the remaining dividend payable of HK\$9,000,000 was credited to accruals and other payables.

(b) Reconciliation of liabilities arising from financing activities

The table below shows the material changes in the Group’s liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing cash flows were, or future cash flows will be, classified in the Group’s consolidated statements of cash flows as cash flows from financing activities.

	Amounts due to shareholders HK\$'000	Lease liabilities HK\$'000 (note 23)	Term loans included in bank borrowings HK\$'000 (note 24)
At 1 April 2024	61	95	5,191
Changes from financing cash flows:			
Repayment of bank borrowings	—	—	(703)
Repayment of interests	—	—	(167)
Repayment to shareholders	(61)	—	—
Repayment of lease liabilities — principal	—	(340)	—
Repayment of lease liabilities — interest	—	(31)	—
Total changes from financing cash flows	(61)	(371)	(870)
Other changes:			
Addition of new lease	—	918	—
Interest expenses (note 9)	—	31	167
Total other changes	—	949	167

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	Amounts due to shareholders <i>HK\$'000</i>	Lease liabilities <i>HK\$'000</i> <i>(note 23)</i>	Term loans included in bank borrowings <i>HK\$'000</i> <i>(note 24)</i>
At 31 March 2025 and 1 April 2025	—	673	4,488
Changes from financing cash flows:			
Repayment of bank borrowings	—	—	(737)
Repayment of interests	—	—	(121)
Repayment of lease liabilities — principal	—	(301)	—
Repayment of lease liabilities — interest	—	(28)	—
Total changes from financing cash flows	—	(329)	(858)
Other change:			
Interest expenses <i>(note 9)</i>	—	28	121
At 31 March 2026 and 1 April 2026	—	372	3,751
Changes from financing cash flows:			
Repayment of bank borrowings	—	—	(189)
Repayment of interests	—	—	(34)
Repayment of lease liabilities — principal	—	(78)	—
Repayment of lease liabilities — interest	—	(5)	—
Total changes from financing cash flows	—	(83)	(223)
Other change:			
Interest expenses <i>(note 9)</i>	—	5	34
At 30 June 2026	—	294	3,562
At 1 April 2025	—	673	4,488
Changes from financing cash flows:			
Repayment of bank borrowings	—	—	(182)
Repayment of interests	—	—	(34)
Repayment of lease liabilities — principal	—	(74)	—
Repayment of lease liabilities — interest	—	(8)	—
Total changes from financing cash flows	—	(82)	(216)
Other change:			
Interest expenses	—	8	34
At 30 June 2025	—	599	4,306

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34. PARTLY OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS

Set out below is summarised financial information for Power Construction during the Track Record Period, which 40% equity interest in Power Construction is held by a non-controlling interests that are material to the Group. The amounts disclosed for Power Construction are before inter-company eliminations.

	As at 31 March		As at
	2025	2026	30 June
	HK\$'000	HK\$'000	2026
			HK\$'000
Current assets	16,141	30,040	31,712
Current liabilities	(14,987)	(30,795)	(32,818)
Current net assets/(liabilities)	1,154	(755)	(1,106)
Non-current assets	—	3,037	3,582
Non-current liabilities	—	(298)	(380)
Net assets	1,154	1,984	2,096
Accumulated non-controlling interest	462	794	839
	Year ended 31 March		Three months ended 30 June
	2025	2026	2025
	HK\$'000	HK\$'000	HK\$'000
			(Unaudited)
Revenue	15,398	75,315	19,993
Profit and total comprehensive income for the year/ period	1,144	830	1,501
Profit allocated to non-controlling interest	458	332	600
Dividends paid to non-controlling interest	—	—	—
Cash flows from/(used in) operating activities	5,436	5,804	7,805
Cash flows used in investing activities	—	(3,840)	(1,473)
Net increase/(decrease) in cash and cash equivalents	5,436	1,964	6,332

35. LITIGATION

Litigation claim relating to injury sustained by an individual employed by a subcontractor

On 19 July 2023, an individual who was employed by a subcontractor drove a heavy goods vehicle to transport construction waste materials from a construction site and was involved in an accident on a public road. The individual alleged that the accident was caused by an imbalance in the loading of construction waste materials in the skip of the vehicle. As such, the individual filed a civil litigation claim against Riseship Construction in the District Court for compensation for his injury but without a statement of claim on 13 May 2026.

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In the view of the legal counsel, the litigation risk of the Group is low, due to (i) the individual was not an employee of the Group, and therefore the Group is remote from the individual and the accident; (ii) the accident occurred away from the site; (iii) the individual bore primary statutory duty to inspect the load and ensure the vehicle was safe before departure; (iv) preliminary police investigation suggests error of the individual; (v) the claim was brought outside the statutory period; and (vi) no other similar incidents happened in the site. The directors of the Company, based on the opinion of legal counsel, considered that the Group has a strong defence and is remote from the events giving rise to the claim and believed that no provision for the claim should be recognised at this stage.

Other than the disclosure of above, as at the end of each of the reporting period, the Group was not involved in any other material litigation or arbitration. As far as the Group was aware, the Group had no other material litigation or claim which was pending or threatened against the Group.

36. EVENT AFTER THE REPORTING PERIOD

Save as the completion of the Reorganisation disclosed in note 2.1[, release of guarantee provided by the Controlling Shareholders disclosed in note 29] and the share reduction of Riseship Construction disclosed in note 27, the Company or any of its subsidiaries have no other material events after the reporting period.

37. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements of the Group, the Company or any of its subsidiaries have been prepared in respect of any period subsequent to 30 June 2026.