

Ju Fu Tang Biotech Holdings Co., Ltd 菊福堂生物控股有限公司

(formerly known as “WMHW Holdings Limited 萬民好物控股有限公司”)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8217)



2026 Annual Report



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 report, for which the directors (the “Directors”) of Ju Fu Tang Biotech Holdings Co., Ltd (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (the “GEM Listing Rules”) of the Stock Exchange for the purpose of giving information with regard to the Company and its subsidiaries (together, the “Group”). The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this report is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

EXECUTIVE DIRECTORS

Mr. Chen Jian
Ms. Yu Xiao

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wong Chi Kan
Ms. Lao In lam
Mr. Liao Honghao

COMPANY SECRETARY

Ms. Tam Mei Chu

COMPLIANCE OFFICER

Mr. Chen Jian

AUDIT COMMITTEE

Mr. Wong Chi Kan (*Chairman*)
Ms. Lao In lam
Mr. Liao Honghao

REMUNERATION COMMITTEE

Mr. Wong Chi Kan (*Chairman*)
Mr. Liao Honghao
Ms. Yu Xiao

NOMINATION COMMITTEE

Mr. Liao Honghao (*Chairman*)
Mr. Wong Chi Kan
Ms. Lao In lam

AUTHORISED REPRESENTATIVES

Mr. Chen Jian
Ms. Tam Mei Chu

REGISTERED OFFICE

P. O. Box 1350
Clifton House
75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 2202, 22/F, Causeway Bay Plaza I
489 Hennessy Road
Causeway Bay, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Trust (Cayman) Limited
PO Box 1350
Clifton House
75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

AUDITOR

Infinity CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditors

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking
Corporation Limited

COMPANY WEBSITE

https://www.todayir.com/ir_show_case/8217

STOCK CODE

8217

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the board (the "Board") of directors (the "Directors") of Ju Fu Tang Biotech Holdings Co., Ltd (the "Company"), it is my pleasure to present the audited consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2026 (the "Reporting Period").

A YEAR IN REVIEW

The shares of the Company (the "Shares") were successfully listed on GEM of the Stock Exchange on 12 April 2016 (the "Listing") by way of placing (the "Placing"). The Listing has enhanced the Group's profile and recognition and assist us in reinforcing our brand awareness and image. The net proceeds raised have also strengthened the Group's operational capacity.

The total revenue of the Group slightly increased by approximately HK\$1,353,000 from approximately HK\$36,202,000 for the year ended 31 March 2025 to approximately HK\$37,555,000 for the Reporting Period. The increase in revenue mainly due to the increase in revenue generated from health technology and the sale of medical products.

OUTLOOK

In the 2026-27 Budget Speech, the Government reiterated its commitment to infrastructure, maintaining the average annual capital works expenditure at approximately HK\$120 billion for the five-year period from 2026-27 to 2030-31. Concurrently, recurrent government expenditure is projected to grow at an annual rate of 3.6%, reflecting sustained investments in public services and social welfare.

Mainland China and Hong Kong are advancing toward a high-value health-tech paradigm, driven by policy-led prevention and precision innovation. Under "Healthy China 2030" and the 15th Five-Year Plan, the domestic AI healthcare market is projected to reach \$17–19 billion by 2030. Concurrently, Hong Kong is strengthening its regulatory infrastructure – via the forthcoming "Hong Kong FDA", the "1+" approval pathway, and the cross-boundary Drug and Device Connect scheme – to expedite clinical translation. Leveraging Hetao collaboration platforms, Hong Kong serves as a strategic gateway for Chinese biotech globalisation while co-shaping international regulatory frameworks with mainland counterparts. Our company is strategically positioned to capitalise on this momentum – by integrating AI-powered solutions into clinical workflows, accelerating cross-border product registration through Hong Kong's new regulatory channels, and forging partnerships across the Greater Bay Area to bring innovative health technologies from bench to bedside, capturing value at every stage of the evolving ecosystem.

The Group's construction division has built a solid portfolio covering interior fitting-out works, including woodwork, marble, plastering, ceiling installation, and project administration support, as well as civil engineering projects such as roads and drainage, structural works, site formation, and renovation. To broaden its revenue streams, the Company is actively exploring a wider range of construction opportunities within Hong Kong's evolving market, with a strategic focus on expanding its participation in the resilient public sector. The Company will strategically pursue relevant certifications for its workforce to enhance competitiveness and secure higher-value contracts. In parallel, the Group will continue to develop its health technology and medical devices sales segment, capitalising on market opportunities as they arise. This dual-pronged strategy aims to create a more resilient and diversified Group, driving long-term value and sustainable returns for its shareholders.



CHAIRMAN'S STATEMENT

We remain focused on actively pursuing new business opportunities to diversify our revenue streams and enhance the Group's market position. With the dedication of our team and the continued support of our stakeholders, we are confident in building a sustainable future.

APPRECIATION

On behalf of the Board, I would like to extend our deepest appreciation to our management team and staff for their unwavering dedication, hard work, and valuable contributions over the past year. Their commitment has been instrumental in driving the Group's progress.

We also sincerely thank our shareholders, business partners, customers, suppliers, and subcontractors for their steadfast trust and support. Their collaboration remains vital to our continued success.

Ju Fu Tang Biotech Holdings Co., Ltd

Chen Jian

Executive Director

Hong Kong, 30 June 2026

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group has over 25 years of experience in providing civil engineering works as a subcontractor in Hong Kong. The civil engineering works undertaken by the Group are mainly related to (i) roads and drainage works (including construction and improvement of local road, carriageway with junction improvement and the associated footpaths, planting areas, drains, sewers, water mains and utilities diversion); (ii) structural works (including construction of reinforced concrete structures for bridges and retaining walls); (iii) site formation works (including excavation and/or filling works for forming a new site or achieving designed formation level for later development); and (iv) decoration and renovation works. During the year ended 31 March 2026, the Group has also commenced the health technology business and sales of medical products.

INVESTMENT POLICY

The Company has adopted an internal investment policy (the “Investment Policy”) which sets out, among other things, the objectives, guidelines, management and responsibilities of investment activities conducted by the Group. Set out below are details of the infrastructure of the Group’s investments.

Investment objectives

The investment objectives of the Group are to enhance the efficiency in the utilisation of idle funds and generate stable return to the Group within an acceptable risk level with a view to broaden its revenue streams and to provide necessary financial support for the development of the Group’s long-term investment projects, which in turn enhance value for its shareholders.

Investment strategy

The Company will allocate corporate resources efficiently by maintaining an appropriate investment scale and optimising the structure and diversification of its investment portfolio. At the same time, the Company prioritises thorough investment risk assessment and control, adhering to the principle of economic benefits as the foremost consideration in all investment decisions.

Investment scope

The Company’s investment activities encompass both long-term and short-term investments, depending on its strategic needs and the prevailing market conditions. Long-term investments focus on growth and strategy, while short-term investments prioritise liquidity, operational support and capital stability.

Permissible and prohibited investments

Under the Investment Policy, the Company may invest in a range of assets including shares, bonds, investment funds, insurance products and bank deposits. The Company is prohibited from using excessive leverage, investing in unlisted securities, or engaging in speculative derivative trading.

MANAGEMENT DISCUSSION AND ANALYSIS

Defined risk limits and counterparty risk

While there is no general threshold or restriction in relation to the risk limits or counterparty risk of its investments, the Group is required to adhere to its investment strategy to maintain its investments within an acceptable risk level. In particular, the Company is required to evaluate the counterparty risks of each investment taking into consideration, inter alia, credit ratings of the investment (if any), size and reputation of the issuer, and whether or not the counterparty is a licensed corporation in Hong Kong or overseas.

Liquidity management

It is the top priority of the Company to ensure that it has sufficient cash and bank deposits to meet its working capital requirement. While there is no specific threshold set under the Investment Policy, the Company seeks to maintain a balanced liquidity profile within its cash, bank deposits and investments. In addition, the use of borrowed funds or those required for ongoing operations for investment purposes is prohibited. All of the existing investments of the Group were or will be funded by internal resources of the Group.

Investment decisions

Investment decisions of the Company are made through a multi-layered governance structure. An investment management team (the “Investment Management Team”), comprising two executive Directors (namely Mr. Chen Jian and Ms. Yu Xiao), assisted by the Group financial manager, is responsible for identifying suitable investment opportunities available on the market and the execution of the investments. Pursuant to the Investment Policy, the Investment Management Team may approve investments (or a series of investments) with an amount below 5% of the market capitalisation and/or total assets of the Group from time to time. Any proposed investment exceeding such threshold must be reviewed and approved by the Board.

Ongoing risk management and control measures

The Group maintains comprehensive internal control and risk management processes, including regular performance reviews, stringent approval workflows and periodic monitoring of all investment projects. The Investment Management Team is responsible for ongoing monitoring of the investments made by the Group, the preparation of half-yearly reports in relation to the performance of the investments and regular re-evaluations of counterparties and/or investment targets. The Investment Management Team is also responsible for ensuring that records of all investment proposals, documentation and accounting records are properly kept. The Investment Management Team should promptly report to the Board in the event of any material adverse changes in the Group’s investments, which are determined on a case by-case basis depending on the nature and size of the specific investment. Generally, the Investment Management Team is required to report to the Board if, among other things, (i) the investment has recorded ongoing and irrecoverable losses; or (ii) there is any material change in the circumstances or terms of the investment so that it no longer conforms with the Company’s investment strategy (for example, increase in risk level due to macroeconomics changes).

MANAGEMENT DISCUSSION AND ANALYSIS

SIGNIFICANT INVESTMENT

Financial asset at FVTPL Significant Investments	For the year ended 31 March 2026 Realised and unrealised gain HK\$'000	Number of shares held '000	As at 31 March 2026 Fair value HK\$'000	Approximately percentage to the total asset as at 31 March 2026	As at 1 April 2025 Fair value HK\$'000
WLS Holdings Limited ("WLS")	(11,068)	381,660	3,817	4.1%	14,885
Asia Strategy Digit Technology Holdings Limited ("Asia Strategy")	19,565	9,100	27,846	30.1%	8,281
Tam Kam Holdings Limited ("Tam Kam")	8,366	7,212	10,241	11.1%	1,875
Other listed equity securities (note 1)			9,473	10.2%	3,018
Total			51,377	55.5%	28,059

Note:

- As at 31 March 2026, other listed equity securities comprised 9 listed equity securities in Hong Kong. None of the other listed equity securities was more than 5% of the total assets of the Group as at 31 March 2026.

WLS is principally engaged in provision of scaffolding and fitting out services and other services for construction and buildings work, provision of gondolas, parapet railings and access equipment installation and maintenance services, money lending business, securities investment business, and assets management business. Based on WLS's interim report for the six months ended 31 October 2025, revenue and profit before tax of WLS was approximately HK\$39.5 million and HK\$76.0 million respectively.

As at 31 March 2026, the Company held a significant investment, with a value of over 5% of the Company's total assets as at 31 March 2026, in WLS Holdings Limited (the "Investment"), which is listed on the GEM Board of the Stock Exchange. The Group's total investment in the Investment was approximately HK\$9,762,000. As at 31 March 2026, the Group owned 381,660,000 shares in the Investment, representing 2.66% equity interests in the Investment with a carrying amount of the Group's interest in the Investment of approximately HK\$3,817,000, representing approximately 4.1% of the total assets of the Company as at 31 March 2026. Up to 31 March 2026, no dividends was received from the Investment. The fair value of the Investment is based on quoted market prices.

Asia Strategy is engaged in investment holding while the principal subsidiaries are principally engaged in manufacture and sales of umbrellas and the relevant products. Based on Asia Strategy's annual report for the year ended 31 December 2025, revenue and loss before tax of Asia Strategy was approximately RMB276.5 million and RMB8.4 million respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

As at 31 March 2026, the Company held a significant investment, with a value of over 5% of the Company's total assets as at 31 March 2026, in Asia Strategy Digit Technology Holdings Limited (the "Asia Strategy Investment"), which is listed on the Main Board of the Stock Exchange. The Group's total investment in the Asia Strategy Investment was approximately HK\$1,820,000. As at 31 March 2026, the Group owned 9,100,000 shares in the Asia Strategy Investment, representing 2.21% equity interests in the Asia Strategy Investment with a carrying amount of the Group's interest in the Asia Strategy Investment of approximately HK\$27,846,000, representing approximately 30.1% of the total assets of the Company as at 31 March 2026. Up to 31 March 2026, no dividends was received from the Investment. The fair value of the Investment is based on quoted market prices.

As at 31 March 2026, the Company held a significant investment, with a value of over 5% of the Company's total assets as at 31 March 2026, in Tam Kam Holdings Limited (the "Tam Kam Investment"), which is listed on the GEM Board of the Stock Exchange. The Group's total investment in the Tam Kam Investment was approximately HK\$8,535,000. As at 31 March 2026, the Group owned 7,212,000 shares in the Tam Kam Investment, representing 1.34% equity interests in the Tam Kam Investment with a carrying amount of the Group's interest in the Investment of approximately HK\$10,241,000, representing approximately 11.1% of the total assets of the Company as at 31 March 2026. Up to 31 March 2026, no dividends was received from the Investment. The fair value of the Investment is based on quoted market prices.

The Group's investment strategy is to deliver a diversified and flexible investment portfolio that will maximize sustained long-term returns and strive to achieve high growth, while the traditional business of the Group will continue its stable growth.

The future performance of the listed securities may be influenced by the Hong Kong stock market. In this regard, the Group will continue to maintain a diversified investment portfolio and closely monitor the performance of its investments and the market trends to adjust its investment strategies.

FINANCIAL REVIEW

Revenue

All of the Group's revenue was generated from the provision of civil engineering works and decoration and renovation works and sale of medical devices. The total revenue of the Group slightly increased by approximately HK\$1,353,000 from approximately HK\$36,202,000 for the year ended 31 March 2025 to approximately HK\$37,555,000 for the Reporting Period. The increase is mainly due to revenue generated from health technology and the sale of medical products. As at 31 March 2025, we had 12 contracts on hand with a total contract sum of approximately HK\$346,894,000 whilst as at 31 March 2026, we had 13 contracts on hand with a total contract sum of approximately HK\$394,234,000. The revenue generated from provision of civil engineering, decoration and renovation works decreased to approximately HK\$35,441,000 for the year ended 31 March 2026 from approximately HK\$36,202,000 for the year ended 31 March 2025. The decrease was mainly reflecting the overall construction market condition in Hong Kong and also consistent with our major customer, which their revenue also decreased approximately 36% from the year ended 31 March 2023 to 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Gross Profit and Gross Profit Margin

The Group's gross profit increased from approximately HK\$982,000 for the year ended 31 March 2025 to gross profit of approximately HK\$1,017,000 for the Reporting Period. Such increase was primarily due to the gross profit generated from the health technology business which net off with the rising material and labor costs for the construction business, coupled with competitive pricing in the industry that limited the ability to fully pass on these increased costs to clients.

Our gross profit margin varied substantially from project to project and is mainly attributable to our pricing, which is determined based on a cost-plus pricing model in general with mark-up determined on a project-by-project basis and such mark-up is determined based on the following factors:

Contract value of the project

We would normally set a tender price based on a relatively lower mark-up for projects with a larger contract value due to the larger absolute amounts of revenue and gross profit (being the contract sum less the expected costs of sales) expected to be derived from a project with a larger contract value.

Nature and complexity of civil engineering works

When preparing our tender price, we consider, among other factors, (i) the amount of project management; (ii) the level of difficulty; (iii) the amount of uncertainties; (iv) the types and amount of works to be performed using different techniques; (v) the types and amount of resources such as labour skills, construction materials and supplies and site equipment; and (vi) the quality, safety and environmental standards. We would also take into account the likelihood of any material deviation of actual costs from our estimated costs having regard to the estimated subcontracting charges, staff costs, construction materials and supplies costs, rental of site equipment costs and other costs of sales.

Competition

The level of competition for each construction project is subject to factors beyond our control, including, among others, the number of contractors invited to bid for the construction project, our competitors' capacity and the nature and complexity of the works involved. If the level of competition of a particular construction project is low or if our competitors' tender prices are relatively high, which is due to their own commercial decisions, we may be able awarded the construction project even if our tender price is not particularly competitive.

Cost control

While we may obtain preliminary quotations from our subcontractors when preparing our tender prices, the final agreed prices with our subcontractors are subject to further negotiations after we are successfully awarded with a tender and after we obtain more specific information regarding the works and the site conditions. Such further negotiations with our subcontractors may result in higher or lower gross profit margins.

MANAGEMENT DISCUSSION AND ANALYSIS

We enter into contra charge arrangements with some of our customers for, among others, the purchase of construction materials and supplies and site equipment rental and hence any increase in these costs are borne by our customers. The prices of construction materials and supplies and site equipment rental and other costs of sales that are not covered by contra charge arrangements are determined by reference to quotations of suppliers as agreed by us and our suppliers on an order-by-order basis. While we price in the estimated future price trend of these costs of sales when preparing our tender proposals, material deviation of the actual costs from our estimated costs may arise, which would result in higher or lower gross profit margins.

Due to, among others, the factors stated above, our gross profit margin varied substantially from project to project.

Other Income

Other income of the Group decreased by approximately HK\$1,380,000 from approximately HK\$1,392,000 for the year ended 31 March 2025 to approximately HK\$12,000 for the Reporting Period. The decrease was mainly due to decrease in government grants during the Reporting Period.

Other Gains or Losses

Other gains or losses of the Group recognised profit of HK\$30,190,000 for the Reporting Period from profit of approximately HK\$5,349,000 for the year ended 31 March 2025. The gain mainly consist of the unrealised gain of financial assets at fair value through profit or loss.

Impairment loss recognised under expected credit loss model, net of reversal

In determining the expected credit loss of the trade receivables, the Group has engaged a professional valuer to assist in estimating the loss allowances under the expected credit loss model in accordance with Hong Kong Financial Reporting Standard. Valuer has assessed their recoverability by reference to (i) details and status of the receivables as at the assessment date; (ii) historical defaults of the debtors of the Company; (iii) other information such as working relationship between the Company and the debtors, repayment track records of the debtors, and repayment progress of the receivables as advised by the management; (iv) industry and economic data; and (v) data concerning the fixed income and equity securities markets from Moody's. Except for the work performed by professional valuer, the Company also closely liaise with those debtors for the payment schedule and consider the reputation of those debtors and overall market condition. Based on the abovementioned assessments, the directors of the Company considered that the loss allowances are adequate.

Administrative and Other Operating Expenses

Administrative and other operating expenses of the Group decreased by approximately HK\$827,000 or 8.8% from approximately HK\$9,353,000 for the year ended 31 March 2025 to approximately HK\$8,526,000 for the Reporting Period. Administrative and other operating expenses consists primarily of staff costs, depreciation, rental expenses and other administrative expenses. The decrease was mainly due to the decrease of staff costs and severance payment in administrative expenses.

MANAGEMENT DISCUSSION AND ANALYSIS

Finance Costs

Finance costs for the Group remained stable in which amounting to approximately HK\$720,000 and HK\$720,000 for the years ended 31 March 2025 and 2026 respectively.

Income Tax Credit

There was no income tax expenses for the year ended 31 March 2025 and 2026 respectively.

Profit for the year

Result for the year turnaround from loss of approximately HK\$5,899,000 for the year ended 31 March 2025 to profit of approximately HK\$23,318,000 for the Reporting Period. Such turnaround was primarily attributable to the net effect of the increase in revenue and other income and increase in gain incurred in other gains or losses, net for the Reporting Period as discussed above.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Cash and bank balances are denominated in Hong Kong dollar. The current ratio of the Group as at 31 March 2026 increased to approximately 2.2 times from approximately 1.5 times as at 31 March 2025.

The total interest bearing debts of the Group, including bond payable, remained stable of which approximately HK\$12,000,000 as at 31 March 2025 and approximately HK\$12,000,000 as at 31 March 2026. All borrowings are denominated in Hong Kong dollar and are repayable within 1 year. The Group did not carry out any hedging for its floating borrowings.

As at 31 March 2026 and 2025, the Group had no general banking facilities. As at 31 March 2026, the Group had lease liabilities of approximately HK\$Nil (31 March 2025: approximately HK\$Nil).

The gearing ratio, calculated based on all interest-bearing borrowings divided by total equity at the end of the period and multiplied by 100%, increased to approximately 24% as at 31 March 2026 (31 March 2025: approximately 44%). With available bank balances and cash, the Group has sufficient liquidity to satisfy its funding requirements.

CAPITAL STRUCTURE

The Shares were successfully listed on GEM of the Stock Exchange on 12 April 2016. Except for placing of new shares which completed in September 2020, there has been no change in the capital structure of the Group during the Reporting Period. As at 31 March 2026, the Company's issued and fully paid capital and total equity attributable to owners of the Company amounted to approximately HK\$48,298,000 and HK\$50,535,000 respectively.

COMMITMENTS

As at 31 March 2026, there was no capital commitment for the Group (31 March 2025: HK\$Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

CONTINGENT LIABILITIES

As at 31 March 2026, the Group did not have any material contingent liabilities (31 March 2025: HK\$Nil).

ACQUISITIONS AND DISPOSALS AND FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group did not carry out any material acquisitions nor disposals of subsidiaries and affiliated companies for the Reporting Period.

Save as disclosed in this annual report, the Group did not have other plans for material investments or capital assets as at 31 March 2026.

EXPOSURE TO EXCHANGE RATE FLUCTUATION

The Group's business operations were conducted in Hong Kong and the People's Republic of China and the transactions, monetary assets and liabilities of the Group were denominated in Hong Kong dollars, United States dollars and Renminbi. Since United States dollars is linked to Hong Kong dollars at the rate of United States dollars 1 to Hong Kong dollars 7.80, the Directors therefore consider the impact of foreign exchange exposure to the Group is minimal.

CHARGE OVER GROUP'S ASSETS

The total interest bearing debts of the Group, including bond payable amounted to approximately HK\$12,000,000 as at 31 March 2026 (2025: HK\$12,000,000).

As at 31 March 2026 and 2025, the Group had no general banking facilities. As at 31 March 2026, the Group had no lease liabilities (31 March 2025: HK\$Nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2026, the Group had approximately 23 employees (31 March 2025: 22 employees). The total staff costs incurred, including Directors' emoluments, of the Group were approximately HK\$3,030,000 for the Reporting Period (31 March 2025: approximately HK\$5,055,000). Remuneration is determined based on each employee's qualifications, position and seniority. In addition to a basic salary, year-end discretionary bonuses were offered with reference to the Group's performance as well as individual's performance to attract and retain appropriate and suitable personnel to serve the Group. Furthermore, we offer other staff benefits like provision of retirement benefits, various types of trainings and sponsorship of training courses. We have also adopted an annual review system to assess the performance of our staff, which forms the basis of our decisions with respect to salary raises and promotions.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Reporting Period (2025: HK\$Nil).

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. Chen Jian (陳健先生), aged 62, has over 30 years of experience in corporate management and extensive experience and business networks in Hong Kong and the People's Republic of China. Mr. Chen is responsible for business developments and general administrative matters. Under the leadership of Mr. Chen, the Group will actively explore business opportunities that bring value enhancement to shareholders and strives to enhance the long-term growth potential of the Group and shareholder value.

Save as disclosed above, he was not a director in any other listed companies for the last three preceding years.

Ms. YU Xiao (余曉女士), aged 45, has over 10 years of working experience in the civil engineering and construction field in real property. She has participated in the overall management and supervision of certain sizeable construction projects including design, build, supervise and maintain construction projects and systems. Prior to joining the Group, Ms. Yu worked as an architect and engineer in Department of Civil Engineering in Hunan Hechingyuan Construction Engineering Company. Ms. Yu graduated from the College of Civil Engineering, Hunan University in June 2000 with a bachelor degree in civil engineering. Ms. Yu was appointed as executive director on 16 November 2017.

Save as disclosed above, she was not a director in any other listed companies for the last three preceding years.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. WONG Chi Kan (黃智瑾先生), aged 40, is an independent non-executive Director. He has over 7 years of experience in auditing and accounting. He has served as financial controller in a private company primarily responsible for the financial and accounting matters, since June 2017. From March 2016 to June 2017, he worked as an assistant financial controller in a company principally engaged in provision of financial public relations services. He worked as an accounting manager in a company listed on GEM of the Stock Exchange which principally engaged in sale of biodegradable food containers and disposable industrial packaging for consumer products between March 2015 and March 2016. He served for certain sizeable CPA firms in Hong Kong from November 2010 to February 2015. Mr. Wong obtained a Bachelor of Commerce degree and a master's degree in Professional Accounting from the University of New South Wales in May 2009 and August 2010 respectively. He is also a fellow member of the Certified Practising Accountants Australia since March 2014 and is a certified public accountant of the Hong Kong Institute of Certified Public Accountants. Mr. Wong was appointed as independent non-executive director on 12 April 2016.

Save as disclosed above, he was not a director in any other listed companies for the last three preceding years.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Mr. LIAO HongHao (廖洪浩先生), aged 66, is an independent non-executive Director. He is currently a general manager of the marketing department of a company incorporated in the People's Republic of China (the "PRC"), which engaged in publishing business in the PRC. He graduated in Meizhou Radio & TV University and he has more than 30 years' experience in business strategic planning and marketing. Mr. Liao was appointed as independent non-executive director on 2 March 2018.

Save as disclosed above he was not a director in any other listed companies for the last three preceding years.

Ms. LAO In Iam (劉燕欽女士), aged 53, has engaged in the building and construction industry for over 20 years. She has extensive experience in building and construction project management and has participated in the overall management and supervision of certain sizeable construction projects in Macau. Ms. Lao was appointed as independent non-executive director on 18 August 2020.

Save as disclosed above, she was not a director in any other listed companies for the last three preceding years.

Disclosure required under Rule 17.50(2) of the GEM Listing Rules

Save as disclosed above, to the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, there are no other matters with respect to the appointment of the Directors that need to be brought to the attention of the Shareholders and there was no information in relation to the Directors that is required to be disclosed pursuant to Rules 17.50(2) of the GEM Listing Rules as at the date of this report.

CORPORATE GOVERNANCE REPORT

Pursuant to Rule 18.44(2) of the GEM Listing Rules, the Board is pleased to present hereby the corporate governance report of the Company for the Reporting Period.

The Directors and the management of the Group recognise the significance of sound corporate governance to the long-term and continuing development of the Group. Therefore, the Board is committed to upholding good corporate standards and procedures for the best interest of the Shareholders.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

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") in Appendix C1 of the GEM Listing Rules. During the period from the Listing Date to the Reporting Period, to the best knowledge of the Board, the Company has complied with all the applicable code provisions set out in the Code.

BOARD OF DIRECTORS

Responsibilities of the Board

The key responsibilities of the Board include formulation of the Group's overall strategies, the setting of management targets and supervision of management performance. The management is delegated with the authority and responsibility by the Board for the management and administration of the Group. In addition, the Board has also delegated various responsibilities to the board committees of the Company. Further details of the board committees of the Company are set out below in this report.

Corporate Governance Functions

The Board is responsible for, among others, performing the corporate governance duties as set out in paragraph A.2.1 of the CG Code, which include:

- (a) to develop and review the Group's policies and practices on corporate governance and make recommendations;
- (b) to review and monitor the training and continuous professional development of the Directors and senior management;
- (c) to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Directors and employees; and
- (e) to review the Group's compliance with the CG Code and disclosure in the corporate governance report.

CORPORATE GOVERNANCE REPORT

Composition of the Board

Up to the date of this report, the Board comprise five Directors, including two executive Directors and three independent non-executive Directors (the “INEDs”). In particular, the composition of the Board is set out as follow:

Executive Directors

Mr. Chen Jian

Ms. Yu Xiao

INEDs

Mr. Wong Chi Kan

Mr. Liao HongHao

Ms. Lao In lam

There is a balance of skills and experience for the Board, which is appropriate for the requirements of the business of the Company. The Directors’ biographical information is set out in the section headed “Biographical Details of Directors and Senior Management” of this report.

Board Nomination Policy

The Company adopted a nomination policy, which establishes written guidelines to the Nomination Committee to identify individuals suitably qualified to become Board members and make recommendations to the Board on the selection of individuals nominated for directorships with reference to the formulated criteria. The Board is ultimately responsible for selection and appointment of new Directors.

The Board, through the delegation of its authority to the Nomination Committee, has used its best efforts to ensure that Directors appointed to the Board possess the relevant background, experience and knowledge in business, finance and management skills critical to the Group’s business to enable the Board to make sound and well considered decisions. Collectively, they have competencies in areas which are relevant and valuable to the Group.

Nomination Process

The Nomination Committee shall assess whether any vacancy on the Board has been created or is expected on a regular basis or as required.

The Nomination Committee utilizes various methods for identifying director candidates, including recommendations from Board members, management, and professional search firms. All director candidates, including incumbents and candidates nominated by Shareholders are evaluated by the Nomination Committee based upon the director qualifications. While director candidates will be evaluated on the same criteria through review of resume, personal interview and performance of background checks. The Nomination Committee retains the discretion to establish the relative weighting of such criteria, which may vary based on the composition, skill sets, age, gender and experiences of the collective Board rather than on the individual candidate for the purpose of diversity perspectives appropriate to the requirement of the Company’s business.

CORPORATE GOVERNANCE REPORT

Selection Criteria

The Nomination Committee will take into account whether a candidate has the qualifications, skills, experience and gender diversity that add to and complement the range of skills, experience and background of existing Directors by considering the highest personal and professional ethics and integrity of the director candidates, proven achievement and competence in the nominee's field and the ability to exercise sound business judgment, skills that are complementary to those of the existing Board, the ability to assist and support management and make significant contributions to the Company's success and such other factors as it may deem are in the best interests of the Company and the Shareholders.

The Company shall review and reassess the nomination policy and its effectiveness on a regular basis or as required.

Board Diversity Policy

Pursuant to the Rule 17.104 of the GEM Listing Rules, listed issuers are required to adopt a board diversity policy. The Board has adopted the board diversity policy with a view to achieve a sustainable and balanced development of the Group. In designing the Board's composition, board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, industry knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. This diversity policy is reviewed annually by the nomination committee of the Company, and where appropriate, revisions will be made with the approval from the Board.

Relationships between members of the Board

The Directors have no financial, business, family or other material or relevant relationship with each other.

BOARD MEETINGS

Pursuant to Code Provision C.5.1 of the CG Code, the Board should meet regularly and Board meetings should be held at least four times a year. Additional meetings would be arranged if and when required. Directors may participate either in person or through electronic means of communications. Directors are free to contribute and share their views at meetings and major decisions will only be taken after deliberation at Board meetings. Directors who are considered to have conflict of interests or material interests in the proposed transactions or issues to be discussed will not be counted in the quorum of meeting and will abstain from voting on the relevant resolutions. Full minutes are prepared after the meetings and the draft minutes are sent to all Directors for their comments on the final version of which are endorsed in the subsequent Board meeting.

CORPORATE GOVERNANCE REPORT

During the Reporting Period, six board meetings were held and the attendance records are as follows:

Name of Director	Meetings attended/ Eligible to attend
Executive Directors	
Mr. Chen Jian	6/6
Ms. Yu Xiao	6/6
INEDs	
Mr. Wong Chi Kan	6/6
Mr. Liao Honghao	6/6
Ms. Lao In lam	6/6

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors in respect of the Shares (the "Code of Conduct"). The Company has made specific enquiry to all Directors, and all Directors have confirmed that they have fully complied with the required standard of dealings set out in the Code of Conduct from the Listing Date up to the date of this report.

APPOINTMENT, RE-ELECTION AND REMOVAL OF DIRECTORS

The Company has established its nomination committee. The nomination committee has from time to time identified individuals suitably qualified to become Board members and make recommendations to the Board. The main consideration in selecting candidates for directorships is whether their characters, qualifications and experiences are appropriate for the businesses of the Group. Each of the executive Directors has entered into a service agreement with the Company for an initial term of three years commencing from the Listing Date and until terminated by either the Company or the Director giving to the other not less than three months' notice in writing in accordance with the terms of the agreement. Each INEDs was appointed under a letter of appointment for a fixed term of three years initially commencing from the Listing Date shall terminate on whenever is the earlier of (i) the date of expiry of the period; (ii) ceasing to be a director for any reason pursuant to the Articles of Association of the Company or any other applicable law; or (iii) either party giving at least one month's notice in writing.

In accordance with Article 108(a) of the Articles of Association of the Company, at each annual general meeting, at least one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Mr. Chen Jian and Mr. Wong Chi Kan will retire from office as Directors at the forthcoming annual general meeting of the Company (the "AGM"), and being eligible, offer themselves for re-election.

CORPORATE GOVERNANCE REPORT

DIRECTORS' TRAINING

All Directors should participate in continuous professional development to develop and refresh their knowledge and skills.

This is to ensure that their contribution to the Board remains informed and relevant. The Company is responsible for arranging and funding suitable training for the Directors, including but not limited to:

- Newly-appointed Directors will be briefed by the Company's legal advisor on director's responsibilities under the relevant legal and regulatory requirements (including but not limited to the Companies Ordinance, the Listing Rules and the SFO). They will also be provided with a memorandum on directors' duties and obligations which assists them in understanding their responsibilities as directors.
- The Chairman or the President will give a general induction on the Group and the Company will provide relevant information and organise various activities, for example, plant visits, to ensure they properly understand the business and governance policies of the Company.
- To update Directors' understanding of the Group's operations and business and refresh their knowledge and skills as directors, the Company will provide Board materials on relevant regulation updates and on issues of significance or on new opportunities of the Group.

CONTINUOUS PROFESSIONAL DEVELOPMENT

The Group acknowledges the importance of continuing professional development for the Directors for better corporate governance and internal control system. In this regard and in compliance with code provision C.1 of the CG Code, the Group has provided funding to all Directors to participate in continuous professional development organised in the form of in-house training and seminars to keep them refreshed of their knowledge and skills and understanding of the Group and its business to update their skills and knowledge on the latest development or changes in the relevant statutes, the GEM Listing Rules and corporate governance practices.

Pursuant to the code provision C.1 of the CG Code, during the Reporting Period, all Directors had participated in continuous professional development in the following manner:

	Reading materials regarding regulatory update and corporate governance matters	Attending in-house training/seminars arranged by the professional organisations
Directors		
Executive Directors		
Mr. Chen Jian	✓	✓
Ms. Yu Xiao	✓	✓
INEDs		
Mr. Wong Chi Kan	✓	✓
Mr. Liao Honghao	✓	✓
Ms. Lao In lam	✓	✓

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES

The Group has established three committees, namely audit committee, remuneration committee and nomination committee in compliance with the GEM Listing Rules and to assist the Board to discharge its duties. The relevant terms of reference of each of the three committees can be found on the Group's website (https://www.todayir.com/ir_show_case/8217) and the website of the Stock Exchange.

AUDIT COMMITTEE

An audit committee has been established with its terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules, and paragraphs D.3.3 and D.3.7 of the CG Code. The audit committee consists of three members, namely Mr. Wong Chi Kan, Ms. Lao In lam and Mr. Liao Honghao, all being INEDs. Mr. Wong Chi Kan currently serves as the chairman of the audit committee.

The committee is to assist the Board in fulfilling its responsibilities by providing an independent review and supervision of financial reporting, by satisfying themselves as to the effectiveness of the internal controls of the Group, and as to the adequacy of the external and internal audits.

With reference to the terms of reference, the primary responsibilities of the audit committee, among others, are as follow:

- (a) to be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditors, and to approve and review the remuneration and terms of engagement of the external auditors;
- (b) to review and monitor the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;
- (c) to develop and implement policy on engaging an external auditors to supply non-audit services;
- (d) to monitor the integrity of financial statements and the annual report and accounts, half year report and quarterly reports, and to review significant financial reporting judgments contained in them;
- (e) to discuss the internal control system with management of the Group to ensure that the management of the Group has performed its duty to have an effective internal control system; and
- (f) to develop and review the Group's policies and practices on corporate governance and make recommendations to the Board and monitor the Group's policies and practices on compliance with legal and regulatory requirements.

During the Reporting Period, three audit committee meetings were held. The individual attendance record of each member of the audit committee is as follows:

Name of Directors	Number of attendance/ number of meetings
Mr. Wong Chi Kan (<i>Chairman</i>)	3/3
Mr. Liao Honghao	3/3
Ms. Lao In lam	3/3

CORPORATE GOVERNANCE REPORT

During the Reporting Period, the audit committee had reviewed the Group's unaudited first quarterly results for the three months ended 30 June 2025 and unaudited interim results for the six months ended 30 September 2025, and discussed about the internal controls and financial reporting matters of the Group. The audit committee had also reviewed audited annual results in respect of the year ended 31 March 2025, and confirmed that this report complies with the applicable standard, the GEM Listing Rules, and other applicable legal requirements and that adequate disclosures have been made. There was no disagreement between the Board and the audit committee regarding selection and appointment of the external auditors during the year ended 31 March 2026.

The Board is of the view that the audit committee had properly discharged its duties and responsibilities from the Listing Date and up to the date of this report.

REMUNERATION COMMITTEE

A remuneration committee has been established with its terms of reference in compliance with paragraph E.1.2 of the CG Code. The remuneration committee consists of three members, namely Mr. Wong Chi Kan, Mr. Liao Honghao and Ms. Yu Xiao. Mr. Wong Chi Kan currently serves as the chairman of the remuneration committee.

The remuneration committee is obliged to report to the Board on its decisions or recommendations. With reference to the terms of reference of remuneration committee, the primary duties, among others, are as follow:

- (a) to formulate remuneration policy for the approval of the Board;
- (b) to make recommendations to the Board on the Group's policy and structure for all Directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (c) to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (d) to determine, with delegated responsibility or make recommendations to the Board on the remuneration packages of individual executive Directors and senior management of the Group;
- (e) to make recommendations to the Board on the remuneration of non-executive Directors;
- (f) to review and approve compensation payable to executive Directors and senior management of the Group for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- (g) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and
- (h) to consider the performance bonus for executive Directors, senior management and general staff, having regard to their achievements against the performance criteria and by reference to market norms, and make recommendations to the Board.

CORPORATE GOVERNANCE REPORT

The members of the remuneration committee should meet at least once a year. The individual attendance record of each member of the remuneration committee is as follows:

Name of Directors	Number of attendance/ number of meetings
Mr. Wong Chi Kan (<i>Chairman</i>)	3/3
Mr. Liao Honghao	3/3
Ms. Yu Xiao	3/3

The emolument payable to Directors depends on their respective contractual terms under the service contracts and the appointment letters, and as recommended by the remuneration committee. Details of the Directors' emolument are set out in note 15 to the consolidated financial statements.

The Board is of the view that the remuneration committee had properly discharged its duties and responsibilities from the Listing Date and up to the date of this report.

NOMINATION COMMITTEE

A nomination committee has been established with its terms of reference in compliance with paragraph B.3.1 of the CG Code. The nomination committee of the Group comprises Mr. Mr. Liao Honghao, the executive Director and Chairman, Mr. Wong Chi Kan and Ms. Lao In lam, the INEDs. Mr. Liao Honghao currently serves as the chairman of the nomination committee.

The nomination committee is obliged to report to the Board on its decisions or recommendations. With reference to the terms of reference of nomination committee, the primary duties, among others, are as follow:

- (a) to formulate nomination policy for the Board's consideration and implement the Board's approved nomination policy;
- (b) to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Group's corporate strategy;
- (c) to identify individuals suitably qualified to become members of the Board and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (d) to receive nominations from Shareholders or Directors when such are tendered and to make recommendations to the Board on the candidacy of the nominees, having regard to the Board's compositional requirements and suitability of the nominees;
- (e) to assess the independence of INEDs and review the INEDs' confirmations on their independence; and make disclosure of its review results in the corporate governance report;
- (f) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman of the Board and the chief executive of the Group; and
- (g) regularly review the contribution required from a Director to perform his/her responsibilities to the Group, and whether he/she is spending sufficient time performing them.

CORPORATE GOVERNANCE REPORT

The members of the nomination committee should meet at least once a year. The individual attendance record of each member of the nomination committee is as follows:

Name of Directors	Number of attendance/ number of meetings
Mr. Liao Honghao (<i>Chairman</i>)	3/3
Mr. Wong Chi Kan	3/3
Ms. Lao In lam	3/3

The Board is of the view that the nomination committee had properly discharged its duties and responsibilities from the Listing Date and up to the date of this report.

AUDITOR'S REMUNERATION

The amount of fees charged by the external auditors generally depends on the scope and volume of the external auditors' work performed.

For the Reporting Period, the remuneration paid or payable to the external auditors of the Company in respect of the statutory audit services and non-audit services for the Group are as follows:

	Fees paid/payable for services rendered	
	2026 HK\$'000	2025 HK\$'000
Statutory audit services	415	390
Non-audit services	Nil	Nil

COMPANY SECRETARY

During the Reporting Period, Ms. Tam Mei Chu has undertaken not less than 15 hours of relevant professional training in accordance with Rule 5.15 of the GEM Listing Rules.

COMPLIANCE OFFICER

Mr. Chen Jian, an executive Director of the Company, was appointed as the compliance officer of the Company on 3 October 2023. Please refer to the section "Biographical Details of Directors and Senior Management" for her biographical information.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for the establishment, maintenance and review of the Group's risk management and internal control systems. The Board oversees the Group's overall risk management and internal control systems on an ongoing basis. At the same time, the Group endeavors to identify risks, control impact of the identified risks and facilitate implementation of coordinated mitigating measures. The risk management and internal control systems which are compatible with the Committee of Sponsoring Organizations of the Treadway Commission (COSO) – Integrated Framework 2013 principles.

CORPORATE GOVERNANCE REPORT

The Group has established a risk management policy which sets out the process of identification, evaluation and management of the principal risks affecting the business.

1. Each division is responsible for identifying and assessing principal risks within its divisions on a quarterly basis and establishing mitigation plans to manage the risks identified.
2. The management is responsible for overseeing the Group's risk management and internal control activities, attending quarterly meetings with each division to ensure principal risks are properly managed, and new or changing risks are identified and documented.
3. The Board is responsible for reviewing and approving the effectiveness and adequacy of the Group's risk management and internal control systems.

The risk management framework, coupled with our internal controls, ensures the risk associated with our different business units are effectively controlled in line with the Group's risk appetite.

The Group does not have an internal audit department. The Board, as supported by the Audit Committee, is directly responsible for risk management and internal control systems of the Group and for reviewing its effectiveness.

The Group engaged an external consultant for internal control to conduct an annual review on the risk management and internal control system of the Group during the year. The review covers certain procedures on the civil engineering works undertaken by the Group, and make recommendations for improving and strengthening the internal control system. No significant area of concern that may affect the financial, operational, compliance, control and risk management of the Group has been identified.

The Group's risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or loss.

With respect to the monitoring and disclosure of insider information, the Group has adopted a policy on disclosure of insider information with the aim to ensure the insiders are abiding by the confidentiality requirement and are fulfilling the disclosure obligation of the inside information.

DIRECTORS' AND AUDITOR'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for preparing the consolidated financial statements of the Group that give a true and fair view of the state of affairs, results and cash flows of the Group and are in compliance with the relevant accounting standards and principles, applicable laws and disclosure provisions required of the GEM Listing Rules. As at 31 March 2026, the Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Group's ability to continue as a going concern, therefore the Directors continue to adopt the going concern approach in preparing the consolidated financial statements.

CORPORATE GOVERNANCE REPORT

The responsibility of the external auditors is to form an independent opinion, based on their audit, on those consolidated financial statements prepared by the Board and to report their opinion to the Shareholders. The independent auditor's report by external auditors, Infinity CPA Limited, about their reporting responsibility on the consolidated financial statements of the Group is set out in the independent auditor's report on pages 57 to 62 of this report.

PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING AND PROCEDURES FOR SHAREHOLDERS TO PUT FORWARD PROPOSALS AT SHAREHOLDERS' MEETINGS

The following procedures for the Shareholders to convene an extraordinary general meeting are subject to the Article 64 of the Articles of Association of the Company, and the applicable legislation and regulation, in particular the GEM Listing Rules:

The Board may, whenever it thinks fit, convene an extraordinary general meeting. Extraordinary general meetings shall also be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Shareholders may also use this same method to put forward proposals for the general meeting.

DIVIDEND POLICY

The Company adopted a policy on payment of dividends (the "Dividend Policy") in March 2019, which establishes an appropriate procedure on declaring and recommending the dividend payment of the Company.

The Company will declare and/or recommend the payment of dividends to the Shareholders after considering the Company's ability to pay dividends, which will depend on a number of factors, including but not limited to:

- (i) the Group's actual and expected financial performance;
- (ii) the Group's expected working capital requirements, capital expenditure requirements and future expansion plans;
- (iii) retained earnings and distributable reserves of the Company and each of the members of the Group;
- (iv) the Group's liquidity position;
- (v) the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- (vi) any other factors that the Board deems relevant.

CORPORATE GOVERNANCE REPORT

The Board has complete discretion on whether to pay a dividend, subject to Shareholders' approval, where applicable. Even if the Board decides to recommend and pay dividends, the form, frequency and amount will depend upon the operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors of and affecting the Group. The Board may also consider declaring interim dividends from time to time.

The Company shall review and reassess the Dividend Policy and its effectiveness on a regular basis or as required.

PROCEDURES FOR RAISING ENQUIRIES

Shareholders should direct their questions about their shareholdings, share transfer, registration and payment of dividend to the Company's Hong Kong share registrar (details of which are set out in the section headed "Corporate Information" of this report).

Should there are any enquiries and concerns from Shareholders, they may send in written enquiries addressed to the head office and principal place of business of the Company in Hong Kong at Unit 2202, 22/F, Causeway Bay Plaza I, 489 Hennessy Road, Causeway Bay, Hong Kong, by post for the attention of the Board and/or the Company Secretary. Shareholders are reminded to lodge their questions together with their detailed contact information for the prompt response from the Company if it deems appropriate.

Investor Relations

The Company has established a range of communication channels between itself and its Shareholders, and investors. These include answering questions through the annual general meeting, the publication of annual, interim and quarterly reports, notices, announcements and circulars, the Company's website at https://www.todayir.com/ir_show_case/8217 and meetings with investors and Shareholders. News update of the Group's business development and operation are also available on the Company's website.

Significant Changes in Constitutional Documents

Save for the adoption of the amended and restated Memorandum and Articles of Association of the Company for the purpose of the listing of the Shares on GEM of the Stock Exchange, during the Reporting Period, there had been no significant changes in the constitutional documents of the Company.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE GROUP

Ju Fu Tang Biotech Holdings Co., Ltd. (formerly known as WMHW Holdings Limited) and its subsidiaries (collectively, the “Group”) have over 25 years of experience in providing civil engineering works as a subcontractor in Hong Kong. The Group’s principal civil engineering services mainly comprise: (i) roads and drainage works, including construction and improvement of local roads, carriageways with junction improvement and the associated footpaths, planting areas, drains, sewers, water mains and utility diversion; (ii) structural works, including construction of reinforced concrete structures for bridges and retaining walls; and (iii) site formation works, including excavation and/or filling works for forming a new site or achieving designed formation levels for later development. Although the Company’s English name was changed to Ju Fu Tang Biotech Holdings Co., Ltd. during the Reporting Year, the Group’s principal business remained civil engineering subcontracting in Hong Kong.

ABOUT THIS REPORT

The board of directors (the “Board”) presents this Environmental, Social and Governance Report (the “ESG Report” or the “Report”) for the year ended 31 March 2026 (the “Reporting Year”). The Report provides an annual update on the Group’s environmental, social and governance performance, management approach, initiatives and climate-related considerations during the Reporting Year.

Unless otherwise stated, this Report covers the Group’s principal operating entities in Hong Kong engaged in civil engineering subcontracting activities, including office and project site operations that are materially relevant to the Group’s ESG performance. During the Reporting Year, the Group reviewed the reporting boundary and confirmed that it covers the principal operating entities in Hong Kong engaged in civil engineering subcontracting activities, including office and project site operations that are materially relevant to the Group’s ESG performance.

This Report has been prepared with reference to Appendix C2 to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “HKEX ESG Reporting Code”). The climate-related section has been updated to reflect the new climate disclosure framework introduced by HKEX with effect from 1 January 2025. For GEM issuers, disclosure on Scope 1 and Scope 2 greenhouse gas emissions is mandatory for financial years commencing on or after 1 January 2025, while the other new climate disclosures are voluntary.

In preparing this Report, the Group has applied the reporting principles of materiality, quantitative, balance and consistency. Material ESG topics were identified through management’s review of operational impacts and stakeholder concerns; quantitative information is presented, where available, together with measurement basis and assumptions; disclosures are intended to provide a fair view of both achievements and limitations; and consistent methodologies are adopted to enable year-on-year comparison, with any changes clearly explained.

Should there be any discrepancy between the English and Chinese versions of this Report, the English version shall prevail.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

BOARD STATEMENT OF ESG GOVERNANCE

The Board has overall responsibility for the Group's ESG governance and climate-related matters. It oversees the Group's ESG strategy, reviews material ESG issues, monitors progress against ESG-related goals and targets, and evaluates whether the Group's risk management and internal control systems adequately address sustainability-related and climate-related risks and opportunities.

To support the discharge of its responsibilities, the Board delegates day-to-day coordination and implementation work to an ESG Working Team comprising representatives from relevant functions, such as project management, administration and finance. The ESG Working Team is responsible for coordinating data collection, reviewing ESG and climate-related issues arising from operations, assisting in materiality assessment, monitoring implementation of relevant policies and reporting significant matters to the Board at least annually.

During the Reporting Year, the Board reviewed the Group's ESG and climate-related priorities at least once, with reference to the Group's business model, operational footprint and stakeholder expectations. The Board also evaluated progress against key ESG and climate-related targets and considered whether existing risk management and internal control systems adequately address material sustainability and climate-related risks. Particular attention was given to occupational health and safety, employment and labour practices, supply chain management, construction-site environmental impacts, business integrity, and climate-related physical and transition risks relevant to project delivery, workforce safety and operating resilience.

STAKEHOLDER ENGAGEMENT

The Group recognises that effective communication with stakeholders supports sound ESG management and helps the Group understand the expectations associated with its business activities. Major stakeholders include shareholders and investors, government and regulatory authorities, employees, customers, suppliers and subcontractors, and the communities in which the Group operates.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group communicates with stakeholders through a range of channels, including announcements and disclosures, regular meetings, site visits, audits, emails and other correspondence, employee communications and day-to-day project liaison. Through these channels, the Group seeks to understand stakeholder expectations on compliance, workplace safety, employment practices, project quality, environmental protection and community contribution.

Major Stakeholders	Areas of Concern	Communication Channels
Stock Exchange	Compliance with listing rules	- Announcements on the Stock Exchange website - Discussions and meetings as necessary - Emails and other correspondences
Government and regulatory bodies	- Laws and regulations - Taxation	- Site visits and audits - Regular declarations - Public notice of new laws and regulations - Reports and other publications on their websites
Shareholders and investors	- Return on investment - Information disclosure - Protection on rights and interests of shareholders and fair treatment of shareholders	- Annual and general meetings of members - Annual reports, announcements and other disclosures - Company website - Disclosures on the Stock Exchange website - Group email managed by designated employees
Employees	- Salaries and welfares - Protection of Employee's rights and interests - Health and safety - Feedback opportunities	- Regular meetings - Employee training - Intranet and emails - Regular employee activities
Customers	- Product safety and quality - Customer satisfaction - After-sales services	Website
Suppliers	- Long-term and sustainable business relationship - Fair competition	- Supplier contracts, emails, teleconferences, interview - Bidirectional supplier evaluation
Community	- Environmental protection - Contribution to the community	- Voluntary activities - Community visits

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MATERIALITY ASSESSMENT

The Group conducts materiality assessment to identify ESG topics that are most relevant to its business operations and stakeholders. Based on the prior-year assessment, management identified employment, health and safety, labour standards, supply chain management, product and service responsibility, and community investment as major material topics, and these remain broadly relevant to a labour-intensive civil engineering subcontracting business in Hong Kong.

For the Reporting Year, the Group reviewed its materiality assessment and confirmed that the previously identified material topics remained relevant to the Group's operations.

Aspects	Material ESG Issues
Employment	• Employee welfare • Equal opportunity and diversity • Talent attraction and retention
Health and Safety	• Occupational health and safety of site and office personnel
Labour Standards	• Prevention of child and forced labour
Supply Chain Management	• Supplier and subcontractor management, environmental and safety expectations
Product Responsibility	• Project quality assurance • Customer satisfaction • Data privacy • Confidentiality
Anti-corruption	• Business ethics • Anti-bribery controls • Whistleblowing
Community Investment	• Corporate social responsibility and support for local communities
Climate-related matters	• Physical and transition risks affecting project delivery, employees, operations and compliance

ENVIRONMENTAL ASPECTS

Environmental responsibility is an integral part of the Group's corporate social responsibility. Given the nature of civil engineering subcontracting activities, the Group recognises that its operations may affect the environment through fuel combustion, electricity use, construction waste, wastewater, dust, noise and use of natural resources. The Group is committed to conducting business in an environmentally responsible manner and to promoting pollution prevention, energy efficiency and waste reduction in its offices and project sites.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Emissions

In Hong Kong, the Group's operations are subject to environmental laws and regulations relating to air emissions, waste disposal, water pollution and noise control, including the Air Pollution Control Ordinance (Cap. 311), Waste Disposal Ordinance (Cap. 354), Water Pollution Control Ordinance (Cap. 358) and Noise Control Ordinance (Cap. 400). The Group seeks to comply with applicable legal and regulatory requirements and to implement site and office measures to reduce its environmental footprint.

The Group's air emissions primarily arise from fuel combustion by mobile vehicles and, where applicable, construction plants and equipment. Greenhouse gas ("GHG") emissions mainly comprise direct emissions from fuel consumption (Scope 1), indirect emissions from purchased electricity (Scope 2), and other indirect emissions where information is available and appropriate to disclose. Under the HKEX climate disclosure framework, Scope 1 and Scope 2 greenhouse gas emissions are mandatory for GEM issuers for financial years commencing on or after 1 January 2025.

The Group continues to promote emission reduction through practical measures, such as regular maintenance of vehicles and equipment to improve fuel efficiency, avoidance of idling, use of electronic documentation, turning off lighting and appliances when not in use, and promoting environmental awareness among employees.

The types of emissions and respective emissions data

	2025/26	2024/25	Unit
Nitrogen Oxides (NO _x)	2.29	13.19	Kg
Sulphur Oxides (SO _x)	0.05	0.16	Kg
Respirable Suspended Particles (RSP)	0.17	0.97	Kg

The types of emissions and respective emissions data

	2025/26	2024/25	Unit
Scope 1 GHG emissions	8.2	27.6	Tonnes CO ₂ -e
Scope 2 GHG emissions	1.8	3.8	Tonnes CO ₂ -e
Scope 3 GHG emissions	–	–	Tonnes CO ₂ -e
Total GHG emissions	10.0	31.4	Tonnes CO ₂ -e
GHG intensity by revenue	0.27	0.87	Tonnes CO ₂ -e/million HKD revenue

The Group is continuing to strengthen its greenhouse gas management. Using FY2025/26 as a baseline, the Group aims to maintain or reduce Scope 1 and Scope 2 emissions intensity and total energy intensity over the next three financial years, subject to project mix and workload. Progress against these targets will be reviewed annually together with the assumptions used, including changes in revenue base, operating scale and methodology.

Given current data constraints and the Group's size, Scope 3 greenhouse gas emissions have not yet been quantified. Management will explore the feasibility of measuring key Scope 3 categories, such as waste generated in operations and fuel- and energy-related activities, over the medium term.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Waste Management

With the enactment of the Construction Waste Disposal Charging Scheme through the Waste Disposal Ordinance (Cap. 354, Laws of Hong Kong), we have opened billing accounts with the Environmental Protection Department for repayment of service charges. We are committed to disposing only at legitimate disposal facilities, or through licensed collectors to collect and dispose of our wastes. Reusable materials are encouraged to be applied at the site to reduce material consumption, such as the use of wood.

Environmental protection policies and plans have been set up for different projects. In effort to identify and resolve any non-compliance as soon as possible, we conduct periodic construction work inspections at sites with high environmental risks, covering dust control, and disposal of sewage and construction waste. The Group also provides experienced personnel with adequate training to ensure strict implementation of such measures.

Emissions discharged by the Group in the course of operation were primarily carbon dioxide. The amount of non-hazardous waste produced was mainly construction waste and general office waste. Since the construction wastes produced at the site are handled by our main contractor, the disclosure of the statistics and targets of the non-hazardous was not available for the Group. We will continue to review and disclose further information as appropriate in the future.

Due to the nature of the industry, the Group seldom produces hazardous waste. Therefore, the disclosure of relevant key performance indicator did not apply to the Group.

Use of Resources

The Group is committed to using resources efficiently in daily operations and project execution. Key resources consumed by the Group include fuel, electricity and water. Resource efficiency is promoted through operational controls, employee awareness and site management measures.

Energy Consumption

We have initiated a series of measures to enhance energy performance. In offices, we encourage the usage of electronic devices throughout our daily operations and take active measures to upgrade our electronic document management system. We set the temperatures of the air-conditioning system at an environment-friendly level during summer. All employees are told to switch off all lighting and air-conditioning systems if not in use. At construction sites, our teams are also encouraged to switch off idle plants and machinery, to avoid energy wastage.

Direct and/or indirect energy consumption by type	2025/26	2024/25	Unit
Direct energy consumption – Diesel and Petrol	106.8	352.2	GJ
Indirect energy consumption – Electricity	17.9	23.1	GJ
Total energy consumption	124.7	375.3	GJ
Intensity (by revenue)	3.3	10.4	GJ/million HKD revenue

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group continues to monitor energy consumption and seek to maintain or improve energy intensity over time, taking into account project volume and nature. Measures may include better maintenance of equipment, enhanced work planning to reduce unnecessary fuel use, and reinforcement of energy-saving practices in both office and site operations.

Water Consumption

Water is consumed by the municipal water supply and we did not encounter any issues in sourcing water during the Year. For the sake of continuing improvements in our water use, we have strengthened our construction site management to improve water-use efficiency. Taking into account the seasonal variations, we strive to construct adequate drainage channels, catch pits, situation traps and sedimentation tanks at our project sites and conduct regular self-monitoring maintenance checks to avoid blockages or leakage. In order to reduce wastewater discharge, construction wastewater is collected and treated to reuse on-site for wheel washing and dust suppression, alleviating dust generation from construction and demolition activities.

Due to our business nature as a civil engineering service provider, our operation does not involve any significant water consumption. Therefore, we have not set a water consumption target at the current stage. Nevertheless, the Group encourages water conservation and reminds staff to reduce water wastage whenever possible.

Packaging Materials

Due to the business nature, the Group did not consume any packaging material. Therefore, the relevant key performance indicators were not applicable.

The Environment and Natural Resources

To spur continuous improvement in our environmental management practices, we have also established control measures for noise pollution, waste generation and waste disposal.

Noise Control

According to the Environmental Impact Assessment Ordinance (Cap. 499, Laws of Hong Kong), the noise standards for daytime construction activities should be 75 decibels for all domestic premises and 70 decibels for educational institutions. Due to increasingly stringent regulations, noise control has been a primary concern for us ever since our establishment. To meet this challenge, we strive to erect noise sources by screening structures as early as possible during the project planning stage and use portable noise barriers for noisy stationary and mobile plants.

Dust Control

Being a responsible contractor, we apply good construction site management by devising methods of working and carrying out the works in such a manner so as to minimise dust impacts on the surrounding environment and provide our experienced staff with suitable training to ensure that these methods are implemented. Control measures, such as water sprays, dust curtains and covers, are applied to suppress dust from excavation and during transportation.

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Climate-Related Disclosures

The Group recognises that climate-related matters may affect the resilience, continuity and cost profile of its civil engineering subcontracting business. In particular, adverse weather conditions, changes in precipitation patterns, extreme heat, tightening environmental expectations and evolving disclosure requirements may affect project execution, site safety, plant utilisation, insurance, procurement and compliance obligations.

The climate-related disclosures below have been updated with reference to the new HKEX climate disclosure framework, which is developed based on IFRS S2 and organised around Governance, Strategy, Risk Management, and Metrics and Targets. For GEM issuers, apart from mandatory Scope 1 and Scope 2 greenhouse gas disclosures, the other new climate disclosures are voluntary for financial years commencing on or after 1 January 2025. The Group has therefore adopted a proportional, business-relevant approach focused on information that is reasonable and supportable in light of its operations and current reporting maturity.

Governance

The Board oversees the Group's climate-related risks and opportunities as part of its broader responsibility for ESG governance. Climate-related matters are considered in conjunction with the Group's risk management and internal control framework, and significant issues identified by management or the ESG Working Team are escalated to the Board for review at least annually, or more frequently where operational developments require.

Management, with support from the ESG Working Team, is responsible for collecting relevant environmental data, monitoring compliance, identifying climate-related issues affecting projects and workforce safety, and proposing response measures. Relevant functions, including project management, site supervision and administration, contribute to identifying operational exposures, implementing mitigation measures and reporting observations to senior management.

Strategy

In light of the Group's operating model, the most relevant climate-related risks are currently physical risks. Acute physical risks include typhoons, rainstorms, flooding and other severe weather events that may disrupt site work, delay project progress, increase repair and protection costs, reduce labour productivity and pose safety risks to employees and subcontracted workers. Chronic physical risks include rising average temperature, prolonged hot weather and changing rainfall patterns, which may affect site conditions, drainage design assumptions, work scheduling, outdoor health and safety management and long-term maintenance expectations.

The Group has also considered transition-related factors that may emerge over time. These may include tighter regulatory expectations on climate and environmental performance, increasing customer and tender requirements, higher energy and fuel costs, more stringent contractor management expectations, and evolving market preference for suppliers with stronger ESG credentials. While the Group is not a carbon-intensive manufacturer, transition-related developments may still affect its competitiveness, compliance burden and operating practices.

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Given the Group's size and reporting maturity, formal quantitative climate scenario analysis has not yet been conducted; however, management will review the feasibility of introducing more structured scenario analysis as internal capability and data availability improve. The Group seeks to strengthen resilience through adverse weather work arrangements, project contingency planning, resource deployment flexibility, worker protection measures during hot weather, and practical controls over fuel and electricity use. As climate reporting capability develops, the Group may further enhance its assessment of how climate-related risks and opportunities could affect business planning, procurement, project costing and capital allocation over the short, medium and long term.

Risk Management

The Group identifies climate-related risks through its existing ESG and operational risk review processes, taking into account the nature of project sites, weather exposure, environmental compliance requirements, safety incidents and stakeholder expectations. Climate-related issues are assessed alongside other business risks with reference to their likelihood, operational impact and potential financial consequences, particularly where they may affect project delivery, workforce safety or compliance.

Where material climate-related risks are identified, management considers relevant response measures, which may include site precautionary measures before severe weather, temporary work suspension and rescheduling, review of drainage and runoff arrangements, enhanced plant and equipment protection, hot-weather work arrangements, and communication with contractors or customers regarding programme implications. The Group integrates these actions into day-to-day project management and internal control processes rather than maintaining a standalone climate risk system at this stage.

The Group will continue to improve internal documentation, responsibilities and data collection processes for climate-related matters in a manner proportionate to its size and business complexity. This approach is consistent with HKEX's implementation of climate disclosures with proportionality and scaling-in measures to address reporting challenges.

Metrics and Targets

The Group uses greenhouse gas emissions and energy consumption as its primary climate-related metrics at the current stage. Under HKEX's new climate disclosure framework, Scope 1 and Scope 2 greenhouse gas emissions are required to be disclosed for financial years commencing on or after 1 January 2025. As the Group's financial year from 1 April 2025 to 31 March 2026 falls within this scope, the Group has disclosed its Scope 1 and Scope 2 greenhouse gas emissions in this Report, with these disclosures supported by a defined methodology, reporting boundary and documented data collection process.

The Group focuses on practical operational targets relevant to its business and current reporting capability. Using FY2025/26 as a baseline, the Group aims over the next three financial years to maintain or reduce Scope 1 and Scope 2 emissions intensity, subject to project scale and deployment of plant and equipment, and to maintain or improve energy intensity through better equipment maintenance, reduced idling and office energy-saving practices. The Group also seeks to strengthen preparedness for severe weather and heat stress at project sites through work-arrangement adjustments and site management measures. Progress against these operational targets will be reviewed annually in light of changes in project mix, workload and methodology.

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At the present stage, the Group has not yet quantified Scope 3 greenhouse gas emissions due to data and resource constraints. Management will explore the feasibility of measuring key Scope 3 categories, such as waste generated in operations and fuel- and energy-related activities, over the medium term. Where certain climate-related data or analysis is not yet available, the Group explains the limitation transparently in this Report and sets out its intended direction for improvement in subsequent reporting periods.

SOCIAL ASPECTS

Employment

We believe that our staff team is the most valuable asset and the foundation for the development of the Group. In this regard, the Group aims to provide an attractive remuneration package, and fair and inclusive working environment to safeguard the legitimate rights and interests of employees. A Staff Handbook is in place to ensure that all employees are aware of the goals, policies and procedures of the Group as well as their responsibilities.

To accommodate our continuously growing business scale, we recruit talent from different cultures and backgrounds for our team. We also provide vast opportunities for career development for our employees, and strive to match employees' personal career planning with the business development goals through talent training system, effective incentive mechanism and fair competition platform, so that mutual benefits for employees and the Group can be achieved. Besides, the Group strictly prohibits any kind of unfair or unreasonable dismissals.

The construction industry has been continuously suffering from manpower shortages for years. Accordingly, we always place emphasis on attracting qualified applicants to meet future challenges by offering competitive remuneration packages. These packages are reviewed based on employees' performance and reference to prevailing market conditions and are adjusted in a timely manner to keep them in line with sector benchmarking.

Through the management meetings and performance assessments, we maintain regular communications with our employees. In daily operations, employees at all levels are encouraged to share their perceptions of the Group with the management. Simultaneously, employees are also encouraged to discuss their targets in job advancement and career development with their senior management. In the hope of promoting a healthy lifestyle and work-life balance within the Group, we periodically organise a series of family-friendly recreational activities for employees to reward them, which help foster harmonious employment relations.

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As at 31 March 2026, the Group had 23 (2025: 22) full-time and part-time employees, including back-office and site staff, in Hong Kong. In view of the high labour mobility of the construction industry, and the fact that most of the employees in the industry are temporary employees, whose employment is on a day-to-day basis or for a fixed period of fewer than 60 days. Hence, those temporary employees who joined and left within the year were not constituted in our annual turnover rate calculation. The charts below show the number of employees by gender and level as at the end of the year.

Total workforce		2025/26	2024/25	Unit
Total number of employees		23	22	Employee
By Gender	Male	15	15	Employee
	Female	8	7	Employee
By employment type	Full-time	23	22	Employee
	Part-time	–	–	Employee
By employee category	Managerial	6	6	Employee
	Senior	2	2	Employee
	Middle	8	7	Employee
	Junior	7	7	Employee
By function	Executive	6	6	Employee
	Technical	7	7	Employee
	Administrative	3	2	Employee
	Production	7	7	Employee
By geographical region	Hong Kong	22	22	Employee
	PRC	1	–	Employee

Employee turnover rate		2025/26	2024/25	Unit
Total employee turnover rate		–	17	%
By Gender	Male	–	33	%
	Female	–	13	%
By employment type	Full-time	–	27	%
	Part-time	–	–	%
By employee category	Managerial	–	–	%
	Senior	–	–	%
	Middle	–	–	%
	Junior	–	78	%
By geographical region	Hong Kong	–	27	%

For the Year ended 31 March 2026, the Group was not aware of any cases of material non-compliance with laws and regulations that have a significant impact on the Group in relation to employment and labour standards, including but not limited to the Employment Ordinance (Cap. 570, Laws of Hong Kong), Mandatory Provident Fund Schemes Ordinance (Cap. 485, Laws of Hong Kong) and Minimum Wage Ordinance (Cap. 608, Laws of Hong Kong).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Health and Safety

Owing to our business nature, our employees are often involved in high-risk work procedures. Hence, we always place great emphasis on taking care of the safety and health at work of all persons and endeavour to provide our employees and subcontractors with a safe and healthy working environment. To safeguard employees' health and safety, we are fully committed to complying with the Occupational Safety and Health Ordinance (Cap. 509, Laws of Hong Kong), the Employees' Compensation Ordinance (Cap. 282, Laws of Hong Kong), and the Factories and Industrial Undertakings Ordinance (Cap. 59, Laws of Hong Kong).

Our operations adhere to the internal occupational health and safety policy to identify, assess, control and monitor safety risks. Our safety requirements and procedures are standardised across the Group's operating activities, and they are supplemented with instructions for our employees. Safety measures include the provision of adequate personal protection equipment, such as safety helmets, ear plugs, dust masks and safety shoes, and arrangements for ensuring safety and absence of risks to health in connection with the use, handling, storage or transport of plant or substances, and emergency procedures for foreseeable emergencies, such as first aid kits and other emergency treatments.

According to the Employment Compensation Ordinance (Cap. 282, Laws of Hong Kong), we strictly implement the injury reporting procedure to report and submit Form 2 to the Labour Department within the prescribed period.

In addition, the Group carries out various forms of intensive safety inspection, such as regular inspections, inspections at high-risk construction sites and inspections of high-risk work procedures. In the course of inspections, on-site foremen and site supervisors cooperate with safety officers to ensure any breaches or unsafe conditions are rectified promptly.

As climate conditions may intensify heat stress and severe weather disruption, the Group also treats weather-related worker protection as part of occupational safety management. Appropriate measures may include hot-weather rest arrangements, hydration support, temporary work adjustments, severe weather contingency planning and communication of site safety requirements.

Health and Safety	2025/26	2024/25	Unit
Number of work-related fatalities	0	0	No.
Rate of work-related fatalities	0	0	%
Lost days due to work injury	0	0	No.

Development and Training

We believe training is an important means of talent cultivation for us, and it seeks to build a team with expertise, professional skills and strong executive capability. To support our employees to undertake lifelong training, we provide periodic training and development programs that add value for employees at all working levels. To continuously attract new talent, we also provide enhanced training program and education subsidies, to encourage our employees to undertake continuous learning and broaden their knowledge.

In the Reporting Period, the Group did not conduct separate professional training for its employees but focused on on-job training. In the future, the Group will invest further resources to provide employees with more comprehensive training programs, with the aim of enriching personal and professional development.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Labour Standards

Through establishing a comprehensive employment management system, the Group abides strictly to the Employment Ordinance (Cap. 57, Laws of Hong Kong). According to the Immigration Ordinance (Cap. 115, Laws of Hong Kong) and the Construction Workers Registration Ordinance (Cap. 583, Laws of Hong Kong), a construction site controller should take all practicable steps to prevent illegal workers who are not lawfully employable from taking employment on site and is required to employ only registered construction workers to personally carry out construction work on construction sites. Prior to employing construction workers, the Group will carefully check their identity and registration to ensure there are no instances of child and forced labour in the Group and in compliance with the aforesaid regulations.

In addition, we recognise the importance of a fair and harmonious working environment and adhere to the principle of equal opportunities. From recruitment to promotion, the Group adheres to non-discrimination employment policies, including but not limited to the Sex Discrimination Ordinance (Cap. 480, Laws of Hong Kong), Race Discrimination Ordinance (Cap. 602, Laws of Hong Kong), Disability Discrimination Ordinance (Cap. 487, Laws of Hong Kong) and Family Status Discrimination Ordinance (Cap. 527, Laws of Hong Kong), and prohibits the employment of forced or child labour. During the Year, the Group was not aware of any material non-compliance with laws and regulations in respect of labour standards.

Supply Chain Management

The service quality and the quality of the infrastructure it builds are dependent on the reliability and quality of products and services delivered by suppliers. In addition to stringent internal controls and regular assessment, the Group maintains high standards for all aspects of operations and works with partners to build a sustainable supply chain.

It is the Group's objective to build long-lasting and constructive relationships with partners in its supply chain. Procedures for supplier evaluation and management mechanism are formulated to ensure fairness and transparency. For the selection of our suppliers, quality, lead time and after-sales service capability are our major considerations.

The Group adopts a green procurement concept in our supply chain. We have stipulated our requirements relating to environmental protection in a commercial agreement with our subcontractors and suppliers. Environmental-friendly requirements, such as using more environmentally preferable products, are set for the selection of suppliers. We also consider whether our suppliers follow the environmental standards from the Environmental Protection Department.

Assessments on suppliers are conducted annually. We conduct regular reviews of the Group's major suppliers to ensure they do not impose any material negative impacts on the environment and society. Safety of equipment is our primary concern. Our technicians conduct thorough inspections of goods supplied to ensure their safety and compliance with national or international safety standards. If any suppliers fail to meet relevant safety standards, we will terminate our cooperation and eliminate them from our pre-approved supplier list. These practices are applied on all of the Group's suppliers.

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We aim to deepen the relationships with our suppliers and subcontractors. Therefore, we maintain regular communication with them, sharing knowledge and experiences, and adopting good industry practices in our operations. In our daily operations, we tend to procure from local suppliers so as to reduce our carbon footprint and transportation costs. During the Year, 100% of our suppliers are located in Hong Kong.

Supply Chain Management		2025/26	2024/25	Unit
Number of suppliers by geographical region				
Total number of suppliers		131	130	Supplier
By geographical region	Hong Kong	130	130	Supplier
	PRC	1	–	Supplier

Product Responsibility

Quality Assurance

Attaching great importance to quality improvement, the Group strictly followed legal and industry standards and promotes the ultimate accountability on projects. From the commencement to completion of projects, stringent quality assurance and control procedures are applied during material procurement, material testing, and construction works processing. Our experienced staff monitor and control quality, time and cost to help ensure effective project planning, design and construction from inception to completion. The Group will choose reputable suppliers and subcontractors from the pre-approved list and require them to provide after-sales services to ensure quality.

As the Group's business does not involve mass-produced consumer products, the disclosure of product recalls is not applicable to the Group. During the Reporting Year, the Group did not receive any material complaints relating to the quality and safety of its services.

Protection of Data Privacy

The Group recognises the importance of data privacy and it is handled seriously across the Group. To ensure information security, the Group has established guidelines for handling confidential or special information provided by customers, employees and business associates. All collected customer data are treated as strictly confidential and handled with due care.

Protection of Intellectual Property

Due to our business nature, intellectual property right is not a material issue to the Group. However, the Group is still committed to upholding intellectual property rights. Employees are expected to protect intellectual property rights and avoid any infringement.

For the Year ended 31 March 2026, the Group was not aware of any cases of non-compliance with laws and regulations that have a significant impact on the Group in relation to health and safety, advertising, labelling and privacy matters relating to products and services provided, including but not limited to the Personal Data (Privacy) Ordinance (Cap. 486, Laws of Hong Kong), Copyright Ordinance (Cap. 528, the law of Hong Kong), Prevention of Copyright Piracy Ordinance (Cap. 544, the law of Hong Kong) and other applicable laws and regulations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Anti-Corruption

The Group regards integrity and fairness as the foundation of corporate social responsibility. We are committed to operating as a responsible business by upholding high ethical standards and conducting business in an honest and ethical way with integrity. The Group strictly abides by the anti-bribery relevant laws and regulations and prohibits all behaviours that may be suspected of corruption and bribery. Employees are familiarised with our stringent anti-corruption principles through on-the-job anti-corruption training or verbal communications.

Standardised rules and guidelines in handling a range of situations, such as gifts, entertainment and financial management are specified in our Staff Handbook. For instance, employees are prohibited from accepting or offering gifts or services from or to our customers, suppliers or any person who has business dealings of any kind with the Group. Falsifying documents and furnishing false accounting records, receipts or invoices are also strictly prohibited. Besides, the Group encourages employees to confidentially report any integrity related issues through whistleblowing channels.

The Group understands the importance of promoting anti-corruption thoughts to the employees and directors. However, the preparation work is suspended due to the pandemic. The Group will prepare the training in the future.

The Group did not receive any notice of non-compliance brought against the Group or its employees in relation to anti-corruption laws and regulations, such as the Prevention of Bribery Ordinance (Cap. 201, Laws of Hong Kong), the Theft Ordinance (Cap. 210, Laws of Hong Kong) and the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615, Laws of Hong Kong).

Anti-Corruption	2025/26	2024/25	Unit
Number of concluded legal cases regarding corruption	0	0	No.

Community Investment

As a social enterprise, the Group aims to act as a responsible corporate citizen and to support the communities in which it operates. We take the interests of our local communities into account and regard contributing to community well-being as an important way of putting our corporate social responsibility into practice.

During the Reporting Year, the Group did not make significant monetary donations, but we remained attentive to the needs of the communities around our project sites, including minority and vulnerable groups.

Looking ahead, the Group is committed to strengthening its community engagement and exploring opportunities to support community activities through donations, sponsorships or staff volunteering, with a view to creating a better living environment for the local community.

Community Investment	2025/26	2024/25	Unit
Resources contributed to focus area Total amount of donation in cash	0	0	HKD

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

HKEX ESG CODE CONTENT INDEX

KPIs	Disclosure Requirements	Description	Sections
A. Environmental Governance Structure			
1	Governance Structure	Disclosure of the board's oversight of ESG issues; Board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses)	Board Statement of ESG Governance
		How the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Board Statement of ESG Governance
	Reporting Principles	Description of, or an explanation on, the application of the following Reporting Principles (Materiality, Quantitative, Consistency) in the preparation of the ESG report	About This Report
	Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change	About This Report
Aspect A1: Emissions			
A1	General Disclosure	Policies and compliance with relevant laws and regulations that have a significant impact on the issuer; relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Emissions
A1.1		The types of emissions and respective emissions data.	Emissions
A1.2		Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions
A1.3		Total hazardous waste produced (in tonnes) and, where appropriate, intensity. (e.g. per unit of production volume, per facility).	Waste Management
A1.4		Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity. (e.g. per unit of production volume, per facility).	Waste Management

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

KPIs	Disclosure Requirements	Description	Sections
A1.5		Description of emission target(s) set and steps taken to achieve them.	Emissions
A1.6		Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Waste Generation
Aspect A2: Use of Resources			
A2	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Energy Consumption
A2.1		Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Energy Consumption
A2.2		Water consumption in total and intensity. (e.g. per unit of production volume, per facility).	Water Consumption
A2.3		Description of energy use efficiency target(s) set and steps taken to achieve them.	Energy Consumption
A2.4		Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Water Consumption
A2.5		Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Packaging materials
Aspect A3: The Environment and Natural Resources			
A3	General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environment and Natural Resources
A3.1		Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environment and Natural Resources
Aspect A4: Climate Change			
A4	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate-Related Disclosures
A4.1		Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate-Related Disclosures

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

KPIs	Disclosure Requirements	Description	Sections
Part D: Climate-Related Disclosures (Effective from 1 January 2025)			
	Governance	Disclosure of board oversight and management's role in climate-related matters	Climate-Related Disclosures – Governance
	Strategy	Disclosure of climate-related risks and opportunities, impact on business strategy, financial impact and climate resilience	Climate-Related Disclosures – Strategy
	Risk Management	Disclosure of processes for identifying, assessing and managing climate-related risks	Climate-Related Disclosures – Risk Management
	Metrics and Targets	Disclosure of climate-related metrics including GHG emissions (Scope 1, 2 and 3) and climate-related targets	Climate-Related Disclosures – Metrics and Targets
B. Social			
Aspect B1: Employment			
B1	General Disclosure	Policies and compliance with relevant laws and regulations relating to compensation and dismissal, recruitment, promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employment
B1.1		Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Employment
B1.2		Employee turnover rate by gender, age group and geographical region.	Employment
Aspect B2: Health and Safety			
B2	General Disclosure	Policies and compliance with relevant laws and regulations that have a significant impact on the issuer.	Health and Safety
B2.1		Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety
B2.2		Lost days due to work injury.	Health and Safety
B2.3		Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety
Aspect B3: Development and Training			
B3	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Development and Training
B3.1		The percentage of employees trained by gender and employee category.	Development and Training
B3.2		The average training hours completed per employee by gender and employee category.	Development and Training

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

KPIs	Disclosure Requirements	Description	Sections
Aspect B4: Labour Standards			
B4	General Disclosure	Policies and compliance with relevant laws and regulations that have a significant impact on the issuer.	Labour Standards
B4.1		Description of measures to review employment practices to avoid child and forced labour.	Labour Standards
B4.2		Description of steps taken to eliminate such practices when discovered.	Labour Standards
Aspect B5: Supply Chain Management			
B5	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
B5.1		Number of suppliers by geographical region.	Supply Chain Management
B5.2		Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management
B5.3		Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
B5.4		Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management
Aspect B6: Product Responsibility			
B6	General Disclosure	Policies and compliance with relevant laws and regulations that have a significant impact on the issuer.	Product Responsibility
B6.1		Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable
B6.2		Number of products and service related complaints received and how they are dealt with.	Product Responsibility
B6.3		Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility
B6.4		Description of quality assurance process and recall procedures.	Product Responsibility
B6.5		Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

KPIs	Disclosure Requirements	Description	Sections
Aspect B7: Anti-corruption			
B7	General Disclosure	Policies and compliance with relevant laws and regulations.	Anti-corruption
B7.1		Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Anti-corruption
B7.2		Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption
B7.3		Description of anti-corruption training provided to directors and staff.	Anti-corruption
Aspect B8: Community Investment			
B8	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
B8.1		Focus areas of contribution.	Community Investment
B8.2		Resources contributed to the focus area.	Community Investment

DIRECTORS' REPORT

The Directors hereby present their report and the audited consolidated financial statements for the Reporting Period.

CORPORATE REORGANISATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 16 October 2015.

The Company completed the corporate reorganisation (the "Reorganisation") on 22 February 2016 in preparation for the Listing, pursuant to which the Company became the holding company of the companies now comprising the Group.

The Shares were listed on GEM of the Stock Exchange on 12 April 2016 by way of placing.

PRINCIPAL ACTIVITIES

The Group is principally engaged in (1) civil engineering and construction; (2) health technology and the sale of medical products; and (3) investment holding. The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in note 19 to the consolidated financial statements of this report. There were no significant changes in the nature of the Group's principal activities during the Reporting Period.

BUSINESS REVIEW

Detailed business review, financial key performance indicators and likely future development are set out in the section of "Management Discussion and Analysis" in this report. A discussion of the principal risks and uncertainties, environmental policies of the Group, compliance with laws and regulations by the Group are illustrated in this Directors' report.

PRINCIPAL RISK AND UNCERTAINTIES

The Group's financial position, results of operations and business prospects may be affected by a number of risks and uncertainties directly and indirectly pertaining to the Group's business. The following are the key risks and uncertainties identified by the Group:

- (i) A significant portion of our revenue was derived from a small number of customers. Our five largest customers' revenue contribution for the Reporting Period was 100% (31 March 2025: 100%) of our total revenue, while our largest customer accounted for approximately 85% during the Reporting Period (31 March 2025: 100%). There is no assurance that we will be able to retain our customers upon expiry of the contract period and to obtain suitable projects of a comparable size and quantity as replacement, failing to do so will have a material impact on our financial conditions and operating results;
- (ii) Error or inaccurate estimation of project duration and costs when determining the tender price or increase in construction costs may adversely affect the Group's profitability or result in substantial loss;
- (iii) If net cash outflows to pay certain operating expenditures do not align with progress payments to be received at any particular period of time, our cash flow position may be adversely affected;

DIRECTORS' REPORT

- (iv) The Group's success is attributable to the contribution of, among others, our senior management personnel and in-house professional. The Group relies on the professional knowledge, experience and expertise of our senior management and in-house professional to facilitate the formulation of competitive tenders and in deciding the best suitable construction methodology in order to carry out our project works in an efficient manner while being able to meet customers' demand. Failure to hire in a timely manner and to retain suitable, skilled and qualified senior management personnel and in-house professional to meet our construction needs could adversely impact our business, results of operation and profitability of the Group; and
- (v) The Group's operations are conducted outdoors and are affected by weather conditions. If we have to halt operations during inclement weather conditions or a natural disaster, we may continue to incur operating expenses while we experience reduced revenues and profitability, our revenue, costs, financial conditions and growth potentials will be adversely affected.

ENVIRONMENTAL POLICY

The Group's operations at work sites are subject to certain environmental requirements pursuant to the laws in Hong Kong. The laws and regulations which have a significant impact on the Group include, among others, Air Pollution Control Ordinance (Chapter 311 of the Laws of Hong Kong), Air Pollution Control (Construction Dust) Regulation (Chapter 311R of the Laws of Hong Kong), Air Pollution Control (Non-road Mobile Machinery) (Emission) Regulation (Chapter 311Z of the Laws of Hong Kong), Noise Control Ordinance (Chapter 400 of the Laws of Hong Kong), Water Pollution Control Ordinance (Chapter 358 of the Laws of Hong Kong), Waste Disposal Ordinance (Chapter 354 of the Laws of Hong Kong).

We had ceased our ISO 14001:2004 certificate on 18 August 2017. Apart from following the environmental protection policies formulated and required by our customers, we have also established our environmental management policy to ensure proper management of environmental protection and compliance of environmental laws and regulations by both our employees and workers of the subcontractors on among others, air pollution, noise control and waste disposal.

During the Reporting Period, the Group did not record any non-compliance with applicable environmental requirements that resulted in prosecution or penalty being brought against the Group.

COMPLIANCE WITH LAWS AND REGULATIONS

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group during the Reporting Period.

RESULTS

The results of the Group for the Reporting Period are set out in the consolidated statement of profit or loss and other comprehensive income on page 63 of this report.

FINAL DIVIDEND

The Directors do not recommend the payment of a final dividend for the Reporting Period (2025: HK\$Nil).

DIRECTORS' REPORT

PROPERTY, PLANT AND EQUIPMENT

Movements in the property, plant and equipment of the Group during the Reporting Period are set out in note 18 to the consolidated financial statements of this report.

SHARE CAPITAL

Movements of the share capital of the Company during the Reporting Period are set out in note 28 to the consolidated financial statements of this report.

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 March 2026, the Company's reserves available for distribution to the shareholders, calculated in accordance with the Companies law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands amounted to nil.

EQUITY-LINKED AGREEMENTS

Save for the share option scheme (the "Share Option Scheme") as set out below, no equity-linked agreements were entered into by the Group, or existed during the Reporting Period.

SHARE OPTION SCHEME

The 2016 Share Option Scheme of the Company has been adopted by way of shareholder's written resolution passed on 24 March 2016 for the purpose of attracting and retaining the best available personnel, to provide additional incentive to employees (full-time and part-time), Directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the businesses of the Group. The 2016 Share Option Scheme is terminated on 8 September 2025 and the 2025 Share Option Scheme is adopted on 8 September 2025. The purpose of the 2025 Share Option Scheme is to recognise and acknowledge the contributions which the eligible participants have made or may make to the Group. For details of the 2025 Share Option Scheme, please refer to the circular of the Company dated 22 August 2025. The terms of the 2025 Share Option Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules and are summarised below:

As at 1 April 2025 and 31 March 2026, 30,186,000 options and 30,186,000 options are available for grant under the scheme mandate respectively. No service provider sub-limit was set under the 2025 Share Option Scheme.

As at the date of the annual report, 30,186,000 shares are available for issue under the scheme, which represent 10% of the issued share capital.

DIRECTORS' REPORT

Options granted must be taken up within seven days inclusive of the day on which such offer was made, upon payment of HK\$1 per option. Options may be exercised at any time during a period as the Directors may determine which shall not exceed ten years from the date of grant. The exercise price is determined by the Directors, and will be at least the higher of (i) the closing price of the Shares on the date of grant, (ii) the average closing price of the Shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Share.

The 2025 Share Option Scheme will remain in force for a period of ten years commencing on the date on the adoption date (i.e. 8 September 2025) and shall expire at the close of business on the business day immediately preceding the tenth anniversary thereof unless terminated earlier by the Shareholders in general meeting.

As at 31 March 2026, 19,842,480 share options has been granted by the Company pursuant to such Share Option Scheme. The options are unlisted. Each option gives the holder the right to subscribe for one share of HK\$0.16 each of the Company.

	Date of grant	Exercise price per option	Exercise period	Vesting period	Balance as at 1 April 2025	Granted during the year	Exercised during the year	Lapsed during the year	Balance as at 31 March 2026
Other employees	12 July 2021	HK\$0.315	5 years from the date of grant	No	10,698,400 (note (i))	-	-	-	10,698,400
	18 March 2022	HK\$0.163	5 years from the date of the grant	No	9,144,000	-	-	-	9,144,000 (note (ii))
Total					19,842,480	-	-	-	19,842,480

Notes:

- (i) The share options have been granted to 10 employees and each of them hold 1,069,848 share options.
- (ii) The share options have been granted to 4 employees and each of them hold 2,286,000 share options.

DIRECTORS' REPORT

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 listed securities after the Listing Date and up to the date of this report.

KEY RELATIONSHIPS

Employees

The Group recognises employees as our valuable assets. We provide competitive remuneration package to attract, motivate and retain appropriate and suitable personnel to serve the Group. We have also adopted an annual review system to assess the performance of our staff, which forms the basis of our decisions with respect to salary raises and promotions.

Customers

A majority of our five largest customers have long-standing business relationship with us for over ten years and we will therefore endeavor to accommodate their demands for our services to the extent our resources allow in order to capture more opportunities for larger scale projects in the future. The Group's experience as a quality subcontractor in handling civil engineering projects also give business advantage to our customers to ensure projects are executive in accordance with their quality standard.

Suppliers and subcontractors

The Group encompasses working relationships with suppliers and subcontractors to meet our Customers' needs in an effective and efficient manner. The Group has set up an approved list of suppliers and we select our suppliers from the list based on their prices, quality, past performances and timeliness of delivery.

Subject to our capacity, resources level, types of civil engineering works, cost effectiveness, complexity of the projects and customers' requirement, we may subcontract our works to other subcontractors. We maintain an internal list of approved subcontractors and carefully evaluate the performance of our subcontractors and select them based on their background, technical capability, experience, fee quotation, service quality, labour resources, timeliness of delivery, reputation and safety performance.

MAJOR CUSTOMERS, SUPPLIERS AND SUBCONTRACTORS

For the Reporting Period, our largest customer accounted for approximately 85% (2025: 100%) of our total revenue, while the percentage of our total revenue attributable to our five largest customers in aggregate was approximately 100% (2025: 100%).

For the Reporting Period, our largest supplier accounted for approximately 58% (2025: 57%) of our total purchases incurred (excluding subcontracting charges incurred), while the percentage of our total purchases incurred (excluding subcontracting charges incurred) attributable to our five largest suppliers in aggregate was approximately 99% (2025: 99%).

DIRECTORS' REPORT

For the Reporting Period, our largest subcontractor amounted to approximately 58% (2025: 57%) of our total subcontracting charges incurred, while the percentage of our subcontracting charges incurred attributable to our five largest subcontractors in aggregate was approximately 99% (2025: 99%).

None of the Directors, their close associates, or any Shareholders who or which, to the knowledge of the Directors, owned more than 5% of the issued Shares have any interest in any of the five largest customers, suppliers and subcontractors during the year ended 31 March 2026.

DIRECTORS

The Directors during the year and up to the date of this report were as follows:

Executive Directors

Mr. Chen Jian
Ms. Yu Xiao

INEDs

Mr. Wong Chi Kan
Mr. Liao Honghao
Ms. Lao In lam

The Directors' biographical details are set out in the section headed "Biographical Details of Directors and Senior Management" in this report.

Information regarding Directors' emoluments is set out in note 15(a) to the consolidated financial statements of this report.

An annual confirmation of independence pursuant to the requirements under Rule 5.09 of the GEM Listing Rules has been received from each of the INEDs.

DIRECTORS' REPORT

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service agreement with the Company for an initial term of three years commencing from the Listing Date and until terminated by either the Company or the Director giving to the other not less than three months' notice in writing in accordance with the terms of the agreement. Each INEDs was appointed under a letter of appointment for a fixed term of three years initially commencing from the Listing Date shall terminate on whenever is the earlier of (i) the date of expiry of the period; (ii) ceasing to be a director for any reason pursuant to the Articles of Association of the Company or any other applicable law; or (iii) either party giving at least one month's notice in writing.

None of the Directors proposed for election at the forthcoming AGM has or is proposed to have a service contracts with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment compensation, other than the statutory compensation.

INDEMNITY OF DIRECTORS

Starting from 25 April 2016, the Company has maintained appropriate directors and officers liability insurance and such permitted indemnity provision for the benefit of the Directors is currently in force.

DIRECTORS' INTERESTS IN CONTRACTS

Apart from the contracts relating to the Reorganisation of the Group in relation to the Listing and save as disclosed in this report, no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which the Director or an entity connected the Director had a material interest, whether directly or indirectly, subsisted at any time during the Reporting Period.

EMOLUMENTS OF THE DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in note 15 to the consolidated financial statements in this report.

EMOLUMENT POLICY

The remuneration committee will review and determine the remuneration and compensation packages of the Directors with reference to their responsibilities, workload, time devoted to the Group and the performance of the Group. The Directors may also receive options to be granted under the Share Option Scheme.

COMPETING INTERESTS

The Directors confirm that none of the Directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by the Group which competes or is likely to compete, directly or indirectly, with the Group's business during the Reporting Period and up to the date of this report.

DIRECTORS' REPORT

DISCLOSURE OF INTERESTS

A. Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company

As at 31 March 2026, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of 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 and short positions which 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, are as follows:

Long position in the shares and underlying shares of the Company

Name of Director	Number of issued ordinary shares of the Company	Total	Percentage of the issued shares capital of the Company [^]
	Personal interests		
Yu Xiao	780,000	780,000	0.26%
Liao Honghao	780,000	780,000	0.26%
Lao In lam	780,000	780,000	0.26%

[^] The percentage of interest in the Company is calculated by reference to the number of ordinary shares in issue as at 31 March 2026, that is 301,860,000 ordinary shares of the Company.

Save as disclosed above, none of the Directors nor chief executive of the Company has registered an interest or short positions in the Shares, underlying shares or debentures of the Company or any of 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 and short positions which 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.

DIRECTORS' REPORT

B. Substantial Shareholders' Interest and Short Positions in Shares and Underlying Shares

As at 31 March 2026, according to the register kept by the Company pursuant to section 336 of SFO, and so far as is known to the Directors or chief executive of the Company, there is no person (other than the Directors and chief executive of the Company disclosed above) had, or was deemed or taken to have, an interest or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this report, at no time during the Reporting Period were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company and any of its subsidiaries a party to any arrangement to enable the Directors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate.

RELATED PARTY TRANSACTIONS

The related party transactions entered into by the Group are set out in note 32 to the consolidated financial statements to this report.

The related party transactions do not constitute connected transactions of the Company for the Reporting Period. The Company confirmed that it has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

CORPORATE GOVERNANCE

Information on the corporate governance practices adopted by the Company is set out in the section headed "Corporate Governance Report" on pages 15 to 26 of this report.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Directors confirm that the Company complies with the minimum of public float of 25% as required under the GEM Listing Rules as at the date of this report.

DIRECTORS' REPORT

DONATIONS

During the Reporting Period, the Group has made charitable and other donations of approximately HK\$Nil (2025: Nil).

AUDITORS

On 25 April 2024, Elite Partners CPA Limited ("Elite Partners") has resigned as the auditor of the Company as the Company could not reach a consensus with Elite Partners on the audit fee for the financial year ended 31 March 2024. With the recommendation from the audit committee of the Company, Infinity CPA Limited, has been appointed as the auditor of the Company with effect from 25 April 2024.

The consolidated financial statements of the Company for the year ended 31 March 2025 and 2026 were audited by Infinity CPA Limited ("Infinity"). Infinity shall retire as auditor of the Company at the forthcoming annual general meeting and shall be subject to appointment by the shareholders. A resolution for the re-appointment of Infinity as auditor of the Company will be proposed at the forthcoming annual general meeting.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or in existence during the Reporting Period.

PRE-EMPTIVE RIGHTS

There is no provisions for pre-emptive rights under the Articles of Association of the Company or the laws of the Cayman Islands which would oblige the Company to offer new Shares on a pro rata basis to existing Shareholders.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed above and elsewhere in this report, the Board is not aware of any significant event requiring disclosure that has been taken place subsequent to 31 March 2026 and up to the date of this report.

On behalf of the Board
Ju Fu Tang Biotech Holdings Co., Ltd
Chen Jian
Executive Director

Hong Kong, 30 June 2026

INDEPENDENT AUDITOR'S REPORT



Infinity CPA Limited

Room 1501, 15/F., Olympia Plaza
255 King's Road, North Point, Hong Kong

To the shareholders of Ju Fu Tang Biotech Holdings Co., Ltd

(formerly known as WMHW Holdings Limited)

(incorporated in the Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of Ju Fu Tang Biotech Holdings Co., Ltd (formerly known as WMHW Holdings Limited) (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 63 to 125, which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the HKICPA's *Code of Ethics for Professional Accountants* (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Recognition of revenue from construction contracts
- Impairment assessment of trade receivables and contract assets

INDEPENDENT AUDITOR'S REPORT

Key Audit Matters (Continued)

Key audit matter

How our audit addressed the key audit matter

Recognition of revenue from construction contracts

Refer to notes 3, 4 and 8 to the consolidated financial statements.

We identified recognition of revenue from construction contracts as a key audit matter due to the significance of the revenue to the consolidated financial statements and the significant judgements and estimates in determining the revenue of the construction contracts to be recognised for the year.

The Group recognised revenue from construction contracts for provision of services of foundation and site formation work of approximately HK\$35.44 million for the year ended 31 March 2026.

Contract revenue is recognised progressively over time using output method, based on the estimated total revenue for the contracts entered into by the Group and direct measurements of the value of construction services delivered or surveys of value of work transferred to customers, with reference to the progress payment application from in-house surveyor.

Our audit procedures in relation to recognition of revenue from construction contracts included:

- obtained an understanding of the key controls over recognition of revenue from construction contracts;
- checked contract revenue recognised for construction projects by tracing to certificates/progress payment application issued by in-house surveyor, on sample basis;
- assessed the reasonableness of the Group's assumptions on progress of completion of the construction contracts at the end of the year by discussed with project managers to understand the progress of construction projects and evaluated whether their progress was consistent with the stage of completion of construction projects estimated by the management for all projects in progress during the year; and
- conducted site visits, on a sample basis, to observe the existence of the construction work and discussed with site project manager for the progress of the construction work and the status of each project, and evaluated whether the project progress was consistent with the agreed timetable and the Group's financial accounting records.

INDEPENDENT AUDITOR'S REPORT

Key Audit Matters (Continued)

Key audit matter

How our audit addressed the key audit matter

Impairment assessment of trade receivables and contract assets

Refer to notes 3, 4, 6(b), 12, 20 and 21 to the consolidated financial statements.

We identified the impairment assessment of trade receivables and contract assets as a key audit matter due to the significant balances of these assets at the end of the reporting period and the significant judgements and estimates exercised by the Group's management.

As at 31 March 2026, the aggregated net carrying amount of trade receivables and contract assets amounted to approximately HK\$20.13 million (net of the allowance for expected credit losses ("ECL") of approximately HK\$23.10 million). These receivables represented 21.74% of the Group's total assets and were considered significant balances.

Management estimated, with the assistance of an external valuer, the ECL by considering factors including the ageing profile, debtors' repayment history and the current and forward-looking information on macroeconomic factors that involve the exercise of management judgement.

Our audit procedures in relation to impairment assessment of trade receivables and contract assets included:

- obtained an understanding of the key controls over credit assessment procedures performed by management, including the periodic review of aged receivables and management's estimation of the allowance of ECL for trade receivables and contract assets;
- evaluated the Group's policy for estimating the ECL with reference to the requirements of the prevailing accounting standard;
- tested the accuracy of the ageing profile of trade receivables and contract assets by checking to supporting documents on a sample basis;
- examined the estimation on the ECL of individual balances on sample basis and the expected loss rate of each category groups and evaluating the basis and factors used in the estimation to the appropriateness of the identification of significant increase in credit risk, defaults and credit-impaired receivables;
- evaluated the independence, competence, objectivity and experience of the valuer engaged by management;
- discussed with the valuer to understand the methodology and estimates used to assess the ECL and evaluated the reasonableness of the methodology and the key data inputs and assumptions used to determine the ECL; and
- tested the mathematical accuracy of the calculation of ECL rates and the calculation of the allowance for ECL.

INDEPENDENT AUDITOR'S REPORT

Other Information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors and the Audit Committee for the Consolidated Financial Statements

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the audit committee in discharging their responsibilities for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

As part of an audit in accordance with HKSAAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Infinity CPA Limited

Certified Public Accountants

Au Yeung Ming Yin Gordon

Practising certificate number P08219

Hong Kong, 30 June 2026

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	8	37,555	36,202
Cost of services provided		(36,538)	(35,220)
Gross profit		1,017	982
Other income	10	12	1,392
Other gains, net	11	30,190	5,349
Reversal/(recognition) of impairment losses under expected credit loss model, net	12	1,345	(3,549)
Administrative and other operating expenses		(8,526)	(9,353)
Profit/(loss) from operations		24,038	(5,179)
Finance costs	13	(720)	(720)
Profit/(loss) before tax	13	23,318	(5,899)
Income tax expenses	14	–	–
Profit/(loss) for the year attributable to owners of the Company		23,318	(5,899)
Other comprehensive expense			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
– Exchange differences arising on translation		(1)	–
Total comprehensive income/(expense) for the year attributable to owners of the Company		23,317	(5,899)
		HK cents	HK cents
Earnings/(loss) per share	17		
Basic		7.72	(1.95)
Diluted		7.62	(1.95)

The notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	18	–	163
Current assets			
Contract assets	20(a)	8,250	13,558
Contract costs	20(b)	978	2,221
Trade and other receivables	21	20,520	34,251
Amount due from a related party	22	2,209	–
Financial assets at fair value through profit or loss ("FVTPL")	23	51,377	28,059
Cash and bank balances	24	9,276	2,113
		92,610	80,202
Current liabilities			
Contract liabilities	20(c)	274	1,517
Trade and other payables	25	29,174	36,739
Amount due to a former shareholder	26	–	2,264
Bond payable	27	12,000	12,000
Tax payables		627	627
		42,075	53,147
Net current assets		50,535	27,055
Net assets		50,535	27,218
CAPITAL AND RESERVES			
Share capital	28	48,298	48,298
Reserves		2,237	(21,080)
Total equity		50,535	27,218

The consolidated financial statements were approved and authorised for issue by the board of directors on 30 June 2026 and signed on its behalf by:

Chen Jian
Director

Yu Xiao
Director

The notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2026

	Equity attributable to owners of the Company							Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000 (note 31)	Share-based payment reserve HK\$'000 (note 31)	Exchange reserve HK\$'000	Other reserve HK\$'000 (note 31)	Capital reserve HK\$'000 (note 31)	Accumulated losses HK\$'000	
At 1 April 2024	48,298	60,696	6,030	–	10,400	3,820	(96,127)	33,117
Loss and total comprehensive expense for the year	–	–	–	–	–	–	(5,899)	(5,899)
Lapsed of share options	–	–	(3,462)	–	–	–	3,462	–
At 31 March 2025 and 1 April 2025	48,298	60,696	2,568	–	10,400	3,820	(98,564)	27,218
Profit for the year	–	–	–	–	–	–	23,318	23,318
Exchange difference arising on translation	–	–	–	(1)	–	–	–	(1)
Total comprehensive income for the year	–	–	–	(1)	–	–	23,318	23,317
At 31 March 2026	48,298	60,696	2,568	(1)	10,400	3,820	(75,246)	50,535

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

	2026 HK\$'000	2025 HK\$'000
Cash flows from operating activities		
Profit/(loss) before tax	23,318	(5,899)
Adjustments for:		
Change in fair value of financial assets at FVTPL	(27,391)	(5,349)
Depreciation of property, plant and equipment	40	80
Finance costs	720	720
Gain on disposal of property, plant and equipment	(2,799)	–
(Reversal)/recognition of impairment losses under expected credit loss model, net	(1,345)	3,549
Operating cash flow before movements in working capital	(7,457)	(6,899)
Change in contract assets	12,509	(1,345)
Change in contract costs	1,243	–
Change in trade and other receivables	8,166	2,362
Change in amount due from a related party	(2,500)	–
Change in contract liabilities	(1,243)	–
Change in trade and other payables	(2,908)	(1,388)
Net cash generated from/(used in) operating activities	7,810	(7,270)
Cash flows from investing activities		
Purchase of financial assets at FVTPL	(1,683)	–
Proceeds from disposal of financial assets at FVTPL	5,756	–
Proceeds from disposal of property, plant and equipment	2,922	–
Net cash from investing activities	6,995	–
Cash flows from financing activities		
(Repayment to)/advance from a director of a subsidiary	(5,378)	5,378
Repayment to a former shareholder	(2,264)	–
Net cash (used in)/from financing activities	(7,642)	5,378
Net increase/(decrease) in cash and cash equivalents	7,163	(1,892)
Cash and cash equivalents at the beginning of the reporting period	2,113	4,005
Cash and cash equivalents at the end of the reporting period	9,276	2,113

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

1. GENERAL INFORMATION

Ju Fu Tang Biotech Holdings Co., Limited (formerly known as WMHW Holdings Limited) (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability on 16 October 2015 and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). In the opinion of the directors of the Company, the Company has no immediate and ultimate holding company or ultimate controlling party. The addresses of the Company’s registered office and principal place of business are set out in “Corporation Information” section.

Pursuant to the special resolution of the shareholders of the Company on 8 September 2025, the English name of the Company has been changed from “WMHW Holdings Limited” to “Ju Fu Tang Biotech Holdings Co., Ltd” and the dual foreign name of the Company from “萬民好物控股有限公司” to “菊福堂生物控股有限公司”.

The Company is an investment holding company, and its subsidiaries (collectively, the “Group”) are principally engaged in the provision of construction works, health technology and the sale of medical devices products and investment holding.

The consolidated financial statements are presented in Hong Kong dollar (“HK\$”), which is also the functional currency of the Company and all values are rounded to nearest thousands of units of HK\$ (“HK\$’000”), unless otherwise stated.

2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRSs 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 Hong Kong Institute of Certified Public Accountants (the “HKICPA”) for the first time, which are mandatorily effective for the annual periods beginning on 1 April 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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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.

New and amendments to HKFRS Accounting Standards in issue but 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 ¹
Amendments to HKFRS 9 and HKFRS 7	Contract 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	Presentation and Disclosure in Financial Statements ²
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ²
Amendments to HKAS 28 and HKFRS 10	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 No mandatory effective date yet determined but available for adoption

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (CONTINUED)

New and amendments to HKFRS Accounting Standards in issue but not yet effective (Continued)

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

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements, carrying forward many of the requirements in HKAS 1 unchanged and complementing them with new requirements. HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations, and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings Per Share. In addition, there are minor consequential amendments to other HKFRS Accounting Standards. HKFRS 18 and the consequential amendments to other HKFRS Accounting Standards will be effective for annual periods beginning on or after 1 January 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of preparation

The consolidated financial statements have been prepared in accordance with the 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 HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Basis of preparation (Continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Basis of consolidation (Continued)

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

Revenue from the sale of medical devices products is recognised at a point in time when control of the goods is transferred to the customer, generally on delivery of the medical devices products to the customer's specified location and the customer's acceptance of the products.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Revenue from contracts with customers (Continued)

Contracts with multiple performance obligations (including allocation of transaction price)

For contracts that contain more than one performance obligations, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

Output method

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the services transferred to the customer to date relative to the remaining services promised under the contract, that best depict the Group's performance in transferring control of services.

Contract costs

Costs to fulfil a contract

The Group incurs costs to fulfil a contract in its construction contract. The Group first assesses whether these costs qualify for recognition as an asset in terms of other relevant standards, failing which it recognises an asset for these costs only if they meet all of the following criteria:

- (a) the costs relate directly to a contract or to an anticipated contract that the Group can specifically identify;
- (b) the costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and
- (c) the costs are expected to be recovered.

The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the services to which the assets relate. The asset is subject to impairment review.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Employee benefits

Retirement benefit obligations

Payments to the Mandatory Provident Fund Scheme (the “MPF Scheme”) are recognised as an expense when employees have rendered service entitling them to the contributions.

The Group operates a MPF Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution scheme, the assets of which are held in separate trustee-administered funds.

Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees’ relevant income, with the employers’ contributions subject to a cap of monthly relevant income of HK\$30,000. The Group’s contributions to the scheme are expensed as incurred and vested in accordance with the scheme’s vesting scales. Where employees leave the scheme prior to the full vesting of the employer’s contributions, the amount of forfeited contributions is used to reduce the contributions payable by the Group.

Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

Certain of the Group’s employees have completed the required number of years of service to the Group in order to be eligible for long service payment under the Hong Kong Employment Ordinance in the event of the termination of their employment. The Group is liable to make such payment in the event that such a termination of employment meets the circumstances specified in the Hong Kong Employment Ordinance.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Share-based payments

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Share-based payments (Continued)

Equity-settled share-based payment transactions (Continued)

Share options granted to employees (Continued)

When share options are exercised, the amount previously recognised in share-based payment reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payment reserve will be transferred to accumulated losses.

Share options granted to non-employees

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The fair values of the goods or services received are recognised as expenses (unless the goods or services qualify for recognition as assets).

Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “loss before tax” as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised or when there are sufficient deferred tax liabilities, which are expected to reverse in the same period as the deferred tax asset is expected to reverse. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible timing differences.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Income tax expense (Continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in production or supply of goods or services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as "right-of-use assets" in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The principal annual rates used for this purpose are as follows:

Land and building	5%
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An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Impairment on property, plant and equipment

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property, plant and equipment are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit (the "CGU") to which the asset belongs.

In testing a CGU for impairment, corporate assets are allocated to the relevant CGU when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the CGU or group of CGUs to which the corporate asset belongs, and is compared with the carrying amount of the relevant CGU or group of CGUs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a CGU) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a CGU, the Group compares the carrying amount of a group of CGUs, including the carrying amounts of the unallocated corporate assets or portion of the unallocated corporate assets, with the recoverable amount of the group of CGUs. In allocating the impairment loss, the impairment loss is allocated to reduce the assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of CGUs. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU or a group of CGUs) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a CGU or a group of CGUs) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

Financial instruments

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets

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

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

All other financial assets are subsequently measured at FVTPL.

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

A financial asset is classified and measured at FVTPL when it is held for trading.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that is required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)

(i) Amortised cost and interest income

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

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other gains or losses, net" line item.

Impairment of financial assets and other item subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade and other receivables (excluded prepayment) and bank balances) and contract assets which are subject to impairment under HKFRS 9. The amount of ECL is updated at the end of each reporting period to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12 month ("12m") ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the end of the reporting period. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the end of the reporting period as well as the forecast of future conditions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other item subject to impairment assessment under HKFRS 9 (Continued)

The Group always recognises lifetime ECL for trade receivables and contract assets without significant financing component.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the end of the reporting period with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other item subject to impairment assessment under HKFRS 9 (Continued)

(i) Significant increase in credit risk (Continued)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 1 year past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other item subject to impairment assessment under HKFRS 9 (Continued)

(iii) Credit-impaired financial assets (Continued)

- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over 2 years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other item subject to impairment assessment under HKFRS 9 (Continued)

(v) Measurement and recognition of ECL (Continued)

Lifetime ECL for certain trade receivables and contract assets are considered individually taking into consideration past due information and relevant credit information, such as forward-looking macroeconomic information.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on net carrying amount of the financial asset.

The Group recognises an impairment or reversal of impairment loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables and contract assets where the corresponding adjustment is recognised through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities at amortised cost

Financial liabilities (including trade and other payables (excluded accrued staff costs and provision for long services payment), amount due to a former shareholder and bond payable) are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Government grants

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Contingent liabilities and contingent assets

Contingent assets

Contingent assets arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the Group and they are not recognised in the consolidated financial statements. The Group assesses continually the development of contingent assets. If it has become virtually certain that an inflow of economic benefits will arise, the Group recognises the asset and the related income in the consolidated financial statements during the reporting period in which the change occurs.

Contingent liabilities

A contingent liability is a present obligation arising from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability and it is not recognised in the consolidated financial statements.

The Group assesses continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements in the year in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services and the methods used to distribute the products or provide the services. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Related party

A person or an entity is considered to be related to the Group as follows:

- (a) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third party.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of the Group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

A related party transaction is a transfer of resources, services or obligation between the Group and a related party, regardless of whether a price is charged.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. Hong Kong dollar) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

The change in functional currency of the Company was applied prospectively from the date of change. All items were translated into Hong Kong dollar at the exchange rate on that date. The cumulative currency translation differences which had arisen from the translation of operations up to the date of the change in functional currency were not reclassified from equity to profit or loss until the disposal of the relevant operation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily obtainable from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following is the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Principal versus agent consideration (principal)

The Group engages in the sale of medical devices products. The Group concluded that the Group acts as the principal for such transactions as it controls the specified goods before it is transferred to the customer after taking into consideration indicators such as the Group is primarily responsible for fulfilling the promise to provide the goods. The Group has inventory risk. When the Group satisfies the performance obligation, the Group recognises trading revenue in the gross amount of consideration to which the Group expects to be entitled as specified in the contracts.

During the year ended 31 March 2026, the Group recognised revenue relating to the sale of medical devices products amounted to approximately HK\$2,114,000 (2025: nil).

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Construction contracts

As explained in note 3 to the consolidated financial statements, revenue from construction contracts are recognised over time using the output method. Such revenue and profit recognition on uncompleted projects is dependent on estimating the outcome of the contract, as well as the work done to date. Based on the Group's recent experience and the nature of the construction activities undertaken by the Group, the Group has made estimates of the point at which it considered the work was sufficiently advanced such that the outcome of the contract can be reasonably measured. In addition, actual outcomes in terms of total costs or revenue may be higher or lower than estimated at the end of the reporting period, which would affect the revenue and profit recognised in future years and the discrepancies will be recognised as an adjustment to the amounts recorded to date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (Continued)

Provision of ECL for financial assets measured at amortised cost

Trade receivables and contract assets and all other financial assets measured at amortised cost are assessed for ECL individually and the expected loss rates are based on the Group's historical default rates, past-due status and the financial capability of individual debtor taking into consideration forward-looking information that is reasonable and supportable, and is available without undue costs or effort. At the end of each reporting period, the historical observed default rates are reassessed and changes when the forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's financial assets measured at amortised cost are disclosed in note 6 to the consolidated financial statements.

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior years.

The capital structure of the Group consists of total debts and total equity. The ratio is calculated based on net debts and total equity of the Group. The directors review the capital structure on a continuous basis. As part of this review, the directors consider the cost of capital and the risks associated with capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends and issuance of new shares or repurchase of shares as well as issue of new debts or redemption of existing debts.

The Group is not subject to any externally imposed capital requirements.

Gearing ratio

The gearing ratios as at 31 March 2026 and 2025 were as follows:

	2026 HK\$'000	2025 HK\$'000
Bond payable	12,000	12,000
Less: cash and bank balances	(9,276)	(2,113)
Net debt	2,724	9,887
Total equity	50,535	27,218
Net debt to equity ratio	5.4%	36.3%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

6. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

	2026 HK\$000	2025 HK\$000
Financial assets		
Financial assets at FVTPL	51,377	28,059
Financial assets at amortised cost	32,005	36,364
	83,382	64,423
Financial liabilities		
At amortised cost	40,417	49,887

b. Financial risk management objectives and policies

The Group major financial instruments include financial assets at FVTPL, trade and other receivables (excluded prepayment), amount due from a related company, cash and bank balances, trade and other payables (excluded provision for long services payment), amount due to a former shareholder and bond payable. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments induce market risk (including equity price risk and interest rate risk), credit risk and impairment assessment and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Management regularly manages the financial risks of the Group. Because of the simplicity of the financial structure and the current operations of the Group, no major hedging activities are undertaken by management.

Market risk

(i) *Equity price risk*

The Group is exposed to equity price risk through its investments in listed equity securities in Hong Kong. The directors manage this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk is mainly concentrated on equity instruments operating in 8 (2025: 7) industry sector quoted in the Stock Exchange. In addition, the Group monitors the price risk closely and will consider hedging the risk exposure should the need arise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

6. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (Continued)

Market risk (Continued)

(i) Equity price risk (Continued)

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risk at the end of the reporting period.

If the prices of the respective financial assets at FVTPL had been 5% (2025: 5%) higher/lower:

Pre-tax profit for the year ended 31 March 2026 would increase/decrease by approximately HK\$2,569,000 as a result of the change in fair value of financial assets at FVTPL. Pre-tax loss for the year ended 31 March 2025 would decrease/increase by approximately HK\$1,403,000 as a result of the change in fair value of financial assets at FVTPL.

The Group's sensitivity to financial assets at FVTPL has not changed significantly from the prior years.

(ii) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate bond payable. If interest rates had been 1% (2025: 1%) higher/lower and all other variables were held constant, the fair value of bond payable would decrease/increase by approximately HK\$120,000 (2025: HK\$120,000). The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances and variable-rate receivables from securities broker. The Group cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank and securities broker. However, the directors are of the opinion that the Group does not have significant interest rate risk as the financial impacts arise from the fluctuation in interest rates is not expected to be material. The Group does not intend to seek to hedge its exposure to interest rate fluctuations. However, the Group will constantly review the economic situation and its interest rate risk profile, and will consider appropriate hedging measure in future as may be necessary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

6. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to contract assets, trade receivables, receivables from securities broker, other receivables, deposits, amount due from a related party and bank balances. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

The Group performed impairment assessment for financial assets and contract assets under ECL model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below:

In order to minimise the credit risk, the directors have delegated a team responsible for determination of credit limits and credit approvals. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts.

Trade receivables and contract assets arising from contracts with customers

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers. At the end of the reporting period, 88.0% (2025: 44.5%) and 100% (2025: 100%) of the total trade receivables and contract assets was due from the Group's largest customer and the five largest customers respectively.

In addition, the Group performs impairment assessment under ECL model on trade receivables and contracts assets individually. Impairment losses recognised for trade receivables and impairment losses reversed for contract assets of approximately HK\$5,957,000 (2025: impairment losses recognised of HK\$1,285,000) and HK\$7,201,000 (2025: impairment losses recognised of HK\$2,467,000) for the year ended 31 March 2026 respectively. Details of the quantitative disclosures are set out below in this note.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

6. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Amount due from a related party

The Group regularly monitors the business performance of the related parties. The management believes that there is no significant increase in credit risk of these amounts since initial recognition, with reference to the counter party's finance information. Therefore, the Group provided impairment based on 12m ECL. Impairment losses recognised for amount due from a related party of approximately HK\$291,000 (2025: nil) for the year ended 31 March 2026.

Bank Balances

Credit risk on bank balances is limited because the counterparties are reputable banks with high credit ratings assigned by credit agencies. The Group assessed 12m ECL for bank balances by reference to information relating to probability of default and loss given default of the respective credit rating grades published by external credit rating agencies.

Deposits and other receivables

For deposits and other receivables (including receivables from securities broker), the directors make periodic individual assessment on the recoverability of deposits and other receivables based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The directors believe that there are no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL. For the year ended 31 March 2026, except for deposits and other receivables with the gross amounts of HK\$4,200,000 (2025: HK\$7,700,000), the Group assessed the ECL for deposits and other receivables were insignificant and thus no loss allowance was recognised. The directors assessed the deposits and other receivables with the amounts of approximately HK\$4,200,000 (2025: HK\$7,700,000) based on 12m ECL and concluded that reversal of impairment losses with the amounts of HK\$392,000 (2025: impairment losses reversed of HK\$203,000) was recognised for the year ended 31 March 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

6. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables and contract assets	Other financial assets
Low risk	The counterparty has a low risk of default and does not have any past-due amounts and the counter party frequently repays after due dates but usually settle in full	Lifetime ECL – not credit-impaired	12m ECL
Doubtful	There have been significant increase in credit risk since initial recognition information developed internally or external resources	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Written-off	There is evidence indicating that debtor is severe financial difficulty and the Group has no realistic prospect of recovery or in the case of trade receivables, when the amounts are over 2 years past due	Amount is written-off	Amount is written-off

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

6. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The tables below detail the credit risk exposures of the Group's financial assets and contract assets which are subject to ECL assessment:

			2026 Gross carrying amounts HK\$'000	2025 Gross carrying amounts HK\$'000
	Internal credit rating	12-month or lifetime ECL		
Financial assets at amortised cost				
Trade receivables	(Note 1)	Lifetime ECL – not credit-impaired	11,979	13,162
		Lifetime ECL – credit-impaired	20,999	28,045
Contract assets	(Note 1)	Lifetime ECL – not credit-impaired	8,288	4,291
		Lifetime ECL – credit-impaired	2,163	18,669
Deposits and other receivables	Low risk	12m ECL	8,692	8,627
Amount due from a related party	Low risk	12m ECL	2,500	–
Bank balances	Low risk	12m ECL	9,276	2,113

Notes:

- (1) For trade receivables and contract assets, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The trade receivables and contract assets are assessed for ECL individually.

As part of the Group's credit risk management, the Group applies internal credit rating for its customers in relation to its construction operation. The following table provides information about the exposure to credit risk for trade receivables and contract assets which are assessed based on an individual basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

6. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables and contract assets from contracts with customers based on an individual basis:

	Average loss rate %	Gross carrying amounts HK\$'000	Loss allowance HK\$'000	Net carrying amount HK\$'000
As at 31 March 2026				
Trade receivables				
Assessed individually	64.0	32,978	21,099	11,879
Contract assets				
Assessed individually	21.1	10,451	2,201	8,250
As at 31 March 2025				
Trade receivables				
Assessed individually	22.2	13,162	2,916	10,246
Contract assets				
Assessed individually	19.1	4,291	821	3,470

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The contract assets have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the loss rates for trade receivables are a reasonable approximation of the loss rates for contract assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

6. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables from contracts with customers under the simplified approach:

	Lifetime ECL (not credit- impaired) HK\$'000	Lifetime ECL (credit- impaired) HK\$'000	Total HK\$'000
At 1 April 2024	13,857	–	13,857
Impairment losses recognised/(reversed)	1,662	(377)	1,285
Transfer to credit-impaired	(12,603)	12,603	–
At 31 March 2025 and 1 April 2025	2,916	12,226	15,142
Impairment losses recognised/(reversed)	(2,816)	8,773	5,957
As at 31 March 2026	100	20,999	21,099

During the year ended 31 March 2026, management assessed a customer with trade receivables past due for over two years and determined that there was no realistic prospect of recovery. Accordingly, the Group has fully impaired the relevant trade receivables, which have been classified as credit-impaired.

The following table shows the movement in lifetime ECL that has been recognised for contract assets from contracts with customers under the simplified approach:

	Lifetime ECL (not credit- impaired) HK\$'000	Lifetime ECL (credit- impaired) HK\$'000	Total HK\$'000
At 1 April 2024	1,667	5,268	6,935
Impairment losses recognised	473	1,994	2,467
Transfer to credit-impaired	(1,319)	1,319	–
At 31 March 2025 and 1 April 2025	821	8,581	9,402
Impairment losses recognised/(reversed)	801	(8,002)	(7,201)
Transfer to credit-impaired	(1,584)	1,584	–
At 31 March 2026	38	2,163	2,201

During the year ended 31 March 2026, the Group recovered contract assets that had been measured under the lifetime expected credit loss (ECL) model as credit-impaired, and consequently reversed, the impairment loss previously provided for.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

6. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Movement in the loss allowance of deposits and other receivables

The following table show reconciliation on loss allowance of deposits and other receivables under general approach:

	12m ECL HK\$'000
At 1 April 2024	688
Impairment losses reversed	(203)
At 31 March 2025 and 1 April 2025	485
Impairment losses reversed	(392)
At 31 March 2026	93

Movement in the loss allowance of amount due from a related party

The following table show reconciliation on loss allowance of amount due from a related party under general approach:

	12m ECL HK\$'000
At 1 April 2024, 31 March 2025 and 1 April 2025	–
Impairment losses recognised	291
At 31 March 2026	291

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

6. FINANCIAL INSTRUMENTS (CONTINUED)

b. Financial risk management objectives and policies (Continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The Group's liquidity position is monitored on a daily basis by management and is reviewed monthly by the directors. The following table details the Group's remaining contractual maturity for its financial liabilities based on the agreed repayment terms.

The table has been drawn up to reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. The interest payments are computed using contractual rates or, if variable, based on the prevailing interest rate at the end of each reporting period.

	Weighted average rate	Within 1 year or on demand HK\$'000	1 to 2 year HK\$'000	2 to 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amounts HK\$'000
As at 31 March 2026						
Trade and other payables	-	28,417	-	-	28,417	28,417
Bond payable	6%	12,720	-	-	12,720	12,000
		41,137	-	-	41,137	40,417
As at 31 March 2025						
Trade and other payables	-	35,623	-	-	35,623	35,623
Amount due to a former shareholder	-	2,264	-	-	2,264	2,264
Bond payable	6%	12,720	-	-	12,720	12,000
		50,607	-	-	50,607	49,887

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

7. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(i) Financial assets and financial liabilities that are not measured at fair value

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values.

(ii) Financial assets and financial liabilities that are measured at fair value

Some of the Group's financial instruments are measured at fair value at the end of the reporting period for financial reporting purposes. In estimating the fair value, the Group uses market-observable data to the extent it is available.

Fair value hierarchy

The following table illustrate the fair value measurement hierarchy of the Group's financial instruments:

As at 31 March 2026

	Level 1 HK\$000	Level 2 HK\$000	Level 3 HK\$000	Total HK\$000
Financial assets:				
Financial assets at FVTPL	51,377	–	–	51,377

As at 31 March 2025

	Level 1 HK\$000	Level 2 HK\$000	Level 3 HK\$000	Total HK\$000
Financial assets:				
Financial assets at FVTPL	28,059	–	–	28,059

During the years ended 31 March 2026 and 2025, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the date in which they incur.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

8. REVENUE

Revenue represents the consideration received and receivable from the provision of civil engineering, decoration and renovation works and sale of medical devices products.

Disaggregation of revenue from contracts with customers

	2026 HK\$'000	2025 HK\$'000
By major services/products		
Provision of civil engineering, decoration and renovation works	35,441	36,202
Sale of medical devices products	2,114	–
Total Revenue	37,555	36,202
Timing of revenue recognition		
Over time	35,441	36,202
At a point in time	2,114	–
	37,555	36,202

Performance obligations for contracts with customers

Provision of civil engineering, decoration and renovation works

The Group provides civil engineering, decoration and renovation works. Such works are recognised when the performance obligation is satisfied over time as the Group creates or enhances an asset that the customer controls as the Group performs. Revenue is recognised for these contract works based on the stage of completion of the contract using output method. Contracts with the Group's customers are agreed in fixed-price.

The Group's contracts include payment schedules which require stage payments over the contract period once certain specified milestones are reached. The Group requires certain customers to provide upfront deposits of total contract sum, when the Group receives a deposit before construction commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the specific contract exceeds the amount of the deposit.

A contract asset is recognised over the period in which the contract services are performed representing the Group's right to consideration for the services performed because the rights are conditional on the Group's future performance in achieving specified milestones. The contract assets are transferred to trade receivables when the rights become unconditional.

Retention receivables, prior to expiration of defect liability period, are classified as contract assets, which ranges from 0.5 to 2 years (2025: 0.5 to 2 years) from the date of the practical completion of the contract works. The relevant amount of contract assets is reclassified to trade receivables when the defect liability period expires. The defect liability period serves as an assurance that the contract services performed comply with agreed upon specifications and such assurance cannot be purchased separately.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

8. REVENUE (CONTINUED)

Performance obligations for contracts with customers (Continued)

Sale of medical devices products

Revenue from sale of medical devices products is recognised upon control of the products is transferred to the customer, which generally occurs upon delivery and customer acceptance. The Group offers standard rights of return (limited to cases of product quality non-conformance or defects, exercisable upon notification to the supplier) and product warranties (covering compliance with technical and quality specifications and remaining shelf-life requirements, representing assurance-type warranties). However, the historical return and warranty claim rates are negligible. Therefore, the relevant liabilities and provisions are immaterial to the consolidated financial statements as a whole.

Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) and the expected turning of recognising revenue are as follows:

31 March 2026

	Civil engineering, decoration and renovation works HK\$'000
Within one year	32,800
31 March 2025	
	Civil engineering, decoration and renovation works HK\$'000
Within one year	31,329

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

9. SEGMENT INFORMATION

The executive directors of the Company, who have been identified as the chief operating decision ("CODM") makers review the Group's internal reports in order to assess performance and allocate resources.

Based on the products and services offered by the Group to the customers, the executive directors of the Company consider that the operating segments are as follows:

For the purposes of resources allocation and performance assessment, information is reported to the CODM, based on the following operating and reportable segments:

- Provision of civil engineering, decoration and renovation works: delivery of civil-engineering, decoration and renovation projects together with related maintenance services.
- Health technology business: sale of medical devices products. This is a new business segment that commenced during the year ended 31 March 2026.

There were no inter-segment sales during the year ended 31 March 2026 (2025: Nil). Segment results represent the profit earned without allocation of central administration costs including directors' emoluments, changes in fair value of financial assets at FVTPL, finance costs and income tax expense. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Segment Revenue and Results

For the year ended 31 March 2026

	Provision of civil engineering, decoration and renovation works HK\$'000	Health technology business HK\$'000	Total HK\$'000
Segment revenue (external sales)	35,441	2,114	37,555
Segment profit/(loss)	437	(19)	418
Other gains, net			27,391
Administrative and other operating expenses			(3,771)
Finance cost			(720)
Profit before tax			23,318

No segment revenue and result is disclosed for the year ended 31 March 2025 because the Group operated as a single segment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

9. SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating segment:

	Assets		Liabilities	
	2026 HK\$'000	2025 HK\$'000	2026 HK\$'000	2025 HK\$'000
Provision of civil engineering, decoration and renovation works	32,342	51,081	21,919	33,380
Health technology business	2,407	–	2,427	–
	34,749	51,081	24,346	33,380
Unallocated	57,861	29,284	17,729	19,767
Consolidated total	92,610	80,365	42,075	53,147

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to reportable segments other than financial assets at FVTPL and unallocated head office and corporate assets.
- all liabilities are allocated to reportable segments other than unallocated head office and corporate liabilities.

Geographical information

The Group's operations are located in the Hong Kong and the People's Republic of China (the "PRC").

Information about the Group's revenue from external customers is presented based on the location of the operations of the Group. Information about the Group's non-current assets (excluding financial instruments) is presented based on the geographical location of the assets.

	Revenue from external customers		Non-current assets	
	2026 HK\$'000	2025 HK\$'000	2026 HK\$'000	2025 HK\$'000
Hong Kong	35,441	36,202	–	163
PRC	2,114	–	–	–
	37,555	36,202	–	163

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

9. SEGMENT INFORMATION (CONTINUED)

Other segment information

The following other segment information included in reports provided regularly to CODM.

For the year ended 31 March 2026

	Provision of civil engineering, decoration and renovation works <i>HK\$'000</i>	Health technology business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Cost of sales	(34,466)	(2,072)	–	(36,538)
Impairment loss recognised on trade receivables	(5,902)	(55)	–	(5,957)
Impairment loss reversed on contract assets	7,201	–	–	7,201
Impairment loss reversed on deposits and other receivables	392	–	–	392

No additional segment information is disclosed for the year ended 31 March 2025 because the Group operated as a single segment.

Major customers

Revenue from customers of the years ended 31 March 2026 and 2025 contributed over 10% of the Group's revenue are as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Customer A^	31,988	36,202

^ Revenue relating to Provision of civil engineering, decoration and renovation work.

Except for disclosed above, no other customer contributing over 10% of total revenue of the Group for both years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

10. OTHER INCOME

	2026 HK\$'000	2025 HK\$'000
Compensation income of work-related injury (<i>note 1</i>)	–	520
Government grants (<i>note 2</i>)	–	194
Over-provision for long services payment	–	648
Sundry income	12	30
	12	1,392

Notes:

- (1) The related income are reimbursement from insurance companies for the Group advance payment for work-related injury compensation.
- (2) For the year ended 31 March 2025, the government subsidy represented subsidies to the Group for the ex-gratia payment under the "Ex-gratia Payment Scheme for Phasing Out Pre-Euro IV Diesel Commercial Vehicles" upon retirement of motor vehicle.

11. OTHER GAINS, NET

	2026 HK\$'000	2025 HK\$'000
Changes in fair value of financial assets at FVTPL	27,391	5,349
Gain on disposal of property, plant and equipment	2,799	–
	30,190	5,349

12. REVERSAL/(RECOGNITION) OF IMPAIRMENT LOSSES UNDER EXPECTED CREDIT LOSS MODEL, NET

	2026 HK\$'000	2025 HK\$'000
Reversal/(recognition) of impairment losses on expected credit losses model:		
– Trade receivables	(5,957)	(1,285)
– Contract assets	7,201	(2,467)
– Deposits and other receivables	392	203
– Amount due from a related party	(291)	–
	1,345	(3,549)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

13. PROFIT/(LOSS) BEFORE TAX

Profit/(loss) before tax is arrived at after charging:

(a) Finance costs

	2026 HK\$'000	2025 HK\$'000
Interest on bond payable	720	720

(b) Staff costs (including directors' remuneration)

	2026 HK\$'000	2025 HK\$'000
Salaries, wages and other benefits in kind	2,993	4,921
Severance payment	–	68
Retirement benefit scheme contributions	37	66
Total staff costs included in administrative and other operating expenses	3,030	5,055

(c) Other items

	2026 HK\$'000	2025 HK\$'000
Auditor's remuneration:		
– audit services	415	390
Cost of sales:		
– Provision of civil engineering, decoration and renovation works	34,466	35,220
– Health technology business	2,072	–
Depreciation of property, plant and equipment	40	80
Marketing expenses	1,450	833
Professional fee	1,248	501

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

14. INCOME TAX EXPENSES

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Hong Kong Profits Tax is calculated at 16.5% on the estimated profit for both years.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC operation is 25% for both years.

No provision for Hong Kong Profits Tax and PRC has been made for both years as the Group's did not have any assessable profits.

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

	2026 HK\$'000	2025 HK\$'000
Profit/(loss) before tax	23,318	(5,899)
Tax at Hong Kong Profits Tax rate of 16.5%	3,847	(973)
Tax effect of:		
Effect of different tax rates of subsidiaries operating in other jurisdictions	(6)	–
Income not taxable for tax purpose	(462)	(226)
Temporary differences not recognised	(441)	564
Estimated tax losses not recognised	1,739	809
Utilisation of tax losses previously not recognised	(4,677)	(174)
Income tax expenses	–	–

No deferred tax asset has been recognised for both years in respect of tax losses of approximately HK\$81,016,000 (2025: HK\$98,825,000) and temporary differences on ECL of financial assets of approximately HK\$23,684,000 (2025: HK\$25,029,000) due to the unpredictability of future profit streams as at 31 March 2026 and 31 March 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

15. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

(a) Directors' emoluments

Directors' remuneration for the year is as follows:

	Directors' fees HK\$'000	Other emoluments		Total HK\$'000
		Salaries, allowances and benefits in kind HK\$'000	Retirement benefit scheme contributions HK\$'000	
2026				
Executive directors				
Mr. Chen Jian	120	-	-	120
Ms. Yu Xiao	120	-	-	120
Independent non-executive directors				
Mr. Wong Chi Kan	120	-	-	120
Ms. Lao In Lam	96	-	-	96
Mr. Liao Honghao	102	-	-	102
	558	-	-	558
2025				
Executive directors				
Mr. Chen Jian	120	-	-	120
Ms. Yu Xiao	120	-	-	120
Independent non-executive directors				
Mr. Wong Chi Kan	120	-	-	120
Ms. Lao In Lam	96	-	-	96
Mr. Liao Honghao	102	-	-	102
	558	-	-	558

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

15. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (CONTINUED)

(a) Directors' emoluments (Continued)

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

The independent non-executive directors' emoluments shown above were for their services as the directors.

No emoluments were paid by the Group to the directors or as an inducement to join or upon joining the Group or as compensation for loss of office for both years. No directors have waived or agreed to waive any emoluments for both years.

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company, or any subsidiaries of the Company was a party and in which a director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

(b) Five highest paid individuals

The five highest paid individuals of the Group during the year include two directors as of 31 March 2026 (2025: nil) whose emoluments are disclosed above. Details of the emoluments of the three (2025: five) highest paid individuals are as follows:

	2026 HK\$'000	2025 HK\$'000
Salaries, wages and other benefits in kind	2,412	3,722
Retirement benefit scheme contributions	37	45
	2,449	3,767

The emoluments of the three (2025: five) highest paid individuals are within the following bands:

	2026 Number of individuals	2025 Number of individuals
Nil to HK\$1,000,000	2	4
HK\$1,000,001 to HK\$1,500,000	1	1
	3	5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

15. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (CONTINUED)

(b) Five highest paid individuals (Continued)

No emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office for both years. The five highest paid individuals have not waived or agreed to waive any emoluments for both years.

16. DIVIDENDS

No dividend was declared or paid by the Company to its shareholders during the year ended 31 March 2026 (2025: Nil), nor has any dividend been declared subsequent to the end of the reporting period.

17. EARNINGS/(LOSS) PER SHARE

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

	2026 HK\$'000	2025 HK\$'000
Profit/(loss)		
Profit/(loss) for the year attributable to owners of the Company	23,318	(5,899)
	2026 '000	2025 '000
Number of shares		
Weighted average number of shares for the purpose of basic earnings/(loss) per share	301,860	301,860
Effect of dilutive potential ordinary share arising from share options	9,144	–
Weighted average number of shares that would have been issued at average market prices	(5,118)	–
Weighted average number of ordinary shares for the purpose of diluted earnings/(loss) per share	305,886	301,860

As the Company's outstanding share options where applicable had an anti-dilutive effect to the basic loss per share computation for the year ended 31 March 2025, the exercise of the above potential dilutive shares is not assumed in the computation of diluted loss per share for the year ended 31 March 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

18. PROPERTY, PLANT AND EQUIPMENT

	Land and building HK\$'000
COST:	
At 1 April 2024, 31 March 2025 and 1 April 2025	1,608
Disposals	(1,608)
At 31 March 2026	–
ACCUMULATED DEPRECIATION AND IMPAIRMENT:	
At 1 April 2024	1,365
Charge for the year	80
At 31 March 2025 and 1 April 2025	1,445
Charge for the year	40
Written back upon disposals	(1,485)
At 31 March 2026	–
CARRYING AMOUNTS:	
At 31 March 2026	–
At 31 March 2025	163

The Group owns a office premises for daily operations. The Group is the registered owner of these property interests, including the underlying leasehold land. Lump sum payments were made upfront to acquire these property interests. The leasehold land components of these owned property are not presented separately as the payments made cannot be allocated reliably.

As at 31 March 2025, the Group's land and building were located in Hong Kong under medium-term lease.

During the year ended 31 March 2026, the Group disposed of the office premises to a related party, details of which are set out in note 32.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

19. INTERESTS IN SUBSIDIARIES

The following list contains only the particulars of subsidiaries which, in the opinion of the directors of the Company, principally affected the results, assets or liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Particulars of the Company's principal subsidiaries as at 31 March 2026 and 2025 are as follows:

Name of company	Place of incorporation and operation	Type of legal entity	Particulars of issued and paid up capital	Equity interest held by the Company	Principal activity
Right Estate Limited	British Virgin Islands	Limited liability company	5 ordinary shares of US\$1 each	100% [#] (2025: N/A)	Investment holding
Luen Hing Construction & Eng. Limited	Hong Kong	Limited liability company	9,280,000 ordinary shares	100% (2025: 100%)	Provision of civil engineering works
Mullen Building Limited	Hong Kong	Limited liability company	10,000 ordinary shares	100% [#] (2025: 100% [#])	Provision of decoration and renovation works
Anjulai Biotechnology (Shenzhen) Company Limited*	People's Republic of China	Limited liability company	US\$200,000 paid up capital: nil	100% [^] (2025: N/A)	Wholesale and sale of medical devices products

The issued capital of these companies were held by the Company directly.

[^] The subsidiary was incorporated during the year ended 31 March 2026.

* English name for identification purposes only.

None of the subsidiaries had issued any debt securities subsisting at the end of the reporting period or at any time during the year.

20. CONTRACT ASSETS, CONTRACT COSTS AND CONTRACT LIABILITIES

(a) Contract assets

	2026 HK\$'000	2025 HK\$'000
Contract assets		
Retention receivables of construction contracts	10,451	22,960
Less: allowances for credit losses	(2,201)	(9,402)
	8,250	13,558

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

20. CONTRACT ASSETS, CONTRACT COSTS AND CONTRACT LIABILITIES (CONTINUED)

(a) Contract assets (Continued)

The movement in contract assets are as follows:

	2026 HK\$'000	2025 HK\$'000
At 1 April	22,960	22,282
Addition	1,716	1,239
Transfer to trade receivables	(14,225)	(561)
Allowance for credit losses	(2,201)	(9,402)
At 31 March	8,250	13,558

Typical payment terms which impact on the amount of contract assets recognised are as follows:

The Group's construction contracts include payment schedules which require stage payments over the construction period once milestones are reached. These payment schedules prevent the build-up of significant contract assets. The Group also typically agrees to a 1-2 years retention period for 5% to 10% of the contract value. This amount is included in contract assets until the end of the retention period as the Group's entitlement to this final payment is conditional on the Group's work satisfactorily passing inspection.

Retention receivables included in contract assets represents the Group's right to receive consideration for work performed and not yet billed because the rights are conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the expiry date of the period for the provision of assurance by the Group on the service quality of the construction work performed by the Group.

The amount of contract assets (net of allowance for credit losses) that is expected to be recovered after more than one year is approximately HK\$4,379,000 (2025: HK\$7,987,000), all of which relates to retention receivables. The Group classifies these contract assets under current assets because the Group expects to realise them in its normal operating cycle.

Details of the impairment assessment are set out in note 6(b) to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

20. CONTRACT ASSETS, CONTRACT COSTS AND CONTRACT LIABILITIES (CONTINUED)

(b) Prepayment for contract costs

Contract costs prepaid related to the deposit paid to the subcontractors who performing the construction services which is still in progress at the end of the reporting period. Contract costs are recognised as part of cost of services provided in the consolidated statement of profit or loss and other comprehensive income in the period in which revenue from the related construction services is recognised. There was no impairment in relation to the costs prepaid during the year ended 31 March 2026 and 2025.

During the year 31 March 2026, prepayment for contract costs with the amounts of approximately HK\$978,000 (2025: HK\$2,221,000) are expected to be recognised as cost of services provided within one year.

(c) Contract liabilities

The contract liabilities primarily relate to the advanced payment received from customers, for which revenue is recognised based on the progress of the provision of related services.

Contract liabilities of the Group, which are expected to be settled within the Group's normal operating cycle, are classified under current liabilities.

The movement in contract liabilities are as follows:

	2026 HK\$'000	2025 HK\$'000
At 1 April	1,517	3,400
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(1,243)	(1,883)
At 31 March	274	1,517

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

21. TRADE AND OTHER RECEIVABLES

	2026 HK\$'000	2025 HK\$'000
Trade receivables from contracts with customers	32,978	41,207
Less: allowances for credit losses	(21,099)	(15,142)
	11,879	26,065
Receivables from securities broker	4,475	907
Deposits for surety bonds	4,107	7,215
Other receivables, deposits and prepayments	59	64
	20,520	34,251

The aging analysis of trade receivables (net of allowance for credit losses) based on invoice date is as follows:

	2026 HK\$'000	2025 HK\$'000
0 – 30 days	4,086	253
31 – 60 days	59	–
61 – 90 days	785	1,640
91 – 180 days	861	3,255
181 – 365 days	216	1,089
Over 365 days	5,872	19,828
	11,879	26,065

The Group usually grants customers a credit period up to 30 days. The Group did not hold any collateral as security or other credit enhancements over the trade and other receivables as at 31 March 2026 and 2025 and no interest is charged on trade receivables.

Trade receivables with carrying amounts of approximately HK\$7,793,000 (2025: HK\$25,812,000) (net of allowance for credit losses) are past due at the end of the reporting period. Out of the past due balances, approximately HK\$5,872,000 (2025: HK\$15,819,000) (net of allowance for credit losses) has been past due 1 to 2 years but is not considered as credit-impaired because of the counterparty has partially settled the balance after the end of reporting period. Based on the above circumstance, the directors are in the opinion that the balances which has been past due more than 1 year are still considered as collectible. As at 31 March 2026, the gross amounts of approximately HK\$20,999,000 have been past due for more than two years. As determined by the Company's management, these amounts have no realistic prospect of recovery and have therefore been considered as credit-impaired. Accordingly, the Group has fully impaired the relevant trade receivables.

Details of impairment assessment are set out in note 6(b) to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

22. AMOUNT DUE FROM A RELATED PARTY

	Maximum balance 2026 outstanding HK\$'000		2025 HK\$'000	Maximum balance outstanding HK\$'000
Amount due from a related party				
Wo Kai Development Limited	2,209	2,500	–	–

Notes:

- | (a) | Name of entity | Relationship with the Group |
|-----|-----------------------------------|--|
| | Wo Kai Development Limited ("WK") | Sole shareholder of WK is Mr. Wong Wing Wah, a director of a subsidiary of the Company |
- (b) The amount is trade in nature, interest free and repayable on demand.
- (c) The amounts are stated net of allowance for credit losses of approximately HK\$291,000.

Details of the impairment assessment are set out in note 6(b) to the consolidated financial statements.

23. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2026 HK\$'000	2025 HK\$'000
Listed securities classified as held for trading investments:		
– Equity securities listed in Hong Kong	51,377	28,059

At the end of the reporting period, all financial assets at FVTPL are stated at fair values. Fair values of listed securities classified as held for trading investments are determined with reference to quoted market closing prices.

Details of the fair value measurement of the Group's investments in listed securities are disclosed in note 7 to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

24. CASH AND BANK BALANCES

Cash in banks earn interests at floating rates based on daily bank deposit rates.

For the years ended 31 March 2026 and 2025, the Group performed impairment assessment on bank balances and concluded that the probability of defaults of the counterparty banks are insignificant, no allowance for ECL is provided for the years.

The Group's bank balances and cash denominated in RMB of approximately HKD1,000 (2025: nil) which are located in the PRC are subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sales and Payment of Foreign Exchange Regulations.

(a) Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Amounts due to directors included in trade and other payables HK\$'000	Interest payables included in trade and other payables HK\$'000	Bond payable HK\$'000	Amount due to a former shareholder HK\$'000	Total HK\$'000
At 1 April 2024	24	2,297	12,000	2,264	16,585
Changes from financing cash flows:					
Financing cash outflow	5,378	–	–	–	5,378
Non-cash changes:					
Finance costs recognised (note 13(a))	–	720	–	–	720
At 31 March 2025 and 1 April 2025	5,402	3,017	12,000	2,264	22,683
Changes from financing cash flows:					
Financing cash outflow	(5,378)	–	–	(2,264)	(7,642)
Non-cash changes:					
Finance costs recognised (note 13(a))	–	720	–	–	720
At 31 March 2026	24	3,737	12,000	–	15,761

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

25. TRADE AND OTHER PAYABLES

	2026 HK\$'000	2025 HK\$'000
Trade payables	9,171	11,716
Retention monies payables	13,778	13,556
Provision for long services payment	300	300
Amount due to a director of the Company	24	24
Amount due to a director of a subsidiary	–	5,378
Accruals and other payables	2,164	2,748
Interest payables	3,737	3,017
	29,174	36,739

Retention monies payables in relation to the release of retention vary from contract to contract, which usually within 1-2 years and subject to practical completion, the expiry of the defect liability period or a pre-agreed time period.

Accruals and other payables mainly consist of accrued staff costs of approximately HK\$393,000 (2025: HK\$763,000).

The amounts due to directors of the Company and a subsidiary were unsecured, interest-free and repayable on demand.

The aging analysis of trade payables based on invoice date is as follows:

	2026 HK\$'000	2025 HK\$'000
0 – 30 days	4,026	243
31 – 60 days	674	–
61 – 90 days	–	1,622
Over 90 days	4,471	9,851
	9,171	11,716

The credit period normally granted by its suppliers is up to 30 days (2025: 30 days).

26. AMOUNT DUE TO A FORMER SHAREHOLDER

The amount due was unsecured, interest-free and repayable on demand.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

27. BOND PAYABLE

Bond payable with a principal amount of HK\$12,000,000 were unsecured, interest bearing at 6% per annum and repayable on 2 December 2022 which was two years after the drawdown date. As at 31 March 2026, the bond payable had matured and remain unsettled.

28. SHARE CAPITAL

	Number of shares '000	Nominal value of shares HK\$'000
Authorised:		
Ordinary shares of HK\$0.16 each		
At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026	500,000	500,000
Issued and fully paid:		
At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026	301,860	48,298

29. SHARE-BASED PAYMENT TRANSACTIONS

Equity-settled share option scheme of the Company

The Company's share option scheme (the "Scheme"), was adopted pursuant to written resolution of the Company passed on 24 March 2016 for the primary purpose of providing incentives to directors of the Company, eligible employees and consultants, and expired on 10 July 2024. Under the Scheme, the board of directors of the Company may grant options to consultants and employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5,000,000 must be approved in advance by the Company's shareholders.

Options granted must be taken up on the date of grant, upon payment of HK\$1.00. Options may be exercised at any time from the date of grant of the share option to the fifth anniversary of the date of grant. The exercise price is determined by the board of directors, and will not be less than the highest of (i) the nominal value of the Company's share; (ii) the closing price of the Company's shares on the date of grant; and (iii) the average closing price of the shares for the five business days immediately preceding the date of grant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

29. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Equity-settled share option scheme of the Company (Continued)

As at 31 March 2026 and 2025, 30,186,000 options and 30,186,000 options are available for grant under the Scheme, respectively.

As at the date of the annual report, 30,186,000 shares are available for issue under the Scheme, which represent 10% of the issued share capital of the Company.

As at 31 March 2026, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 19,842,480 (2025: 19,842,480), representing 6.6% (2025: 6.6%) of the share of the Company in issue at that date.

Details of the share options granted are as follows:

Date of grant	Vesting date	Exercise period	Exercise price	Closing price of the share immediately before the date of grant
12 July 2021	12 July 2021	5 year from the date of grant	HK\$0.09	HK\$0.09
18 March 2022	18 March 2022	5 year from the date of grant	HK\$0.163	HK\$0.162

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

29. SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

Equity-settled share option scheme of the Company (Continued)

	Date of grant	Exercise price per option*	Exercise period	At 1 April 2024, 31 March 2025 and 1 April 2025	Lapsed during the year	At 31 March 2026
Other employees	12 July 2021	HK\$0.315	5 years from the date of grant	10,698,480	–	10,698,480
	18 March 2022	HK\$0.163	5 years from the date of grant	9,144,000	–	9,144,000
Total				<u>19,842,480</u>	<u>–</u>	<u>19,842,480</u>
Exercisable at the end of the reporting period				<u>19,842,480</u>		<u>19,842,480</u>
				<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Weighted average exercise price				<u>0.245</u>	<u>–</u>	<u>0.245</u>

* The exercise prices and numbers of share options have been adjusted with effect from 13 September 2021 and from 29 October 2021 due to the capital reorganisation and the rights issue, respectively.

30. RESERVES

The amounts of the Group's reserves and the movements during the year are presented in the consolidated statement of changes in equity of the consolidated financial statements.

Share premium

The share premium represents the difference between the par value of the shares of the Company and net proceeds received from the issuance of the shares of the Company.

Under the Companies Law of the Cayman Islands, the share premium account of the Company may be applied for payment of distributions or dividends to the shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

30. RESERVES (CONTINUED)

Share-based payment reserve

Share-based payment reserve represents the fair value of services estimated to be received in exchange for the grant of the relevant share options over the relevant vesting periods, the total of which is based on the fair value of the share options at grant date. The amount for each period is determined by spreading the fair value of the share options over the relevant vesting period (if any) and is recognised in administrative and other operating expenses with a corresponding increase in the share-based payment reserve, such amount would be reclassified to accumulated losses/retained earnings upon the lapse of those vested share option.

Other reserve

Other reserve represents the reserve arising from the loan capitalisation of Luen Hing and Hop Fung on 21 March 2016.

Capital reserve

Capital reserve represents the difference between the nominal values of the share capital of subsidiaries acquired by the Group and the nominal value of the Company's shares issued for the acquisition under the reorganisation.

Exchange reserve

Exchange reserve represents exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Hong Kong dollar) which are recognised directly in other comprehensive income and accumulated in the exchange reserve. Such exchange differences accumulated in the exchange reserve are reclassified to profit or loss on the deconsolidation of the foreign operations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

31. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2026 HK\$'000	2025 HK\$'000
ASSETS AND LIABILITIES		
Non-current asset		
Investments in subsidiaries	–	–
Current assets		
Other receivables and prepayments	4,475	908
Financial assets at FVTPL	51,377	28,059
Bank balances	1,966	110
	57,818	29,077
Current liabilities		
Accruals	4,926	4,690
Amount due to a former shareholder	–	2,264
Amounts due to subsidiaries	32,652	24,788
Bond payable	12,000	12,000
	49,578	43,742
Net current assets/(liabilities)	8,240	(14,665)
Net assets/(liabilities)	8,240	(14,665)
CAPITAL AND RESERVES		
Share capital	48,298	48,298
Reserves	(40,058)	(62,963)
Net assets/(deficiency in assets)	8,240	(14,665)

The Company's statement of financial position was approved and authorised for issue by the Board of Directors on 30 June 2026 and are signed on its behalf by:

Chen Jian
Director

Yu Xiao
Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

31. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

The movements of the Company's equity are as follows:

	Share capital HK\$'000	Share premium HK\$'000	Share-based payment reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 April 2024	48,298	60,696	6,030	(130,557)	(15,533)
Profit and total comprehensive income for the year	–	–	–	868	868
Lapsed of share options	–	–	(3,462)	3,462	–
At 31 March 2025 and 1 April 2025	48,298	60,696	2,568	(126,227)	(14,665)
Profit and total comprehensive income for the year	–	–	–	22,905	22,905
At 31 March 2026	48,298	60,696	2,568	(103,322)	8,240

32. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in these consolidated financial statements, the Group had the following material transactions with related parties:

(a) Transactions with related parties are as follows:

Name of entities	Relationship with the Group
Wo Kai Development Limited ("WK")	Sole shareholder of WK is Mr. Wong Wing Wah, a director of a subsidiary of the Company
Shun Kai Development (HK) Limited ("SK")	Sole shareholder of SK is Mr. Wong Wing Wah, a director of a subsidiary of the Company

Name of related parties	Nature of transactions	2026 HK\$'000	2025 HK\$'000
Wo Kai Development Limited	Provision of civil engineering, decoration and renovation works*	50	–
Shun Kai Development (HK) Limited	Disposal of property	2,920	–

* The gross amount of the sale was approximately HK\$2,500,000. As management considered the Group to be acting as an agent rather than as a principal, only net sales of approximately HK\$50,000 have been recognised.

During the year ended 31 March 2026, these transactions with related parties constituted fully exempted connected transactions of the Group. These transactions are de minimis transactions under Rule 20.74(1) of the GEM Listing Rules and therefore all of them are fully exempt from the independent shareholders' approval, annual review and all disclosure requirements under Chapter 20 of the GEM Listing Rules.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

32. RELATED PARTY TRANSACTIONS (CONTINUED)

- (b) **Compensation of key management personnel of the Group, who were the directors of the Company, are as follows:**

Key management personnel compensation

	2026 HK\$'000	2025 HK\$'000
Salaries, wages and other benefits in kind	558	558
Retirement benefit scheme contributions	–	–
	558	558

The remuneration of the directors and key management personnel is determined by the remuneration committee regarded to the performance of individuals and market trends.

Further details of directors' emoluments are included in note 15(a) to the consolidated financial statements.

33. CONTINGENT LIABILITIES

On 28 May 2026, one of the Group's subsidiaries, Luen Hing Construction & Eng. Limited ("Luen Hing"), received a legal claim for the recovery of damages and losses to the plaintiff's premises and materials. The claim arose from flooding at the plaintiff's premises on 6 June 2020 and is for an amount of approximately HK\$3,000,000. Luen Hing is one of the defendants in this case. Based on management's assessment and the information currently available, the likelihood of the Group incurring any material liability in respect of this matter is considered low. Accordingly, no provision has been made in the consolidated financial statements.

34. EVENTS AFTER REPORTING PERIOD

Except for the matter disclosed in note 33, the Group had no significant events after the reporting period that require disclosure or adjustment in the financial statements.

35. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 30 June 2026.

SUMMARY OF FINANCIAL INFORMATION

	For the year ended 31 March				2026
	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000	HK\$'000
CONSOLIDATED RESULTS					
Revenue	92,754	104,601	35,141	36,202	37,555
(Loss)/profit before tax	(20,208)	(9,963)	(17,433)	(5,899)	23,318
Income tax credit	61	—	—	—	—
(Loss)/profit for the year attributable to owners of the Company	(20,147)	(9,963)	(17,433)	(5,899)	23,318
	As at 31 March				2026
	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000	HK\$'000
CONSOLIDATED ASSETS AND LIABILITIES					
Total assets	144,347	105,514	81,554	80,365	92,610
Total liabilities	(83,834)	(54,964)	(48,437)	(53,147)	(42,075)
Net assets	60,513	50,550	33,117	27,218	50,535