SOMERLEY CAPITAL HOLDINGS LIMITED

Somerley Capital Holdings Limited
新百利融資控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8439)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2026

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 companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This announcement, for which the directors of Somerley Capital Holdings 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 (together, the "Group"). The directors of 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.

FINANCIAL HIGHLIGHTS

- The Group continued to derive its revenue primarily from its corporate finance advisory business, recognising total revenue of approximately HK$56.2 million for the Year (2025: approximately HK$51.6 million), representing a year-on-year increase of approximately 8.9%.

- Revenue generated from acting as FA and as IFA for the Year amounted to approximately HK$39.9 million (2025: approximately HK$33.7 million), accounting for approximately 71.0% of the Group's total revenue (2025: approximately 65.3%).

- Revenue generated from acting as CA for the Year amounted to approximately HK$16.0 million (2025: approximately HK$17.3 million), accounting for approximately 28.5% of the Group's total revenue (2025: approximately 33.5%).

- For the Year, the Group recorded a profit before tax of approximately HK$2.1 million (2025: loss before tax of approximately HK$13.9 million) and a profit after tax of approximately HK$2.0 million (2025: loss after tax of approximately HK$13.8 million). The return to profit was primarily attributable to the approximately HK$4.6 million increase in revenue and approximately HK$9.2 million net decrease in employee benefits costs during the Year.

- The Group's net assets as at 31 March 2026 decreased to approximately HK$62.0 million from approximately HK$62.5 million as at 31 March 2025 mainly due to the profit for the Year of approximately HK$2.0 million, with recognition of approximately HK$0.5 million share-based payment expenses absorbed in share option reserve, offset by distribution of 2024–2025 final dividend of approximately HK$2.9 million.

- The Board has recommended the payment of a final dividend of HK2.0 cents per Share for the Year (2025: HK2.0 cents per Share), subject to the approval of the Shareholders at the forthcoming annual general meeting. Such proposed dividend will be payable on 12 August 2026 to the Shareholders whose names appear on the register of members of the Company at close of business on 31 July 2026.

- The Board has recommended the payment of the Special Dividend of HK8.0 cents per Share (being the amount of HK10.0 cents per Share referred to in the Joint Announcement after deducting the amount of the final dividend of HK2.0 cents per Share for the Year) conditional upon (i) the passing by the Shareholders of ordinary resolutions declaring and approving the payment of the Special Dividend at the forthcoming annual general meeting and (ii) the completion of the SPA taking place. Shareholders, whose name appears on the register of members of the Company on the Special Dividend Record Date, being a date that will be prior to the date of completion of the SPA, will be entitled to the Special Dividend.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group is an integrated financial services provider licensed to conduct Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance), Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") and, through its subsidiaries, is principally engaged in providing corporate finance advisory services.

The corporate finance advisory business carried on by Somerley Capital Limited ("SCL") and Somerley Capital (Beijing) Limited is the Group's core business segment. The Group's corporate finance advisory services mainly include (i) acting as financial adviser to Hong Kong public listed companies, major shareholders and investors of these companies and parties seeking to control or invest in listed companies in Hong Kong, mostly in transactions which involve the Rules Governing the Listing of Securities on the Stock Exchange, the GEM Listing Rules and/or the Codes on Takeovers and Mergers and Share Buy-backs; (ii) acting as independent financial adviser to independent board committees and/or independent shareholders of listed companies in Hong Kong; (iii) acting as compliance adviser, for newly listed and existing listed companies in Hong Kong; (iv) acting as sponsor to initial public offerings and listings of shares of companies on the Stock Exchange in Hong Kong and advising on secondary equity issues in Hong Kong; and (v) acting as adviser to cross-border mergers and acquisitions.

Following the pronounced challenges of the 2024–25 period, the Hong Kong corporate finance landscape saw a turning of the tide in 2025–26. The broad-based resurgence of the stock market has restored investor and corporate sentiment, driving a marked increase in the volume of corporate finance activities.

The Group's commitment to delivering high-quality corporate finance advisory services resulted in an improved performance in the second half of the financial year 2024/25 which continued with the first half of the financial year 2025/26, as previously reported. A turnaround to profitability for the whole financial year 2025/26 has now been successfully achieved.

For the year ended 31 March		**2026**			2025	
	1st half	**2nd half**	**Total**	1st half	2nd half	Total
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	**25,618**	**30,545**	**56,163**	24,003	27,593	51,596
Investment income	**679**	**493**	**1,172**	937	934	1,871
Other income and net gain	**259**	**685**	**944**	428	395	823
Employee benefits costs	**(18,945)**	**(21,288)**	**(40,233)**	(26,256)	(23,162)	(49,418)
Depreciation	**(2,966)**	**(2,968)**	**(5,934)**	(3,511)	(3,108)	(6,619)
Other operating expenses	**(3,795)**	**(4,100)**	**(7,895)**	(4,434)	(4,274)	(8,708)
Others* and taxes	**(659)**	**(1,525)**	**(2,184)**	(2,873)	(511)	(3,384)
Profit (loss) after tax	**191**	**1,842**	**2,033**	(11,706)	(2,133)	(13,839)

* Others include finance costs, and impairment losses recognised in respect of intangible asset and trade receivables.

Building upon the turnaround to profit of approximately HK$0.2 million reported in the interim results, the Group is pleased to report a full-year profit of approximately HK$2.0 million for the year ended 31 March 2026 (the "Year"), as compared to the loss of approximately HK$13.8 million noted for the year ended 31 March 2025. This return to profit was underpinned by (i) the approximately HK$4.6 million increase in revenue from the corporate finance advisory business and (ii) the approximately HK$9.2 million net decrease in employee benefits costs resulting from the successful implementation of organisational streamlining initiatives. By refining the Group's workforce composition and calibrating its compensation structures, the Group has created a leaner, more agile platform.

The corporate finance advisory business segment recorded revenue of approximately HK$56.2 million (2025: approximately HK$51.6 million) and a segment profit before tax of approximately HK$5.9 million (2025: segment loss before tax of approximately HK$10.7 million) for the Year. The return to profit was primarily attributable to the increase in revenue and overall decrease in employee benefits cost for the Year. A segment loss before tax of approximately HK$1.9 million (2025: approximately HK$1.9 million) was incurred during the Year by the Group's asset management business, carried on by Environmental Investment Services Asia Limited ("EISAL"). In view of current market conditions, the Group has been proceeding cautiously in examining ways to re-activate its asset management business.

FINANCIAL REVIEW

Revenue

The Group continued to derive its revenue primarily from its corporate finance advisory business, recognising total revenue of approximately HK$56.2 million for the Year (2025: approximately HK$51.6 million), representing a year-on-year increase of approximately 8.9%.

For the year ended 31 March	2026	2025
	HK$'000	*HK$'000*
Corporate finance advisory fee income		
— from acting as financial adviser ("FA")	**18,324**	14,842
— from acting as independent financial adviser ("IFA")	**21,554**	18,853
	39,878	33,695
— from acting as compliance adviser ("CA")	**15,955**	17,313
— others	**330**	588
	56,163	51,596

Revenue generated from acting as FA and as IFA for the Year amounted to approximately HK$39.9 million (2025: approximately HK$33.7 million), accounting for approximately 71.0% of the Group's total revenue (2025: approximately 65.3%). A strong stock market fueled an upsurge in corporate finance deals, leading to the net increase in revenue generated from acting as FA and IFA. This volume-driven expansion compensated for the pricing pressure arising from a continuing competitive landscape in fee levels.

Revenue generated from acting as CA for the Year amounted to approximately HK$16.0 million (2025: approximately HK$17.3 million), accounting for approximately 28.5% of the Group's total revenue (2025: approximately 33.5%). Despite a higher project count for the Year, the Group's revenue generated from acting as CA decreased as a result of competitive pricing pressures.

Investment Income, Other Income and Net Gain

Investment income represents interest income, dividend income, and trading gain in respect of the Group's proprietary trading under its liquidity management. Other income and net gain mainly represents management service fee income from Somerley Group Limited ("SGL"), rental income and reimbursement of other premises expenses from SGL and net exchange difference.

For the year ended 31 March	2026	2025
	HK$'000	*HK$'000*
Investment income		
Interest income	**1,082**	1,508
Dividends from financial assets at fair value through profit or loss	**12**	64
Fair value gain of financial assets at fair value through profit or loss	**78**	299
	1,172	1,871
Other income and net gain		
Management fee income from ultimate holding company	**120**	135
Office sharing income and reimbursement of other premises expenses from ultimate holding company	**732**	742
Exchange gain (loss), net	**29**	(54)
Gain on early termination of a lease	**63**	—
	944	823

The decrease in investment income was mainly due to lower interest income from bank deposits amid the global decline in interest rates during the Year.

Employee Benefits Costs

The Group's employee benefits costs primarily consist of fees, salaries, bonuses and allowances, contributions to the retirement benefits scheme and share-based payment expenses for the Directors and the employees of the Group.

For the year ended 31 March	**2026**	2025
	HK$'000	*HK$'000*
Fees, salaries, allowances and other benefits	**34,936**	44,186
Discretionary bonuses	**3,735**	1,647
Contributions to the retirement benefits scheme	**1,098**	1,151
Share-based payment expenses	**464**	1,635
Severance payments	—	799
	40,233	49,418

Employee benefits costs decreased by approximately 18.6% to approximately HK$40.2 million for the Year from approximately HK$49.4 million for the year ended 31 March 2025. The net decrease was primarily attributable to reduced fees and salaries following organisational streamlining initiatives undertaken in December 2024. There was also a decrease in share-based payment expenses as the amortisation of prior grants tapered off near the end of their vesting periods, partially offset by an increase in discretionary bonuses recognised during the Year.

Depreciation and Other Operating Expenses

The Group adopted HKFRS 16 under which the present value of total rental expenses of all non-cancellable operating leases are recorded as right-of-use assets and will be depreciated over the lease terms. Other operating expenses mainly consist of recurring GEM listing expenses, travelling expenses, professional fees, other premises expenses, information technology related expenses, insurance expenses and other administrative expenses.

For the year ended 31 March	**2026**	2025
	HK$'000	*HK$'000*
Depreciation of property and equipment	**489**	555
Depreciation of right-of-use assets	**5,445**	6,064
	5,934	6,619
Other premises expenses	**1,827**	2,114
Insurance expenses	**471**	1,114
Introduction expenses	**98**	204
IT-related expenses	**1,506**	1,299
Recurring GEM listing expenses (excluding remuneration of independent non-executive directors)	**1,321**	1,375
Others	**2,672**	2,602
	13,829	15,327

The Group's depreciation and other operating expenses decreased by approximately 9.8% to approximately HK$13.8 million for the Year from approximately HK$15.3 million for the year ended 31 March 2025. The decrease in operating expenses was primarily attributable to lower rentals upon the execution of a new office lease in Beijing since April 2025 and lower group medical insurance costs following a revision of the company's healthcare benefit structures.

Impairment loss recognised in respect of trade receivables

The Group recognises impairment loss in respect of trade receivables arising from its ordinary business by estimating expected credit losses in accordance with HKFRS 9. For the year ended 31 March 2025, approximately HK$1.5 million further impairment provision was made on trade receivables due from one significant debtor. In respect of this material debtor balance, the unsettled and fully impaired balance was approximately HK$3.6 million as at 31 March 2026. During the Year, the amount comprised a general provision for expected credit losses only.

Income tax expense

The Group's income tax expense primarily includes provisions for Profits Tax in Hong Kong and Corporate Income Tax in the People's Republic of China, and deferred income tax expenses.

Profit for the Year

For the Year, the Group recorded a profit before tax of approximately HK$2.1 million (2025: loss before tax of approximately HK$13.9 million) and a profit after tax of approximately HK$2.0 million (2025: loss after tax of approximately HK$13.8 million). The return to profit was primarily attributable to the approximately HK$4.6 million increase in revenue and approximately HK$9.2 million net decrease in employee benefits costs during the Year.

OUTLOOK AND PROSPECTS

Coming off a strong performance particularly in the second half of FY2026, the Group's core advisory business is well placed for the 1H of FY2027, with mandates in hand running at an encouraging level, while not including deals of the largest size completed in the second half of FY2026.

On 4 May 2026, as Shareholders of the Company (the "Shareholders") are aware, the Joint Announcement (as defined in the section headed "Possible change of control of the Company" below) of the SPA (as defined in the section headed "Possible change of control of the Company" below) was released. The SPA covers the sale of 51.9% of the ordinary shares of the Company (the "Shares") by SGL. The SPA is conditional and regular updates of progress are being published monthly. If completed, a mandatory general offer will be triggered at a price of HK$0.818 per Share in cash. Trading in the Shares has become more active since the Joint Announcement and the Group looks forward to an exciting new chapter ahead.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group's working capital and other capital requirements were principally satisfied by liquidity on hand and cash generated from the Group's operations.

As at 31 March 2026, the Group's net current assets amounted to approximately HK$55.9 million (2025: approximately HK$56.5 million), and liquidity as represented by its current ratio was approximately 6.7 times (2025: approximately 7.6 times). Cash and cash equivalents amounted to approximately HK$53.4 million as at 31 March 2026 (2025: approximately HK$51.6 million). The functional currency of the Group is Hong Kong dollars. As at 31 March 2026, approximately HK$26.6 million of the Group's cash and cash equivalents was denominated in other currencies (2025: approximately HK$2.1 million), principally Renminbi and United States Dollars.

The Group's equity consists of the Shares. During the Year, no new Shares were issued while net proceeds of approximately HK$0.2 million was raised by issue of new Shares pursuant to the exercise of share options during the year ended 31 March 2025. The Group had neither banking facilities nor borrowings as at 31 March 2025 and 2026.

The Directors are of the view that the Group's financial resources are fully sufficient to support its business and operations.

FOREIGN EXCHANGE EXPOSURE

The majority of the Group's revenue is denominated in Hong Kong dollars and the Group's accounts are prepared in Hong Kong dollars. Consequently, exposure to the risk of foreign exchange rate fluctuations for the Group is not material.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group had no material capital commitment as at 31 March 2026 (2025: nil). The Group did not have plans for material investments or capital assets as at 31 March 2026 and up to the date of this announcement.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES OR JOINT VENTURES

Save as disclosed in this announcement, there were no material acquisitions and disposals of subsidiaries, associates or joint ventures by the Group during the Year.

SIGNIFICANT INVESTMENTS

Except for investments in subsidiaries and interests in associates, the Group did not hold any significant investments during the Year.

CHARGE ON ASSETS & CONTINGENT LIABILITIES

As at 31 March 2026, the Group did not have any charges on its assets (2025: nil) or material contingent liabilities (2025: nil).

GEARING RATIO

As at 31 March 2026, the Group did not have any borrowings (2025: nil) and hence a gearing ratio (a ratio of total borrowings to total assets) is not applicable.

DIVIDEND

The Board has recommended the payment of a final dividend of HK2.0 cents per Share for the Year (the "Final Dividend") (2025: HK2.0 cents per Share), subject to the approval of the shareholders at the forthcoming annual general meeting. Such proposed Final Dividend will be payable on 12 August 2026 to the Shareholders whose names appear on the register members of the Company at close of business on 31 July 2026. The Final Dividend will absorb approximately HK$2.9 million (2025: approximately HK$2.9 million) as at the date of this announcement.

The Board has recommended the payment of the Special Dividend of HK8.0 cents per Share (being the amount of HK10.0 cents per Share referred to in the Joint Announcement (as defined in the section headed "Possible change of control of the Company" below) after deducting the amount of the Final Dividend of HK2.0 cents per Share for the Year) conditional upon (i) the passing by the Shareholders of ordinary resolutions declaring and approving the payment of the Special Dividend at the forthcoming annual general meeting and (ii) the completion of the SPA (as defined in the section headed "Possible change of control of the Company" below) taking place. Shareholders, whose name appears on the register of members of the Company on the record date of the Special Dividend (the "Special Dividend Record Date"), being a date that will be prior to the date of completion of the SPA, will be entitled to the Special Dividend. The Special Dividend will absorb approximately HK$11.7 million as at the date of this announcement.

The Company will make further announcement in respect of the details of the Special Dividend Record Date and the expected payment date in due course and in accordance with the Company's articles of association, applicable laws and regulations and the GEM Listing Rules.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties to which the Group is subject are summarised as follows:

(i) The Group's corporate finance advisory segment accounts for its major operations and contributes a majority of its financial performance. The revenue generated from corporate finance advisory businesses is unpredictable and volatile owing to the economic and financial environments. The corporate finance industry is (a) in general highly competitive, affecting the Group's profit margins; and (b) strictly regulated so that any non-compliance (either by the Group or by its employees) or changes of laws, rules or regulation may have material and adverse impact and consequences;

(ii) Delays or terminations of transactions or defaults or delays in payments by clients may have an adverse impact on the Group's financial performance;

(iii) The Group's business continuity is reliant on key management personnel. Failure to retain and motivate them or to attract suitable replacements would have an adverse impact on operations;

(iv) The trademark used by SCL is subject to the trademark usage agreement and such non-exclusive trademark may be adversely affected by acts of SGL;

(v) Potential exposure to professional liability and litigation;

(vi) The Group's internal control system may be subject to failures and limitations; and

(vii) The Group may experience failure in or disruption to its computer systems and data storage.

TREASURY POLICIES

The Group has adopted a prudent approach on treasury management for the purpose of maintaining a healthy liquidity position. The Group closely monitors the liquidity position of the Group to ensure that the liquidity structure of the Group's assets, liabilities and other commitments is consistently able to meet its funding requirements. The credit risk facing the Group is primarily attributable to bank balances and trade receivables. Bank balances are held with leading licensed banks in Hong Kong. The management of the Group regularly reviews the recoverable amount of each individual trade receivable to monitor prompt recovery and if necessary to make adequate impairment losses for irrecoverable amounts.

EMPLOYEES AND REMUNERATION POLICIES

The Group had 37 employees as at 31 March 2026 (2025: 40) and the total employee benefits costs amounted to approximately HK$40.2 million for the Year (2025: approximately HK$49.4 million).

The Group's remuneration policies are in line with the prevailing market practices and the employees' compensation packages are determined on the basis of work performance, market standard of remuneration, qualification and experience of individual employees. The Group provides retirement benefits in accordance with the relevant laws and regulations in the place where the staff is employed. The share option scheme adopted in September 2023 is in place to motivate, reward and retain employees of the Group. The Group also develops training programs for its employees or sponsors the employees to attend various job-related training courses.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The major laws and regulations that have a significant impact on the Group's business include the Companies Ordinance, the SFO, the Anti-Money Laundering and Counter-Terrorist Financing Ordinance, the Rules Governing the Listing of Securities on the Stock Exchange and GEM Listing Rules. As far as the Board and the Group's management are aware, the Group has complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the Year, there was no material breach of, or non-compliance with, applicable laws and regulations by the Group.

POSSIBLE CHANGE OF CONTROL OF THE COMPANY

The Company was notified by SGL (controlling Shareholder of the Company, the "Seller") and Sky Links Group Limited (the "Offeror") that they had entered into a sale and purchase agreement dated 28 April 2026 pursuant to which the Seller has conditionally agreed to sell and the Offeror has conditionally agreed to acquire 75,959,948 Shares (representing approximately 51.9% of the total issued Shares as of the date of the Joint Announcement (as defined below)) of the Company at a total cash consideration of HK$62,132,430 (the "SPA"). Pursuant to Rule 26.1 of the Hong Kong Code on Takeovers and Mergers (the "Takeovers Code"), upon completion of the SPA, the Offeror will be required to make an unconditional mandatory cash offer for all the issued Shares of the Company (other than those already owned or agreed to be acquired by the Offeror and the parties acting in concert with it) and to cancel all outstanding share options of the Company (the "Offers"). The Company issued a joint announcement with the Offeror dated 4 May 2026 (the "Joint Announcement") in relation to, amongst other things, the SPA and the Offers. Details of the terms of the SPA and the Offers are set out in the Joint Announcement.

As disclosed in the Joint Announcement, a special dividend (the "Special Dividend", being HK10 cents per Share adjusted for any final dividend for the Year recommended by the Board) is intended to be recommended. Payment of the Special Dividend is conditional upon (i) the passing by the Shareholders of ordinary resolutions declaring and approving the payment of the Special Dividend and (ii) completion of the SPA taking place. Details of the Special Dividend are set out in the Joint Announcement.

As disclosed in the Company's announcement dated 12 June 2026, an independent board committee (the "IBC") comprising Mr. CHENG Yuk Wo, Mr. YUEN Kam Tim Francis and Ms. KHOO Pui Wun, each an independent non-executive Director who has no direct or indirect interest in the Offers, has been established to make recommendations to the Shareholders and optionholders other than the Offeror and the parties acting in concert with it as to whether the Offers are fair and reasonable and as to acceptance of the Offers in accordance with Rules 2.1 and 2.8 of the Takeovers Code. The IBC has approved the appointment of Amasse Capital Limited, a corporation licensed under the SFO to carry on Type 6 (advising on corporate finance) regulated activities, as the independent financial adviser to advise the IBC in respect of the Offers, in particular as to whether the Offers are fair and reasonable and as to acceptance of the Offers.

Up to the date of this announcement, the SPA has not been completed.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 March 2026

	NOTES	2026 HK$'000	2025 HK$'000
Revenue	4	**56,163**	51,596
Investment income	5	**1,172**	1,871
Other income and net gain	5	**944**	823
Employee benefits costs		**(40,233)**	(49,418)
Depreciation		**(5,934)**	(6,619)
Finance costs on lease liabilities		**(891)**	(1,036)
Impairment loss recognised in respect of intangible asset	12	**—**	(100)
Impairment loss recognised in respect of trade receivables	13	**(1,276)**	(2,263)
Other operating expenses		**(7,895)**	(8,708)
Profit (loss) before tax	6	**2,050**	(13,854)
Income tax (expense) credit	7	**(17)**	15
Profit (loss) for the year		**2,033**	(13,839)
Other comprehensive income (loss)			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of financial statements of foreign operations		**9**	(3)
Total comprehensive income (loss) for the year		**2,042**	(13,842)
Profit (loss) for the year attributable to:			
Owners of the Company		**2,072**	(13,809)
Non-controlling interests		**(39)**	(30)
		2,033	(13,839)

	NOTES	**2026** HK$'000	2025 HK$'000
Total comprehensive income (loss) for the year attributable to:			
Owners of the Company		**2,081**	(13,812)
Non-controlling interests		**(39)**	(30)
		2,042	(13,842)
Earnings (loss) per share			
— basic and diluted *(HK cents)*	*9*	**1.41**	(9.41)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	NOTES	**2026** **HK$'000**	2025 *HK$'000*
Non-current assets			
Property and equipment		**880**	1,112
Right-of-use assets	*10*	**7,150**	11,818
Goodwill	*11*	**—**	—
Intangible asset	*12*	**1,200**	1,200
Rental deposits	*13*	**1,824**	1,817
Deferred tax assets		**64**	81
		11,118	16,028
Current assets			
Trade receivables	*13*	**9,815**	8,074
Prepayments, deposits and other receivables	*13*	**1,827**	3,467
Financial assets at fair value through profit or loss	*14*	**526**	523
Amount due from ultimate holding company		**150**	1,313
Tax recoverable		**10**	66
Cash and cash equivalents		**53,404**	51,624
		65,732	65,067
Current liabilities			
Contract liability		**389**	399
Other payables and accruals		**3,598**	2,691
Lease liabilities	*10*	**5,799**	5,471
		9,786	8,561
Net current assets		**55,946**	56,506
Total assets less current liabilities		**67,064**	72,534

	NOTES	2026 HK$'000	2025 HK$'000
Non-current liabilities			
Lease liabilities	*10*	**1,864**	6,784
Provision for long service payment		**683**	716
Provision for reinstatement cost		**2,300**	2,300
Deferred tax liabilities		**197**	197
		5,044	9,997
Net assets		**62,020**	62,537
Capital and reserves			
Share capital	*15*	**1,467**	1,468
Treasury shares		**(79)**	(11)
Reserves		**60,615**	61,024
Equity attributable to the owners of the Company		**62,003**	62,481
Non-controlling interests		**17**	56
Total equity		**62,020**	62,537

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

1. GENERAL

The Company was incorporated on 21 April 2016 in the Cayman Islands as an exempted company with limited liability under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and the shares of the Company are listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its parent and ultimate holding company is Somerley Group Limited ("SGL"), a company incorporated in Hong Kong with limited liabilities. The addresses of the registered office and the principal place of business of the Company are disclosed in the corporate information section to the annual report.

The Company is principally engaged in investment holding. The Group's operating subsidiaries are mainly engaged in the provision of corporate finance advisory services and asset management services.

These consolidated financial statements are 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.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS ("HKFRSs")

In the current year, the Group has applied, for the first time, the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") which are effective for the Group's financial year beginning on 1 April 2025:

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to HKFRSs has had no material impact on the Group's financial performance and position for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs issued but not yet effective

The Group has not early applied the following new and amendments to HKFRSs 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[1]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[1]
Annual improvements to HKFRS Accounting Standards — Volume 11	Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7[1]
HKFRS 18 and consequential amendments to other HKFRS Accounting Standards	Presentation and Disclosure in Financial Statements[2]
HKFRS 19 and subsequent amendments	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]

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

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

HKFRS 18 Presentation and Disclosure in Financial Statements and consequential amendments to other HKFRSs

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements ("HKAS 1"). It carries forward many requirements from HKAS 1 unchanged. HKFRS 18 brings major changes to the consolidated statement of profit or loss and other comprehensive income and notes to the consolidated financial statements as follows:

(a) HKFRS 18 requires an entity:

 (i) to classify income and expenses into operating, investing and financing categories in the consolidated statement of profit or loss and other comprehensive income, plus income taxes and discontinued operations;

 (ii) to present two new defined subtotals, namely, operating profit or loss and profit or loss before financing and income taxes.

(b) It requires an entity to disclose management-defined performance measures ("MPM") and reconciliations between MPM and subtotals listed in HKFRS 18 or totals or subtotals required by HKFRSs.

(c) It sets out requirements to help an entity determine whether information about items should be in the primary financial statements or in the notes and provides principles for determining the level of detail needed for the information.

HKFRS 18 also set out classification requirements for foreign exchange differences, the gain or loss on the net monetary position, and gains and losses on derivatives and designated hedging instruments.

In addition, some paragraphs in HKAS 1 have been moved to HKAS 8 Basis of Preparation of Financial Statements and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18 and consequential amendments to other HKFRSs are effective for annual reporting 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 statement of comprehensive income and disclosures in the future consolidated financial statements. The Group is in the process of assessing the detailed impact on the consolidated financial statements.

3. SEGMENT INFORMATION

Information reported to the management of the Group, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of services provided. The directors of the Company have chosen to organise the Group around differences in services.

During the years ended 31 March 2026 and 2025, the directors of the Company have organised the Group into different segments by types of services provided.

Specifically, the Group's reportable segments are as follows:

1. Corporate finance advisory service

2. Asset management service

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

	For the year ended 31 March 2026			For the year ended 31 March 2025		
	Corporate finance advisory service	**Asset management service**	**Total**	Corporate finance advisory service	Asset management service	Total
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue	**56,163**	**—**	**56,163**	51,596	—	51,596
Segment profit (loss)	**5,917**	**(1,947)**	**3,970**	(10,688)	(1,945)	(12,633)
Investment income			**1,172**			1,871
Corporate and other unallocated expenses			**(3,092)**			(3,092)
Profit (loss) before tax			**2,050**			(13,854)

The account policies of the operating segments are the same as the Group's accounting policies. Segment profit (loss) represents the profit (loss) from each segment without allocation of certain investment income and central administration costs. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment. No analysis of segment asset and segment liability is presented as the chief operating decision maker no longer regularly reviews such information for the purpose of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

Other segment information

For the year ended 31 March 2026	**Corporate finance advisory service** *HK$'000*	**Asset management service** *HK$'000*	**Corporate** *HK$'000*	**Total** *HK$'000*
Amounts included in the measure of segment profit or loss:				
Depreciation of property and equipment	**489**	**—**	**—**	**489**
Depreciation of right-of-use assets	**4,247**	**233**	**965**	**5,445**
Impairment loss recognised in respect of trade receivables	**1,276**	**—**	**—**	**1,276**
Interest income	**—**	**—**	**1,082**	**1,082**

For the year ended 31 March 2025	Corporate finance advisory service *HK$'000*	Asset management service *HK$'000*	Corporate *HK$'000*	Total *HK$'000*
Amounts included in the measure of segment profit or loss:				
Depreciation of property and equipment	514	—	41	555
Depreciation of right-of-use assets	4,781	249	1,034	6,064
Impairment loss recognised in respect of intangible asset	—	100	—	100
Impairment loss recognised in respect of trade receivables	2,263	—	—	2,263
Interest income	—	—	1,508	1,508

Geographical information

No geographical segment analysis on revenue and assets are provided as substantially all of the Group's revenue are derived from Hong Kong and non-current assets are substantially located in Hong Kong.

Information about major customers

No customer accounted for 10% or more of the Group's revenue for the years ended 31 March 2026 and 2025.

4. REVENUE

An analysis of the Group's revenue for the year is as follows:

	2026	2025
	HK$'000	*HK$'000*
Corporate finance advisory fee income		
— from acting as financial adviser	**18,324**	14,842
— from acting as independent financial adviser	**21,554**	18,853
— from acting as compliance adviser	**15,955**	17,313
— others	**330**	588
	56,163	51,596

Disaggregation of revenue by timing of recognition:

	2026	2025
	HK$'000	*HK$'000*
Timing of revenue recognition		
Over time	**55,963**	49,772
At a point in time (fee income from acting as financial adviser)	**200**	1,824
	56,163	51,596

Transaction price allocated to the remaining performance obligations

As at 31 March 2026, the aggregate amount of transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) is approximately HK$24,606,000 (2025: HK$16,038,000). The amount represents revenue expected to be recognised in the future from corporate finance advisory services as follows:

	2026	2025
	HK$'000	*HK$'000*
Remaining performance obligations expected to be satisfied:		
from 1 April 2025 to 31 March 2026	**—**	14,145
from 1 April 2026 to 31 March 2027	**19,970**	1,810
from 1 April 2027 to 31 March 2028	**4,202**	83
from 1 April 2028 to 31 March 2029	**434**	—
	24,606	16,038

The above amounts do not include variable consideration which is constrained.

5. INVESTMENT INCOME AND OTHER INCOME AND NET GAIN

	2026 *HK$'000*	2025 *HK$'000*
Investment income		
Interest income	**1,082**	1,508
Dividends from financial assets at fair value through profit or loss	**12**	64
Fair value gain on financial assets at fair value through profit or loss	**78**	299
	1,172	1,871

	2026 *HK$'000*	2025 *HK$'000*
Other income and net gain		
Management fee income from ultimate holding company	**120**	135
Office sharing income and reimbursement of other premises expenses from ultimate holding company	**732**	742
Exchange gain (loss), net	**29**	(54)
Gain on early termination of a lease	**63**	—
	944	823

6. PROFIT (LOSS) BEFORE TAX

	2026 *HK$'000*	2025 *HK$'000*
Profit (loss) before tax has been arrived at after charging (crediting):		
Directors' emoluments	**12,816**	12,514
Other employee's emoluments		
Salaries, allowances and benefits in kind	**23,626**	32,731
Discretionary bonuses	**2,463**	1,430
Contributions to retirement benefits scheme	**1,026**	1,095
Provision for long service payment	**(33)**	222
Equity-settled share-based payment expenses	**335**	1,426
Total employee benefits costs	**40,233**	49,418
Auditor's remuneration	**440**	450
Depreciation for property and equipment	**489**	555
Depreciation for right-of-use assets	**5,445**	6,064
Impairment loss recognised in respect of intangible asset	**—**	100
Impairment loss recognised in respect of trade receivables	**1,276**	2,263

7. INCOME TAX EXPENSE (CREDIT)

	2026	2025
	HK$'000	*HK$'000*
Current income tax:		
People's Republic of China	**—**	—
Over provision in prior years:		
Hong Kong	**—**	(4)
People's Republic of China	**—**	(5)
Deferred taxation	**17**	(6)
	17	(15)

Under the two-tiered profits tax rates regime, the first HK$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. No provision for Hong Kong profits tax has been made as accumulated tax losses brought forward exceed the estimated assessable profits for the year ended 31 March 2026 (2025: the Group did not generate any assessable profits arising in Hong Kong).

Under the Law of the People's Republic of China ("PRC") on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25%. No provision for PRC Enterprise Income Tax has been made for the years ended 31 March 2026 and 2025 as the Group's subsidiary established in the PRC had no assessable profits arising in the PRC.

The income tax expense for the year can be reconciled to the profit (loss) before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2026	2025
	HK$'000	*HK$'000*
Profit (loss) before tax	**2,050**	(13,854)
Tax at domestic income tax rate of 16.5% (2025: 16.5%)	**338**	(2,286)
Tax effect of expenses not deductible	**99**	284
Tax effect of income not taxable for tax purpose	**(197)**	(259)
Over provision in respect of prior years	**—**	(9)
Tax effect of tax loss not recognised	**371**	1,953
Utilisation of tax losses previously not recognised	**(726)**	—
Tax effect of deductible temporary difference not recognised	**132**	302
Income tax expense (credit)	**17**	(15)

At the end of the reporting period, the Group has estimated tax losses of approximately HK$37,296,000 (2025: HK$39,449,000) that are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax asset has not been recognised due to the unpredictability of future profit streams. As at 31 March 2026, the unrecognised tax losses of approximately HK$124,000 (2025: approximately HK$28,000) will expire within five years and the remaining tax losses may be carried forward indefinitely.

8. DIVIDENDS

	2026	2025
	HK$'000	*HK$'000*
Dividends recognised as distribution during the year:		
— 2025 Final — HK2.0 cents (2025: 2024 final dividend — HK2.5 cents) per share	**2,934**	3,679

Subsequent to the end of the reporting period, a final dividend of HK2.0 cents (2025: HK2.0 cents) per share in respect of the year ended 31 March 2026 has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

Subsequent to the end of the reporting period, the board of directors has recommended the payment of a special dividend of HK8.0 cents per share conditional upon (i) the passing by the shareholders of ordinary resolutions declaring and approving the payment of the special dividend at the forthcoming general meeting and (ii) the completion of the SPA taking place.

9. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted earnings (loss) per share attributable to the owners of the Company is based on the following data:

	2026	2025
	HK$'000	*HK$'000*
Earnings (loss)		
Earnings (loss) attributable to the owners of the Company, used in the basic and diluted earnings (loss) per share calculation	**2,072**	(13,809)

	Number of shares	
	2026	2025
Shares		
Weighted average number of ordinary shares during the year used in the basic and diluted earnings (loss) per share calculation *('000)*	**146,676**	146,769

Note: For the year ended 31 March 2026, diluted earnings per share is same as basic earnings per share. The computation of diluted earnings per share does not assume the exercise of the Company's outstanding options since their exercise price is higher than the average market price of the Company's share during the year ended 31 March 2026.

For the years ended 31 March 2025, diluted loss per share is same as basic loss per share. The computation of diluted loss per share does not assume the exercise of the Company's outstanding share options since their assumed exercise would result in a decrease in loss per share.

10. LEASES

(i) Right-of-use assets

	2026	2025
	HK$'000	*HK$'000*
Land and buildings	**7,150**	11,818

The Group has lease arrangements for land and buildings. The lease terms are three years (2025: three years). The payment terms of lease are fixed with no extension option.

Additions to the right-of-use assets for the year ended 31 March 2026 amounted to approximately HK$1,221,000 (2025: HK$15,078,000), due to entering into a new lease agreement of land and buildings (2025: renewal of existing leases of land and buildings).

(ii) Lease liabilities

	2026	2025
	HK$'000	*HK$'000*
Analysed as:		
— non-current	**1,864**	6,784
— current	**5,799**	5,471
	7,663	12,255

Amounts payable under lease liabilities:

	2026	2025
	HK$'000	*HK$'000*
Within one year	**5,799**	5,471
After one year but within two years	**1,864**	5,365
After two years but within five years	**—**	1,419
	7,663	12,255
Less: Amount due for settlement within 12 months	**(5,799)**	(5,471)
Amount due for settlement after 12 months	**1,864**	6,784

The incremental borrowing rates used for determination of the present value of the remaining lease payments were ranged from 2.65% to 9.11% (2025: 9.11% to 10.97%) per annum.

(iii) Amounts recognised in profit or loss

	2026	2025
	HK$'000	*HK$'000*
Depreciation expense on right-of-use assets	**5,445**	6,064
Interest expenses on lease liabilities	**891**	1,036

(iv) Others

During the year ended 31 March 2026, the total cash outflow for leases including interest paid on lease liabilities and payment of lease liabilities amounted to approximately HK$6,199,000 (2025: HK$6,944,000).

11. GOODWILL

	HK$'000
COST	
At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026	1,123
IMPAIRMENT	
At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026	1,123
CARRYING VALUE	
At 31 March 2026	—
At 31 March 2025	—

For the purposes of impairment testing, goodwill set out above has been allocated to the CGU, relating to the asset management service segment.

Based on the profit forecast prepared by the management, the recoverable amount, which was primarily affected by lack of new subscription for the investment fund and the increasingly competitive business environment of asset management service, was estimated to be less than its carrying amount.

12. INTANGIBLE ASSET

	HK$'000
COST	
At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026	9,000
IMPAIRMENT	
At 1 April 2024	7,700
Impairment recognised during the year	100
At 31 March 2025, 1 April 2025 and 31 March 2026	7,800
CARRYING VALUE	
At 31 March 2026	1,200
At 31 March 2025	1,200

The intangible asset represents licences for regulated activities issued by the SFC ("Licences").

The Licences are considered by the directors of the Company as having indefinite useful lives because it is expected that the Licences will continue to be valid and will contribute net cash inflows for the Group in the foreseeable future. The Licences will not be amortised until their useful lives are determined to be finite. Instead they will be tested for impairment annually and whenever there is an indication that they may be impaired.

As at 31 March 2026 and 2025, the management of the Group conducted an impairment assessment on intangible asset which has been allocated to the CGUs, relating to the asset management service segment. The management of the Group assessed the recoverable amount of intangible asset with reference to the fair value less cost of disposal based on Level 3 hierarchy using replacement cost approach with key assumptions in relation to labour expense. Such estimation is based on the unit's past experience and management's expectations for the market and regulatory development. As at 31 March 2026, the carrying amounts of the intangible asset approximated their recoverable amounts and no impairment losses (2025: HK$100,000) was recognised during the year ended 31 March 2026 with reference to the fair value less cost of disposal. The carrying amounts of intangible asset after impairment amounted to HK$1,200,000 (2025: HK$1,200,000).

13. TRADE RECEIVABLES AND PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2026	2025
	HK$'000	*HK$'000*
Trade receivables *(note)*	**14,797**	12,467
Less: Impairment allowance *(note)*	**(4,982)**	(4,393)
	9,815	8,074

	2026 *HK$'000*	2025 *HK$'000*
Prepayments, deposits and other receivables:		
Analysed as:		
— non-current assets (rental deposits)	**1,824**	1,817
— current assets	**1,827**	3,467
	3,651	5,284

	2026 *HK$'000*	2025 *HK$'000*
Deposits and other receivables	**1,952**	1,950
Prepayments	**898**	1,533
Receivables from brokers	**801**	1,801
	3,651	5,284

The ECL on receivables from brokers and deposits and other receivables are estimated individually by reference to past experience of default and general economic condition of the industry at the reporting date. There has not been a significant change in the credit risk since initial recognition. The Group estimated the 12-month ECL on deposits and other receivables and receivables from brokers were not significant.

Note:

The trade receivables are, in general, due upon the issuance of invoices. The Group does not hold any collateral over these balances. The following is an ageing analysis of trade receivables net of allowance for impairment of trade receivables presented based on the invoice date.

	2026 *HK$'000*	2025 *HK$'000*
Within 90 days	**8,281**	6,393
91–180 days	**826**	1,455
181–270 days	**703**	153
Over 270 days	**5**	73
Total	**9,815**	8,074

The Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated collectively grouped by past due status. In determining the expected loss rates, the management considers the using a provision matrix by reference to ageing of the trade receivables, historical settlement records, subsequent settlement status, expected timing and amount of realisation of outstanding balances as well as forward looking information that may impact the customers' ability to repay the outstanding balances at the reporting date.

At 31 March 2026

	Weighted average expected loss rate %	Gross carrying amount HK$'000	Loss allowance HK$'000
Less than 90 days past due	**1.97**	**8,447**	**166**
91–180 days past due	**10.59**	**924**	**98**
181–270 days past due	**43.76**	**1,250**	**547**
271–365 days past due	**85.71**	**35**	**30**
More than 365 days past due	**100.00**	**4,141**	**4,141**
		14,797	**4,982**

At 31 March 2025

	Weighted average expected loss rate %	Gross carrying amount HK$'000	Loss allowance HK$'000
Less than 90 days past due	0.75	6,441	48
91–180 days past due	4.78	1,528	73
181–270 days past due	26.44	208	55
271–365 days past due	63.50	200	127
More than 365 days past due	100.00	4,090	4,090
		12,467	4,393

The movement in the allowance for impairment of trade receivables is set out below:

	2026 *HK$'000*	2025 *HK$'000*
At the beginning of the year	**4,393**	2,947
Impairment losses recognised on trade receivables	**1,276**	2,263
Amount written-off as uncollectible	**(687)**	(817)
At the end of the year	**4,982**	4,393

During the year ended 31 March 2026, trade receivables of approximately HK$687,000 (2025: HK$817,000) were written off. The Group writes off trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings. None of the trade receivables that have been written off is subject to enforcement activities.

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2026	2025
	HK$'000	*HK$'000*
Financial assets mandatorily measured at fair value through profit or loss		
— Listed equity securities, Hong Kong	**526**	523
— Unlisted equity investment *(note)*	**—**	—
	526	523

Note:

As at 31 March 2026 and 2025, the Directors considered that there is evidence indicating that the unlisted equity investment in Ace Eight Acquisition Corporation has no realistic prospect of recovery. As such, the Directors considered that the fair value of the investment was nil.

15. SHARE CAPITAL

Details of the share capital of the Company are as follows:

	Number of shares	**Amount**
	'000	*HK$'000*
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026	200,000	2,000
Issued and fully paid:		
At 1 April 2024	145,543	1,455
Exercise of share options *(note i)*	1,777	18
Share repurchase *(note ii)*	(558)	(5)
At 31 March 2025 and 1 April 2025	146,762	1,468
Share repurchase *(note iii)*	(56)	(1)
At 31 March 2026	146,706	1,467

Details of the treasury shares of the Company are as follows:

	Number of shares repurchased *'000*	Amount *HK$'000*
At 1 April 2024	—	—
Shares repurchased *(note ii)*	586	6
Cancellation of repurchased shares *(note ii)*	(558)	(5)
At 31 March 2025 and 1 April 2025	28	1
Shares repurchased *(note iii)*	258	2
Cancellation of repurchased shares *(note iii)*	(56)	(1)
At 31 March 2026	230	2

Notes:

(i) During the year ended 31 March 2025, share options were exercised at subscription price of approximately HK$0.09 per ordinary share, resulting in the issue of 1,776,970 ordinary shares for proceeds of approximately HK$161,000. An amount of approximately HK$674,000 was transferred from share option reserve to the share premium account upon exercise of the share options.

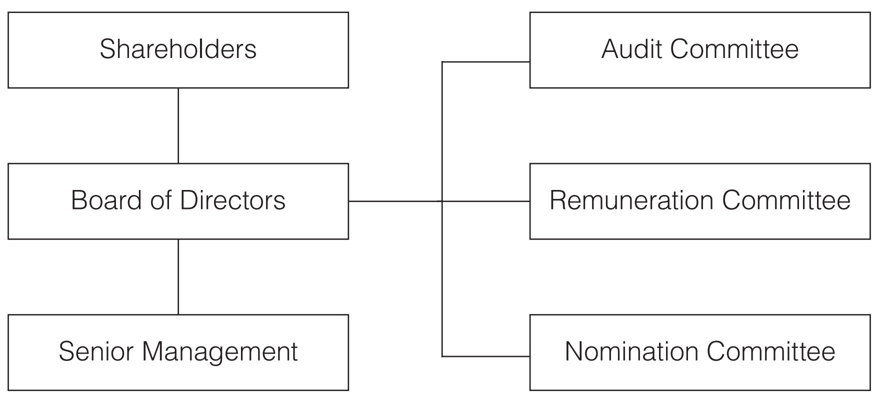
(ii) In accordance with shareholders' resolutions passed by the shareholders of the Company at the annual general meetings held on 15 September 2023 and 10 September 2024, the directors of the Company were granted a general mandate to repurchase shares not exceeding 10% of its issued shares as at the date of passing that resolution. A total of 178,000 and 408,000 shares were repurchased by the Company pursuant to the mandates granted at a total consideration of approximately HK$88,000 and HK$167,000, respectively, during the year ended 31 March 2025. 170,000, 8,000, 302,000 and 78,000 repurchased shares were cancelled in August 2024, September 2024, January 2025 and March 2025 respectively. As at 31 March 2025, 28,000 shares were repurchased but not yet cancelled and subsequently cancelled on 20 June 2025.

(iii) In accordance with shareholders' resolutions passed by the shareholders of the Company at the annual general meetings held on 10 September 2024 and 29 September 2025, the directors of the Company were granted a general mandate to repurchase shares not exceeding 10% of its issued shares as at the date of passing that resolution. A total of 28,000 and 230,000 shares were repurchased by the Company pursuant to the mandates granted at a total consideration of approximately HK$10,000 and HK$79,000, respectively, during the year ended 31 March 2026. 56,000 repurchased shares were cancelled in June 2025. As at 31 March 2026, 230,000 shares were repurchased but not yet cancelled and subsequently cancelled on 27 April 2026.

CORPORATE GOVERNANCE PRACTICES

During the Year, the Company has adopted the principles and code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 to the GEM Listing Rules as the basis of the Company's corporate governance practices. The Board is of the view that the Company has complied with the principles and code provision set out in the CG Code during the Year and up to the date of this announcement.

The Board will keep the corporate governance practices of the Group under continual review to ensure consistent application, and will make updates and improvements in line with the developments of the CG Code as well as the growing expectations of the Shareholders and other stakeholders. The corporate governance structure of the Company during the Year and up to the date of this announcement is as follows:



BOARD COMPOSITION

During the Year and up to the date of this announcement, the Board comprises five executive Directors and three independent non-executive Directors. The Board composition is in compliance with the minimum number of independent non-executive Directors required under rule 5.05(1) of the GEM Listing Rules, the appropriate professional qualifications or accounting or related financial management expertise required by rule 5.05(2) of the GEM Listing Rules and the proportion of independent non-executive Directors in the Board required by rule 5.05A of the GEM Listing Rules.

Executive Directors

Mr. SABINE Martin Nevil *(Chairman of the Board)*
Mr. CHEUNG Tei Sing Jamie *(Vice Chairman)*
Mr. CHOW Wai Hung Kenneth *(Chief Executive Officer)*
Ms. LEUNG Lim Ng Jenny
Mr. WONG C-Tsun

Independent non-executive Directors

Mr. CHENG Yuk Wo
Mr. YUEN Kam Tim Francis
Mr. LAW Cheuk Kin Stephen *(resigned on 23 March 2026)*
Ms. KHOO Pui Wun *(appointed on 23 March 2026)*

AUDIT COMMITTEE

The Company has established the Audit Committee with specific written terms of reference formulated in accordance with the requirements of rules 5.28 to 5.29 of the GEM Listing Rules. The written terms of reference of the Audit Committee was adopted in compliance with the code provisions D.3.3 and D.3.7 of the CG Code. A copy of the terms of reference of the Audit Committee has been posted on the Company's website at www.somerleycapital.com and the website of the Stock Exchange at www.hkexnews.hk. The Audit Committee is comprised of three independent non-executive Directors. The chairman of the Audit Committee has professional accounting qualification. During the Year and up to the date of this announcement, the members of the Audit Committee have been and are:

Mr. CHENG Yuk Wo *(chairman of the Audit Committee)*
Mr. YUEN Kam Tim Francis
Mr. LAW Cheuk Kin Stephen *(resigned on 23 March 2026)*
Ms. KHOO Pui Wun *(appointed on 23 March 2026)*

The primary duties of the Audit Committee include, but not limited to, reviewing the annual reports and accounts, interim reports, and if prepared for publication, quarterly reports, making recommendations to the Board on the appointment and dismissal of external auditor, monitoring the independence and objectivity of external auditor, overseeing the integrity of financial information and financial reporting system, supervising the internal control system and internal audit functions and ensuring such functions are adequately resourced, and monitoring and reviewing any continuing connected transaction and related party transaction.

During the Year, the Audit Committee held four meetings. The external auditor, Crowe (HK) CPA Limited, held a separate meeting with independent non-executive Directors and attended two meetings in conjunction with the release of the interim and annual results announcements. The major work performed by the Audit Committee during the Year included:

i. reviewed the annual results (including annual financial statements, annual report and final results announcement) for the year ended 31 March 2025 and interim results (including interim financial statements, interim report and interim results announcement) for the six months ended 30 September 2025 and recommended the same to the Board for approval;

ii. reviewed reports submitted by external auditor on its statutory audit of the annual financial statements for the year ended 31 March 2025 and its review of the interim financial statements for the six months ended 30 September 2025;

iii. reviewed the external auditor's statutory audit plan for the year ended 31 March 2026, reporting obligations and the terms of the engagement;

iv. reviewed the independence and objectivity of the external auditor, the scope and nature of audit and non-audit services and audit-related and non-audit fees;

v. reviewed reports submitted by an independent consulting firm on the efficiency of internal control system of the Group, including the findings and recommendations, and the implementation status of previous recommendations;

vi. reviewed the adequacy on staffing and resources, staff qualifications and experience, of the accounting and financial reporting function; and

vii. reviewed the continuing connected transactions and related party transactions undertaken by the Group.

The Audit Committee has also reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including review of the annual results announcements, annual report and the consolidated financial statements of the Group for the Year.

There is no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. There is no disagreement between the Board and the Audit Committee regarding the selection, appointment, resignation or dismissal of the external auditor. The Audit Committee has reviewed the remuneration of the Company's auditor for the Year, and has recommended to the Board the re-appointment of Crowe (HK) CPA Limited as the auditor of the Company for the Year, subject to approval by the Shareholders at the forthcoming annual general meeting, which is to be held on 28 July 2026.

Full minutes of the Audit Committee meetings are kept by the Company Secretary and are open for inspection by any committee members. Draft and final versions of minutes were sent to all members of the Audit Committee for their comments and records respectively within a reasonable time after the meeting.

SCOPE OF WORK OF CROWE (HK) CPA LIMITED

The figures in respect of the Group's consolidated financial statements and the related notes thereto for the Year as set out in this announcement have been agreed by the Group's auditor, Crowe (HK) CPA Limited, as to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by Crowe (HK) 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 Crowe (HK) CPA Limited on this announcement.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding dealing in securities of the Company by the Directors (the "Required Standard of Dealings").

Having made specific enquiries of all Directors, all Directors confirmed that they have complied with the Required Standard of Dealings throughout the Year and up to the date of this announcement.

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

The Company repurchased a total of 28,000 and 230,000 Shares on the Stock Exchange at an aggregate consideration of HK$9,760 and HK$78,190 during the Year at prices ranging from HK$0.315 to HK$0.400 and from HK$0.320 to HK$0.350 pursuant to the mandates granted by shareholders at annual general meetings of the Company held on 10 September 2024 and 29 September 2025 respectively, with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share of the Company. The share repurchases were financed by the Company with its existing available cash. The particulars of the share repurchases are as follows:

Month	Number of shares repurchased	Highest purchase price per share *(HK$)*	Lowest purchase price per share *(HK$)*	Aggregated amount of purchase price *(HK$)*
April 2025	28,000	0.400	0.315	9,760
January 2026	106,000	0.350	0.320	35,090
February 2026	124,000	0.350	0.335	43,100
Total	258,000			87,950

28,000 Shares were cancelled on 20 June 2025. 230,000 Shares which were repurchased in January and February 2026 but not yet cancelled as at 31 March 2026 were cancelled on 27 April 2026.

Saved as disclosed above, during the Year, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities (including sale of treasury shares) of the Company. No Shares were bought back and held as treasury Shares by the Company as at 31 March 2026 and up to the date of this announcement.

EVENTS AFTER THE REPORTING PERIOD

(i) An aggregate of 230,000 Shares (previously repurchased on market on 12, 30 January 2026, and 23, 25 February 2026) was cancelled on 27 April 2026.

(ii) 297,000 share options were exercised on 21 May 2026. An aggregate of 297,000 new Shares at the exercise price of HK$0.72 have been issued on 21 May 2026.

(iii) A summary in relation to the possible change of control of the Company is set out in the section headed "Possible change of control of the Company" of this announcement.

Save as disclosed above and elsewhere, there is no material subsequent event undertaken by the Company or by the Group after 31 March 2026 and up to the date of this announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.somerleycapital.com). The annual report of the Company for the Year containing all the information required by the GEM Listing Rules will be dispatched to the Company's Shareholders and published on the above websites in due course.

By order of the Board
Somerley Capital Holdings Limited
SABINE Martin Nevil
Chairman

Hong Kong, 29 June 2026

As at the date of this announcement, the executive Directors are Mr. SABINE Martin Nevil, Mr. CHEUNG Tei Sing Jamie, Mr. CHOW Wai Hung Kenneth, Ms. LEUNG Lim Ng Jenny and Mr. WONG C-Tsun; the independent non-executive Directors are Mr. CHENG Yuk Wo, Mr. YUEN Kam Tim Francis and Ms. KHOO Pui Wun.

This announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its posting and will also be published on the Company's website at www.somerleycapital.com.