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COOLPOINT INNONISM HOLDING LIMITED

快意智能股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8040)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2025

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This announcement, for which the directors (the “**Directors**”) of Coolpoint Innonism Holding Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company and its subsidiaries (collectively referred to as the “**Group**”). The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

FINANCIAL HIGHLIGHTS

During the year ended 31 March 2025 (the “**Year**” or “**2025**”), the Group recorded a decrease in revenue of approximately 10.7% to approximately HK\$308.5 million from approximately HK\$345.6 million for the year ended 31 March 2024 (the “**Previous Year**” or “**2024**”). The Group’s gross profit decrease to approximately HK\$1.4 million for the Year from approximately HK\$12.0 million for the Previous Year.

The Group recorded a loss and total comprehensive expense attributable to the owners of the Company of approximately HK\$26.4 million for the Year, representing an increase of approximately 81.6% compared to approximately HK\$14.5 million for the Previous Year.

Loss per share attributable to the owners of the Company was approximately HK7.77 cents (2024: HK4.28 cents).

FINANCIAL RESULTS

The board of Directors (the “**Board**”) of the Company is pleased to present the consolidated results of the Group for the year ended 31 March 2025 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	4	308,502	345,630
Cost of services		<u>(307,137)</u>	<u>(333,643)</u>
Gross profit		1,365	11,987
Other income and (losses)/gains, net	5	(32)	32
(Impairment loss)/reversal of impairment loss on:			
– trade receivables	11	(6,226)	922
– other receivables	11	–	(1,075)
– contract assets	12	(66)	(4,862)
Administrative expenses		(20,049)	(19,147)
Finance costs	6	<u>(1,795)</u>	<u>(2,404)</u>
Loss before tax	7	(26,803)	(14,547)
Income tax expense		<u>–</u>	<u>–</u>
Loss for the year		<u><u>(26,803)</u></u>	<u><u>(14,547)</u></u>
Other comprehensive income:			
Item that may not be reclassified to profit or loss in subsequent periods:			
Exchange differences arising on translation of financial statements		<u>9</u>	<u>–</u>
Loss and total comprehensive expense for the year		<u><u>(26,794)</u></u>	<u><u>(14,547)</u></u>
Loss for the year attributable to:			
Owners of the Company		(26,419)	(14,545)
Non-controlling interest		<u>(384)</u>	<u>(2)</u>
		<u><u>(26,803)</u></u>	<u><u>(14,547)</u></u>
Loss and total comprehensive expense for the year attributable to:			
Owners of the Company		(26,410)	(14,545)
Non-controlling interest		<u>(384)</u>	<u>(2)</u>
		<u><u>(26,794)</u></u>	<u><u>(14,547)</u></u>
		2025 HK cents	2024 HK cents
Loss per share attributable to owners of the Company			
Basic	9	<u><u>(7.77)</u></u>	<u><u>(4.28)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2025

	<i>Notes</i>	2025 HK\$'000	2024 HK\$'000
Non-current assets			
Plant and equipment		2,190	2,031
Right-of-use assets		4,764	2,944
Financial assets at fair value through profit or loss		3,680	3,678
Rental deposit		139	39
		<u>10,773</u>	<u>8,692</u>
Current assets			
Inventories		867	657
Trade and other receivables	<i>10</i>	28,348	43,383
Deposits and prepayments		1,810	820
Contract assets	<i>11</i>	81,662	91,651
Amounts due from non-controlling interests		–	175
Bank balances and cash		11,195	23,274
		<u>123,882</u>	<u>159,960</u>
Current liabilities			
Trade and other payables	<i>12</i>	30,232	34,854
Contract liabilities	<i>11</i>	27,386	13,738
Amount due to ultimate holding company		4,000	8,000
Bank and other borrowings		5,216	7,409
Lease liabilities		1,797	2,376
Current income tax payable		–	101
		<u>68,631</u>	<u>66,478</u>
Net current assets		<u>55,251</u>	<u>93,482</u>

	<i>Note</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Total assets less current liabilities		<u>66,024</u>	<u>102,174</u>
Non-current liabilities			
Amount due to ultimate holding company		20,000	5,900
Bank and other borrowings		–	27,000
Lease liabilities		3,042	664
Other non-current liabilities		<u>258</u>	<u>258</u>
		<u>23,300</u>	<u>33,822</u>
Net assets		<u><u>42,724</u></u>	<u><u>68,352</u></u>
Capital and reserves			
Share capital	<i>13</i>	3,400	3,400
Reserves		<u>38,368</u>	<u>64,778</u>
Equity attributable to owners of the Company		41,768	68,178
Non-controlling interest		<u>956</u>	<u>174</u>
Total equity		<u><u>42,724</u></u>	<u><u>68,352</u></u>

NOTES:

1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 8 March 2017 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares are listed on GEM of the Stock Exchange on 14 February 2018. The Company's registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is located at Unit 315A, 3/F, Building 5W Phase One, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong.

The directors consider the ultimate holding company to be the Company's parent company, Advance Goal Group Limited ("**Advance Goal**"), a private company incorporated in the British Virgin Islands ("**BVI**"), of which the Company's directors, Mr. Cheng Tsang Fu Dennis ("**Mr. Dennis Cheng**") and Ms. Liu Lee Lily ("**Ms. Lily Liu**"), and a former director, Mr. Cheng Tsang Wai ("**Mr. Dick Cheng**"), are shareholders.

The Company is an investment holding company. The Company and its subsidiaries (the "**Group**") are principally engaged in the provision of fitting-out services, renovation services and Nano-AM application services in Hong Kong.

2. BASIS OF PREPARATION

Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which includes all Hong Kong Financial Reporting Standards ("**HKFRS**"), Hong Kong Accounting Standards ("**HKAS**") and HK (IFRIC) Interpretations, HK Interpretations and HK (SIC) Interpretations (collectively referred to as "**Interpretations**"), issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange ("**Listing Rules**") and by the Hong Kong Companies Ordinance.

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values at the end of the reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Going concern assessment

The directors, at the time of approving the consolidated financial statements, have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

Functional and presentation currency

The consolidated financial statements have been presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Company, and all values are rounded to the nearest thousand except when otherwise indicated.

3. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

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

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the Group’s annual periods beginning on or after 1 April 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

Except as described below, the application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) (the “2020 Amendments”) and Amendments to HKAS 1 Non-current Liabilities with Covenants (the “2022 Amendments”)

The 2020 Amendments provide clarification and additional guidance on the assessment of right to defer settlement for at least twelve months from reporting date for classification of liabilities as current or non-current, which:

- clarify that if a liability has terms that could, at the option of the counterparty, result in its settlement by the transfer of the entity’s own equity instruments, these terms do not affect its classification as current or non-current only if the entity recognises the option separately as an equity instrument applying HKAS 32 Financial Instruments: Presentation.
- specify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period. Specifically, the amendments clarify that the classification should not be affected by management intentions or expectations to settle the liability within 12 months.

For rights to defer settlement for at least twelve months from reporting date which are conditional on the compliance with covenants, the requirements introduced by the 2020 Amendments have been modified by the 2022 Amendments. The 2022 Amendments specify that only covenants with which an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date. Covenants which are required to comply with only after the reporting period do not affect whether that right exists at the end of the reporting period.

In addition, the 2022 Amendments specify the disclosure requirements about information that enables users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period, if an entity classifies liabilities arising from loan arrangements as non-current when the entity's right to defer settlement of those liabilities is subject to the entity complying with covenants within twelve months after the reporting period.

The 2022 Amendments also defer the effective date of applying the 2020 Amendments to annual reporting periods beginning on or after 1 January 2024. The 2022 Amendments, together with the 2020 Amendments, are effective for annual reporting periods beginning on or after 1 January 2024, with early application permitted. If an entity applies the 2020 Amendments for an earlier period after the issue of the 2022 Amendments, the entity should also apply the 2022 Amendments for that period.

Based on the Group's outstanding liabilities as at 31 March 2025, the application of the 2020 Amendments and the 2022 Amendments will not result in reclassification of the Group's liabilities.

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

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ³
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature – Dependent Electricity ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ³
Amendments to HKAS 21	Lack of Exchangeability ²
HKFRS 18	Presentation and Disclosure in Financial Statements ⁴

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2025.

³ Effective for annual periods beginning on or after 1 January 2026.

⁴ Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all the new and amendments to HKFRS Accounting Standards not yet effective for the current year will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

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

HKFRS 18, and amendments to other standards, will 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 statement of profit or loss and disclosures in future financial statements. The Group is in process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

4. REVENUE AND SEGMENT INFORMATION

Disaggregation of revenue from contracts with customers by major products or services lines is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Fitting-out work	239,837	255,786
Renovation work	61,183	85,776
Nano-AM work		
Nano-AM and repairs services	2,761	2,390
Maintenance services	1,891	1,678
Others	2,830	–
	<u>308,502</u>	<u>345,630</u>

Disaggregation of revenue from contracts with customers by geographical markets as follows:

Hong Kong	305,672	345,630
The People's Republic of China ("PRC")	2,830	–
	<u>308,502</u>	<u>345,630</u>

Disaggregation by time of revenue recognition within the scope of HKFRS 15:

Over time	302,911	343,240
At point in time	5,591	2,390
	<u>308,502</u>	<u>345,630</u>

Information reported to the executive directors of the Company, who are also the chief operating decision makers (“**CODM**”) and the directors of an operating subsidiary, for the purposes of resource allocation and performance assessment focuses on types of services delivered or provided.

Specifically, the Group’s reportable and operating segments under HKFRS 8 are as follows:

- (a) Fitting-out work – refers to works conducted on new buildings.
- (b) Renovation work – refers to works carried out on existing buildings that involve upgrades and/or makeovers and/or demolition of existing works.
- (c) Nano-AM work – refers to the provision and application of nanophotocatalytic antifouling materials (the “**Nano-AM**”) on various types of repairs and maintenance works for yachts.
- (d) Others – refers to the research and development, manufacture and sale of environmental-friendly air purifiers.

Segment revenue and results

The Group provides fitting-out and renovation services to customers. Such services are recognised as a performance obligation satisfied over time as the Group’s performance creates or enhances an asset that the customer controls as the Group performs. Revenue is recognised for these services based on the stage of completion of the contract using input method.

The Group provides yacht services to customers regarding the Nano-AM and repairs and maintenance to customers. The individual Nano-AM and repairs services are regarded as a performance obligation and the revenue from these services is recognised at point in time when the related distinctive services are completed. Revenue from maintenance services are recognised over time as the customers simultaneously receive and consume the benefits provided by the Group’s performance.

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

For the year ended 31 March 2025

	Fitting-out work HK\$'000	Renovation work HK\$'000	Nano-AM work HK\$'000	Others HK\$'000	Total HK\$'000
Segment revenue	<u>239,837</u>	<u>61,183</u>	<u>4,652</u>	<u>2,830</u>	<u>308,502</u>
Segment profit/(loss)	<u>4,018</u>	<u>(3,721)</u>	<u>940</u>	<u>128</u>	1,365
Interest income					99
Other unallocated income and losses, net					(131)
Unallocated expenses					<u>(28,136)</u>
Loss before tax					<u>(26,803)</u>

For the year ended 31 March 2024

	Fitting-out work HK\$'000	Renovation work HK\$'000	Nano-AM work HK\$'000	Total HK\$'000
Segment revenue	<u>255,786</u>	<u>85,776</u>	<u>4,068</u>	<u>345,630</u>
Segment profit/(loss)	<u>10,516</u>	<u>39</u>	<u>1,432</u>	11,987
Interest income				232
Other unallocated income and losses, net				(200)
Unallocated expenses				<u>(26,566)</u>
Loss before tax				<u>(14,547)</u>

Segment revenue represents revenue from external customers. There were no inter-segment sales for the years ended 31 March 2025 and 2024.

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. Segment results represent the profit/(loss) before tax earned/sustained by each segment without allocation of interest income, other unallocated income and unallocated expenses. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

No analysis of segment assets or segment liabilities is presented as such information is not regularly provided to the CODM and is not used for the purposes of resource allocation and performance assessment.

Other segment information

<i>For the year ended 31 March 2025</i>	Fitting-out work HK\$'000	Renovation work HK\$'000	Nano-AM work HK\$'000	Others HK\$'000	Total HK\$'000
Capital expenditure allocated to segments	-	-	-	-	-
Unallocated capital expenditure					<u>5,572</u>
Total capital expenditure					<u><u>5,572</u></u>
Depreciation allocated to segments	-	-	-	519	519
Unallocated depreciation					<u>2,863</u>
Total depreciation					<u><u>3,382</u></u>
Impairment loss/(reversal of impairment loss), allocated to segments on					
Trade receivables	6,364	(138)	-	-	6,226
Contract assets	55	11	-	-	<u>66</u>
Total impairment losses					<u><u>6,292</u></u>

<i>For the year ended 31 March 2024</i>	Fitting-out work <i>HK\$'000</i>	Renovation work <i>HK\$'000</i>	Nano-AM work <i>HK\$'000</i>	Total <i>HK\$'000</i>
Capital expenditure allocated to segments	–	–	–	–
Unallocated capital expenditure				<u>3,393</u>
Total capital expenditure				<u><u>3,393</u></u>
Depreciation allocated to segments	–	–	–	–
Unallocated depreciation				<u>2,895</u>
Total depreciation				<u><u>2,895</u></u>
(Reversal of impairment loss)/ impairment loss, allocated to segments on				
Trade receivables	(783)	(139)	–	(922)
Contract assets	464	4,398	–	4,862
Unallocated impairment loss on other receivables				<u>1,075</u>
Total impairment loss				<u><u>5,015</u></u>

Geographical information

The geographical locations of the Group's non-current assets, except for financial assets at fair value through profit or loss are analysed as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong	6,182	5,014
PRC	<u>911</u>	<u>–</u>
	<u><u>7,093</u></u>	<u><u>5,014</u></u>

The non-current assets information above is based on the locations of the assets.

5. OTHER INCOME AND (LOSSES)/GAINS, NET

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Bank interest income	99	232
Sundry income	45	24
Gain on change in fair value of financial assets at fair value through profit or loss	24	16
Gain on early termination of leases	6	–
Loss on disposal of plant and equipment	–	(227)
Loss on disposal of a subsidiary	(172)	–
Net exchange losses	(34)	(13)
	<u>(32)</u>	<u>32</u>

6. FINANCE COSTS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Interest on		
Amount due to ultimate holding company	600	765
Bank and other borrowings	1,052	1,467
Lease liabilities	143	172
	<u>1,795</u>	<u>2,404</u>

7. LOSS BEFORE TAX

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss before tax has been arrived at after charging:		
Directors' emoluments		
Salaries, allowances and other benefits	4,030	3,640
Retirement benefit scheme contributions	<u>18</u>	<u>24</u>
	<u>4,048</u>	<u>3,664</u>
Other staff costs		
Salaries, allowances and other benefits	38,352	32,853
Discretionary bonus	1,406	1,764
Retirement benefit scheme contributions	<u>1,166</u>	<u>1,027</u>
	<u>40,924</u>	<u>35,644</u>
Total staff costs	44,972	39,308
Less: amounts included in cost of services	<u>(33,793)</u>	<u>(29,468)</u>
Amounts included in administrative expenses	<u>11,179</u>	<u>9,840</u>
Auditor's remuneration	400	530
Depreciation of plant and equipment	779	571
Depreciation of right-of-use assets	<u>2,603</u>	<u>2,324</u>

8. DIVIDENDS

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

9. LOSS PER SHARE

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Loss for the purpose of basic loss per share:		
Loss for the year attributable to the owners of the Company	<u>(26,419)</u>	<u>(14,545)</u>
	2025 <i>'000</i>	2024 <i>'000</i>
Number of ordinary shares for the purpose of basic loss per share:		
Weighted average number of shares in issue during the year	<u>340,000</u>	<u>340,000</u>

No diluted loss per share is presented for the years ended 31 March 2025 and 2024 as there were no potential ordinary shares in issue for both of these years.

10. TRADE AND OTHER RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables, gross	35,325	44,300
Less: Allowance for credit loss	<u>(7,144)</u>	<u>(918)</u>
Trade receivables, less impairment losses	<u>28,181</u>	<u>43,382</u>
Other receivables, gross	167	1
Less: Allowance for credit loss	<u>-</u>	<u>-</u>
Other receivables, less impairment losses	<u>167</u>	<u>1</u>
Total trade and other receivables	<u>28,348</u>	<u>43,383</u>

The Group does not allow any credit period to its customers.

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed periodically. The majority of the Group's trade receivables that are neither past due nor impaired have good credit quality with reference to respective settlement history. The Group does not hold any collateral over these balances.

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period.

The Group's trade receivables as at 31 March 2025 with the aggregate carrying amount of approximately HK\$28,181,000 (2024: HK\$43,382,000) were past due at the reporting date. The Group does not hold any collateral over these balances. Trade receivables are non-interest bearing.

The following is an analysis of the trade receivables which are past due based on the invoice date and net of provisions but not impaired:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Overdue:		
0 to 30 days	16,556	33,331
31 to 60 days	3,344	5,087
61 to 90 days	3,623	4,345
Over 90 days	4,658	619
	28,181	43,382

An impairment assessment for trade receivables was performed at the reporting date based on expected credit loss provisioning methodology with reference to historical experience and forward-looking information.

Movements in the allowance for credit loss of trade receivables are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At beginning of the year	918	1,840
Impairment loss/(reversal of impairment loss)	6,226	(922)
At end of the year	7,144	918

The carrying amount of other receivables at 31 March 2025 represent advance to a third party amounted to approximately HK\$167,000 (2024: HK\$1,000) which is unsecured, interest-free and repayable on demand.

The Group applies the lifetime expected credit loss basis to provide for expected credit loss in respect of other receivables. The provision rates are determined with reference to the expected credit rating of the debtors and their respective default rates (taking into consideration forward-looking information that is receivable and supportable available without undue costs or effort). At every reporting date, the default rates are reassessed and changes in the forward-looking information are considered.

Movements in the allowance for credit loss of other receivables are as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
At beginning of the year	–	478
Impairment loss recognised for the year	–	1,075
Eliminated on other receivables written off	–	(1,553)
	<u>–</u>	<u>–</u>
At end of the year	<u>–</u>	<u>–</u>

11. CONTRACT ASSETS/CONTRACT LIABILITIES

Contract assets

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Fitting-out work	69,788	76,027
Renovation work	13,638	17,322
	<u>83,426</u>	<u>93,349</u>
Less: Allowance for credit loss	(1,764)	(1,698)
	<u>81,662</u>	<u>91,651</u>

The contract assets primarily relate to the Group's right to consideration for work completed and not billed because the rights are conditioned on the Group's future performance. The contract assets are classified to trade receivables when the rights become unconditional.

The Group's contracts include payment schedules which require stage payments over the contract period once certain specified milestones are reached.

Included in contracts assets at 31 March 2025 are retention money held by customers for contract work amounted to a total of approximately HK\$19,296,000 (2024: HK\$42,020,000), of which approximately HK\$10,096,000 (2024: HK\$18,959,000) was expected to be recovered or settled in more than twelve months from the end of the reporting period. The customers of the Group normally hold retention money of typically 5% to 10% of each interim payment, to the maximum of 5% of the total contract amount. 50% of the retention money is usually released after the issue of the certificate of practical completion and the remaining portion is usually released upon the issue of certificate of making good defects after the expiry of the defect liability period which is typically 12 months or for certain projects 24 months.

Retention money is unsecured, interest free and expected to be realised within the Group's normal operating cycle.

The Group applies the lifetime expected credit loss basis to provide for expected credit loss in respect of contract assets. The provision rates are determined with reference to the expected credit rating of the debtors and their respective default rates (taking into consideration forward-looking information that is receivable and supportable available without undue costs or effort). At every reporting date, the default rates are reassessed and changes in the forward-looking information are considered.

Movements in the allowance for credit loss of contract assets recognised are as follows:

	2025	2024
	HK\$'000	HK\$'000
At beginning of the year	1,698	4,020
Impairment loss	66	4,862
Eliminated on contract assets written off	–	(7,184)
	<u>–</u>	<u>–</u>
At end of the year	<u>1,764</u>	<u>1,698</u>

Contract liabilities

	2025	2024
	HK\$'000	HK\$'000
Fitting-out work	20,690	8,765
Renovation work	5,880	4,538
Nano-AM work	468	435
Others	348	–
	<u>–</u>	<u>–</u>
	<u>27,386</u>	<u>13,738</u>

The Group requires certain fitting-out and renovation work customers to provide upfront deposits ranged from 10% to 30% of the total contract sum as part of its credit risk management policies. When the Group receives a deposit before the contract work commences, this will give rise to contract liabilities at the start of a contract until the revenue recognised on the relevant contract exceeds the amount of the deposits.

For the maintenance services of Nano-AM work, the Group receives quarterly, semi-annually or annually maintenance service fees before services are rendered by the Group, which will give rise to contract liabilities until the related maintenance services are performed by the Group.

The following table shows the revenue recognised in the current reporting period which relates to brought-forward contract liabilities.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Revenue recognised for the year that was included in the contract liabilities balance at the beginning of the year		
– Fitting-out work	5,710	7,117
– Renovation work	2,812	4,055
– Nano-AM work	435	254
	8,957	11,426

There was no revenue recognised in the current reporting period that related to performance obligations that were satisfied in prior years (2024: Nil).

The changes in contract assets and contract liabilities are due to (a) changes in the progress of contract works when the Group satisfies the performance obligations under the contracts; (b) reclassification of contract assets to trade receivables when the Group has unconditional right to the receivables; and (c) maintenance services of Nano-AM work are performed by the Group.

The following table shows how much of the revenue expected to be recognised relates to contracts with an original expected duration of more than one year:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Expected to be recognised within one year	27,386	13,738
Expected to be recognised after one year	–	–
	27,386	13,738

For all other contracts with an original expected duration of one year or less or are billed based on time incurred, as permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

12. TRADE AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables	25,176	28,787
Accrued interest on amount due to ultimate holding company	272	286
Accrued interest on borrowings from directors of the Company	–	743
Other accruals and payables	<u>4,784</u>	<u>5,038</u>
	<u><u>30,232</u></u>	<u><u>34,854</u></u>

The ageing analysis of the trade payables based on invoice date at the end of the reporting period is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
1–30 days	13,316	20,149
31–60 days	7,528	7,575
61–90 days	1,146	1,036
Over 90 days	<u>3,186</u>	<u>27</u>
	<u><u>25,176</u></u>	<u><u>28,787</u></u>

13. SHARE CAPITAL

Details of the Company's shares are set out as follows:

	Number of shares '000	Amount <i>HK\$'000</i>
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025	<u>10,000,000</u>	<u>100,000</u>
Issued and fully paid:		
At 1 April 2023, 31 March 2024, 1 April 2024 and 31 March 2025	<u>340,000</u>	<u>3,400</u>

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Outlook

The Group is principally engaged in the provision of fitting-out services, renovation services and Nano-AM application services in Hong Kong.

Fitting-out and renovation services

The Group's clientele of the fitting-out and renovation services comprises (i) property developers, some of which are (or whose holding companies are) listed on the Stock Exchange; (ii) main contractors or direct contractors of the fitting-out and renovation projects; and (iii) owners or tenants of properties.

The Group's fitting-out and renovation services mainly include provision of fitting-out and renovation solutions for different types of premises in the private sector, including residential apartments and residential dwellings, show flats, clubhouses, sales office, public area in residential and commercial buildings, offices, shopping malls and shops in Hong Kong.

As the project manager and principal coordinator, the Group is responsible for the overall implementation of projects that included planning, coordinating, monitoring and supervising the project from the commencement of service to the delivery of certificate of completion, and follow up on rectification of defects during the defect liability period, among other things.

For projects over HK\$10 million, which are defined as large-scale projects hereafter, the Group was awarded a total of 4 large-scale projects (Previous Year: 11), comprising 3 fitting-out projects (Previous Year: 9) and 1 renovation project (Previous Year: 2), with an aggregate contract sum of approximately HK\$246.3 million (Previous Year: HK\$480.4 million) during the Year. These projects contributed a revenue of approximately HK\$37.7 million (Previous Year: HK\$148.3 million) for the Year.

Nano-AM application services

In 2023, the Group has obtained an exclusive license for sales of a nanophotocatalytic antifouling material (the "Nano-AM") that is an eco-friendly material effectively preventing unwanted growth of microorganisms onto the coated surfaces, currently being used as a surface disinfecting material and protective paint on building materials, boats and yachts.

Leveraging the exclusive license for the sales of the Nano-AM, the Company explores the marine repair and maintenance business successfully. The Group is responsible for the sales and marketing of the Nano-AM and is exploring other opportunities for the Nano-AM application.

The Board believes that the Nano-AM can also have useful applications in other aspects including our fitting-out and renovation projects and also can be a good opportunity for the Group to broaden its income streams through sales of the Nano-AM in the construction materials market.

Looking forward, in addition to the huge development potential of the Nano-AM application, the Board believes that the demand for the high-end fitting-out and renovation services will stay strong, and the Group will continue to develop this market accordingly.

Financial Review

Revenue

The Group's revenue is principally generated from provision of fitting-out services, renovation services and Nano-AM application services to its customers.

The following table shows our revenue by operating segment during the years ended 31 March 2025 and 2024:

	For the year ended 31 March			
	2025		2024	
	<i>HK\$'000</i>	<i>%</i>	<i>HK\$'000</i>	<i>%</i>
Fitting-out work	239,837	77.7	255,786	74.0
Renovation work	61,183	19.9	85,776	24.8
Nano-AM work	4,652	1.5	4,068	1.2
Others	2,830	0.9	–	–
	<u>308,502</u>	<u>100.0</u>	<u>345,630</u>	<u>100.0</u>

For the Year under review, the Group's revenue was approximately HK\$308.5 million, representing a decrease of approximately 10.7% as compared to the revenue of approximately HK\$345.6 million for the Previous Year.

The revenue from fitting-out works for the Year was approximately HK\$239.8 million, representing a decrease of approximately 6.3% compared to approximately HK\$255.8 million in the Previous Year. This decrease was mainly attributable to the fact that a substantial portion of the works for several large-scale fitting-out projects located in Wong Chuk Hang, Pak Shek Kok, Jordan, Mid-levels, Yuen Long, and Lantau Island had been carried out in the previous financial years. Consequently, the aggregate revenue contributed by these projects decreased from approximately HK\$123.0 million in the Previous Year to approximately HK\$15.8 million for the Year.

The revenue from renovation works for the Year was approximately HK\$61.2 million, representing a decrease of approximately 28.7% compared to approximately HK\$85.8 million in the Previous Year. This decrease was mainly attributable to the fact that a substantial portion of the works for several large-scale renovation projects located in Causeway Bay, Tsuen Wan, and The Peak had been carried out in the previous financial years. Consequently, the aggregate revenue contributed by these projects decreased from approximately HK\$64.3 million in the Previous Year to approximately HK\$17.8 million for the Year.

Cost of Services and Gross Profit

The Group's cost of services mainly comprised subcontracting costs, material costs and direct staff costs. The decrease in cost of services was generally in line with the decrease in revenue for the Year.

The following table shows our gross profit and gross profit margin by operating segment during the years ended 31 March 2025 and 2024:

	For the year ended 31 March			
	2025		2024	
	Gross Profit	Gross Profit Margin	Gross Profit	Gross Profit Margin
	HK\$'000	%	HK\$'000	%
Fitting-out work	4,018	1.7	10,516	4.1
Renovation work	(3,721)	-6.1	39	0.0
Nano-AM work	940	20.2	1,432	35.2
Others	128	4.5	–	–
	<u>1,365</u>	<u>0.4</u>	<u>11,987</u>	<u>3.5</u>

The overall gross profit decreased by approximately HK\$10.6 million, or 88.6%, from approximately HK\$12.0 million in the Previous Year to approximately HK\$1.4 million for the Year. This decrease was primarily attributable to the reduction in gross profit from fitting-out works and renovation works, which declined by HK\$6.5 million and HK\$3.8 million, respectively.

The decrease in gross profit from fitting-out works was mainly due to a lower gross profit margin for certain large-scale fitting-out projects undertaken during the Year. The decrease in gross profit from renovation works was primarily attributable to cost overruns on certain large-scale renovation projects for the Year.

Other income and (losses)/gains, net

The Group's other income and losses, net, amounted to approximately HK\$32,000 for the Year, compared to other income and gains, net, of approximately HK\$32,000 for the Previous Year. The decrease was primarily attributable to a decrease in interest income of approximately HK\$133,000 and a decrease in the loss on disposal of plant and equipment of approximately HK\$227,000, partially offset by an increase in the loss on disposal of a subsidiary of approximately HK\$172,000.

Impairment loss of trade receivables, other receivables and contract assets

The Group's impairment loss of trade receivables, other receivables and contract assets amounted to approximately HK\$6.3 million and HK\$5.0 million for the years ended 31 March 2025 and 2024, respectively, representing an increase of approximately 25.5%. Such an increase was primarily due to an increase in impairment loss of trade receivables for the Year by approximately HK\$6.2 million.

Administrative Expenses

The Group's administrative expenses amounted to approximately HK\$20.0 million and HK\$19.1 million for the years ended 31 March 2025 and 2024 respectively, representing an increase of approximately 4.7%.

Finance Costs

The Group's finance costs amounted to approximately HK\$1.8 million and HK\$2.4 million for the years ended 31 March 2025 and 2024, respectively, representing a decrease of approximately 25.3%. This decrease was mainly attributable to a reduction in interest on bank borrowings and interest on loans from related parties, each by approximately HK\$0.3 million.

Income Tax Expense

Income tax expense of the Group for the Year was Nil (2024: Nil).

Loss and Total Comprehensive Expense for the Year

As a result of the aforesaid, the Group recorded a loss and total comprehensive expense attributable to the owners of the Company of approximately HK\$26.4 million (Previous Year: HK\$14.5 million) for the Year.

Borrowing Facilities

As at 31 March 2025, the Group has obtained credit facilities from banks up to a maximum amount of approximately HK\$37.5 million (2024: HK\$30.0 million), which include, but not limited to, revolving loan, term loan, overdraft and bank guarantee. Out of total banking facilities, a term loan facility of HK\$5.2 million (2024: HK\$7.4 million) was outstanding. As at 31 March 2025, the total value of guarantees under surety bonds issued in favour of the Group's customers amounted to approximately HK\$22.2 million (2024: HK\$10.4 million). The term loan facility is denominated in Hong Kong dollars and carried at variable rates of Hong Kong Best Lending Rate quoted by the bank from time to time minus 2.25% per annum.

LIQUIDITY AND FINANCIAL RESOURCES

The Group practiced prudent financial management and maintained a strong and sound financial position during the year ended 31 March 2025. As at 31 March 2025, the Group had bank balances and cash of approximately HK\$11.2 million (2024: HK\$23.3 million). The decrease in bank balances and cash was mainly due to the net cash used in financing activities of approximately HK\$22.8 million; and partially offset by net cash generated from operating activities of approximately HK\$11.8 million. As at 31 March 2025, the Group's bank balances and cash, except a small aggregate amount of approximately HK\$790,000 (2024: HK\$362,000) in foreign currencies including Renminbi, United States dollars and Euro dollars, were held in Hong Kong dollars. The current ratio decreased from approximately 2.4 times as at 31 March 2024 to approximately 1.8 times as at 31 March 2025 due to a decrease in trade receivables and a decrease in cash and cash equivalents. The gearing ratio, calculated based on the total borrowings divided by total equity at the end of the year and multiplied by 100%, decreased from 70.7% as at 31 March 2024 to approximately 68.4% as at 31 March 2025 due to a decrease in interest bearing borrowings from directors of the Company. With available bank balances and cash and bank credit facilities, the Group has sufficient liquidity to satisfy its funding requirements.

CAPITAL STRUCTURE

As at 31 March 2025, the Company's issued share capital was HK\$3,400,000 (2024: HK\$3,400,000) and the number of its issued ordinary shares was 340,000,000 (2024: 340,000,000) of HK\$0.01 each.

USE OF PROCEEDS FROM PLACING

On 2 August 2022, an aggregate of 20,000,000 ordinary shares of the Company have been placed to places at a price of HK\$0.540 per share (the "Placing"). The Company received net proceeds from the Placing, after deducting the placing commission and other related expenses and professional fees, of approximately HK\$10,644,000. The planned use of proceeds was solely for financing the Group's working capital. The analysis of the actual use of the proceeds are set out below:

The analysis of the actual use of the proceeds are set out below:

	Planned use of proceeds <i>HK\$'000</i>	Amount not yet utilised as at 31 March 2024 <i>HK\$'000</i>	Amount utilised during the year ended 31 March 2025 <i>HK\$'000</i>	Amount not yet utilised as at 31 March 2025 <i>HK\$'000</i>	Original expected timeline for utilisation of the unused net proceeds	Updated expected timeline for utilisation of the unused net proceeds
Working capital	<u>10,644</u>	<u>1,971</u>	<u>1,971</u>	<u>-</u>	By 31 March 2024	By 30 September 2024

REASON FOR EXTENDING THE EXPECTED TIMELINE FOR USE OF NET PROCEEDS

In light of the uncertainty surrounding the global macroeconomic outlook, the Group proactively implemented various measures of reducing costs and enhancing efficiency to reduce its operational expenses. As a result, the Group has not fully utilized the net proceeds on or before the original expected timeline (i.e. 31 March 2024). Accordingly, the Board decided to extend the original expected timeline for unutilized net proceeds as stated above. The Board considers that the extension of the expected timeline will not have any material adverse impact on the existing business and operations of the Group and is in the best interest of the Company and its Shareholders as a whole.

FOREIGN EXCHANGE EXPOSURE AND TREASURY POLICY

The Group's core business operation is in Hong Kong and its assets are principally in Hong Kong. Hence, the Group is not exposed to significant foreign exchange risk as the majority of its business transactions are denominated in Hong Kong dollars (being the functional currency of the Group) and there were only insignificant balances of financial assets that were denominated in foreign currency as at 31 March 2025.

The Group does not have a foreign currency hedging policy. The Group will continue to monitor its foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Year. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

PLEDGE OF ASSETS

As at 31 March 2025, the Group had an investment in a life insurance policy with a fair value of HK\$3.7 million (2024: HK\$3.7 million) which was pledged to secure banking facilities granted to the Group.

SURETY BOND AND CONTINGENT LIABILITY

Certain customers of construction contracts undertaken by the Group require a group entity to issue guarantees for performance of contract works in the form of surety bonds.

At the end of the reporting period, the Group had outstanding performance bonds as follows:

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Issued by banks	<u>22,204</u>	<u>10,380</u>

CAPITAL COMMITMENTS

As at 31 March 2025 and 2024, the Group did not have any significant capital commitments.

FUTURE PLANS FOR MATERIAL INVESTMENT AND CAPITAL ASSETS

The Group did not have any other plans for material investment and capital assets as at 31 March 2025.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures during the year ended 31 March 2025.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2025, the Group employed a total of 73 employees (2024: 80 employees). The staff costs, including directors' emoluments, of the Group were approximately HK\$45.0 million for the year ended 31 March 2025 (2024: approximately HK\$39.3 million). Remuneration is determined with reference to market terms and the performance, qualification, experience of each individual employee. In addition to a basic salary, year-end discretionary bonuses were offered to those staff with outstanding performance. The Group operates a defined contribution mandatory provident fund retirement benefit scheme (the "**MPF Scheme**") under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for all of its employees in Hong Kong in accordance with the rules of the MPF Scheme.

SIGNIFICANT EVENT AFTER THE REPORTING PERIOD

Up to the date of this announcement, there was no significant event relevant to the business or financial performance of the Group that come to the attention of the Directors after the year ended 31 March 2025.

CORPORATE GOVERNANCE PRINCIPLES AND PRACTICES

The Board and the management of the Company are committed to the maintenance of good corporate governance, practices and procedures. The Company believes that good corporate governance provides a solid foundation for the Group to manage business risks and is also one of the key factors leading to the success of the Company so as to balance the interests of shareholders, customers and employees. The Board is devoted to ongoing enhancements and review of the efficiency and effectiveness of such principles and practices to ensure that all of them are in line with corporate governance best practices.

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") as set out in Appendix C1 of the GEM Listing Rules. Throughout the Year, the Company has adopted and complied with, where applicable, the CG Code to ensure that the Group's business activities and decision-making processes are regulated in a proper and prudent manner, except for the deviations from the Code Provision C.2.1 of the CG Code mentioned in the paragraph headed "Chairman and Chief Executive Officer".

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Pursuant to the code provision C.2.1 of the CG Code, which stipulates that the roles of chairman of the Board and chief executive officer should be separate and should not be performed by the same individual. Accordingly, following the resignation of Mr. Cheng Tsang Wai as chairman of the Board and replaced by Mr. Cheng Tsang Fu Dennis on 28 March 2022, there is a deviation from the code provision C.2.1 by the Company as Mr. Cheng Tsang Fu Dennis is also the chief executive officer.

Notwithstanding the aforesaid deviation, the Board believes that vesting the roles of both the chairman of the Board and the chief executive officer on Mr. Cheng Tsang Fu Dennis can better facilitate the execution of the Group's business strategies and boost effectiveness of its operation. The Board considers that the deviation from the code provision C.2.1 of the CG Code is appropriate in such circumstance. In addition, under the supervision of the Board which is comprised of four executive directors, one non-executive director and three independent non-executive directors, the Board is appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company as a whole. Nevertheless, the Company will continue to review its operation and seek to re-comply with the code provision C.2.1 of the CG Code by splitting the roles of chairman and chief executive officer at a time when it is appropriate to increase the independence of corporate governance of the Group.

CODE OF CONDUCT REGARDING DIRECTOR'S SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.46 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all Directors confirmed that they had complied with the required standard of dealings and the code of conduct regarding securities transactions by directors adopted by the Company during the Year.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ITS ASSOCIATE CORPORATIONS

As at 31 March 2025, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Long position in the ordinary shares and underlying shares of the Company

Name	Capacity/Nature of interest	Interests in Shares	Approximate percentage shareholding
Mr. Cheng Tsang Fu Dennis	Interest in controlled corporation ⁽¹⁾ / interest of spouse ⁽²⁾	147,900,000 ⁽³⁾	43.50%
Ms. Liu Lee Lee Lily	Interest in controlled corporation ⁽¹⁾ / interest of spouse ⁽²⁾	147,900,000 ⁽³⁾	43.50%
Mr. Chui Kai Tai	Beneficial owner	12,800,000	3.76%
Prof. Leung Yiu Cheong	Beneficial owner	2,700,000	0.79%
Ms. Cheung Kong Hung	Beneficial owner	385,000	0.11%

Notes:

- The entire issued share capital of Advance Goal is legally and beneficially owned as to 55%, 35% and 10% by Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily, respectively. Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily are parties acting in concert. Accordingly, Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily are deemed to be collectively interested in 147,900,000 Shares held by Advance Goal by virtue of the SFO.
- Each of Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily is spouse to each other. Therefore, Mr. Cheng Tsang Fu Dennis is deemed to be interested in Shares held by Ms. Liu Lee Lee Lily, and vice versa, pursuant to the SFO.

3. On 11 April 2025, Advance Goal disposed an aggregate of 50,000,000 Shares, representing approximately 14.71% of the issued share capital of the Company, to Mr. Poon Chi Hung Victor (“**Mr. Poon**”). Upon completion of the Disposal, Advance Goal, along with Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lily, ceased to be controlling shareholders (as defined in the GEM Listing Rules) of the Company but remained as the substantial shareholders (as defined in the GEM Listing Rules) of the Company; and Mr. Poon became a substantial shareholder (as defined in the GEM Listing Rules) of the Company, and none of the shareholders of the Company met the definition of controlling shareholder under the GEM Listing Rules.

Saved as disclosed above, as at 31 March 2025, none of the Directors and chief executives of the Company had any other interests or short positions in any shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 to Rule 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS’ INTERESTS AND OTHER PERSONS’ INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as the Directors are aware, as at 31 March 2025, other than the Directors or chief executives of the Company whose interests or short positions are disclosed under the paragraph headed “Directors’ and Chief Executives’ Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or Its Associated Corporations” above, the following person has an interest or short position in the shares or underlying shares of the Company which has to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under Section 336 of the SFO, and who were expected, directly or indirectly, to be interested in 5% or more of the issued shares of the Company are listed as follows:

Long position in the ordinary shares and underlying shares of the Company

Name of shareholder	Capacity/Nature of interest	Number of ordinary shares held	Approximate percentage shareholding
Advance Goal ⁽¹⁾	Beneficial owner	147,900,000 ⁽³⁾	43.50%
Mr. Cheng Tsang Wai	Interest in controlled corporation	147,900,000 ⁽³⁾	43.50%
Ms. Chow Siu Shan Juliana	Interest of spouse ⁽²⁾	147,900,000 ⁽³⁾	43.50%
Mr. Chen Yi Sung	Beneficial owner	53,030,000	15.60%
Mr. Liang Hsien Ting	Beneficial owner	17,775,000	5.22%

Notes:

1. The entire issued share capital of Advance Goal is legally and beneficially owned as to 55%, 35% and 10% by Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily, respectively. Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily are parties acting in concert. Accordingly, Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis, Ms. Liu Lee Lee Lily are deemed to be collectively interested in 147,900,000 Shares held by Advance Goal by virtue of the SFO.
2. Ms. Chow Siu Shan Juliana is the spouse of Mr. Cheng Tsang Wai. Under the SFO, Ms. Chow Siu Shan Juliana is deemed to be interested in the 147,900,000 Shares owned by Mr. Cheng Tsang Wai through Advance Goal.
3. On 11 April 2025, Advance Goal disposed an aggregate of 50,000,000 Shares, representing approximately 14.71% of the issued share capital of the Company, to Mr. Poon Chi Hung Victor (“**Mr. Poon**”). Upon completion of the Disposal, Advance Goal, along with Mr. Cheng Tsang Wai, Mr. Cheng Tsang Fu Dennis and Ms. Liu Lee Lee Lily, ceased to be controlling shareholders (as defined in the GEM Listing Rules) of the Company but remained as the substantial shareholders (as defined in the GEM Listing Rules) of the Company; and Mr. Poon became a substantial shareholder (as defined in the GEM Listing Rules) of the Company, and none of the shareholders of the Company met the definition of controlling shareholder under the GEM Listing Rules.

Saved as disclosed above, as at 31 March 2025, the Directors were not aware of any other person (other than the Directors or chief executives as disclosed in the paragraph headed “Directors’ and Chief Executives’ Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or Its Associated Corporations” above) who had, or deemed to have, interests or short positions in the shares, underlying shares or debentures of the Company which has to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept under Section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the issued shares of the Company.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than as disclosed under the section “Directors’ and Chief Executives’ Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company or Its Associated Corporations” above, at no time during the Year was the Company or any of its subsidiaries, a party to any arrangement to enable the Directors or chief executives of the Company or their respective associates (as defined in the GEM Listing Rules) to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s shares during the Year.

COMPETITION AND CONFLICT OF INTERESTS

Each of the controlling shareholders (as defined under the GEM Listing Rules) of the Company entered into a deed of non-competition dated 19 January 2018 in favour of the Company (the “**Deed of Non-competition**”). Details of the Deed of Non-competition are set out in the section headed “Relationship with our Controlling Shareholders” in the Prospectus.

During the Year, none of the directors, the management shareholders or substantial shareholders of the Company or any of their respective associates has engaged in any business that competes or may compete, either directly or indirectly, with the business of the Group or has any other conflict of interests with the Group.

The Company has received the confirmation from the controlling shareholders in respect of their compliance with the terms of the Deed of Non-competition for the Year. The independent non-executive Directors had reviewed and confirmed that, having made such reasonable enquiries with the controlling shareholders and reviewed such documents as they considered appropriate, nothing has come to their attention that causes them to believe that the terms of the Deed of Non-competition had not been complied with by the controlling shareholders during the Year and the Deed of Non-competition has been enforced by the Company in accordance with its terms for the Year.

AUDIT COMMITTEE

The Company established the audit committee with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and the CG Code as set out in Appendix C1 to the GEM Listing Rules. The terms of reference setting out the audit committee's authority, duties and responsibilities are available on both the websites of the Stock Exchange and the Company. The audit committee has three members comprising the three independent non-executive Directors, namely Mr. Chiu Wai Hon, Mr. Xu Zhi Qiang and Ms. Cheung Kong Hung. The chairman of the audit committee is Mr. Chiu Wai Hon. The Group's annual results for the year ended 31 March 2025 have been reviewed by the audit committee.

SCOPE OF WORK OF CL PARTNERS CPA LIMITED

The figures in respect the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2025 as set out in the preliminary announcement have been agreed by the Group's auditor, CL Partners CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by CL Partners CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by CL Partners CPA Limited on the preliminary announcement.

ANNUAL GENERAL MEETING

The forthcoming annual general meeting (“AGM”) of the Company will be held on Wednesday, 10 September 2025, at 11:00 a.m., at Conference Hall 07, 2/F, Building 10W, 10 Science Park West Avenue, Hong Kong Science Park, Pak Shek Kok, New Territories, Hong Kong. A notice convening the AGM will be published and despatched to the shareholders of the Company in the manner required by the GEM Listing Rules in due course.

DIVIDENDS

The Board does not recommend the payment of any dividend for the year ended 31 March 2025.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Friday, 5 September 2025 to Wednesday, 10 September 2025 (both days inclusive), during which period no transfer of shares will be registered. In order to attend and vote at the AGM, all transfer of shares accompanied by the relevant share certificates and transfer forms must be lodged for registration with the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited (the "**Hong Kong Share Registrar**"), at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Thursday, 4 September 2025.

PUBLICATION OF 2025 ANNUAL REPORT

The 2025 annual report of the Company containing all the information required by the GEM Listing Rules will be despatched to the shareholders of the Company and will also be published on the website of the Company at www.coolpointinnonism.com in due course.

By order of the Board
Coolpoint Innonism Holding Limited
Cheng Tsang Fu Dennis
Chairman and Chief Executive Officer

Hong Kong, 27 June 2025

As at the date of this announcement, the executive directors of the Company are Mr. Cheng Tsang Fu Dennis, Ms. Liu Lee Lily, Mr. Chui Kai Tai, MH and Mr. Lee Chi Wai; the non-executive director of the Company is Prof. Leung Yiu Cheong; and the independent non-executive directors of the Company are Mr. Xu Zhi Qiang, Mr. Chiu Wai Hon and Ms. Cheung Kong Hung.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the Stock Exchange at www.hkexnews.hk for at least seven days from the date of its posting and on the website of the Company at www.coolpointinnonism.com.