

# Zhongzi International Holdings Limited

## 中資國際控股有限公司

(Previously known as Bortex Global Limited 濠亮環球有限公司)

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8118

# 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 of the Stock Exchange 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 Zhongzi International Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. 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 respects 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. Shiu Kwok Leung (*Chairman*)  
Mr. Shao Chiliang (*Chief Executive Officer*)  
Mr. Zheng Yi  
Mr. Zhao Zichao (resigned on 28 November 2025)  
Mr. Huang Aizhong (appointed on 19 March 2026)  
Mr. On Ka Shing (appointed on 27 August 2026)

#### Independent Non-executive Directors

Mr. Lang Jilu  
Ms. Cheng Ka Yan (resigned on 1 November 2025)  
Mr. Cheng Hok Ming Albert  
Ms. Leung Tze Ying Gwen (appointed on  
1 November 2025 and resigned on 18 June 2026)  
Ms. Chung Hoi Yan (appointed on 18 June 2026)

### AUDIT COMMITTEE

Ms. Cheng Ka Yan (*Chairman*)  
(resigned on 1 November 2025)  
Mr. Lang Jilu  
Mr. Cheng Hok Ming Albert  
Ms. Leung Tze Ying Gwen (*Chairman*)  
(appointed on 1 November 2025 and  
resigned on 18 June 2026)  
Ms. Chung Hoi Yan (*Chairman*)  
(appointed on 18 June 2026)

### REMUNERATION COMMITTEE

Mr. Cheng Hok Ming Albert (*Chairman*)  
Mr. Shao Chiliang  
Mr. Lang Jilu  
Mr. On Ka Shing (appointed on 27 August 2026)

### NOMINATION COMMITTEE

Mr. Shiu Kwok Leung (*Chairman*)  
Mr. Lang Jilu  
Mr. Cheng Hok Ming Albert  
Ms. Leung Tze Ying Gwen (appointed on  
30 December 2025 and resigned on 18 June 2026)  
Ms. Chung Hoi Yan (appointed on 18 June 2026)  
Mr. On Ka Shing (appointed on 27 August 2026)

### COMPANY SECRETARY

Mr. Cheng Pak Lam (resigned on 3 November 2025)  
Mr. Chu Chun Ting (appointed on 3 November 2025)

### AUTHORISED REPRESENTATIVES

Mr. Shiu Kwok Leung  
Mr. Cheng Pak Lam (resigned 3 November 2025)  
Mr. Chu Chun Ting (appointed on 3 November 2025)

### INDEPENDENT AUDITOR

HLB Hodgson Impey Cheng Limited

### REGISTERED OFFICE

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 6A18, 3/F, Block B, Hoi Luen  
Industrial Centre, 55 Hoi Yuen Road  
Kwun Tong  
Kowloon, Hong Kong

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

### PRINCIPAL BANKER

The Hongkong and Shanghai Banking  
Corporation Limited

### WEBSITE

[www.08118.net.cn](http://www.08118.net.cn)

### STOCK CODE

8118

## CHAIRMAN'S STATEMENT

On behalf of the board of Directors (the “Board”), I present the annual report and the audited consolidated financial statement of the Company and its subsidiaries (together with the Company, the “Group”) for the year ended 30 April 2026.

The external development environment remains challenging, and continued to bring about market uncertainty and weakened consumer demand. In response to market fluctuations and uncertainties, the Group has proactively enhanced the customer base.

For the year ended 30 April 2026, the Group recognised a 7.2% decrease in revenue to approximately HK\$24.5 million (2025: approximately HK\$26.4 million) and a net loss of the Company of approximately HK\$4.4 million (2025: approximately HK\$44.9 million), primarily owing to the loss on sales of scrap material during the year ended 30 April 2025 of approximately HK\$25.3 million, whereas the Group did not have such a loss on sales during the year ended 30 April 2026.

To enterprises, the impact of the business continues as global supply chains and logistics transportation are not completely smooth, making business still difficult. Ongoing interest rate hikes means the pressure on their loan repayment is also gradually raising.

### OUTLOOK

Since the epidemic, China’s economic recovery has been slower than other countries, causing many companies close down or reduce their production scale. The management believed that, with the support of monetary policy China’s manufacturing and infrastructure investment growth is expected to accelerate in 2026, and investment will become an important force supporting economic growth.

The equity market is likely to remain volatile because of the US Federal Reserve continues to raise interest rates, and the cost of capital has risen, which has caused unprecedented difficulties in business operations.

In view of this, the Group will maintain a prudent yet flexible operational strategy to navigate market volatility. To mitigate economic risks, broaden revenue streams, and capture emerging macro trends, we will proactively pursue strategic initiatives and explore opportunities to diversify into complementary or new business operations. The Group remains committed to identifying potential investments, strategic alliances, and market expansion opportunities that drive business diversification, including but not limited to seek acquisitions targets, foster strategic partnerships and evaluate investment opportunities that align with its long-term objectives, thereby optimizing capital deployment, strengthening business resilience, and generating sustainable value for stakeholders.

### Appreciation

On behalf of the Board, I would like to express my sincere gratitude to the management team and staff of the Group for their hard work and dedication, and also to our shareholders and business partners for their continuous support.

Shiu Kwok Leung  
Chairman

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

During the year ended 30 April 2026, the revenue was approximately HK\$24.5 million, which represented a decrease of approximately HK\$1.9 million, or 7.2% if compared to revenue of approximately HK\$26.4 million for the year ended 30 April 2025. In recent years, consumers have become increasingly concerned about environmental issues, they all consider the necessity of these products and their energy-saving performance when consuming them. Beside this, the external development environment remains challenging, and continued to bring about market uncertainty and weakened consumer demand due to the post-pandemic and the US Fed raised the interest rate.

The revenue in Canada of the LED decorative lightings products was approximately HK\$19.2 million during the year, which decreased by approximately HK\$0.6 million, or 3.03% compared to the revenue of approximately HK\$19.8 million for the year ended 30 April 2025. The revenue in the Canada customer slightly decreased during the year which is mainly attributable to the customer forecast decrease in the demand and sales of indoor decorative lightings to household users during the Christmas seasons.

However, the revenue generated from the PRC customer was decreased to approximately HK\$2.5 million for the year ended 30 April 2026 (2025: approximately HK\$4.0 million). The decrease was mainly due to the continued slowdown in the PRC real estate and construction sectors directly impacted the installation of new lighting fixtures and commercial trading projects.

## PROSPECT

Since the epidemic, China's economic recovery has been slower than other countries, causing many companies close down or reduce their production scale. The management believed that, with the support of monetary policy China's manufacturing and infrastructure investment growth is expected to accelerate in 2026, and investment will become an important force supporting economic growth.

The equity market is likely to remain volatile because of the US Federal Reserve continues to raise interest rates, and the cost of capital has risen, which has caused unprecedented difficulties in business operations.

In view of this, the Group will maintain a prudent yet flexible operational strategy to navigate market volatility. To mitigate economic risks, broaden revenue streams, and capture emerging macro trends, we will proactively pursue strategic initiatives and explore opportunities to diversify into complementary or new business operations. The Group remains committed to identifying potential investments, strategic alliances, and market expansion opportunities that drive business diversification, including but not limited to seek acquisitions targets, foster strategic partnerships and evaluate investment opportunities that align with its long-term objectives, thereby optimizing capital deployment, strengthening business resilience, and generating sustainable value for stakeholders.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

### Revenue from LED Decorative Lighting

The Group's LED decorative lighting revenue decreased by approximately HK\$1.9 million or 7.2% from approximately HK\$26.4 million for the year ended 30 April 2025 to approximately HK\$24.5 million for the year ended 30 April 2026. The decreased in LED decorative lighting revenue was mainly attributable to the decrease in sales to the PRC customers.

### Cost of Sales

The Group's cost of sales decreased by approximately HK\$1.7 million or 7.5% from approximately HK\$22.7 million for the year ended 30 April 2025 to approximately HK\$21.0 million for the year ended 30 April 2026. The decrease in cost of sales was generally in line with the decrease in the Group's total revenue.

### Gross Profit and Gross Profit Margin

The Group's gross profit decreased by approximately HK\$0.2 million or 5.4% from approximately HK\$3.7 million for the year ended 30 April 2025 to approximately HK\$3.5 million for the year ended 30 April 2026. The decrease in gross profit was generally in line with the decrease in the Group's total revenue. The gross profit margin increased by approximately 0.3% from approximately 14.0% for the year ended 30 April 2025 to approximately 14.3% for the year ended 30 April 2026.

### Other Income, Losses, Net

The Group's other income and losses, net was approximately gain HK\$30,000 for the year ended 30 April 2026. The Group's other income and losses, net was approximately loss HK\$25.3 million for the year ended 30 April 2025. The increase in other income and losses, net was mainly attributable to the loss on sales of outdated and damaged scrap material during the year ended 30 April 2025, whereas the Group did not have such a loss on sales during the year ended 30 April 2026.

### Selling and Distribution Expenses

The Group's selling and distribution expenses decrease by approximately HK\$0.2 million or 22.2% from approximately HK\$0.9 million for the year ended 30 April 2025 to approximately HK\$0.7 million for the year ended 30 April 2026. The decrease in selling and distribution expenses was mainly attributable to the decrease of shipping cost and staff cost during the year ended 30 April 2026.

### Administrative Expenses

The Group's administrative expenses increased by approximately HK\$2.4 million or 44.4% from approximately HK\$5.4 million for the year ended 30 April 2025 to approximately HK\$7.8 million for the year ended 30 April 2026. Such increase was mainly attributable to the increase in staff cost, legal and professional fee.

### Finance Costs

The Group's finance costs decreased by approximately HK\$0.2 million or 28.6% from approximately HK\$0.7 million for the year ended 30 April 2025 to approximately HK\$0.5 million for the year ended 30 April 2026. The decrease of the finance costs was due to the decrease of interest expenses on lease liabilities.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Loss for the Year

The Group's loss for the year ended 30 April 2026 was approximately HK\$4.4 million, representing a decrease of loss approximately HK\$40.5 million as compared to the year ended 30 April 2025. The decrease of loss for the year of the Group was mainly attributable to the loss on sales of scrap material during the year ended 30 April 2025, whereas the Group did not have such a loss on sales during the year ended 30 April 2026.

### GEARING RATIO

Gearing ratio (total debts divided by the total equity) is not applicable for the year ended 30 April 2026 (2025: not applicable).

### LIQUIDITY AND FINANCIAL RESOURCES

As at 30 April 2026, cash and bank balances of the Group amounted to approximately HK\$0.9 million (2025: approximately HK\$16.1 million). The current ratio (total current assets divided by total current liabilities) of the Group was approximately 1.61 times as at 30 April 2026 (2025: approximately 1.75 times). In view of the Group's current level of cash and bank balances and funds generated internally from its operations, the Board is confident that the Group will have sufficient resources to meet its finance needs for its operations.

### TREASURY POLICIES

The Group adopts prudent treasury policies. The Group's management has monitoring procedures to ensure that follow up action is taken to recover overdue debts. In addition, management reviews regularly the recoverable amount of each individual trade receivable by taking into account the market conditions, customers' profiles and contractual terms to ensure that adequate impairment is made for irrecoverable amounts. On top of these ongoing credit evaluations, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

### CAPITAL STRUCTURE

The Shares have been listed on the GEM of the Stock Exchange since 16 November 2017. There has been no change in the capital structure of the Group since then. The share capital of the Company only comprises ordinary Shares. As at 30 April 2026, the Company had 500,000,000 Shares in issue.

### SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND CAPITAL ASSETS

The Group did not have any significant investments, material acquisitions and disposals of subsidiaries and capital assets for the year ended 30 April 2026. Furthermore, the Group did not have any plans for material investments and capital assets.

### CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 April 2026, the Group did not have any significant capital commitments (30 April 2025: nil) and significant contingent liabilities (30 April 2025: nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### EMPLOYEES AND REMUNERATION POLICIES

As at 30 April 2026, the Group had a total of 94 employees (30 April 2025: 71). The total remuneration costs incurred by the Group for the year ended 30 April 2026 were approximately HK\$6.7 million (30 April 2025: approximately HK\$6.0 million). The Group reviews the performance of its employees annually and use the results of such review in the annual salary review and promotion appraisal, in order to attract and retain valuable employees. The Company adopted a share option scheme to enable it to grant share options to, among others, selected eligible employees as incentive or reward for their contributions.

### CHARGE OF ASSETS

The Group does not have charge on assets as at 30 April 2025 and 2026.

### FOREIGN CURRENCY EXPOSURE

A significant portion of the Group's turnover is derived from the Group's sales to customers located in North America and Europe which is primarily denominated and settled in US Dollars, while the Group generally settled the Group's cost of sales and operating expenses in Renminbi and Hong Kong dollars. The Group therefore exposed to exchange rate risk. During the year ended 30 April 2026, the Group had experienced exchange gain of approximately HK\$0.3 million (2025: gain of approximately HK\$0.7 million).

### DIVIDEND

The Board does not recommend the payment of any dividend for the year ended 30 April 2026.

### EVENT AFTER THE REPORTING PERIOD

Up to the date of this report, there was no significant event relevant to the business or financial performance of the Group that come to the attention of the Directors after the year ended 30 April 2026.

## PROFILES OF DIRECTORS, SENIOR MANAGEMENT AND SECRETARY

### DIRECTORS

#### Executive Directors

**Mr. Shiu Kwok Leung**, aged 65, is one of our founders, the Chairman of the Board and a controlling shareholder of the Company. He is also the chairman of the Nomination Committee of the Company. He was appointed as a Director on 30 January 2014 and was subsequently redesignated as an executive Director on 18 September 2015. Mr. Shiu is responsible for the overall strategic planning, business development and overseeing the sales and marketing of the Group. Mr. Shiu initially worked as a moulds technician at Yau Yung Metal Manufacturing Factory from 1980 to 1983 and was subsequently promoted as its production and administration manager from 1983 to 2003. To continue the business of Yau Yung Metal Manufacturing Factory, Yau Yung Metal Manufacturing Factory Limited was incorporated in Hong Kong in 2003 and Mr. Shiu remained as the company's production and administration manager from August 2003 to June 2005. He was mainly responsible for the overall production (including liaison with overseas customers to deal with all production related matters and inquiries) and general administration functions of the company. Mr. Shiu established Bortex International Limited in Hong Kong on 30 December 2008. Mr. Shiu is a director of each of Harvest Mount Global Enterprises Limited, Bortex Holdings Limited, Bortex International Limited and Bortex Industry Co., Ltd (all are wholly-owned subsidiaries of the Company).

**Mr. Shao Chiliang**, aged 62, has joined the Group since 2004 and responsible for managing sales and marketing activities of the Group. He is also the member of the Remuneration Committee. Mr. Shao has over 40 years of accumulated working experience in toys and lighting devices manufacturing. He joined Changping Electric Factory\* (常平電珠廠) from 1980 to 1983 as a technician and Qiaotou Toy Factory\* (橋頭玩具廠) from 1984 to 1986 as a plant manager. In October 1986, Mr. Shao established Chihua Industry Co., Ltd.\* (熾華實業有限公司) and act as the Chairman of this company. In addition, Mr. Shao has joined Dongguan Qiaotou Individual and Private Associations\* (東莞市橋頭個體私營企業協會) as a councilor from 1988 to 1998, and became a Vice-chairman from 1998 to 2016. He was a member of Guangdong Youth Township Entrepreneurs Association\* (廣東省青年鄉鎮企業家協會) from 1994 to 2008, and also a councilor of Dongguan Gongshangye Federation\* (東莞工商聯合會) from 1997 to 2006. Mr. Shao is a director of each of Bortex International Limited, Bortex Holdings Limited and Bortex Industry Co., Ltd.\* (東莞市濠亮實業有限公司), all being wholly-owned subsidiaries of the Company.

**Mr. Zheng Yi**, aged 43, was appointed as an executive Director on 12 December 2024. He has over 19 years of extensive experience in the financial industry and holds two software copyrights for quantitative trading. Prior to joining the Group, Mr. Zheng served as the chairman of Shenzhen Poly Melting Technology Company Limited from July 2016 to February 2020, and successively served as the marketing director and vice president of Shenzhen Hong Kong Financial Services Company Limited from March 2020, where he was responsible for market planning, mergers and acquisitions and fund management. Mr. Zheng studied law at China University of Political Science and Law and has obtained an MBA from a Swiss business school in October 2025.

**Mr. Huang Aizhong**, aged 51, was appointed as an executive Director on 19 March 2026. He has over 25 years of experience as the chairman of a sizable company in the People's Republic of China, which is principally engaged in information technology consulting, development, and system integration services, as well as the sale of mechanical equipment and electronic products. He is responsible for overseeing company operations and providing strategic guidance on technology development and market expansion for the clients. He possesses strong expertise in integrated solutions, and has extensive experience in operational strategy, product lifecycle management and market expansion.

\* For identification purpose only

## PROFILES OF DIRECTORS, SENIOR MANAGEMENT AND SECRETARY

**Mr. On Ka Shing**, aged 52, was appointed as an executive Director on 27 August 2026. He holds a Master's Degree of Management in Financial Management from The Macquarie Graduate School of Management since 2004. He is a member of the Hong Kong Institute of Certified Public Accountants since 2000. Mr. On has been the independent non-executive director of Hybrid Kinetic Group Limited (Stock Code: 1188.HK) from 21 March 2024 to 17 February 2025. Mr. On has over 28 years of working experience in finance, financial reporting and business development. Mr. On has been taking up senior positions in the financial and business sectors for over 20 years.

### Independent Non-executive Directors

**Mr. Lang Jilu**, aged 60, was appointed as an independent non-executive Director on 10 March 2022. He is also a member of the Audit Committee, Remuneration Committee and Nomination Committee. He has been the chairman of Beijing Film & TV Culture Media Co. Ltd.\* (北京影路大通影視文化傳媒有限公司) since June 2017. He is also the chairman of Beijing Zhongnong Hengyu Technology Company Limited\* (北京中農恒宇科技有限公司) since September 2021. He was previously the deputy general manager of GlobeE-Commerce CO. LTD\* (杭州戈洛博電子商務有限公司). Mr. Lang graduated from Senior Program for Chief Executive of Growing Enterprises\* (成長型企業總裁高級研修班) offered by the Faculty of Humanities, Zhejiang University.

**Ms. Chung Hoi Yan**, aged 44, has over 15 years of experience in the field of auditing and finance and accounting. Ms. Chung is currently the independent non-executive director of QPL International Holdings Limited (Stock Code: 243.HK). Ms. Chung holds a degree of Bachelor of Business Administration in Accounting from the City University of Hong Kong, a degree of Master of Corporate Governance in Hong Kong Metropolitan University and is a member of the Hong Kong Institute of Certified Public Accountants.

**Mr. Cheng Hok Ming Albert**, aged 64, was appointed as an independent non-executive Director on 24 October 2017. He is also the chairman of the Remuneration Committee, and a member of each of the Audit Committee and Nomination Committee of the Company. Mr. Cheng was an independent non-executive director of PacMOS Technologies Holdings Limited (now known as Balk 1798 Group Limited, stock code: 1010), a company listed on the Stock Exchange, from 30 September 2004 to 27 November 2014.

Mr. Cheng attended secondary education in Hong Kong and he entered for the Hong Kong Certificate of Education Examination and received the respective result in August 1979. He is a fellow member of the Hong Kong Institute of Directors and has extensive experience in the accounting, financing and consulting industries. Mr. Cheng has been an executive director and chairman of the board of directors of Gold Profit Services Limited, a consulting company principally engaged in providing corporate advisory services including taxation and accountancy services for over 30 years since 1987.

### COMPANY SECRETARY

**Mr. Chu Chun Ting**, aged 38, joined the Group as the company secretary of the Group on 3 November 2025 and is overseeing the Company's secretarial matters.

Mr. Chu is a member of the Hong Kong Institute of Certified Public Accountants. He holds a bachelor's degree of Business Administration in Accounting from the Hong Kong Baptist University. He also has extensive working experience in corporate governance, finance and accounting.

\* For identification purpose only

# CORPORATE GOVERNANCE REPORT

## CORPORATE GOVERNANCE PRACTICES

The Company recognises the importance of good corporate governance in maintaining its corporate transparency and accountability. The Board sets appropriate policies and implements corporate governance practices appropriate to the conduct and growth of the Group's business. The Company has applied the principles as set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the GEM Listing Rules. The Board considers that during the year ended 30 April 2026, the Company has complied with all the code provisions set out in the CG Code. Key corporate governance principles and practices of the Company are summarised below.

### A. THE BOARD

#### A1. Responsibilities and Delegation

The Board is the highest decision-making and managing body of the Company which is responsible for the leadership, control and management of the Company, establishing and delivering the Company's strategies and objectives, including formulating long-term corporate strategy and setting business development plans, supervising and monitoring performance of the management, and overseeing the Group's business, strategic decisions and performances in the attainment of the objectives of ensuring effective functioning and growth of the Group and enhancing value to investors. All the Directors carry out their duties in good faith, take decisions objectively and act in the interests of the Company and its shareholders at all times.

The Board has power to make its decision on all major matters of the Company, including the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters.

All Directors have timely access to all relevant information as well as the advice and services of the Company Secretary and senior management, with a view to ensuring compliance with Board procedures and all applicable laws and regulations. Any Director may request for independent professional advice in appropriate circumstances at the Company's expense, upon reasonable request made to the Board.

The senior management is delegated the authority and responsibilities by the Board for the day-to-day management and operation of the Group. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the above-mentioned officers. The Board has the full support of the senior management to discharge its responsibilities.

## A2. Board Composition

The composition of the Board during the year ended 30 April 2026 and up to date of this report is as follows:

### *Executive Directors*

Mr. Shiu Kwok Leung (*Chairman*)

Mr. Shao Chiliang (*Chief Executive Officer*)

Mr. Zheng Yi (appointed on 12 December 2024)

Mr. Zhao Zichao (appointed on 23 December 2024 and resigned on 28 November 2025)

Mr. Huang Aizhong (appointed on 19 March 2026)

Mr. On Ka Shing (appointed on 27 August 2026)

### *Independent Non-executive Directors*

Mr. Lang Jilu

Ms. Cheng Ka Yan (resigned on 1 November 2025)

Mr. Cheng Hok Ming Albert

Ms. Leung Tze Ying Gwen (appointed on 1 November 2025 and resigned on 18 June 2026)

Ms. Chung Hoi Yan (appointed on 18 June 2026)

Ms. Leung Tze Ying Gwen, Mr. Huang Aizhong, Ms. Chung Hoi Yan and Mr. On Ka Shing, who were appointed on 1 November 2025, 19 March 2026, 18 June 2026 and 27 August 2026 respectively, have each obtained the legal advice referred to in Rule 5.02D of the GEM Listing Rules as regards the requirements under the GEM Listing Rules that are applicable to them as directors of the Company and the possible consequences of making a false declaration or giving false information to the Stock Exchange on 5 November 2025, 18 March 2026, 18 June 2026 and 26 August 2026 respectively, and each of Ms. Leung Tze Ying Gwen, Mr. Huang Aizhong, Ms. Chung Hoi Yan and Mr. On Ka Shing have confirmed they understood their obligations as a director of the Company.

During the year ended 30 April 2026, the Board has met the requirements of the GEM Listing Rules 5.05 and 5.05A of having a minimum of three independent non-executive Directors (representing at least one-third of the Board) with at least one of them possessing appropriate professional qualifications and accounting and related financial management expertise.

The members of the Board have skills and experience appropriate for the business requirements and objectives of the Group. Executive Directors are responsible for the business and functional division of the Group in accordance with their expertise. The independent non-executive Directors bring different business and financial expertise, experiences and independent judgement to the Board and they are invited to serve on the Board committees of the Company. Through participation in Board meetings, and taking the lead in managing issues involving potential conflicts of interests, the independent non-executive Directors have made contributions to the effective direction of the Company and provided adequate checks and balances to safeguard the interests of both the Group and the shareholders.

The Company has received written annual confirmation from each independent non-executive Director of his/her independence pursuant to the requirements of the GEM Listing Rules. The Company considers all independent non-executive Directors to be independent in light of the independence guidelines set out in Rule 5.09 of the GEM Listing Rules.

The Company has established a Board Independence Evaluation Mechanism which sets out the processes and procedures to ensure a strong independent element on the Board, which allows the Board effectively exercises independent judgment to better safeguard Shareholders' interests.

The objectives of the evaluation are to improve Board effectiveness, maximise strengths, and identify the areas that need improvement or further development. The evaluation process also clarifies what actions of the Company need to be taken to maintain and improve the Board performance, for instance, addressing individual training and development needs of each Director. The Board has reviewed the implementation and effectiveness of the Board Independence Evaluation Mechanism and considered it to be effective for the year ended 30 April 2026.

The biographical details of the Directors and the relationships between Board members, if any, are set out under the section headed "Profiles of Directors, Senior Management and Secretary" in this annual report.

### A3. Chairman and Chief Executive Officer

The Company supports the division of responsibility between the Chairman of the Board and the Chief Executive Officer in order to ensure a balance of power and authority and preserve a balanced judgement of views. Currently, Mr. Shiu Kwok Leung takes up the role of the Chairman of the Board and is responsible for the management of the Board and ensuring that all major and appropriate issues are discussed by the Board in a timely and constructive manner.

Mr. Shao Chiliang was appointed as the Chief Executive Officer on 10 March 2022. Mr. Shao Chiliang responsible for managing sales and marketing activities, takes care of the day-to-day management of the Group's business and implementing the Group's strategic plans and business objectives.

### A4. Appointment and Re-election of Directors

All Directors are appointed for a specific term. Each Director is engaged for a term from 2 to 3 years. The appointment of each executive Director and independent non-executive Director may be terminated by either party by not less than 6 months' and 3 months' written notice respectively.

The procedures and process of appointment and removal of Directors are laid down in Company's Articles of Association (the "Articles"). According to the Articles, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation at each annual general meeting provided that every Director shall be subject to retirement by rotation at least once every three years. The retiring Directors shall be eligible for re-election at the relevant annual general meeting. In addition, any new Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of shareholders after his/her appointment, and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting. The Director appointed by the Board as aforesaid shall be eligible for re-election at the relevant general meeting.

Pursuant to the Articles, Mr. Huang Aizhong, Mr. On Ka Shing, Ms. Chung Hoi Yan, Mr. Lang Jilu and Mr. Cheng Hok Ming Albert shall retire at the forthcoming 2026 annual general meeting of the Company (the "2026 AGM"). It is noted that the above retiring directors will offer themselves for re-election at the 2026 AGM. The Company's circular, sent together with this annual report, contains detailed information of such retiring directors as required by the GEM Listing Rules.

# CORPORATE GOVERNANCE REPORT

## A5. Training and Continuing Development for Directors

Each newly appointed Director shall receive formal induction on the first occasion of his/her appointment, so as to ensure that he/she has appropriate understanding of the business and operations of the Group and that he/she is fully aware of his/her responsibilities and obligations under the GEM Listing Rules and relevant regulatory requirements.

The existing Directors are continually updated with legal and regulatory developments, and the business and market changes to facilitate the discharge of their responsibilities. Continuing briefings and professional development for Directors are arranged whenever necessary. In addition, reading materials on new or changes to salient laws and regulations applicable to the Group are provided to Directors from time to time for their studying and reference.

During the year ended 30 April 2026, the Directors have complied with the code provision C.1.4 of the CG Code on participation in continuous professional training as follows:

| Directors                                                                              | Type of training                                                          |                                                                        |
|----------------------------------------------------------------------------------------|---------------------------------------------------------------------------|------------------------------------------------------------------------|
|                                                                                        | Attending seminars/<br>conferences/<br>forums and/<br>or training courses | Reading materials<br>provided by the<br>Company or<br>external parties |
| <i>Executive Directors:</i>                                                            |                                                                           |                                                                        |
| Mr. Shiu Kwok Leung ( <i>Chairman</i> )                                                | ✓                                                                         | ✓                                                                      |
| Mr. Huang Aizhong (appointed on 19 March 2026)                                         | ✓                                                                         | ✓                                                                      |
| Mr. Shao Chiliang ( <i>Chief Executive Officer</i> )                                   | ✓                                                                         | ✓                                                                      |
| Mr. Zheng Yi                                                                           | ✓                                                                         | ✓                                                                      |
| Mr. Zhao Zichao (appointed on 23 December 2024<br>and resigned on 28 November 2025)    | ✓                                                                         | ✓                                                                      |
| <i>Independent Non-executive Directors:</i>                                            |                                                                           |                                                                        |
| Mr. Lang Jilu                                                                          | ✓                                                                         | ✓                                                                      |
| Ms. Cheng Ka Yan (resigned on 1 November 2025)                                         | ✓                                                                         | ✓                                                                      |
| Mr. Cheng Hok Ming Albert                                                              | ✓                                                                         | ✓                                                                      |
| Ms. Leung Tze Ying Gwen (appointed on<br>1 November 2025 and resigned on 18 June 2026) | ✓                                                                         | ✓                                                                      |

Note: These seminars/conferences/materials are related to regulatory development/updates, directors' duties, corporate governance or other relevant topics.

# CORPORATE GOVERNANCE REPORT

## A6. Board Meetings

Schedules for regular Board meetings are normally agreed with Directors in advance to facilitate their attendance. At least 14 days' notice for all regular Board meetings will be given to all Directors and all Directors are given the opportunity to include items or businesses for discussion in the agenda. For all other Board meetings, reasonable notice will be given. Relevant agenda and accompanying meeting papers will be sent to all Directors in a timely manner and at least three days in advance of every regular Board meeting.

During the year ended 30 April 2026, the attendance records of each Director at the said Board meetings held and the annual general meeting are set out below:

| Directors                                   | Board Meetings attended/held | Annual General Meeting attended/held |
|---------------------------------------------|------------------------------|--------------------------------------|
| <i>Executive Directors</i>                  |                              |                                      |
| Mr. Shiu Kwok Leung                         | 9/10                         | 0/1                                  |
| Mr. Huang Aizhong (Note 1)                  | 1/1                          | –                                    |
| Mr. Shao Chiliang (Chief Executive Officer) | 10/10                        | 0/1                                  |
| Mr. Zheng Yi                                | 4/10                         | 1/1                                  |
| Mr. Zhao Zichao (Note 2)                    | 6/6                          | 0/1                                  |
| <i>Independent Non-executive Directors</i>  |                              |                                      |
| Mr. Lang Jilu                               | 10/10                        | 1/1                                  |
| Ms. Cheng Ka Yan                            | 5/5                          | 1/1                                  |
| Mr. Cheng Hok Ming Albert                   | 10/10                        | 1/1                                  |
| Ms. Leung Tze Ying Gwen (Note 3)            | 5/5                          | –                                    |

### Notes:

1. Mr. Huang Aizhong appointed as an executive Director on 19 March 2026. After his appointment, there was 1 Board meetings held during the year ended 30 April 2026.
2. Mr. Zhao Zichao was appointed as an executive Director on 23 December 2024 and resigned on 28 November 2025. Before his appointment, there was 6 Board meetings and 1 annual general meeting held during the year ended 30 April 2026.
3. Ms. Leung Tze Ying Gwen was appointed as an independent non-executive Director on 1 November 2026 and resigned on 18 June 2026. During her tenure, there was 5 Board meetings held during the year ended 30 April 2026.

Apart from regular Board meeting, the Chairman of the Board also held a meeting with the independent non-executive Directors without the presence of executive Directors during the year.

## A7. Directors' Securities Transactions

The Company has adopted the required standard of dealings as set out in the Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct regarding the Directors' dealings in the Company's securities. Specific enquiries have been made to all the Directors and all Directors have confirmed that they have complied with the required standard of dealings during the year ended 30 April 2026.

The Company has also established written guidelines on no less exacting terms than the required standard of dealings (the "**Employees Written Guidelines**"), governing securities transactions by employees who are likely to possess inside information of the Company and/or its securities. No incident of non-compliance of the Employees Written Guidelines by relevant employees was noted by the Company.

In case when the Company is aware of any restricted period for dealings in the Company's securities, the Company will notify its Directors and relevant employees in advance.

## A8. Corporate Governance Functions

The Board as a whole is responsible for performing the corporate governance functions set out in the code provision A.2.1 of the CG Code. The Board has reviewed and monitored the Company's corporate governance policies and practices, the training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the required standard of dealings and the Employees Written Guidelines, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

### B. BOARD COMMITTEES

The Board has established 3 Board committees, namely, the Remuneration Committee, the Nomination Committee and the Audit Committee, for overseeing particular aspects of the Company's affairs. All Board committees have been established with defined written terms of reference which are available on the Stock Exchange's website and the Company's website. All the Board committees should report to the Board on their decisions or recommendations made.

All Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

#### B1. Audit Committee

The Company has met the GEM Listing Rules requirements regarding the composition of the Audit Committee during the year ended 30 April 2026. The Audit Committee comprises a total of 3 members, being the 3 independent non-executive Directors, namely Ms. Chung Hoi Yan (chairman of the Committee), Mr. Lang Jilu and Mr. Cheng Hok Ming Albert. Ms. Chung Hoi Yan possess the appropriate professional qualification, and accounting and financial management expertise as required under Rule 5.05(2) of the GEM Listing Rules. None of the members of the Audit Committee is a former partner of the Company's existing external auditor.

The main duties of the Audit Committee are reviewing and monitoring integrity of the financial information and reports of the Group, and considering any significant or unusual items raised by the Company's staff responsible for the accounting and financial reporting function, compliance officer or auditors before submission to the Board; reviewing the relationship with and the terms of appointment of the external auditor and making relevant recommendation to the Board; and reviewing the Company's financial reporting system, risk management and internal control systems.

During the year ended 30 April 2026, the Audit Committee has held four meetings, in which the Committee members have (i) reviewed the Group's consolidated financial statements, results announcements and reports for the year ended 30 April 2025, for the three months ended 31 July 2025, for the six months ended 31 October 2025; (ii) reviewed and discussed the related accounting principles and practices adopted by the Group, the relevant audit findings, the report on the Company's risk management and internal control review; (iii) reviewed the compliance of the Deed of Non-Competition by the Company's controlling shareholders; (iv) made recommendation of the re-appointment of the external auditor; and (v) reviewed the arrangements for employees of the Company to raise concerns about possible improprieties.

# CORPORATE GOVERNANCE REPORT

The attendance records of each Audit Committee member at the said Audit Committee meetings held during the year ended 30 April 2026 are set out below:

| Audit Committee members                                                                                    | Audit Committee Meetings attended/held |
|------------------------------------------------------------------------------------------------------------|----------------------------------------|
| Ms. Cheng Ka Yan ( <i>Chairman</i> ) (resigned on 1 November 2025)                                         | 3/3                                    |
| Mr. Lang Jilu                                                                                              | 4/4                                    |
| Mr. Cheng Hok Ming Albert                                                                                  | 4/4                                    |
| Ms. Leung Tze Ying Gwen ( <i>Chairman</i> )<br>(appointed on 1 November 2025 and resigned on 18 June 2026) | 1/1                                    |

The external auditor has attended the above meetings and discussed with the Audit Committee members on the interim and third quarterly results.

Besides, there is no disagreement between the Board and the Audit Committee regarding the appointment of external auditor.

## B2. Nomination Committee

The Nomination Committee comprises a total of 5 members, being the Chairman of the Board, namely Mr. Shiu Kwok Leung (chairman of the Committee), Mr. On Ka Shing and three independent non-executive Directors, namely Ms. Chung Hoi Yan, Mr. Lang Jilu and Mr. Cheng Hok Ming Albert.

The principal responsibilities of the Nomination Committee are to review the structure, size and composition (including the skills, knowledge and experience required) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; identify qualified and suitable individuals to become Directors and select or make recommendations to the Board on the selection of individuals nominated for directorships; assess the independence of independent non-executive Directors; and make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairman and chief executive of the Company.

In making recommendations for appointment and re-appointment of Directors, the Nomination Committee may consider certain factors such as the diversity on the Board, the competency, business, technical, or specialised skills and experience of Board member/potential Board member, and the ability, time, commitment and willingness of a new Board member to serve and an existing Board member to continue service.

The Company also recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. A Board diversity policy was adopted by the Company on 24 October 2017, pursuant to which the Nomination Committee is responsible for monitoring the implementation of the Board diversity policy and assessing the Board composition under diversified perspectives (including but not limited to gender, age, cultural and educational background, or professional experience). The Nomination Committee shall report its findings and make recommendations to the Board, if any. Such policy and objectives will be reviewed from time to time to ensure their effectiveness in determining the optimum composition of the Board. The Nomination Committee considered that an appropriate balance of diversity perspectives of the Board is maintained during the year ended 30 April 2026. The Board and Nomination Committee have reviewed the implementation and effectiveness of the Board Diversity Policy and considered it to be effective for the year ended 30 April 2026.

## CORPORATE GOVERNANCE REPORT

The Company has also adopted the Director Nomination Policy which sets out the selection criteria and process and the Board succession planning considerations in relation to nomination and appointment of Directors of the Company and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level. The Director Nomination Policy sets out the factors for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to the following: character and integrity; qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy; diversity in all aspects, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service; requirements of independent non-executive Directors on the Board and independence of the proposed independent non-executive Directors in accordance with the GEM Listing Rules; and commitment in respect of available time and relevant interest to discharge duties as a member of the Board and/or Board committee(s) of the Company.

During the year ended 30 April 2026, the Nomination Committee has held four meetings, in which the committee members have (i) reviewed the structure, size and composition of the Board to ensure that it has a balance of skills, knowledge and experience appropriate to the Group's corporate strategy; (ii) assessed the independence of all the independent non-executive Directors; (iii) recommended the re-election of the Directors at the 2025 annual general meeting; and (iv) considered and recommended the appointment of Ms. Leung Tze Ying Gwen and Mr. Huang Aizhong as an independent non-executive Director and an executive Director respectively.

The Company values gender diversity across all levels of the Group.

Further details on the gender ratio of the Group together with relevant data can be found in the Environmental, Social and Governance Report of the Company.

The attendance records of each Nomination Committee member at the said Nomination Committee meetings held during the year ended 30 April 2026 are set out below:

| Nomination Committee members            | Nomination Committee Meetings attended/held |
|-----------------------------------------|---------------------------------------------|
| Mr. Shiu Kwok Leung ( <i>Chairman</i> ) | 4/4                                         |
| Mr. Lang Jilu                           | 4/4                                         |
| Mr. Cheng Hok Ming Albert               | 4/4                                         |
| Ms. Leung Tze Ying Gwen                 | 1/1                                         |

## B3. Remuneration Committee

The Remuneration Committee comprises a total of 4 members, being two executive Directors, namely Mr. Shao Chiliang and Mr. On Ka Shing, and two independent non-executive Directors, namely Mr. Lang Jilu and Mr. Cheng Hok Ming Albert (chairman of the Committee). During the year ended 30 April 2026, the Company has met the GEM Listing Rules requirements of having the majority of the Remuneration Committee members being independent non-executive Directors, as well as having the Committee chaired by an independent non-executive Director.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's remuneration policy and structure, and the remuneration packages of Directors and members of senior management (i.e. the model described in the code provision E.1.2(c)(ii) of the CG Code is adopted). The Remuneration Committee is also responsible for establishing a formal and transparent procedure for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration, which remuneration will be determined by the Board with reference to the performance of the individual, salaries paid by comparable companies, time commitment and responsibilities and employment conditions of the Group.

During the year ended 30 April 2026, the Remuneration Committee has held three meetings, in which the existing remuneration policy and structure of the Company and the remuneration packages of Directors and senior management of the Company were reviewed and relevant recommendations were made to the Board, and the remuneration package of the newly appointed Directors, Ms. Leung Tze Ying Gwen and Mr. Huang Aizhong were considered and relevant recommendation was made to the Board.

The attendance records of each Remuneration Committee member at the said Remuneration Committee meetings held during the year ended 30 April 2026 are set out below:

| Remuneration Committee members                | Remuneration Committee Meetings |
|-----------------------------------------------|---------------------------------|
| Mr. Cheng Hok Ming Albert ( <i>Chairman</i> ) | 3/3                             |
| Mr. Lang Jilu                                 | 3/3                             |
| Mr. Shao Chiliang                             | 3/3                             |

Pursuant to code provision E.1.5 of the CG Code, the annual remuneration of the members of the senior management (including the executive Directors) by band for the year ended 30 April 2026 is set out below:

| Remuneration band (HK\$) | Number of individual(s) |
|--------------------------|-------------------------|
| Nil–1,000,000            | 4                       |
| 1,000,001–1,100,000      | 1                       |

Details of the remuneration of each Director for the year ended 30 April 2026 are set out in Note 11 to the consolidated financial statements contained in this annual report.

## CORPORATE GOVERNANCE REPORT

### C. DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors have acknowledged their responsibilities for preparing the financial statements of the Company for the year ended 30 April 2026.

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, price sensitive announcements and other disclosures required under the GEM Listing Rules and other regulatory requirements. The management has provided such explanation and information to the Board as necessary to enable the Board to make an informed assessment of the financial information and position of the Group put forward to the Board for approval.

There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

### D. RISK MANAGEMENT AND INTERNAL CONTROLS

The Group's risk management and internal control systems have been designed to protect assets from misappropriation and unauthorised transactions and to manage operational risks.

The Board has the overall responsibility for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and establishing and maintaining appropriate and effective risk management and internal control systems to safeguard the interests of the Company's shareholders and the Group's assets. The Board acknowledges its responsibility for the risk management and internal control systems and reviewing their effectiveness. Such systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Audit Committee assists the Board in leading the management and overseeing their design, implementation and monitoring of the risk management and internal control systems, and makes relevant recommendations.

The management, in coordination with department heads and operation teams, regularly assessed the likelihood of risk occurrence, ranked these risks according to the likelihood and the severity of the impact on the Group, provided treatment plans, and monitored the risk management progress, and reported to the Audit Committee and the Board on any findings and measures to address the variances and identified risks. Such internal audit function aims to examine key issues in relation to the accounting practices and all material controls, identify deficiencies and ineffectiveness in the design and implementation of internal controls, and propose recommendations for improvement.

The management has reported to the Board and the Audit Committee on the effectiveness of the risk management and internal control systems for the year ended 30 April 2026. Significant internal control deficiencies are reported to the Audit Committee and the Board on a timely basis to ensure that prompt remediation and subsequent actions are taken to improve the situations.

## CORPORATE GOVERNANCE REPORT

Based on the reports submitted by the management and the various management controls put in place, the Board, with the support of the Audit Committee, reviewed the risk management and internal control systems (including the financial, operational and compliance controls) for the year ended 30 April 2026, and considered that such systems are effective and adequate. Such review of the risk management and internal control systems is conducted annually. The annual review also covered the financial reporting and internal audit function and staff qualifications, experiences and relevant resources.

The Company has procedures and internal controls measures for the Directors, the Company's officers, senior management and relevant employees in handling confidential information, monitoring information disclosure and responding to enquiries. Control procedures have been implemented to ensure that unauthorised access and use of inside information are strictly prohibited.

The Company has also in place the Whistle-Blowing Policy to safeguard against corruption and bribery. The Company has an internal reporting channel that is open and available for employees of the Company to report any suspected corruption and bribery. Employees can also make anonymous reports to the independence non-executive directors, which is responsible for investigating the reported incidents and taking appropriate measures. The Company continues to carry out anti-corruption and anti-bribery activities to cultivate a culture of integrity, and actively organises anti-corruption training and inspections to ensure the effectiveness of anti-corruption and anti-bribery.

### E. COMPANY SECRETARY

The Company Secretary of the Company is Mr. Chu Chun Ting, who fulfils the qualification requirements laid down in the GEM Listing Rules. The biography of Mr. Chu is set out in the section headed "Profiles of Directors, Senior Management and Secretary" of this annual report. During the year ended 30 April 2026, Mr. Chu has taken not less than 15 hours of relevant professional training.

### F. EXTERNAL AUDITOR AND AUDITOR'S REMUNERATION

The statement of the external auditor of the Company about their reporting responsibilities on the Company's financial statements for the year ended 30 April 2026 is set out in the section headed "Independent Auditor's Report" in this annual report.

The fees paid/payable to HLB Hodgson Impey Cheng Limited, the Company's auditor, in respect of audit service and non-audit services for the year ended 30 April 2026 are analyzed below:

| Type of services provided by the external auditor         | Fees paid/<br>payable<br>HK\$'000 |
|-----------------------------------------------------------|-----------------------------------|
| Audit service: audit fee for the year ended 30 April 2026 | 600                               |
| TOTAL:                                                    | 600                               |

### G. COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Group also recognises the importance of transparent and timely disclosure of corporate information, which enables shareholders and investors to make the best investment decision.

The Company also strives to provide quality information to shareholders regarding its latest developments whilst ensuring that relevant information is equally and simultaneously provided and accessible to all interested parties. The Company maintains a website at <http://www.08118.net.cn> as a communication platform with shareholders and investors, where information and updates on the Company's business developments and operations and other information are available for public access. Shareholders and investors may also send written enquiries or requests to the Company as follows:

Address: Room 6A18, 3/F, Block B, Hoi Luen Industrial Centre, 55 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong

Email: [sec@bortex.com.cn](mailto:sec@bortex.com.cn)

Tel: (852) 2554 9888

Fax: (852) 2554 9668

Enquiries and requests will be dealt with by the Company in an informative and timely manner.

The Company has in place a Shareholders Communication Policy which aims at promoting channels for shareholders to communicate their views on various matters affecting the Company and how the Company solicits and understand the views of shareholders and stakeholders. During the year ended 30 April 2026, the Board has reviewed the Communication Policy and considered that the policy was effectively implemented with the measures as disclosed in this section and under the section headed "Shareholders' Rights" below.

Besides, shareholders' meetings provide an opportunity for communication between the Board and the shareholders. Board members and senior staff will be available to answer questions raised by the shareholders at general meetings of the Company. In addition, the Company will invite representatives of the auditor to attend its annual general meeting to answer shareholders' questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor independence.

# CORPORATE GOVERNANCE REPORT

## H. SHAREHOLDERS' RIGHTS

To safeguard shareholders' interests and rights, separate resolutions are proposed at shareholders' meetings on each substantial issue, including the election of individual Directors, for shareholders' consideration and voting. All resolutions put forward at shareholders' meetings will be voted by poll pursuant to the GEM Listing Rules and poll results will be posted on the websites of the Company and the Stock Exchange after each shareholders' meeting.

Pursuant to the Articles, any 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 carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition; and 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.

There is no provision allowing shareholders to move new resolutions at general meetings under the Cayman Islands Companies Law or the Articles. Shareholders who wish to move a resolution may request the Company to convene a general meeting following the procedures set out in the preceding paragraph.

For the avoidance of doubt, shareholder(s) must provide their full names, contact details and identification, in the originally signed written requisition, notice or statement (as the case may be), in order to give effect thereto. Information of shareholder(s) may be disclosed as required by law.

With respect to the shareholders' right in proposing persons for election as Directors, please refer to the procedures available on the website of the Company.

## I. DIVIDEND POLICY

The Company has adopted a Dividend Policy on payment of dividends. Depending on the financial conditions of the Company and the Group and the conditions and factors as set out in the Dividend Policy, dividends may be proposed and/or declared by the Board during a financial year and any final dividend for a financial year will be subject to the shareholders' approval.

## J. CONSTITUTIONAL DOCUMENTS

During the year ended 30 April 2026, there was no change in the memorandum and articles of association of the Company. The latest version of the memorandum and articles of association of the Company is available on the websites of the Stock Exchange and the Company.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## SCOPE AND REPORTING BOUNDARY

This is the Environmental, Social and Governance (“ESG”) Report issued by Zhongzi International Holdings Limited (formerly known as Bortex Global Limited) (the “Company”, together with its subsidiaries referred to as the “Group”) highlighting its ESG performance, with disclosure reference made to the Environmental, Social and Governance Reporting Code (the “ESG Reporting Code”, formerly known as the Environmental, Social and Governance Reporting Guide) set out in Appendix C2 to the GEM Listing Rules of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Group is principally engaged in manufacturing and trading of light-emitting diode (“LED”) decoration lighting series and luminaire lighting series to customers in North America, Europe and Asia Pacific. This ESG report covers the Group’s environmental and social performance, together with the governance and climate-related disclosures required by the ESG Reporting Code, in respect of the key business operation in the manufacturing plant in Dongguan (the “Plant”) of the People’s Republic of China (the “PRC”) for the period from 1 May 2025 to 30 April 2026 (the “Reporting Period” or “FY2026”), being the same period as that covered by the Group’s annual report.

The Group has complied with the “comply or explain” provisions set out in the ESG Reporting Code during the Reporting Period, save that where a policy, target or key performance indicator has not been adopted or is not reported, the considered reasons are explained in the relevant section of this report.

With effect from the financial year commencing on 1 May 2025, the new climate-related disclosure requirements set out in Part D of the ESG Reporting Code (the “New Climate Requirements”) became applicable to the Group. As a GEM listed issuer, the Group is required to disclose its scope 1 and scope 2 greenhouse gas (“GHG”) emissions on a mandatory basis, remains subject to Aspect A4 (Climate change) of Part C of the ESG Reporting Code on a “comply or explain” basis, and is encouraged to report on the remaining New Climate Requirements on a voluntary basis. The Group’s climate-related targets for the Reporting Period are set out below. They are the same targets as those disclosed under KPI A1.5 and KPI A2.3 of Part C of the ESG Reporting Code. FY2025 has been adopted as the base period for each target, and progress is measured against actual performance in that base period. The Group’s climate-related disclosures are set out in the section “A4. Climate Change” of this report.

The Group’s head office in Hong Kong is excluded from the environmental key performance indicators because its environmental impacts are not material to the Group; the social disclosures in this report cover the Group as a whole. The head office employs a small number of administrative staff and does not carry out any manufacturing activity. It should also be noted that any environmental key performance indicators presented in this report do not include impacts associated with the worker dormitories and canteen since these operations are centrally managed by the Industrial Park.

During the Reporting Period, there was no change in the Group’s principal business, the entities included in the reporting boundary or the basis on which the environmental and social data have been compiled, save as disclosed in this report.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## THE BOARD STATEMENT

The Group believes that sound ESG governance can enhance the corporate investment value and bring long-term returns to stakeholders. To ensure the effective implementation of ESG management measures, the Board is responsible for formulating the overall ESG direction and management policy of the Group and, with the assistance of management, overseeing the Group's ESG-related issues and work, including the progress and quality of such work, so that the Group's ESG development strategies are embedded in its daily operations. The Board is also responsible for identifying, evaluating, prioritising and managing material ESG-related risks, including risks to the Group's businesses, through the ESG working group and the Group's risk management and internal control systems described in the section headed "A4.4 Risk Management" and in the Corporate Governance Report, and for reviewing at least annually the progress made against the ESG-related goals and targets set out in this report and the continuing relevance of those goals and targets to the Group's businesses.

The Board formulates the Group's ESG direction and management approach based on the importance of ESG issues to the Group and its stakeholders. Therefore, an independent consultant has been engaged to conduct a materiality assessment on ESG issues. For details of the materiality assessment, please refer to the section "Materiality Assessment" in this report. The Board fully understands the results of the materiality assessment and will continue to review the engagement channels for materiality assessment to ensure that the Group maintains effective communication with its stakeholders.

For effective leadership on our ESG progress, the Board will continue to monitor the ESG-related work and ensure that all departments work closely together to achieve the goal of compliant operation and social responsibility. The Group shares our ESG progress with different stakeholders through the ESG Report. The Group has achieved both of its environmental targets during the Reporting Period. The Board notes that the targets previously in force were set by reference to the Group's historical scale of operations and have been rebased, with effect from the Reporting Period, by reference to the Group's actual performance in the FY2025 base period. The Board will regularly review the achievement progress on the targets and continuously improve the environmental performance of the Group.

The Board's oversight of ESG-related risks and opportunities includes climate-related risks and opportunities. As these matters are managed by the Board and management on an integrated basis together with the Group's other ESG matters, the Group has presented a single, integrated set of governance disclosures. The governance arrangements that apply specifically to climate-related risks and opportunities are described in the section "A4.2 Governance" of this report and should be read together with this Board statement.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Reporting Principles

The preparation of the ESG Report has applied the following principles:

*Materiality* — materiality assessments have been carried out to identify material environmental and social issues that have major impacts on investors and other stakeholders, the significant stakeholders, process, and results of the engagement of which are presented in the section “Stakeholder Engagement and Materiality” in the Report.

*Quantitative* — key performance indicators (“KPIs”) have been established, and are measurable and applicable to make valid comparisons under appropriate conditions; information on the standards, methodologies, assumptions, and/or calculation tools used, and sources of conversion factors used, have been disclosed when applicable.

*Consistency* — consistent statistical methodologies and presentation of KPIs have been used to allow meaningful comparisons of related data over time.

*Balance* — all available information has been reported impartially with concrete figures and supporting documentations; no selection, omission or presentation format that may inappropriately influence a decision or judgement by the reader of this report has been applied throughout the whole reporting process.

## STAKEHOLDER ENGAGEMENT AND MATERIALITY

### Stakeholder Engagement

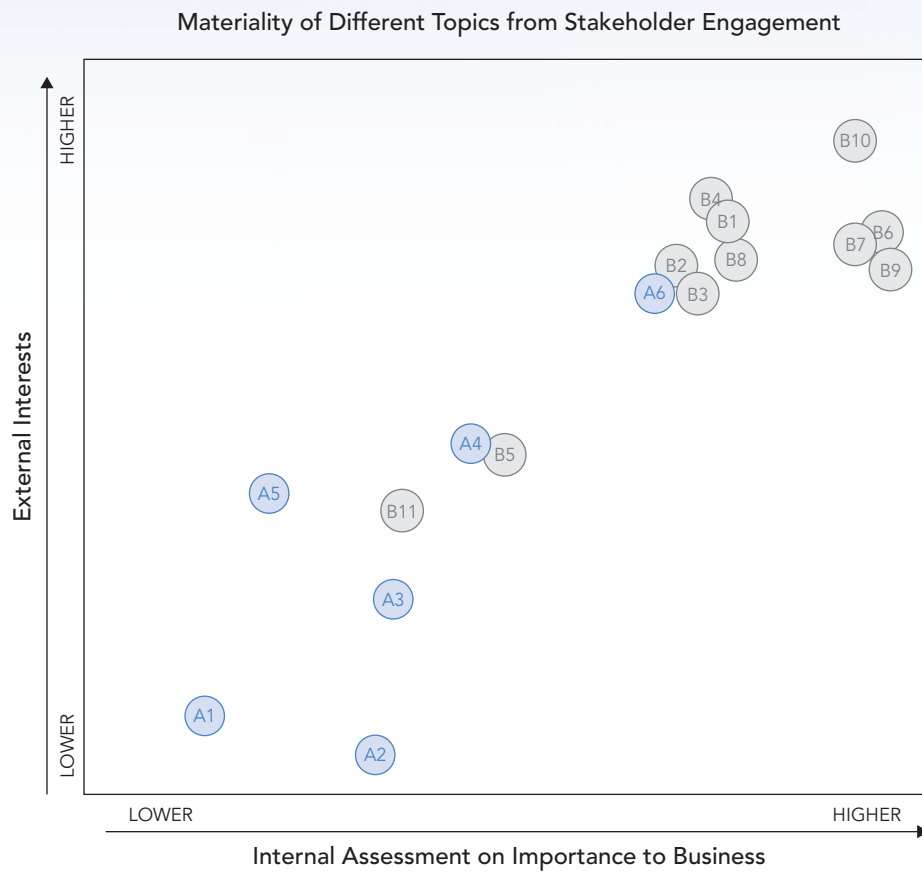
The Group closely communicates with its stakeholders through various channels to understand their concerns and expectations, and identify significant issues which may pose risks to the business operations. To achieve so, the Group has set out the full spectrum of stakeholders by consulting various departments and leveraged on the on-going communication channels and day-to-day interactions to engage these stakeholders.

### Materiality Assessment

During the Reporting Period, the Group has specifically engaged a wide range of stakeholders, namely board members, shareholders, senior management, frontline staff, suppliers and customers to gain further insights on material aspects and challenges via annual general meeting, company’s website, press release, staff meetings, satisfaction surveys, daily contacts, and questionnaires. From the questionnaire, a materiality assessment was undergone for the Group to better identify, prioritise, and address issues that stakeholders felt important. The materiality assessment is as follows:

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## Materiality Matrix



### Environmental

#### Code Topic

- A1 Energy
- A2 Water
- A3 Air Emission
- A4 Waste and Effluent

#### Code Topic

- A5 Other Raw Materials Consumption
- A6 Environmental Protection Policies
- A7 Climate Change

### Social

#### Code Topic

- B1 Employment
- B2 Occupational Health and Safety
- B3 Development and Training
- B4 Labour Standards
- B5 Supply Chain Management
- B6 Intellectual Property Rights

#### Code Topic

- B7 Data Protection
- B8 Customer Service
- B9 Product/Service Quality
- B10 Anti-corruption
- B11 Community Investment

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Among the environmental and social aspects, the following topics are identified as the most material issues to the stakeholders:

1. Anti-corruption;
2. Intellectual property ("IP") rights;
3. Customer Data Protection;
4. Product Quality; and
5. Labour Standard.

Climate change was newly included as a topic in the materiality assessment for the Reporting Period, following the introduction of the New Climate Requirements. Based on the responses received, stakeholders regarded climate change as a topic of moderate importance to the Group at this stage, principally because of its bearing on the Group's electricity consumption, on the continuity of production at the Plant during extreme weather events, and on the energy efficiency requirements that the Group's customers and the markets they serve impose on LED lighting products. The Board has nevertheless determined to report on climate change in accordance with Part D of the ESG Reporting Code on a voluntary basis, as set out in the section "A4. Climate Change".

## STAKEHOLDERS' FEEDBACK

The Group welcomes stakeholders' feedback on the ESG approach and performance by giving suggestions or sharing views via email at [feedback@bortex.com.cn](mailto:feedback@bortex.com.cn), or by post to Room 6A18, 3/F, Block B, Hoi Luen Industrial Centre, 55 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong.

## THE GROUP'S SUSTAINABILITY MISSION AND VISION

### Mission

The Group is committed to driving business growth in ways that fosters sustainable development and promotes social stability. As a responsible enterprise, the Group extends its efforts to environmental protection and social welfare responding to the global call for environmental conservation.

The Group will work closely with the government authority to fully complement the implementation of national development strategies. It strives to maintain an optimal balance of product quality, profit, environmental protection and labour management in a bid to achieve sustainable long-term returns, to meet stakeholder satisfaction and be responsible for the stakeholders and the wider community. The Group hopes to see an improving trend in its environmental performance in the future. To facilitate that, employees of all levels and departments are encouraged to keep environmental protection a key consideration when making business decisions.

### Vision on Environment, Social, and Governance

Major challenges encountered by the Group include fierce market competition from competitors with strong marketing and product design capabilities and effective production cost control. Correspondingly, the Group steps up efforts to improve its production efficiency, strengthen its product development capability and expand its sales network. In addition to maximising these competitive strengths, the Group also explores new business opportunities in order to strengthen its market position and increase its market share in the long run.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group's strategic goals closely align with its overall vision on ESG. The Group aims to improve its production efficiency by upgrading existing production facilities with more energy efficient equipment and machinery. It will continue increasing the level of automation for the production of LED decorative lighting products through investment in machinery. Better quality control will be achieved through acquiring advanced testing equipment to enhance the stability and reliability of its LED luminaire lighting products.

The Group considers its employees as one of its most valuable assets. Social accountability standards such as Social Accountability 8000:2014 have been strategically embedded within the Group's daily operation and management approaches. The Group plans to further strengthen its product development capability by recruiting and training experienced design and technical talents. These strategies not only enhance the quality of products (e.g. tailored designs) for meeting the diversified needs of customers, but also enable the Group to stay abreast of the latest production and management practices in the industry. Last but not least, the Group strengthens the protection of IP rights through formal registration of patents for its product designs.

## A. ENVIRONMENTAL

### A1. Emissions

The Group strictly abides by laws, rules and regulations enforced by the PRC in relation to environmental protection and pollution control, including but not limited to:

- Environmental Protection Law of the PRC;
- Law of the PRC on the Prevention and Control of Environmental Pollution by Solid Wastes;
- Law of the PRC on the Prevention and Control of Atmospheric Pollution;
- Water Pollution Prevention and Control Law of the PRC; and
- Energy Conservation Law of the PRC.

No non-compliance with relevant laws and regulations that have a significant impact on the Group in relation to air and greenhouse gas ("GHG") emissions, discharges into water and land, and generation of hazardous and non-hazardous waste had been identified during the Reporting Period.

#### A1.1 Air Emissions

In response to the PRC's policy of peaking carbon dioxide emissions before 2030 and for carbon neutrality by 2060, the Group has totally phased out all the fossil-fueled vehicles in its operation. The Group does not operate any stationary combustion source and has phased out all fossil-fuelled vehicles. Accordingly, emissions of nitrogen oxides, sulphur oxides and respirable suspended particulates from mobile and stationary combustion sources were nil during the Reporting Period (2025: nil). Emissions arising from the production processes are not expected to expose workers to significant chemical hazards; where soldering and cleaning agents are used, local exhaust ventilation and personal protective equipment are provided.

## A1.2 Greenhouse Gas Emissions

The reported GHG emissions were attributed to the following activities:

- Indirect (scope 2) GHG emissions from purchased electricity; and
- Other indirect (scope 3) GHG emissions from paper waste disposal at landfills and freshwater processing.

| GHG Emissions                         | Key Performance Index ("KPI") |              |                                |
|---------------------------------------|-------------------------------|--------------|--------------------------------|
|                                       | 2026                          | 2025         | Unit                           |
| Scope 1 Direct Emission               | –                             | –            | Tonnes CO <sub>2</sub> -e      |
| Scope 2 Indirect Emissions            | 174.9                         | 189.6        | Tonnes CO <sub>2</sub> -e      |
| Scope 3 Other indirect Emission       | 1.6                           | 1.8          | Tonnes CO <sub>2</sub> -e      |
| <b>Total greenhouse gas emissions</b> | <b>176.5</b>                  | <b>191.4</b> | <b>Tonnes CO<sub>2</sub>-e</b> |

During the Reporting Period, there was 176.5 (2025: 191.4) tonnes of carbon dioxide ("CO<sub>2</sub>") equivalent greenhouse gases (mainly the usage of electricity) emitted from the Group's operation.

When considering the greenhouse gas emissions intensity, the Group recorded approximately 7.4 (2025: 7.2) tonnes of greenhouse gas emissions per HK\$ million of revenue during the Reporting Period.

The Group has rebased its GHG emission target by reference to actual performance rather than to the previous year's target. The target for the Reporting Period is 189.5 tonnes of CO<sub>2</sub>e, being a 1% reduction from the FY2025 actual emissions of 191.4 tonnes of CO<sub>2</sub>e, using FY2025 as the base year. Actual emissions for the Reporting Period were 176.5 tonnes of CO<sub>2</sub>e and the target was therefore achieved.

### *Measurement approach, inputs and assumptions*

The following disclosures are made pursuant to paragraph 29 of the ESG Reporting Code.

**Reporting standard.** The Group measures and reports its GHG emissions in accordance with the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard* (Revised Edition, 2004) issued by the World Resources Institute and the World Business Council for Sustainable Development, having regard to the Stock Exchange's *How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs*. Emissions of carbon dioxide, methane and nitrous oxide are aggregated and expressed as tonnes of carbon dioxide equivalent ("tonnes of CO<sub>2</sub>e") using the global warming potentials published in the Intergovernmental Panel on Climate Change ("IPCC") Sixth Assessment Report.

**Consolidation approach.** The Group applies the operational control approach. Emissions arising from all entities and facilities over which the Group has operational control are consolidated in full. Consistent with the reporting boundary described in the section "Scope and Reporting Boundary", the worker dormitories and the canteen are centrally managed by the Industrial Park and are not under the Group's operational control, and accordingly the associated emissions are excluded.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

**Scope 1.** The Group does not own or control any stationary combustion equipment, and all fossil-fuelled vehicles have been phased out. There is no refrigerant top-up recorded for the air-conditioning equipment at the Plant during the Reporting Period that is material to the Group. Accordingly, scope 1 emissions were nil.

**Scope 2.** Scope 2 emissions arise solely from purchased electricity consumed at the Plant and are calculated using the location-based method, being the electricity purchased (in MWh, taken from the invoices issued by the local power supply company) multiplied by the average grid emission factor for the China Southern Regional Power Grid published by the Ministry of Ecology and Environment of the PRC. The Group has not entered into any contractual instrument (such as a power purchase agreement, green electricity certificate or renewable energy certificate) in respect of its electricity consumption, and therefore no market-based figure is presented and the location-based figure represents the Group's total scope 2 emissions. The Group does not purchase heating, cooling or steam.

**Scope 3.** Consistent with prior years, the scope 3 categories included in the measurement are limited to those for which the Group is able to obtain reliable data without undue cost or effort, namely emissions from the disposal of paper waste at landfills (Category 5 — waste generated in operations) and emissions associated with the processing and supply of freshwater consumed at the Plant (Category 1 — purchased goods and services, in respect of water only). These categories were selected because they relate directly to the two resource flows that the Group already meters and records for the purposes of KPIs A1.4 and A2.1. The Group has applied the *Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard* (2011) in identifying the categories, and The Group has had regard to the Reasonable Information Relief available under the ESG Reporting Code in determining the categories to be measured for the purposes of its voluntary scope 3 disclosure, because the Group does not presently receive emissions data from its suppliers or its logistics service providers and obtaining such data would involve undue cost and effort relative to the benefit to users. The most significant category currently excluded is purchased goods and services in respect of LED chips, printed circuit boards, plastics, wires and packaging materials. There was no significant change in the Group's value chain during the Reporting Period that would affect the categories selected.

**Uncertainty.** The emission factors applied are national or regional averages rather than factors specific to the Group's supplier or facility. The GHG figures are therefore estimates and are subject to the uncertainty inherent in the use of average factors. No independent assurance has been obtained on the GHG data disclosed in this report.

### **A1.3 Hazardous Waste**

During the Reporting Period, 9 kg of domestic detergent was used, which generated a small amount of hazardous waste. Some office electronic waste, such as printer cartridge or wasted mice was also generated. All the electronic waste was collected by supplier and no such electronic waste was left in the landfill.

### **A1.4 Non-hazardous Waste**

During the Reporting Period, the Group's office operation generated approximately 21 kg of non-hazardous waste, mainly office paper waste, contributing to an intensity of 0.9 kg per million of revenue during the Reporting Period. Printed paper-based documents are kept.

### **A1.5 Measures to Mitigate Emissions**

The Group endeavours to identify sources of high energy consumption, material consumption and environmental pollution in its plant and implement measures for improvement, ensuring compliance with the Cleaner Production Promotion Law of the PRC.

The Group monitors the frequency of employees' business travel. Emissions arising from business travel have not been quantified for the Reporting Period, as explained in the section "A1.2 Greenhouse Gas Emissions". Factory visits are often needed due to the business nature of the Group. Nevertheless, the Group promotes the use of teleconferencing or videoconferencing for meetings with colleagues and customers to reduce the frequency of business travel.

### **A1.6 Wastes Handling and Reduction Initiatives**

The Group's business operation does not generate a significant amount of hazardous waste. Waste electrical equipment, computer hardware and empty ink cartridges are collected by suppliers for proper recycling or treatment before disposal.

The Group continues to practise paper saving initiatives within its operation. Employees are encouraged to print paper on both sides and reuse paper for draft works. The Group keeps tracks of the paper usage to minimise generation of paper waste. Posters are displayed at office to raise employees' awareness of environmental issues.

## **A2. Use of Resources**

The Group has adopted energy and resource conservation measures which are set out in the Employee Handbook and in the operating procedures of the Plant, rather than a separate stand-alone resource efficiency policy, having regard to the scale and single-site nature of its operations. Employees are required to observe the resource conservation practices described below.

The Group has established and been promoting energy-saving initiatives in the office and production lines. Air conditioning is controlled at an optimal temperature during summer and winter for energy saving purposes.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Frontline workers are encouraged to complete tasks within the standard working hours, by such to save energy consumption in lighting. Unless for specific circumstance, they are not allowed to work over-time. The Group promotes green procurement at office where priorities are given to electrical appliances with the highest energy efficiency. Office staff are required to switch off all unnecessary power after office hours in order to conserve as much energy as possible. A warning will be issued to the concerned employee for repeated non-compliance of the above measures.

Having regard to the fact that the Group's operations are not water intensive, water consumption being 2,436 m<sup>3</sup> for the Reporting Period, the Board considers that a quantified water efficiency target would not be meaningful to users and has not set one. The Group nevertheless monitors monthly water consumption at the Plant, repairs leaks promptly and displays water saving notices, and will reconsider the setting of a target if water consumption becomes significant. During the Reporting Period, the Group did not encounter any issues in sourcing water fit for purpose for its daily operations. During the Reporting Period, the Group did not encounter any issues in sourcing water fit for purpose for its daily operations.

The summary of the resources consumed are set out below:

| KPI                       | 2026    | 2025    | Unit                               | % increase/<br>(decrease) |
|---------------------------|---------|---------|------------------------------------|---------------------------|
| Electricity consumed      | 210,000 | 227,637 | MWh                                | (7.7)                     |
| Water consumed            | 2,436   | 3,212   | Cubic meter<br>("M <sup>3</sup> ") | (24.2)                    |
| Packing material consumed | 6.9     | 4.3     | Tonnes                             | 60.5                      |

The Group has rebased its electricity consumption target by reference to actual consumption. The target for the Reporting Period is 225,400 kWh, being a 1% reduction from the FY2025 actual consumption of 227,637 MWh, using FY2025 as the base year. Actual consumption for the Reporting Period was 210,000 MWh and the target was therefore achieved.

The summary of the resources consumed per million of revenue are set out below:

| KPI                                 | 2026  | 2025  | Unit                                          | % increase/<br>(decrease) |
|-------------------------------------|-------|-------|-----------------------------------------------|---------------------------|
| Revenue                             | 24    | 26    | HK\$ million                                  | (7.7)                     |
| Electricity consumed intensity      | 8,750 | 9,485 | kWh/HK\$<br>million of<br>revenue             | (7.7)                     |
| Water consumed intensity            | 102   | 124   | M <sup>3</sup> /HK\$<br>million of<br>revenue | (17.7)                    |
| Packing material consumed intensity | 0.29  | 0.17  | Tonnes/HK\$<br>million of<br>revenue          | 70.6                      |

### **A2.1 Packaging Materials**

A wide variety of packaging materials were used for different presentations of finished products according to the designs provided and agreed by the customers. Approximately 6.9 tonnes of packaging boxes, plastic bags and cable ties were consumed for packaging purpose, contributing to an intensity of 0.29 (2025: 0.17) tonnes per HK\$million of revenue in the Reporting Period. Other packaging materials included wrapping paper, nylon cable ties, stickers and tapes.

## **A3. The Environment and Natural Resources**

### **A3.1 Significant Impacts of Activities on the Environment**

The Group's principal impacts on the environment and natural resources arise from the electricity consumed at the Plant, the packaging materials used for finished products and the waste generated by its operations. The Group does not consider these impacts to be significant relative to the sector, but it recognises the climate-related risks described in the section "A4. Climate Change" and manages its impacts through the measures described below. Although the trade and export of products consume a large amount of packaging materials, the Group has implemented a number of energy saving measures to limit the consumption of raw materials. However, the Group remains committed to reducing energy usage and related impacts on the natural environment, and complying with relevant PRC laws and regulations.

The Group plans to implement an environmental management system by the financial year ending 30 April 2028 to identify significant environmental impacts and improve its overall environmental performance by implementing monitoring procedures.

## **A4. Climate Change**

### **A4.1 Basis of preparation of the climate-related disclosures**

Climate change may limit the Group's operations and bring business impact. In order to identify and deal with the risks involved, the Group has, during the Reporting Period, taken the first step of formally assessing its exposure to climate-related risks and opportunities and of reporting on that assessment in accordance with Part D of the ESG Reporting Code.

The New Climate Requirements apply to financial years commencing on or after 1 January 2025. The Group's financial year commenced on 1 May 2025 and the Reporting Period is therefore the Group's first reporting year for these purposes. As a GEM listed issuer, the Group is required to disclose its scope 1 and scope 2 GHG emissions on a mandatory basis and is encouraged to make the remaining Part D disclosures on a voluntary basis. The Board considers that meaningful climate-related information assists shareholders and other stakeholders in understanding the Group's business, and has accordingly decided to make the remaining Part D disclosures voluntarily.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The disclosures in this section have been prepared having regard to the four pillars of Part D of the ESG Reporting Code, namely governance, strategy, risk management, and metrics and targets. Reflecting the scale and the single-site nature of the Group's manufacturing operation and the fact that this is the Group's first year of climate reporting, the Group has applied the following implementation reliefs permitted under the ESG Reporting Code, and has explained in each relevant paragraph the reason for doing so and the Group's plan for enhancing the disclosure in future years:

- **Reasonable Information Relief** — applied to the identification of climate-related risks and opportunities, the determination of the scope of the value chain considered, the measurement approach, inputs and assumptions for scope 3 GHG emissions, the use of climate-related scenario analysis, and the calculation of the cross-industry metrics.
- **Capabilities Relief** — applied to the use of climate-related scenario analysis and to the preparation of the disclosures on anticipated financial effects.
- **Financial Effects Relief** — applied to the quantification of the anticipated financial effects of climate-related risks and opportunities.
- **Commercial Sensitivity Relief** — not applied during the Reporting Period.

The Group has not obtained independent assurance on the climate-related information disclosed in this section.

## A4.2 Governance

The Board takes the lead on climate change-related matters and retains overall responsibility for the oversight of climate-related risks and opportunities. Because the Board and the management deal with climate-related matters together with the Group's other ESG matters, one integrated set of governance disclosures is presented. This section should be read together with "The Board Statement" above and with the Corporate Governance Report contained in this annual report.

**Role of the Board.** The Board's responsibilities in respect of climate-related risks and opportunities are as follows:

- determining the Group's overall direction, strategy and policy on climate change, and approving the climate-related targets set out in this report;
- reviewing, at least annually, the climate-related risks and opportunities identified by the management, together with the assessment of their likely effect on the Group's business model, operations and financial position;

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- satisfying itself that responsibility for the management of climate-related risks is properly allocated among the management and that appropriate controls and procedures are in place; and
- monitoring the Group's progress against the environmental and climate-related targets disclosed in this report and, where a target is not met, considering the reasons and the corrective action required.

Climate-related matters are dealt with as part of the Board's consideration of the Group's risk management and internal control systems and of the annual ESG report. During the Reporting Period, the Board considered climate-related matters at its board meetings.

**Role of the Board committees.** The Audit Committee assists the Board in reviewing the effectiveness of the Group's risk management and internal control systems, which encompass climate-related risks. The Remuneration Committee has not, to date, been asked to incorporate climate-related considerations into the Group's remuneration policy; please refer to the section "A4.5(g) Remuneration" below.

**Role of the management.** Day-to-day responsibility for climate-related matters rests with an ESG working group comprising representatives of the finance, human resources, production, quality control and procurement functions of the Plant, co-ordinated by the Company's chief financial officer and company secretary. The working group is responsible for:

- collecting and verifying the environmental data (including electricity, water, packaging material and waste data) from which the Group's GHG emissions are derived;
- identifying and assessing climate-related risks and opportunities affecting the Plant and the Group's supply chain, and reporting them to the Board;
- implementing the energy-saving, waste reduction and emergency response measures described in this report; and
- monitoring changes in the environmental and energy efficiency laws, regulations and standards applicable to the Group's products in the PRC and in the markets into which the Group sells.

The working group reports to the Board through the chief financial officer. The Group does not have a dedicated sustainability department, and has engaged an independent ESG consultant to support the materiality assessment and the preparation of this report. The Board recognises that the Group's internal climate-related expertise is at an early stage of development, and intends to arrange further training for directors and for the members of the working group in the coming financial year.

## A4.3 Strategy

### (a) *Climate-related risks and opportunities*

The Group's operations are concentrated at a single manufacturing plant in Dongguan, Guangdong Province, the PRC, from which finished LED decoration lighting and luminaire lighting products are shipped to customers in North America, Europe and Asia Pacific. The Group's assessment of its climate-related risks and opportunities has been made against that operating profile. The Group has adopted the following time horizons, which correspond to the horizons used in the Group's business planning:

| Time horizon | Period                                                    |
|--------------|-----------------------------------------------------------|
| Short term   | Within one year, to 30 April 2027                         |
| Medium term  | More than one year and up to five years, to 30 April 2031 |
| Long term    | More than five years, beyond 30 April 2031                |

In identifying the climate-related risks and opportunities set out below, the Group has applied the Reasonable Information Relief and has used the reasonable and supportable information available to it at the reporting date without undue cost or effort, comprising the operating records of the Plant, the weather warnings and power supply notices issued by the Guangdong authorities, the environmental and energy efficiency requirements notified to the Group by its customers, and publicly available information on the regulatory developments described below.

#### Physical risks

*Typhoons and severe rainstorms (acute; short to long term).* Dongguan lies in the Pearl River Delta, which is exposed to typhoons and rainstorms between May and October each year. A typhoon signal or a black rainstorm warning may require the Plant to suspend production, may interrupt the power supply to the Industrial Park, and may delay inbound deliveries of raw materials and the outbound movement of finished goods through the ports of Shenzhen and Hong Kong. The consequences would be lost production hours, overtime or air freight costs incurred to meet customer delivery schedules, and, in a severe event, physical damage to inventories, machinery and the leased factory premises.

*Flooding (acute; medium to long term).* Prolonged rainfall combined with a higher sea level over the longer term increases the risk of surface water flooding at the Industrial Park, which could damage raw materials and finished goods held at ground level and interrupt production.

*Rising average temperature and heat waves (chronic; medium to long term).* Higher and more prolonged summer temperatures increase the electricity required for the air conditioning and ventilation of the production and warehouse areas, thereby increasing both the Group's operating costs and its scope 2 GHG emissions. Sustained high temperatures also increase the risk of heat stress among frontline workers, which may reduce productivity and give rise to occupational health and safety obligations under the applicable PRC rules on high temperature allowances and working arrangements.

*Constraints on electricity supply (chronic; short to medium term).* Periods of extreme heat or drought can place the regional grid under strain and have in past years led to the imposition of orderly power use measures on industrial users in Guangdong. Any such measure would restrict the Plant's production hours and could require the Group to reschedule production.

### Transition risks

*PRC climate and energy policy (policy and legal; short to long term).* The PRC has committed to peak carbon emissions before 2030 and to achieve carbon neutrality before 2060. Successive measures under that commitment — including energy consumption and carbon intensity controls, cleaner production requirements and the progressive extension of the national and Guangdong emissions trading schemes — may increase the electricity tariffs payable by industrial users and may impose additional monitoring, reporting and compliance obligations on the Plant.

*Product energy efficiency and eco-design regulation in export markets (policy and legal; short to long term).* The Group's products are sold into North America, Europe and Asia Pacific and are subject to energy efficiency and eco-design requirements in those markets, including the requirements administered in the European Union in relation to the eco-design and energy labelling of light sources and, in North America, the efficiency requirements applied by the relevant federal and provincial authorities. Requirements of this nature are progressively tightened. Failure to keep the Group's product specifications aligned with them would restrict market access and could render inventories obsolete.

*Packaging and product stewardship regulation (policy and legal; medium to long term).* Extended producer responsibility, packaging waste and recycled content requirements in the Group's export markets may require changes to the Group's packaging design and materials, and may increase packaging costs.

*Customer decarbonisation requirements (market and reputational; short to medium term).* The Group's revenue is concentrated in a small number of customers. Customers of this type increasingly require their suppliers to report GHG emissions data, to complete sustainability questionnaires and to undergo ESG audits as a condition of continued business. An inability to meet those requirements would place the Group at a competitive disadvantage in tendering for orders.

*Technology (medium to long term).* Continued improvement in the efficiency of LED chips, drivers and control electronics, and the substitution of virgin plastics with recycled or recyclable materials, will require the Group to invest in the upgrading of its production facilities and testing equipment in order to remain competitive.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### Climate-related opportunities

*Demand for energy-efficient lighting (short to long term).* LED lighting consumes materially less electricity than the incandescent and fluorescent lighting that it replaces. The global replacement of less efficient light sources, which is being accelerated by energy efficiency regulation and by the decarbonisation commitments of governments and of commercial building owners, supports continuing demand for the Group's products.

*Products and certifications (medium term).* The development of higher-efficacy products and the obtaining of recognised energy efficiency certifications and marks for them would support the Group's tendering for orders from customers with their own emissions reduction commitments, and would support the Group's pricing.

*Energy and material efficiency at the Plant (short to medium term).* The continued upgrading of the Plant's machinery, lighting and air conditioning with more energy efficient equipment reduces the Group's electricity costs as well as its scope 2 emissions. The reduction of packaging material consumption reduces both material costs and freight volumes.

*Recognition as a responsible supplier (medium term).* Improving the Group's climate-related data and disclosure supports the Group's position in the supplier assessments conducted by its major customers, and may open access to customers that apply sustainability criteria in their procurement.

Having regard to the Reasonable Information Relief and to the information presently available to it, the Group has not identified any climate-related opportunity in respect of which disclosure would seriously prejudice the economic benefits the Group would otherwise be able to realise, and the Commercial Sensitivity Relief has therefore not been applied.

(b) *Effects on the business model and value chain*

The Group's climate-related risks are concentrated at two points in its business model and value chain.

The first is the Group's own manufacturing operation at the Plant. Because the Group manufactures at a single site in the Pearl River Delta, the acute physical risks described above and any constraint on the electricity supply to that site would affect the whole of the Group's production capacity. The Group's scope 2 GHG emissions, and the great majority of its measured environmental footprint, likewise arise at that site.

The second is the downstream part of the value chain, being the requirements imposed on the Group's products and on the Group as a supplier by its customers and by the energy efficiency and product stewardship regulation of the markets in which those customers sell. Given the concentration of the Group's revenue in a small number of customers, a change in the sustainability requirements of a single major customer could have a significant effect on the Group.

The upstream part of the value chain, comprising the suppliers of LED chips, printed circuit boards, plastics, wires and packaging materials, is exposed to the same regional physical risks and to the same policy environment, which may in time be reflected in the prices at which the Group is able to purchase raw materials. The Group has applied the Reasonable Information Relief in determining the scope of the value chain considered, and has not extended its assessment beyond its direct suppliers and direct customers, as information on the operations of indirect participants in the value chain is not available to the Group without undue cost and effort.

The Group's business model was not changed during the Reporting Period as a result of climate-related risks or opportunities.

(c) *Strategy and decision-making*

The Group's response to the climate-related risks and opportunities identified above forms part of its existing operating strategy rather than a separate climate programme. In summary, the Group has responded, and plans to respond, as follows:

- **Energy efficiency and emissions reduction.** The Group continues to pursue the strategic goal of improving production efficiency by upgrading existing production facilities with more energy efficient equipment and machinery and by increasing the level of automation of the production of LED decorative lighting products. The energy-saving measures described in the section "A2. Use of Resources" — including the control of air conditioning at an optimal temperature, the restriction of overtime working, green procurement of office electrical appliances with the highest energy efficiency and the switching off of unnecessary power after office hours — remain in force, and progress is measured through the electricity consumption and GHG emission targets disclosed in this report.
- **Business continuity in extreme weather.** The Group observes the typhoon and rainstorm warning arrangements notified by the local authorities and the Industrial Park, keeps work areas and emergency exits clear of obstacles, conducts fire drill exercises regularly, and maintains dialogue with customers on delivery schedules where a weather event affects production. The Group intends to formalise these arrangements into a written business continuity procedure covering extreme weather events in the coming financial year.
- **Product compliance.** The Quality Control Department monitors relevant information on product safety and environmental protection laws and regulations, including Electromagnetic Compatibility (EMC) certification, Underwriters Laboratory (UL) certification and Restriction of Hazardous Substances (RoHS) requirements, provides timely updates to the Group's suppliers and provides corresponding training to employees. That monitoring has been extended to cover the energy efficiency and eco-design requirements applicable to the Group's products in its export markets.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- **Supply chain.** Suppliers are required to submit RoHS test reports from third-party testing institutes and to sign the absence of environmental hazardous substances guarantee, and the Group conducts on-site investigation of suppliers subject to RoHS requirements. The Group intends to include basic questions on energy use and GHG emissions in its periodic supplier assessments, so as to build the data needed to extend its scope 3 reporting in future years.
- **Resource allocation.** Climate-related considerations are taken into account in the Group's capital expenditure decisions in relation to production machinery and testing equipment, where energy efficiency is one of the selection criteria. The Group did not make any capital commitment during the Reporting Period for the sole purpose of addressing a climate-related risk or opportunity.

**Transition plan.** The Group has not adopted a formal climate-related transition plan, and accordingly no disclosure of the key assumptions and dependencies underlying such a plan is made. Having regard to the scale of the Group's operations and the fact that the Reporting Period is the Group's first reporting year under the New Climate Requirements, the Board considers that the Group's strategy and business model are resilient to climate change over the short and medium term, and that, over the long term, the Group's resilience will depend principally on the matters identified as areas of uncertainty below that its immediate priority is to establish reliable emissions data and to strengthen the Group's internal capabilities. The Board will keep the position under review and will consider, in the light of the Group's future emissions data and of the requirements of its customers, whether a formal transition plan should be developed.

**Plans to achieve climate-related targets.** The Group's climate-related targets for the Reporting Period, being the GHG emission target and the electricity consumption target, are the targets disclosed in the sections "A1.2 Greenhouse Gas Emissions" and "A2. Use of Resources" above. They are to be achieved through the energy-saving and efficiency measures described in this section, which are implemented and monitored by the ESG working group and reported to the Board.

**Progress.** Actual emissions and electricity consumption for the Reporting Period were below the targets set. The Board notes that the targets in force during the Reporting Period were not set by reference to actual performance in a base period and has rebased them, as explained above.

(d) *Climate resilience and scenario analysis*

The Group has assessed the resilience of its strategy and business model to climate change by reference to two contrasting future states, being:

- a **low transition scenario**, in which global policy action is limited and physical risks accordingly become more severe over the medium and long term, broadly corresponding to a high greenhouse gas concentration pathway of the kind described in the IPCC Sixth Assessment Report; and

- **a rapid transition scenario**, in which policy and market action is consistent with limiting the increase in the global average temperature to 1.5°C above pre-industrial levels in accordance with the Paris Agreement, being the latest international agreement on climate change, so that physical risks are contained but transition risks — including energy pricing, product efficiency regulation and customer emissions requirements — intensify in the short and medium term.

The assessment was carried out during the Reporting Period on a qualitative basis. It covered the Group's manufacturing operation at the Plant in Dongguan, being the operation from which substantially all of the Group's environmental footprint arises, together with the Group's head office in Hong Kong notwithstanding that the head office is excluded from the environmental key performance indicators, and considered the risks and opportunities set out in the section "A4.3(a)" above over the short, medium and long term. The Group has applied the Reasonable Information Relief and the Capabilities Relief in relation to the use of climate-related scenario analysis, in that the assessment has been made using publicly available scenario narratives and the operating information available to the Group without undue cost or effort, and using the skills, capabilities and resources presently available to the Group. The Group did not quantify the outcomes under each scenario, and did not engage a third party to model asset-level physical risk, as it does not at present have the internal expertise or the data to do so in a manner that would produce reliable results. The Group intends to develop its capability progressively, and expects to be in a position to introduce a semi-quantitative assessment of the exposure of the Plant to acute physical risk in the financial year ending 30 April 2028. The assessment will be reviewed and updated at each reporting date, having regard to any change in the Group's operations, in the applicable regulatory requirements and in the available scenario narratives, and a more detailed reassessment will be performed at intervals of not more than three years.

On the basis of that assessment, the Board considers that the Group's strategy and business model are resilient to climate change over the short and medium term, and that, over the long term, the Group's resilience will depend principally on the areas of uncertainty identified below, for the following reasons.. First, the Group's products are energy-efficient lighting products, demand for which is supported rather than displaced by a transition to a lower-carbon economy; the Group therefore does not face the risk of stranded demand faced by producers of carbon-intensive goods. Secondly, the Group's own operations are not energy-intensive by the standards of the manufacturing sector, its scope 1 emissions are negligible and its scope 2 emissions are modest in absolute terms, so that the direct cost of a carbon price or of higher electricity tariffs, while adverse, would not be expected to be material to the Group's results. Thirdly, the Group leases rather than owns its production premises, which affords a degree of flexibility in responding to a change in physical risk at the site.

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The principal areas of uncertainty identified by the Board are: the concentration of the Group's manufacturing at a single site in a typhoon-exposed region, which means that a single severe event could interrupt all of the Group's production; the concentration of the Group's revenue in a small number of customers, whose future sustainability requirements are outside the Group's control; the pace at which product energy efficiency and packaging requirements in the Group's export markets are tightened; and the extent to which the Group will be required to obtain and report value chain emissions data. The Board also notes the uncertainty inherent in the scenario narratives themselves and in the use of average emission factors described in the section "A1.2 Greenhouse Gas Emissions".

(e) *Current and anticipated financial effects*

**Current financial effects.** The climate-related risks identified above did not have a material effect on the Group's financial position, financial performance or cash flows for the Reporting Period. The electricity cost of the Plant, which is the item of the Group's cost base most directly affected by climate-related factors, is included in cost of sales and administrative expenses and is not separately identifiable in the consolidated financial statements. No impairment of property, plant and equipment or of inventories was recognised during the Reporting Period as a result of a weather event, and the Group did not incur any material expenditure during the Reporting Period for the sole purpose of addressing a climate-related risk. No provision or contingent liability arising from a climate-related matter has been recognised or disclosed in the consolidated financial statements for the Reporting Period.

**Anticipated financial effects.** The Group expects that, over the medium and long term, the climate-related risks identified above may increase the Group's electricity costs, insurance premiums and product compliance and testing costs, and may from time to time result in lost production hours and additional freight costs arising from extreme weather events. The Group also expects that continued demand for energy-efficient lighting products will support its revenue. The Group has applied the Financial Effects Relief and the Capabilities Relief and has not quantified those anticipated effects, because the effects are dependent on future regulatory developments, customer requirements and weather events that cannot be estimated reliably, because they are not separately identifiable from the other factors affecting the Group's costs and revenue, and because the Group does not presently possess the skills, capabilities and resources required to model them. The Board considers that the disclosure of a quantified estimate on the present basis would not provide useful information to shareholders. The Group intends to develop its capability in this area alongside the development of its scenario analysis referred to above.

The Group's assets consist principally of trade receivables, inventories, cash and bank balances, and leasehold improvements and plant and machinery located at the Plant. The Group's aggregate carrying amount of property, plant and equipment as at 30 April 2026 are set out in the notes to the consolidated financial statements, which represents the Group's principal exposure to acute physical risk.

## A4.4 Risk Management

Climate-related risks are managed within the Group's overall risk management and internal control systems, the effectiveness of which is reviewed by the Board with the assistance of the Audit Committee at least annually as described in the Corporate Governance Report. One integrated set of risk management disclosures is presented in respect of the requirements of Parts B and D of the ESG Reporting Code.

**Process for identifying and assessing climate-related risks.** The ESG working group compiles the Group's climate-related risk register as part of the annual preparation of this report. The inputs and parameters used comprise: the operating and maintenance records of the Plant, including records of production suspensions and power interruptions; the electricity, water, packaging material and waste consumption data collected for the purposes of the environmental KPIs; typhoon, rainstorm and high temperature warnings and orderly power use notices issued by the Guangdong and Dongguan authorities and by the Industrial Park; notifications from customers of their environmental, energy efficiency and sustainability requirements; changes in the applicable PRC environmental and energy laws and in the product regulations of the Group's export markets, as monitored by the Quality Control Department; and publicly available climate scenario narratives. Climate-related scenario analysis is used at the risk identification stage in the manner described in the section "A4.3(d)" above, that is, as a qualitative framework for considering which risks become more significant under contrasting futures, rather than as a quantitative modelling tool.

**Assessment of nature, likelihood and magnitude.** Each identified risk is assessed by the working group by reference to the likelihood of its occurrence and to the magnitude of its potential effect on the Group's production continuity, operating costs, market access and reputation, and is assigned to the short, medium or long term. The assessment is qualitative, using a high, medium and low rating consistent with the approach applied to the Group's other operational risks, so that climate-related risks can be prioritised alongside them rather than in isolation. Risks assessed as high are reported to the Board with the proposed response.

**Monitoring.** The working group monitors the identified risks on an ongoing basis through the operating reports of the Plant, the monthly electricity and water consumption records, and the correspondence received from customers and from the authorities. The Board reviews the risk register and the Group's climate-related targets at least annually.

**Changes from the previous reporting period.** The processes described above were formalised during the Reporting Period. In the previous reporting period, the Group had stated that the Board would take the lead in investigating climate change-related matters, and climate-related risks were considered as part of the Group's general environmental risk considerations rather than through a dedicated identification and assessment process. There was no other change to the Group's risk management processes during the Reporting Period.

**Climate-related opportunities.** The same processes are applied to the identification, assessment, prioritisation and monitoring of climate-related opportunities, save that the Group's assessment of opportunities relies on the Reasonable Information Relief and is based principally on customer requirements and product regulation of which the Group has been notified, rather than on a systematic market study.

## A4.5 Metrics and Targets

### (a) *Greenhouse gas emissions*

The Group's absolute gross scope 1, scope 2 (location-based) and scope 3 GHG emissions for the Reporting Period, the intensity of those emissions, and the measurement approach, inputs and assumptions applied, are set out in the section "A1.2 Greenhouse Gas Emissions" above and are not repeated here.

### (b) *Assets and business activities vulnerable to climate-related transition risks*

The whole of the Group's manufacturing operation and all of the Group's revenue relate to LED lighting products manufactured at the Plant, and are therefore subject in principle to the transition risks described in the section "A4.3(a)" above, in particular to product energy efficiency and eco-design regulation in the Group's export markets and to the energy and carbon policies applicable to industrial users in the PRC. The Group has applied the Reasonable Information Relief and has not quantified the proportion of its assets or business activities that is vulnerable to transition risk, because the Group's products are not currently within the scope of any carbon border adjustment, emissions trading or phase-out measure applicable to them, and because an apportionment of the Group's assets by reference to transition risk exposure would require assumptions that the Group cannot presently support. The Group will reconsider this disclosure if any of its products becomes subject to such a measure.

### (c) *Assets and business activities vulnerable to climate-related physical risks*

All of the Group's production assets are located at the Plant in Dongguan, Guangdong Province, the PRC, being a location exposed to typhoons and rainstorms as described above. Accordingly, substantially all of the Group's property, plant and equipment and substantially all of the Group's inventories, together with the whole of the Group's production capacity, are situated in a single location exposed to acute physical risk. The carrying amounts of those assets as at 30 April 2026 are set out in the notes to the consolidated financial statements. The Group has applied the Reasonable Information Relief and has not carried out an asset-level assessment of flood depth or of typhoon return periods at the site, as the Group does not have access to that information without undue cost or effort; the Group intends to address this as part of the development of its scenario analysis referred to in the section "A4.3(d)".

### (d) *Assets and business activities aligned with climate-related opportunities*

The Group's products are LED lighting products, which are energy-efficient light sources. On that basis the Group considers that substantially all of its revenue for the Reporting Period, being approximately HK\$24 million, and substantially all of its production assets, are aligned with the climate-related opportunity arising from the replacement of less efficient lighting described in the section "A4.3(a)" above. The Group has not adopted any external taxonomy in making that assessment and has applied the Reasonable Information Relief; the figure should accordingly be read as an indication of the nature of the Group's business rather than as a taxonomy-aligned measure.

(e) *Capital deployed towards climate-related risks and opportunities*

The Group did not deploy any capital expenditure, financing or investment during the Reporting Period for the sole purpose of addressing climate-related risks or opportunities. Energy efficiency is, however, one of the criteria applied by the Group in selecting production machinery, testing equipment and office electrical appliances, and additions to property, plant and equipment made during the Reporting Period included expenditure on equipment selected in part on that basis. As energy efficiency is only one of several selection criteria, the Group does not separately track or quantify the climate-related component of such expenditure.

(f) *Internal carbon price*

The Group does not maintain an internal carbon price and does not apply a price on GHG emissions in its decision-making, including in its capital expenditure, research and development, investment, transfer pricing or scenario analysis decisions. Having regard to the scale of the Group's operations and to the fact that its scope 1 emissions are nil and its scope 2 emissions are modest in absolute terms, the Board does not presently consider that an internal carbon price would materially improve the quality of the Group's decision-making. The Board will review this position if the Group's operations or emissions profile change materially or if a carbon price becomes directly applicable to the Plant.

(g) *Remuneration*

Climate-related considerations are not factored into the Group's remuneration policy, and no part of the remuneration of the Directors or of the senior management of the Group for the Reporting Period was linked to climate-related performance or to the achievement of climate-related targets. The Remuneration Committee determines remuneration by reference to the duties and responsibilities of the individual, the Group's operating results and prevailing market conditions. The Board will keep this position under review as the Group's climate-related targets develop.

(h) *Industry-based metrics*

The Group has had regard to the industry-based disclosure topics and metrics for the electrical and electronic equipment industry set out in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures, of which the topics most relevant to the Group are energy management and the energy efficiency of products. The Group's energy management is reported through the electricity consumption and electricity intensity data and targets set out in the section "A2. Use of Resources" and through the GHG emissions data in the section "A1.2 Greenhouse Gas Emissions". In relation to product energy efficiency, all of the Group's products are LED light sources manufactured to the specifications agreed with customers and are required to meet the applicable safety and, where relevant, energy efficiency standards of the markets into which they are sold. The Group does not currently report a revenue-weighted average product efficacy metric, as the specifications differ across a large number of customer-specific product designs and the Group does not maintain that information in aggregate form.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

(i) *Climate-related targets*

The Group's climate-related targets for the Reporting Period are set out below. They are the same targets as those disclosed under KPI A1.5 and KPI A2.3 of Part C of the ESG Reporting Code.

*GHG emission target.* The metric is the Group's absolute gross GHG emissions (scopes 1, 2 and 3). Measured against the base period of FY2025, in which actual emissions were 191.4 tonnes of CO<sub>2</sub>e, the target for the Reporting Period is 189.5 tonnes of CO<sub>2</sub>e, being a reduction of 1%. Actual emissions of 176.5 tonnes of CO<sub>2</sub>e were below the target and the target was therefore achieved.

*Electricity consumption at the Plant was 210,000 MWh for the Reporting Period, compared with 227,637 MWh for the year ended 30 April 2025 and 243,295 MWh for the year ended 30 April 2024.* *Electricity consumption target.* The metric is the electricity purchased and consumed at the Plant. Measured against the target for fiscal year 2025 of 980,100 MWh, the target for the Reporting Period is 970,300 MWh, being a reduction of 1%. The target was achieved.

The following further information is disclosed in respect of each of the above targets:

- **Scope and nature.** Each target is an absolute target covering the whole of the Group's reporting boundary, and is expressed for the financial year to which it relates. The GHG emission target covers all three scopes reported by the Group. The Group has not set an intensity target, an interim target or a net zero target, and does not use, and does not intend to use, carbon credits to achieve its targets; accordingly no separate gross and net targets are presented.
- **Basis of the target.** The targets are set by the Board on the basis of a 1% reduction from the Group's actual performance in the FY2025 base period, having regard to the Group's operating plans and to the measures available to it.. They are not derived from a sectoral decarbonisation approach and have not been set by reference to a specific global temperature outcome under the latest international agreement on climate change. The Board recognises that the alignment of the Group's targets with the PRC's commitment to peak carbon emissions before 2030 and to achieve carbon neutrality before 2060 will require a longer-term target framework, and intends to consider the setting of a longer-term target once the Group's emissions data has been established over a further reporting cycle.
- **Validation.** Neither the targets nor the methodology used to set them has been validated by any third party.
- **Review process and monitoring.** The targets are reviewed and approved annually by the Board as part of its consideration of this report. Progress is monitored by the ESG working group through the monthly electricity consumption records of the Plant and the annual computation of the Group's GHG emissions, and is reported to the Board.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- **Revisions.** No revision was made to the targets during the Reporting Period.
- **Trend in performance.** The Group's total GHG emissions were 176.5 tonnes of CO<sub>2</sub>e for the Reporting Period, compared with 191.4 tonnes of CO<sub>2</sub>e for the year ended 30 April 2025 and 203.2 tonnes of CO<sub>2</sub>e for the year ended 30 April 2024. Electricity consumption at the Plant was 210,000 kWh for the Reporting Period, compared with 227,637 MWh for the year ended 30 April 2025 and 243,295 kWh for the year ended 30 April 2024. The Group's emissions arise almost entirely from purchased electricity, and the trend in emissions therefore follows the trend in electricity consumption, which in turn is driven principally by production volume and by the cooling load at the Plant.

The Group is not subject to any GHG emission target imposed on it by legislation or regulation.

## B. SOCIAL

### 1. Employment and Labour Practices

#### B1. Employment

The Group strictly abides by laws and regulations enforced by the PRC in relation to employment and labour rights, including but not limited to the followings:

- The Labour Law of the PRC;
- The Labour Contract Law of the PRC; and
- The Social Insurance Law of the PRC.

No cases of material non-compliance in relation to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare had been identified during the Reporting Period.

The Employee Handbook serves as a guideline and working procedure to manage employment and labour-related practices. The Human Resources ("HR") Department is responsible for the implementation of the Group's employment and labour practices.

As of 30 April 2026, the Group had a total of 65 suppliers, all of which were located in Mainland China. The Group has a total number of 94 employees. All of them were from the PRC. While 65% were full-time employees, seasonal workers were employed on a part-time basis during peak seasons that accounted for 35% of total workforce. The total workforce sorted by gender, age group and employee category and employment type are shown below.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## a) Employee's Position Distribution

| Position          | 2026        | 2025        |
|-------------------|-------------|-------------|
| Senior management | 3%          | 2%          |
| Middle management | 20%         | 7%          |
| Junior level      | 77%         | 91%         |
| <b>Total</b>      | <b>100%</b> | <b>100%</b> |

## b) Employee's Gender Distribution

| Gender       | 2026        | 2025        |
|--------------|-------------|-------------|
| Male         | 53%         | 54%         |
| Female       | 47%         | 46%         |
| <b>Total</b> | <b>100%</b> | <b>100%</b> |

## c) Employee's Age Group Distribution

| Age Group    | 2026        | 2025        |
|--------------|-------------|-------------|
| 18-25        | 11%         | 18%         |
| 26-35        | 7%          | 15%         |
| 36-45        | 32%         | 24%         |
| 46-55        | 38%         | 39%         |
| ≥56/>56      | 12%         | 4%          |
| <b>Total</b> | <b>100%</b> | <b>100%</b> |

### *Recruitment, Compensation, and Benefits*

The Group's recruitment procedure is guided by relevant laws and regulations including the Labor Law of the PRC. Employees are selected and recruited in an impartial, just and open manner, which is based upon objective criteria such as the professional qualifications and skill sets needed for the positions. Recruitment plan is developed annually by the HR Department based on the personnel request forms submitted by various departments. The base salary is determined by various factors including market pay rates and the position of employee with reference to the Group's Remuneration Level Standard Table. The Group will review minimum wages and salary adjustments based on performance appraisals and market trends.

Employees are entitled to different types of leave including annual, sick, marriage and maternity leave according to the Labour Law of the PRC and the Group's attendance and leave management system. According to the Labour Contract Law of the PRC, the Group also provides employees with statutory social insurance, including endowment insurance, unemployment insurance, work-related injury insurance, medical insurance, maternity insurance and the housing provident fund.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Employees' working hours are clearly stated in the Employee Handbook. According to the Group's Salary, Attendance and Welfare Management System, employees shall not work overtime exceeding three hours per day or 36 hours per month, in accordance with the Labour Law of the PRC, and any overtime must be approved in advance by the responsible manager.

### *Employee Relations*

The Group strives to build a more inclusive workplace for all staff. During the Reporting Period, the Group organized various group activities, including fire drills, year-end banquets, team-building activities, etc., to cultivate employees' sense of belongingness to the Group. During the Lunar New Year, Dragon Boat Festival and Mid-Autumn Festival, the Group sent gifts and red envelopes to employees to share the joys of traditional festivals. The Group also showed care and support for the female employees on the International Women's Day.

### *Appraisal System*

The Group implements a systematic evaluation system to assess the working performance of employees. Employees are evaluated against performance criteria such as job ability, job knowledge, working attitude and expertise skills. The results of the assessment are used for evaluation of salary increment and job promotion opportunities.

### *Equal Opportunity*

The Group strives to providing equal opportunities for every employee and creating a harmonious working environment. Employees will not be discriminated against or deprived of opportunities because of their gender, ethnic background, religion, colour, sexual orientation, age, marital status, family status or any other discrimination prohibited by law. The Group has a comprehensive anti-harassment and abuse system. Employees can report suspected misconduct through various channels, such as email, phone call, text message, or report any suspected violation to the HR department or trade union in person. All reported cases will be handled fairly and effectively under absolute confidentiality.

### *Turnover*

A total of 202 employees left the Group during the Reporting Period, with a total turnover rate of 68%. The turnover rate of the part-time worker was 66% while the turnover rate of full-time worker was 2%. (The turnover rate of the part-time worker was 15% while the turnover rate of full-time worker was 22% in 2025). The Group offers competitive salary package, sent gifts and red envelopes to employees to retain talented employees. The Group has also created a harmonious working environment and organized various team-building activities to increase the relationship among colleagues and reduce staff turnover.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## a) Turnover Rate by Employee's Gender Distribution

| Gender | 2026 | 2025 |
|--------|------|------|
| Male   | 40%  | 19%  |
| Female | 28%  | 18%  |
| Total  | 68%  | 37%  |

## b) Turnover Rate by Employee's Age Group Distribution

| Age Group | 2026 | 2025 |
|-----------|------|------|
| 18-25     | 30%  | 2%   |
| 26-35     | 10%  | 10%  |
| 36-45     | 8%   | 8%   |
| 46-55     | 17%  | 12%  |
| =56/>56   | 4%   | 5%   |
| Total     | 68%  | 37%  |

Note: Employee turnover rate is calculated as the number of employees in the relevant category who left during the year, divided by the total number of employees for the year, being the headcount at year end plus the total number of departures during the year.

## B2. Employee Health and Safety

The Group strictly complies with all applicable laws and regulations in relation to occupational health and safety ("OHS"), including but not limited to:

- Work Safety Law of the PRC;
- Law of the PRC on the Prevention and Control of Occupational Diseases; and
- Regulation on Work-Related Injury Insurance.

The Group has formulated a series of policies and measures to manage OHS matters at workplace. The overall OHS policy is structured by the HR Department and managed by full-time personnel, where inspections and reviews are conducted regularly to ensure the effectiveness of the policies. The Group's Operation Manual for Machinery clearly guides the operating procedures and provides employees with detailed machinery usage instructions. Moreover, with the improvement of the level of automation in product manufacturing, the physical injuries of workers due to repetitive actions is appropriately reduced, and the safety of the workplace is maintained.

The work areas and emergency exits are kept clear of obstacles. Fire drill exercise is conducted regularly to enable employees to respond quickly and remain calm in an emergency situation in the event of a fire emergencies. It is also noteworthy that the production processes do not generate harmful chemicals or contaminants which safeguard the health and safety of workers.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## *Working in Hot Weather*

Recognising that summer temperatures in Dongguan have been rising and that heat stress is one of the ways in which climate change affects the Group's workforce, the Group observes the arrangements applicable in Guangdong Province in relation to work during periods of high temperature. Drinking water is made available in the production and warehouse areas, the ventilation and air conditioning of those areas is maintained, and supervisors are instructed to adjust work and rest arrangements for frontline workers on days on which a high temperature warning is in force. No case of heat-related illness was recorded during the Reporting Period.

Through the effective implementation of safe working practices, there were no work-related fatalities and work-related incidents recorded during the Reporting Period. No material non compliance with relevant laws and regulations which may have a significant impact on the Group relating to providing a safe working environment and protecting employees from occupational hazards had been identified during the Reporting Period.

| Occupational Health and Safety Data                 | 2025/26 | 2024/25 | 2023/24 |
|-----------------------------------------------------|---------|---------|---------|
| Work related fatality (cases)                       | 0       | 0       | 0       |
| Work related fatality rate<br>(per 1,000 employees) | 0%      | 0%      | 0%      |
| Work injury cases >3 days (cases)                   | 0       | 0       | 0       |
| Work injury cases ≤ 3 days (cases)                  | 0       | 0       | 0       |
| Lost days due to work injury (days)                 | 0       | 0       | 0       |

## **B3. Development and Training**

Effective leadership development and talent development are key to the Group's continued success. The Group focuses on the development of employees at all levels, including providing induction training for new employees, providing skills training courses, improving customer service and product quality training, and paying special attention to strengthening training on fire drill, occupational safety and hygiene measures.

During the Reporting Period, all employees received trainings, the total training hours and the average training hours per employee were 235 hours and approximately 2.5 hours per employee respectively.

Following the introduction of the New Climate Requirements, the Group also arranged briefings during the Reporting Period for the members of the ESG working group on the climate-related disclosure requirements of the ESG Reporting Code and on the collection of the underlying environmental data.

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## a) Training Hours by Employee's Gender Distribution

| Gender | 2026 | 2025 |
|--------|------|------|
| Male   | 53%  | 54%  |
| Female | 47%  | 46%  |
| Total  | 100% | 100% |

## b) Training Hours by Employee's Position Distribution

| Position          | 2026 | 2025 |
|-------------------|------|------|
| Senior management | 3%   | 2%   |
| Middle management | 20%  | 7%   |
| Junior level      | 77%  | 91%  |
| Total             | 100% | 100% |

### B4. Labour Standards

The Group complies with the Labour Law of the PRC and does not employ child labor or forced labor during business operations. The Human Resources Department has established practices to ensure prevention of child and forced labour. Job candidates are required to verify identity documents to ensure that they are legally entitled to work for the Group, otherwise, they will not be entered into employment contracts. At the point of employment, new employees are required to complete the registration form and provide proof of their past employment.

If child labour or forced labour is discovered, the Group immediately ceases the engagement concerned, arranges for the safe return of any child worker to his or her guardian, investigates the cause of the recruitment failure, reports the matter to the relevant authority where required and takes disciplinary action against the responsible personnel. No non-compliance in relation to laws and regulations regarding prevention of child and forced labour that have a significant impact on the Group was recorded during the Reporting Period.

## 2. Operating Practices

### B5. Supply Chain Management

The Group selects suitable suppliers based on price, quality, reputation and delivery efficiency. During the Reporting Period, the Group had a total of 65 suppliers were located in Mainland China. The suppliers mainly provide raw materials and electronic components (e.g. LEDs, printed circuit board, plastics and wires), packaging materials and office supplies.

The Group conducts assessments of its suppliers twice a year, together with a comprehensive review annually, to ensure that the quality of their products meets the relevant standards of the Group and to assess their environmental and social performance.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group puts emphasis on maintaining sound cooperation relationships with suppliers. It also constantly explores opportunities for deeper and wider cooperation so as to provide our wide range of customers with products and services of the highest quality. The Group establish and carry out a transparent and fair procedure for the selection of suppliers, and actively promote socially responsible and sustainable procurement activities.

The Group has established a relevant supply chain management system and procurement management requirements in strict accordance with the relevant laws and regulations such as the Civil Code of the People's Republic of China, following the principles of openness, fairness, impartiality, honesty and credibility, and scientific selection of merits to implement supplier evaluation and procurement control procedures. During the selection of suppliers, the Group require them to submit a company introduction, legal business license and tax payment certificate to ensure their compliance. Meanwhile, the Group considers a number of factors, including the supplier's quality system and control, customer complaint management, warehousing control, document data control, employee quality, technical capabilities and delivery assurance capabilities. The Group also conduct on-site investigation and assessment according to the needs to further understand the business operation of suppliers. Only qualified suppliers satisfying the requirements will be admitted into the list of qualified suppliers. The Group will enter into a contract with the entrusted suppliers, setting out the requirements of all aspects and tracking and monitoring their performance and progress. In addition, the Group conduct annual comprehensive review for suppliers, and if the Group finds that they fail to meet the standards required by the Group, the Group will terminate the cooperation until the situation has been improved to ensure that the service quality meets the requirements, so as to optimize the supply chain management.

The Group establishes and implements assessment and management policies to identify the environmental and social risks relating to the supply chain, and gives preference, where specifications and price are comparable, to suppliers able to provide recyclable or reduced packaging, halogen-free materials and components with higher energy efficiency. The suppliers are required to submit the Restriction of Hazardous Substances (RoHS) test report from third-party testing institutes and sign the absence of environmental hazardous substances guarantee. The Group conduct on-site investigation for suppliers with RoHS requirements to ensure that their operation process will not cause harm to the environment. The Quality Control department also closely monitors relevant information on product safety and environmental protection laws and regulations, including Electromagnetic Compatibility (EMC) certification, Underwriters Laboratory (UL) certification and RoHS requirements, timely updates and informs the Group's suppliers, and provides corresponding training to the employees of the Group.

As explained in the section "A4.3(c) Strategy and decision-making", the Group intends to extend its periodic supplier assessments to cover basic information on the energy use and GHG emissions of its principal suppliers, so as to build the data required to widen the coverage of its scope 3 emissions reporting in future years.

### **B6. Product Responsibility**

#### *Quality Assurance and Safety Requirements*

The Group strives for excellence in providing quality LED lighting products with great reliability and high energy efficiency. All its products are manufactured in accordance with the ISO 9001:2015 Quality Management System Standard and required to undergo stringent testing to meet certain safety standards set forth by the Underwriters Laboratories (“UL”) and Canadian Standards Association (“CSA”), or the relevant regional safety standards according to customers’ requirements.

The Group’s quality control system comprises the following four elements:

- **Machinery** — acquisition of automated machinery and upgrade of production facilities;
- **Quality check** — for raw materials, intermediate products and finished products;
- **Product certification** — ISO 9001 certification, and UL and CSA certification marks; and
- **Customer feedback** — complaint investigation and two-way communication.

The Group has in place a systematic quality control system and standard operating procedures for quality control and assurance of raw materials, intermediate and finished products. The Quality Control Department undertakes quality inspections at different stages of the production process from the procurement of raw materials to the delivery of products to customers. In the event of detecting defective raw materials, the Group will return the defective raw materials to the suppliers for replacement. During different stages of production, the quality control personnel monitor the quality of intermediate products by conducting quality assurance tests at different checkpoints upon completion of various production stages. Only those intermediate products which pass quality tests are allowed to proceed to the next stage of production. The Group also monitors the production progress to ensure the production goals can be achieved. The finished products are subject to a series of quality assessment tests before delivery. If the product is found defective, the technicians will perform further testing to identify the defective parts for replacement.

The Plant in Dongguan has automated production lines and machinery for the production of LED decorative lighting products. The automation of production processes not only increases the production capacity and productivity but also reduces human errors for better quality management.

The Quality Control Department also monitors the energy efficiency and eco-design requirements applicable to the Group’s products in the markets into which they are sold, so that product specifications continue to meet those requirements as they are progressively tightened. This is one of the transition risks identified in the section “A4.3(a)” above.

No non-compliance with relevant laws and regulations that have a significant impact on the Group relating to health and safety, advertising, labelling and privacy matters relating to products and services provided had been identified during the Reporting Period.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### *Customer Service and Product Recall*

The Group is committed to providing quality customer service. The Group maintains long-term cooperative relationship and close communication with customers to better understand each other's needs and specific preferences.

The Group has a complaint handling mechanism to manage and resolve customer complaints in an effective and timely manner. A root cause analysis is performed for each complaint, and corrective actions are developed and implemented as necessary to avoid recurrence. The Quality Control Department also conducts an in-depth investigation of returned products and re-investigates the manufacturing process if necessary. During the Reporting Period, the Group did not receive any major complaints from customers regarding safety or any case of recalling products due to safety issues.

### *Intellectual Property ("IP") Rights*

The Group is committed to protecting intellectual property rights owned by the Group and external parties. The Group has registered trademarks and patents for its product designs and strictly abides by the Patent Law of the PRC and Trademark Law of the PRC in its management of IP rights.

The Group and customers have signed Confidentiality Agreements to protect the intellectual property rights of all parties. If any infringement is found, the relevant department should report it to the legal department. During the Reporting Period, there was no serious non-compliance of laws and regulations in relation to intellectual property rights that had a significant impact on the Group.

### *Data Protection*

The Group is committed to protecting the privacy of its employees, customers and suppliers. The Information Technology Department oversees the security of the Group's data. To safeguard the Group's data and confidential information, customers and suppliers are required to sign Confidentiality and Non-competition Agreement. During the Reporting Period, there was no non-compliance with relevant laws and regulations on confidentiality and customer data protection that had a significant impact on the Group.

### **B7. Anti-corruption**

The Group strictly complies with the Law of the PRC on Anti-money Laundering, and refuses any acts of corruption, money laundering, extortion, blackmail, bribe-taking and bribery. Its policy on anti-corruption and the Code of Conduct set out in the Employee Handbook standardises the conduct and discipline of the employees. All employees are required to fully comply with the Code of Conduct and related policies formulated in accordance with the Anti-unfair Competition Law of the PRC, the Anti-money Laundering Law of the PRC and the Prevention of Bribery Ordinance of Hong Kong.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A whistle-blowing mechanism is in place for reporting of suspected misconduct and malpractice. Each reported case will be handled and followed up confidentially in accordance with the Whistleblowing Policy and related procedures. The identity of a complainant is kept confidential, and any retaliation against a complainant will be subject to disciplinary action, including termination of employment. All reports will be dealt with fairly and effectively and reported to the relevant law enforcement authorities when necessary.

In order to promote anti-corruption and anti-money laundering of the Group, the Group provided 2.5 hours training programme to the employee during the Reporting Period, including review of the Group's code of conduct, advise on anti-corruption plans and arrange of anti-corruption prevention training on specific business functions or areas, so as to enhance the employee's awareness of managing corruption risks and increase their awareness of anti-corruption.

There was no concluded legal case regarding corrupt practices brought against the Group or its employees and the Group did not note any cases of non-compliance with laws and regulations regarding bribery, extortion, fraud and money laundering during the Reporting Period.

### Community

#### **B8. Community Investment**

The Group believes that a business should grow together with the community it operates in. Having regard to the scale of its operations and the fact that its manufacturing activities are carried out within a managed industrial park, the Group has not adopted a formal community investment policy. It nevertheless remains attentive to opportunities to contribute to its local communities, and encourages its employees to participate in community service activities on a voluntary basis.

No significant monetary donations were made during the Reporting Period, and staff volunteering hours were not captured through any formal tracking system. Accordingly, the resources devoted to community engagement during the year were not material in quantitative terms.

The Group intends to place greater emphasis on community engagement going forward. We will identify the focus areas most relevant to our operations and communities, and pursue suitable initiatives — whether by way of donations, sponsorships or employee volunteering — in support of a better living environment for the local community.

## REPORT OF THE DIRECTORS

The Directors present their report together with the audited consolidated financial statements of the Group for the year ended 30 April 2026.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and its principal subsidiaries are engaged in trading and manufacturing of LED lighting products.

### RESULTS AND APPROPRIATIONS

The Group's financial performance for the year ended 30 April 2026 is set out in the Consolidated Statement of Profit or Loss and Other Comprehensive Income on page 69 of this report and the financial position of the Group as at 30 April 2026 is set out in the Consolidated Statement of Financial Position on page 70 of this report. The Directors do not recommend the payment of a final dividend for the year ended 30 April 2026.

### BUSINESS REVIEW

A business review of the Group, including a description of the principal risks and uncertainties facing by the Group, an analysis of the Group's performance during the year using financial key performance indicators and an indication of likely future development in the Group's business, is set out in the sections headed "Chairman's Statement", "Management Discussion and Analysis" and "Corporate Governance Report" of this report; and a description of the environmental policies and performance is set out in the section headed "Environmental, Social and Governance Report" of this report. These discussions form part of this "Report of the Directors".

Description of the principal risks and uncertainties facing the Company can be found throughout this annual report particularly in Note 33 to the consolidated financial statements.

### COMPLIANCE WITH LAWS AND REGULATIONS

The Directors realize the importance of compliance with regulatory requirements and the risk of non-compliance with such requirements could lead to the termination or suspension of operation. The Group has been allocating resources to ensure compliance with laws and regulations. For the year, the Group has, to the best of the Directors' knowledge, complied with all relevant laws and regulations that have a significant impact on the Group.

### FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the last five financial years ended 30 April 2026 is set out on page 120 of this report.

### KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

For the year ended 30 April 2026, the aggregate sales to the Group's five largest customers accounted for approximately 86.1% (2025: 83.7%) of the total revenue and the largest customer included therein amounted to approximately 78.4% (2025: 74.9%) of the total revenue. The Group's five largest suppliers accounted for approximately 45.0% (2025: 30.8%) of the total purchases for the year ended 30 April 2026 and the largest supplier included therein amounted to approximately 10.3% (2025: 11.3%) of the total purchases.

None of the Directors, any of their close associates (as defined in the GEM Listing Rules) or any of the shareholders of the Company which, to the best of the Directors' knowledge, own more than 5% of the Company's issued share capital, has any beneficial interest in the Group's major customers or major suppliers during the year ended 30 April 2026.

The Group also values the knowledge and skills of its employees, and continues to provide favorable career development opportunities for its employees.

## REPORT OF THE DIRECTORS

### PROPERTY, PLANT AND EQUIPMENT

Details of movements in the Group's property, plant and equipment during the year ended 30 April 2026 are set out in Note 15 to the consolidated financial statements.

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

### IMPORTANT EVENTS SUBSEQUENT TO FINANCIAL YEAR

Save as disclosed in the annual report, the Directors are not aware of any significant events affecting the Group subsequent to the financial year and up to the date of this report.

### RESERVES AND DISTRIBUTABLE RESERVES

Details of movements in the reserves and distributable reserves of the Group and the Company during the year ended 30 April 2026 are set out in the Consolidated Statement of Changes in Equity and Summarised Financial Information of the Company on page 71 of the annual report and in Note 34(b) to the consolidated financial statements respectively.

As at 30 April 2026, the Company had no distribution reserve available for distribution to the shareholders.

### SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 30 April 2026 are set out in Note 28 to the consolidated financial statements.

### SHARE OPTION SCHEME

The Company operates a share option scheme (the "Share Option Scheme" or the "Scheme") for the purpose of recognizing and acknowledging the contributions that eligible participants have made or may make to the Group. The Share Option Scheme became effective on 16 November 2017 and, unless otherwise cancelled or amended, would remain in force for 10 years from that date. No option has been granted by the Company under the Scheme since its adoption. An option may be exercised at any time during the period to be determined and identified by the Board to each grantee at the time of making an offer for the grant of an option, but in any event no later than 10 years from the date of grant.

As at 1 May 2025, the number of options available for grant under Share Option Scheme was 50,000,000. As at 30 April 2026, the number of options available for grant under the Share Option Scheme was 50,000,000.

As at the date of this report, the total number of shares available for issue under the Share Option Scheme was 50,000,000 shares, representing 10% of the issued share capital of the Company.

For further details of the Share Option Scheme, please refer to Note 30 to the consolidated financial statements.

### EQUITY-LINKED AGREEMENTS

Other than the Share Option Scheme as disclosed above, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

# REPORT OF THE DIRECTORS

## DIRECTORS

The Directors who held office during the year and up to the date of this report were:

### *Executive Directors*

Mr. Shiu Kwok Leung (*Chairman*)

Mr. Shao Chiliang (*Chief Executive Officer*)

Mr. Zheng Yi

Mr. Zhao Zichao (appointed on 23 December 2024 and resigned on 28 November 2025)

Mr. Huang Aizhong (appointed on 19 March 2026)

Mr. On Ka Shing (appointed on 27 August 2026)

### *Independent Non-executive Directors*

Mr. Lang Jilu

Ms. Cheng Ka Yan (resigned on 1 November 2025)

Mr. Cheng Hok Ming Albert

Ms. Leung Tze Ying Gwen (appointed on 1 November 2025 and resigned on 18 June 2026)

Ms. Chung Hoi Yan (appointed on 18 June 2026)

Pursuant to the Articles, Mr. Huang Aizhong, Mr. On Ka Shing, Ms. Chung Hoi Yan, Mr. Lang Jilu and Mr. Cheng Hok Ming Albert shall hold office until the 2026 AGM. All of the above Directors are eligible for re-election at the 2026 AGM.

## DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No transactions, arrangements or 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 any Director or his/her connected entity had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year.

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from the Share Option Scheme as disclosed in the section headed "Share Option Scheme" above, neither at the end of nor at any time during the year there subsisted any arrangement to which the Company or any of its subsidiaries was a party and the objects of or one of the objects of such arrangement are/ is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

## DIRECTORS' SERVICE CONTRACTS

None of the Directors who are proposed for re-election at the 2026 AGM has a service contract with the Company that is not determinable within one year without payment of compensation (other than statutory compensation).

## CONTRACT OF SIGNIFICANCE

No contract of significance (including those for provision of services to the Company or any of its subsidiaries by the controlling shareholders) has been entered into between the Company or any of its subsidiaries and the controlling shareholders or any of its subsidiaries during the year.

## PERMITTED INDEMNITY PROVISION

A permitted indemnity provision (as defined in the Hong Kong Companies Ordinance) for the benefit of the Directors and the directors of the Company's associated companies is currently in force and was in force throughout the year.

## REPORT OF THE DIRECTORS

### 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 Company are set out in Note 11 to the consolidated financial statements in this annual report.

### EMOLUMENT POLICY

The Remuneration Committee will review and determine and the Board will approve 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 and other employees who have made valuable contribution to the Group may also receive options to be granted under the Share Option Scheme.

### MANAGEMENT CONTRACTS

No contract for the management and administration of the whole or any substantial part of the business of the Company was entered into or in existence during the year.

### RELATED PARTY TRANSACTIONS

Details of the material related party transactions entered into by the Group are set out in Note 32 to the consolidated financial statements. These related party transactions constitute de minimis continuing connected transactions of the Company that are exempt from the reporting, annual review, announcement and independent shareholders' approval requirements pursuant to Rule 20.74 of the GEM Listing Rules.

The Company confirmed that it has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

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

As at 30 April 2026, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to the required standard of dealings by directors of listed issuer as referred to in Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

#### Long position in ordinary shares of the Company

| Name of Director    | Capacity/nature of interest | Number of shares | Approximate percentage <sup>+</sup> of shareholding in the Company |
|---------------------|-----------------------------|------------------|--------------------------------------------------------------------|
| Mr. Shiu Kwok Leung | Beneficial owner            | 124,000,000      | 24.8%                                                              |
| Mr. Shao Chiliang   | Beneficial owner            | 7,280,000        | 1.46%                                                              |
| Mr. Huang Aizhong   | Beneficial owner            | 119,544,000      | 23.9%                                                              |

+ The percentage represents the number of ordinary shares involved divided by the number of issued shares of the Company as at 30 April 2026.

## REPORT OF THE DIRECTORS

Save as disclosed above, as at 30 April 2026, none of the Directors nor the chief executives of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to the required standard of dealings by directors of listed issuer as referred to in Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

### SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES, THE UNDERLYING SHARES OR DEBENTURES OF THE COMPANY

As at 30 April 2026, the following parties (other than the Directors or the chief executives of the Company) had interests of 5% or more in the shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

#### Long position in ordinary shares of the Company

| Name of shareholder | Capacity/nature of interest | Number of shares        | Approximate percentage <sup>+</sup> of shareholding in the Company |
|---------------------|-----------------------------|-------------------------|--------------------------------------------------------------------|
| Mr. Shiu Kwok Leung | Beneficial owner            | 124,000,000             | 24.8%                                                              |
| Ms. Chung Yu Chun   | Interest of spouse          | 124,000,000<br>(Note 1) | 24.8%                                                              |
| Mr. Huang Aizhong   | Beneficial owner            | 119,544,000             | 23.9%                                                              |

Note:

1. Ms. Chung Yu Chun is deemed to be interested in these shares of the Company through the interest of her spouse, Mr. Shiu Kwok Leung.
- + The percentage represents the number of ordinary shares involved divided by the number of issued shares of the Company as at 30 April 2026.

Save as disclosed above, as at 30 April 2026, the Company was not aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

### 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 (including sale of treasury shares) during the year ended 30 April 2026. As at 30 April 2026, there were no treasury shares (as defined under the GEM Listing Rules) held by the Company.

### SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float as required under the GEM Listing Rules.

## REPORT OF THE DIRECTORS

### COMPETING AND CONFLICT OF INTERESTS

The Directors are not aware of any business or interest of the Directors nor the controlling shareholders of the Company nor any of their respective close associates (as defined in the GEM Listing Rules) that compete or may compete with the business of the Company and any other conflicts of interest which any such person has or may have with the Group during the year ended 30 April 2026.

None of the Directors, the controlling shareholders or substantial shareholders of the Company or any of their respective close associates has engaged in or has interest in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, as defined in the GEM Listing Rules, or has any other conflict of interests with the Group during the year ended 30 April 2026.

### AUDIT COMMITTEE

The audit committee of the Company was established on 24 October 2017. The Audit Committee consists of three members, namely, Ms. Chung Hoi Yan (Chairman), Mr. Lang Jilu and Mr. Cheng Hok Ming Albert, all being independent non-executive Directors. The primary duties of the Audit Committee are to review the Company's financial information and reporting process, risk management and internal control systems, relationship with external auditors and arrangements for employees of the Group to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Audit Committee has reviewed the audited consolidated financial statements of the Group for the year ended 30 April 2026.

### DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding Directors' securities transactions in the Company. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard of dealings and there was no event of non-compliance during the year ended 30 April 2026.

### CORPORATE GOVERNANCE PRACTICES

The Company is committed to achieving and maintaining high standards of corporate governance, as the Board believes that good and effective corporate governance practices are key to obtaining and maintaining the trust of the shareholders of the Company and other stakeholders, and are essential for encouraging accountability and transparency so as to sustain the success of the Group and to create long-term value for the shareholders of the Company.

The Company has applied the principles as set out in the Corporate Governance Code set out in Appendix C1 to the GEM Listing Rules. The Board considers that the Company has complied with the Corporate Governance Code during the year ended 30 April 2026.

### AUDITOR

HLB Hodgson Impey Cheng Limited, the auditor of the Company, will retire and, being eligible, offer themselves for re-appointment at the 2026 AGM. A resolution will be submitted to the 2026 AGM to seek shareholders' approval on the re-appointment of HLB Hodgson Impey Cheng Limited as the Company's auditor until the conclusion of the next annual general meeting.

There were no other changes in auditors of the Company in any of the preceding three years.

By Order of the Board  
Zhongzi International Holdings Limited  
Shiu Kwok Leung  
Chairman

Hong Kong, 31 August 2026

# INDEPENDENT AUDITORS' REPORT



31/F, Gloucester Tower  
The Landmark  
11 Pedder Street  
Central  
Hong Kong

TO THE SHAREHOLDERS OF  
ZHONGZI INTERNATIONAL HOLDINGS LIMITED  
(formerly known as Bortex Global Limited)  
(incorporated in the Cayman Islands with limited liability)

## OPINION

We have audited the consolidated financial statements of Zhongzi International Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 69 to 119, which comprise the consolidated statement of financial position as at 30 April 2026, 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 and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 April 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("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 ("HKSA") as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditors' 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 the 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 judgement, 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.

# INDEPENDENT AUDITORS' REPORT

## KEY AUDIT MATTERS *(Continued)*

### Key Audit Matter

### How our audit addressed the Key Audit Matter

#### Net realisable value assessment of inventories

Refer to Notes 4 and 19 to the consolidated financial statements and the accounting policies in Note 3 to the consolidated financial statements.

We identified the NRV assessment of inventories as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with estimation uncertainty associated with determining the allowances of inventories.

The Group makes allowance for inventories if the NRV of inventories is lower than the cost of inventories. In determining the NRV of the Group's inventories, the management takes into consideration the fluctuations in price, the inventory level, the conditions and aging of inventories.

As at 30 April 2026, the consolidated financial statements, the carrying amount of the Group's inventories was approximately HK\$8,923,000.

Our procedures in relation to management's net realisable value assessment of inventories included but not limited to:

- Obtaining an understanding of how allowance for inventories is estimated by the management;
- Discussing with the management and evaluating the basis of identification of aged or obsolete inventories by the management and assessing the reasonableness of allowance for inventories, based on the fluctuations in price, the inventory level, the conditions, aging and expiry dates of inventories;
- Testing the aging analysis of inventories, on a sample basis, to the goods received notes; and
- Checking the subsequent selling price of inventories, on a sample basis, to the sales invoices.

We found that the estimates of management in relation to NRV assessment for inventories were supportable by available evidence.

## INDEPENDENT AUDITORS' REPORT

### OTHER INFORMATION

The directors of the Company 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 auditors' report thereon (the "Other Information").

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 THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as 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 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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### AUDITORS' 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 auditors' report that includes our opinion 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 HKSA's 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 AUDITORS' REPORT

## AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

As part of an audit in accordance with HKSAs, we exercise professional judgement 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 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 auditors' 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 auditors' 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 purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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 those charged with governance 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 safeguard applied.

## INDEPENDENT AUDITORS' REPORT

### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

From the matters communicated with those charged with governance, 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 auditors' 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.

The engagement director on the audit resulting in this independent auditors' report is Kwok Tsz Chun (practising certificate number: P06901).

HLB Hodgson Impey Cheng Limited  
*Certified Public Accountants*

Hong Kong, 31 August 2026

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 April 2026

|                                                                    | Notes | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|--------------------------------------------------------------------|-------|------------------|------------------|
| Revenue                                                            | 6     | 24,468           | 26,440           |
| Cost of sales                                                      |       | (20,973)         | (22,737)         |
| Gross profit                                                       |       | 3,495            | 3,703            |
| Other income, gains/(losses), net                                  | 7     | 30               | (25,319)         |
| Reversal of allowance for expected credit losses, net              |       | 1,016            | 2,856            |
| Written down of inventories                                        |       | –                | (19,198)         |
| Selling and distribution expenses                                  |       | (694)            | (853)            |
| Administrative expenses                                            |       | (7,765)          | (5,409)          |
| Finance costs                                                      | 8     | (450)            | (685)            |
| Loss before taxation                                               | 9     | (4,368)          | (44,905)         |
| Taxation                                                           | 12    | –                | –                |
| <b>Loss for the year</b>                                           |       | <b>(4,368)</b>   | <b>(44,905)</b>  |
| <b>Loss for the year</b>                                           |       |                  |                  |
| Attributable to:                                                   |       |                  |                  |
| Equity owners of the Company                                       |       | (4,368)          | (44,891)         |
| Non-controlling interests                                          |       | –                | (14)             |
|                                                                    |       | <b>(4,368)</b>   | <b>(44,905)</b>  |
| <b>Loss per share attributable to equity owners of the Company</b> |       |                  |                  |
| Basic and diluted (HK cents)                                       | 14    | (0.87)           | (8.98)           |
| <b>Loss for the year</b>                                           |       | <b>(4,368)</b>   | <b>(44,905)</b>  |
| <b>Other comprehensive expense for the year, net of tax</b>        |       |                  |                  |
| Item that may be reclassified subsequently to profit or loss:      |       |                  |                  |
| Exchange differences on translation of foreign operations          |       | (1,094)          | (2,837)          |
| <b>Total comprehensive expense for the year attributable to:</b>   |       |                  |                  |
| Equity owners of the Company                                       |       | (5,462)          | (47,728)         |
| Non-controlling interests                                          |       | –                | (14)             |
|                                                                    |       | <b>(5,462)</b>   | <b>(47,742)</b>  |

The accompanying notes form an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 April 2026

|                                                    | Notes | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------------------------------------|-------|------------------|------------------|
| <b>Assets</b>                                      |       |                  |                  |
| <b>Non-current assets</b>                          |       |                  |                  |
| Property, plant and equipment                      | 15    | –                | –                |
| Goodwill                                           | 18    | –                | –                |
| Right-of-use assets                                | 16    | 126              | 820              |
|                                                    |       | 126              | 820              |
| <b>Current assets</b>                              |       |                  |                  |
| Inventories                                        | 19    | 8,923            | 12,122           |
| Trade receivables                                  | 20    | 1,043            | 619              |
| Deposits, prepayments and other receivables        | 21    | 16,640           | 22,259           |
| Cash and bank balances                             | 22    | 888              | 16,106           |
|                                                    |       | 27,494           | 51,106           |
| <b>Liabilities</b>                                 |       |                  |                  |
| <b>Current liabilities</b>                         |       |                  |                  |
| Trade payables                                     | 23    | 264              | 3,504            |
| Accruals and other payables                        | 24    | 12,683           | 9,943            |
| Contract liabilities                               | 25    | 3,090            | 3,976            |
| Bank borrowings                                    | 26    | –                | 8,901            |
| Lease liabilities                                  | 27    | 131              | 714              |
| Tax payables                                       |       | 957              | 2,169            |
|                                                    |       | 17,125           | 29,207           |
| <b>Net current assets</b>                          |       | 10,369           | 21,899           |
| <b>Total assets less current liabilities</b>       |       | 10,495           | 22,719           |
| <b>Non-current liabilities</b>                     |       |                  |                  |
| Bank borrowings                                    | 26    | –                | 6,640            |
| Lease liabilities                                  | 27    | –                | 122              |
|                                                    |       | –                | 6,762            |
| <b>Net assets</b>                                  |       | 10,495           | 15,957           |
| <b>Equity</b>                                      |       |                  |                  |
| Share capital                                      | 28    | 5,000            | 5,000            |
| Reserves                                           |       | 5,509            | 10,971           |
| <b>Equity attributable to owner of the Company</b> |       | 10,509           | 15,971           |
| Non-controlling interests                          |       | (14)             | (14)             |
| <b>Total equity</b>                                |       | 10,495           | 15,957           |

The consolidated financial statements on pages 69 to 119 were approved and authorised for issue by the Board of Directors on 31 August 2026 and are signed on its behalf by:

Shiu Kwok Leung  
Director

Shao Chiliang  
Director

The accompanying notes form an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 April 2026

|                                                                 | Share<br>capital<br>HK\$'000 | Share<br>premium<br>HK\$'000 | Statutory<br>reserve<br>HK\$'000<br>(Note ii) | Translation<br>reserve<br>HK\$'000 | Other<br>reserve<br>HK\$'000<br>(Note i) | Retained<br>earnings/<br>(accumulated<br>loss)<br>HK\$'000 | Total<br>HK\$'000 | Non-<br>controlling<br>interests<br>HK\$'000 | Total<br>equity<br>HK\$'000 |
|-----------------------------------------------------------------|------------------------------|------------------------------|-----------------------------------------------|------------------------------------|------------------------------------------|------------------------------------------------------------|-------------------|----------------------------------------------|-----------------------------|
| At 1 May 2024                                                   | 5,000                        | 41,901                       | 3,869                                         | (5,718)                            | 1                                        | 18,646                                                     | 63,699            | –                                            | 63,699                      |
| Loss for the year                                               | –                            | –                            | –                                             | –                                  | –                                        | (44,891)                                                   | (44,891)          | (14)                                         | (44,905)                    |
| Exchange differences on<br>translation of foreign<br>operations | –                            | –                            | –                                             | (2,837)                            | –                                        | –                                                          | (2,837)           | –                                            | (2,837)                     |
| Total comprehensive<br>expense for the year                     | –                            | –                            | –                                             | (2,837)                            | –                                        | (44,891)                                                   | (47,728)          | (14)                                         | (47,742)                    |
| At 30 April 2025 and<br>1 May 2025                              | 5,000                        | 41,901                       | 3,869                                         | (8,555)                            | 1                                        | (26,245)                                                   | 15,971            | (14)                                         | 15,957                      |
| Loss for the year                                               | –                            | –                            | –                                             | –                                  | –                                        | (4,368)                                                    | (4,368)           | –                                            | (4,368)                     |
| Exchange differences on<br>translation of foreign<br>operations | –                            | –                            | –                                             | (1,094)                            | –                                        | –                                                          | (1,094)           | –                                            | (1,094)                     |
| Total comprehensive<br>expense for the year                     | –                            | –                            | –                                             | (1,094)                            | –                                        | (4,368)                                                    | (5,462)           | –                                            | (5,462)                     |
| At 30 April 2026                                                | 5,000                        | 41,901                       | 3,869                                         | (9,649)                            | 1                                        | (30,613)                                                   | 10,509            | (14)                                         | 10,495                      |

Notes:

- (i) Other reserve represents the difference between the Company's share of nominal value of the paid-up capital of the subsidiary acquired over the Company's cost of acquisition of the subsidiary under the common control upon the reorganisation.
- (ii) In accordance with the Articles of Association of a subsidiary established in the PRC, they required to transfer 10% of the profit after taxation to the statutory reserve until the reserve 50% of the registered capital. Transfer to this reserve must be made before distributing dividends to equity holders. The statutory reserve can be used to make up for previous years' losses, expand the existing operations or convert into additional capital of the subsidiaries.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 April 2026

|                                                              | Notes | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|--------------------------------------------------------------|-------|------------------|------------------|
| <b>Operating activities</b>                                  |       |                  |                  |
| Loss before taxation                                         |       | (4,368)          | (44,905)         |
| <b>Adjustments for:</b>                                      |       |                  |                  |
| Depreciation of right-of-use-assets                          | 16    | 728              | 709              |
| Interest income                                              | 7     | (7)              | (11)             |
| Finance cost                                                 | 8     | 450              | 685              |
| Reversal of allowance for expected credit losses, net        |       | (1,016)          | (2,856)          |
| Written down of inventories                                  |       | –                | 19,198           |
| Foreign exchange (gain)/loss, net                            |       | (372)            | (689)            |
| <b>Operating cash flows before working capital changes</b>   |       | <b>(4,585)</b>   | <b>(27,869)</b>  |
| Decrease in inventories                                      |       | 3,403            | 21,199           |
| Decrease in trade receivables                                |       | 504              | 6,303            |
| Decrease in deposits, prepayments and other receivables      |       | 6,037            | 14,364           |
| Decrease/(increase) in trade payables                        |       | (3,446)          | 1,814            |
| Increase in accruals and other payables                      |       | 2,914            | 2,637            |
| Decrease/(increase) in contract liabilities                  |       | (942)            | 597              |
| <b>Net cash generate from operations</b>                     |       | <b>3,885</b>     | <b>19,045</b>    |
| Interest paid                                                |       | (430)            | (631)            |
| Income tax paid                                              |       | (1,289)          | –                |
| <b>Net cash generated from operating activities</b>          |       | <b>2,166</b>     | <b>18,414</b>    |
| <b>Investing activity</b>                                    |       |                  |                  |
| Interest received                                            |       | 7                | 11               |
| <b>Net cash generated from investing activities</b>          |       | <b>7</b>         | <b>11</b>        |
| <b>Financing activities</b>                                  |       |                  |                  |
| Repayment of lease liabilities                               |       | (760)            | (3,297)          |
| Interest element on lease liabilities                        |       | (20)             | (54)             |
| Proceeds from bank borrowings                                |       | –                | 8,538            |
| Repayment of bank borrowings                                 |       | (16,530)         | (9,060)          |
| <b>Net cash used in financing activities</b>                 |       | <b>(17,310)</b>  | <b>(3,873)</b>   |
| <b>Net increase in cash and cash equivalents</b>             |       | <b>(15,137)</b>  | <b>14,552</b>    |
| Cash and cash equivalents at the beginning of the year       |       | 16,106           | 1,915            |
| Effect of exchange rate changes on cash and cash equivalents |       | (81)             | (361)            |
| <b>Cash and cash equivalents at the end of the year</b>      |       | <b>888</b>       | <b>16,106</b>    |
| <b>Analysis of the balances of cash and cash equivalents</b> |       |                  |                  |
| Cash and cash equivalents                                    | 22    | 888              | 16,106           |

The accompanying notes form an integral part of these consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 30 January 2014 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's registered office is located at the office of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its principal place of business in Hong Kong is at Room 6A18, 3/F, Block B, Hoi Luen Industrial Centre, 55 Hoi Yuen Road, Kwun Tong, Kowloon, Hong Kong.

The Company's issued shares have been listed on the GEM of The Stock Exchange of the Hong Kong Limited ("Stock Exchange") on 16 November 2017 (the "Listing Date").

The Company is an investment company. The Group principally engages in trading and manufacturing of LED lighting products.

The consolidated financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company and all values are rounded to the nearest thousand except otherwise indicated.

## 2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

### Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the HKICPA, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 May 2025 for the preparation of the Group's consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to an HKFRS Accounting Standard 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.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

(Continued)

### 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 <sup>2</sup>             |
| Amendments to HKFRS 9 and HKFRS 7        | Contracts Referencing Nature-dependent Electricity <sup>2</sup>                                    |
| Amendments to HKFRS 10 and HKAS 28       | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup> |
| Amendments to HKFRS Accounting Standards | Annual Improvements to HKFRS Accounting Standards — Volume 11 <sup>2</sup>                         |
| HKFRS 18                                 | Presentation and Disclosure in Financial Statements <sup>3</sup>                                   |
| Amendments to HKAS 21                    | Translation to a Hyperinflationary Presentation Currency <sup>2</sup>                              |

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

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

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

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors 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 “Presentation and Disclosure in Financial Statements”***

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

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

### Basis of preparation

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the 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, 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.

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 *Leases*, 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.

The material accounting policy information is set out below.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### Basic 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 return.

The Group reassesses whether or not it controls an investee if facts and circumstance 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 period are included in the consolidated statement of profit and loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

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

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

### Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. For goodwill arising on an acquisition in an annual period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that annual period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### **Goodwill** *(Continued)*

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit, the amount of goodwill disposed of is measured on the basis of the relative values of the operation disposed of and the portion of the cash-generating unit retained.

### **Revenue and other income recognition**

#### **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 complete to date.

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

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.

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### Revenue and other income recognition *(Continued)*

#### *Sale of goods*

Revenue from the sales of LED decorative lighting are recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products. The normal credit term is 0 to 180 days upon delivery. Payment in advance is required for some contracts.

#### *Interest income*

Interest come is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### *Lease*

The Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed. As a practical expedient, leases with similar characteristics are accounted on a portfolio basis when the Group reasonably expects that the effects on the consolidated financial statements would not differ materially from individual leases within the portfolio.

#### *The Group as a lessee*

##### *Allocation of consideration to components of a contract*

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### **Lease** *(Continued)*

#### **Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to leases properties that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

#### **Right-of-use assets**

The cost of right-of-use assets include:

- the amounts of the initial measurement of the lease liabilities;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statements of financial position.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### **Lease** *(Continued)*

#### **Lease liabilities**

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates, and the credit risk adjustment based on bond yields.

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate; initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercised the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review/ expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.
- a lease contract is modified and the lease modification is not accounted for as a separate lease.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### **Lease** *(Continued)*

#### **Lease modifications**

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### Foreign currencies

In preparing the consolidated financial statements of each individual group entities, transactions in currencies other than that entity's foreign currency (foreign currencies) are recognised at the rate of exchange prevailing at the dates of the transactions. At the end of each 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 at 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 monetary items are recognised in profit or loss in the reporting period in which they arise.

For the purpose of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint involving loss of joint control over a jointly controlled entity that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposal of associates or jointly controlled entities that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of the reporting period. Exchange difference arising are recognised in the translation reserve.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### **Borrowing costs**

All borrowing costs are recognised in profit or loss in the reporting period in which they are incurred.

### **Retirement benefit costs**

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered service entitling them to the contributions.

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries, subject to certain ceiling. The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The assets of these plans are held separately from the subsidiary in an independent fund managed by the PRC government.

### **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 Accounting Standards requires or permits the inclusion of the benefit in the cost of an asset.

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.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another HKFRS Accounting Standards requires or permits their inclusion in the cost of an asset.

### **Taxation**

Income tax expense represents the sum of current and deferred income tax expense.

The tax currently payable is based on taxable profit for the reporting period. Taxable profit differs from profit/(loss) before taxation as reported in the consolidated statements of 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.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### **Taxation** *(Continued)*

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base 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. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the 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.

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 from 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.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 *Income Taxes* requirements to right-of-use assets and lease liabilities separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

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 is recognised in profit or loss.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated in the consolidated statements of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets, other than construction in progress, less their residual values over their 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.

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.

The estimated useful lives for the current and comparative periods are as follows:

|                                         |               |
|-----------------------------------------|---------------|
| Leasehold improvement                   | 10 years      |
| Furniture, fixture and office equipment | 5 to 10 years |
| Plant and machinery                     | 5 to 10 years |

### Impairment on property, plant and equipment and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets 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 and right-of-use assets 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 to which the asset belongs.

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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 cash-generating unit) for which the estimates of future cash flows have not been adjusted.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### **Impairment on property, plant and equipment and right-of-use assets** *(Continued)*

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) 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 cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. 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. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) 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 cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### **Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale. Write-off of inventories is made for deteriorated, damaged and obsolete inventories.

### **Cash and bank balances**

Cash and bank balances in the consolidated statement of cash flows comprise bank balances and cash that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

### **Provision**

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 (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### **Dividend**

Dividend to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors, where appropriate.

### **Financial instruments**

Financial assets and financial liabilities are recognised when the group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value except for trade receivable 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 or financial liabilities 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 or financial liabilities at FVTPL are recognised in profit or loss.

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.

### **Financial assets**

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the 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.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both selling and collecting 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.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### Financial instruments *(Continued)*

#### Financial assets *(Continued)*

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application of HKFRS 9 initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income ("OCI") if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

A financial asset is classified as 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, except for a derivative that is not designated and effective as a hedging instrument.

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

#### 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 (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

#### 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 income, gains/(losses), net" line item.

#### Impairment of financial assets

The Group performs impairments assessment under expected credit losses ("ECL") model on financial assets (including trade receivables, deposits and other receivables, fixed deposits and cash and bank balances). The amount of ECL is updated at each reporting period to reflect changes in credit risk since initial recognition.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### Financial instruments *(Continued)*

#### *Impairment of financial assets (Continued)*

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12 months ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after 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 past event and the current conditions at the reporting period as well as the forecast of future economic conditions.

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balances or collectively using a provision matrix with appropriate grouping.

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, in which case 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.

#### *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 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. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

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; and
- 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.

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.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### Financial instruments *(Continued)*

#### **Significant increase in credit risk** *(Continued)*

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.

#### **Definition of default**

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- 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 analysis, the Group considers that default has occurred when a financial asset is more than one year past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

#### *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;
- (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.

#### *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. 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.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### Financial instruments *(Continued)*

#### Definition of default *(Continued)*

##### 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 and 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.

For collection assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

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 amortised cost of the financial asset.

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

#### Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

- For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised as part of the net foreign exchange gains/(losses).

#### Financial liabilities and equity instruments

##### Classification as debt or equity

Debt and equity instruments are classified as either 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.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### **Financial instruments** *(Continued)*

#### **Financial liabilities and equity instruments** *(Continued)*

##### *Equity instruments*

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

##### *Financial liabilities*

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

##### *Financial liabilities at amortised cost*

Financial liabilities (including trade payables, accruals and other payables, lease liabilities and bank borrowings) are subsequently measured at amortised cost, using the effective interest method.

##### *Foreign exchange gains and losses*

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments. These foreign exchange gains and losses are as part of net foreign exchange gains/(losses) for financial liabilities that are not part of a designated hedging relationship. For those which are designated as a hedging instrument for a hedge of foreign currency risk, foreign exchange gains and losses are recognised in other comprehensive income and accumulated in a separate component of equity.

### **Derecognition**

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. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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.

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 the profit or loss.

### **Related parties transactions**

A party is considered to be related to the Group if:

- (i) A person or a close member of that person's family is related to the Group if that person:
  - (a) has control or joint control over the Group;
  - (b) has significant influence over the Group; or
  - (c) is a member of the key management personnel of the Group or of a parent of the Group.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 3. BASIC OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

### Related parties transactions *(Continued)*

- (ii) An entity is related to the Group if any of the following conditions applies:
- (a) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiaries is related to the others);
  - (b) one entity is an associate or joint venture of the other entity for an associate or joint venture of a member of a group which the other entity is a member;
  - (c) both entities are joint ventures of the same third party;
  - (d) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
  - (e) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employees are also related to the Group;
  - (f) the entity is controlled or jointly controlled by a person identified in (i);
  - (g) a person identified in (i)(a) 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); or
  - (h) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or 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 transaction is considered to be a related party transaction when there is a transfer of resources, or obligations between the Group and a related party, regardless of whether a price is charged.

### 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, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. 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 30 April 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, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and 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 judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

### (a) Estimated allowance for ECL of trade receivables

Trade receivables with significant balances and credit-impaired are assessed for ECL individually.

In addition, the Group uses practical expedient in estimating ECL on trade receivables which are not assessed individually using a provision matrix. The provision rates are based on ageing of debtors as groupings of various debtors taking into consideration the Group's historical default rates and forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The information about the ECL and the Group's trade receivables are disclosed in note 33.

### (b) Write-down of inventories

The Group makes write-down of inventories based on an assessment of the net realisable value of inventories. Allowances are applied to inventories where events or changes in circumstances indicate that the net realisable value is lower than the cost of inventories. The identification of slow-moving stock and obsolete inventories requires the use of judgement and estimates on the conditions and usefulness of the inventories.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 5. SEGMENT REPORTING

An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is identified on the basis of the internal management reporting information that is provided to and regularly reviewed by the Group's chief operating decision maker in order to allocate resources and assess performance of the segment. The executive directors have determined that the Group has only one single business component/reportable segment as the Group is only engaged in designing, manufacturing and trading of LED lighting products. The executive directors allocate resources and assess performance on an aggregate basis. Accordingly, no operating segment is presented.

### Geographical information

The Group's revenue from external customers is divided into the following geographical areas:

|                                                             | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------------|------------------|------------------|
| Canada                                                      | 19,187           | 19,790           |
| The US                                                      | 2,814            | 2,671            |
| The People's Republic of China ("PRC"), excluding Hong Kong | 2,467            | 3,979            |
|                                                             | 24,468           | 26,440           |

The following is an analysis of the Group's non-current assets by their geographical location:

|                              | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------------|------------------|------------------|
| The PRC, excluding Hong Kong | 126              | 820              |

### Information about major customers

Revenue from major customers, each of them accounted for 10% or more of the Group's revenue, are set out below:

|            | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------|------------------|------------------|
| Customer A | 19,187           | 19,790           |

## 6. REVENUE

Revenue represents those generated from trading and manufacturing of LED decorative lighting products, net of sales related taxes, during the reporting period.

All revenue are for period of less than one year, as permitted by practical expedient under HKFRS 15, the transaction price allocated to these unsatisfied contract is not disclosed. All revenue were recognised at point in time.

|                         | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------|------------------|------------------|
| LED decorative lighting | 24,468           | 26,440           |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

### 7. OTHER INCOME, GAINS/(LOSSES), NET

|                            | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------------|------------------|------------------|
| Sales of scrap material    | –                | (27,989)         |
| Interest income            | 7                | 11               |
| Gain on lease modification | –                | 2,611            |
| Sundry income              | 23               | 48               |
|                            | 30               | (25,319)         |

### 8. FINANCE COSTS

|                                                      | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------------------------------------|------------------|------------------|
| Interest expenses on:                                |                  |                  |
| — bank borrowings wholly repayable within five years | 430              | 631              |
| — lease liabilities                                  | 20               | 54               |
|                                                      | 450              | 685              |

### 9. LOSS BEFORE TAXATION

|                                                             | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------------|------------------|------------------|
| Loss before taxation has been arrived after charging:       |                  |                  |
| Auditors' remuneration                                      |                  |                  |
| — Audit service                                             | 600              | 600              |
| — Non-audit service                                         | –                | –                |
| Cost of inventories                                         | 18,500           | 20,116           |
| Depreciation of right-of-use-assets                         | 728              | 709              |
| Employee benefit expenses (including directors' emoluments) | 6,666            | 5,978            |
| Expenses relating to short-term leases                      | 235              | 223              |
| Foreign exchange gains, net                                 | (372)            | (689)            |

### 10. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTOR' EMOLUMENTS)

|                                           | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------|------------------|------------------|
| Directors' fees                           | 360              | 300              |
| Salaries, allowances and benefits in kind | 5,625            | 5,044            |
| Retirement benefits scheme contributions  | 681              | 634              |
|                                           | 6,666            | 5,978            |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 11. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

### (a) Directors' emoluments

Pursuant to the GEM Listing Rules and section 383 of the Hong Kong Companies Ordinance and the Companies (Disclosure of Information about benefits of Directors) Regulation (Cap. 622G), the aggregate amounts of emoluments paid by the companies now comprising the Group to the directors of the Company during the reporting period are as follows:

|                                           | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------|------------------|------------------|
| Directors' fees                           | 360              | 300              |
| Salaries, allowances and benefits in kind | 474              | 322              |
| Retirement scheme contributions           | –                | –                |
|                                           | 834              | 622              |

The emoluments of each of the directors during the year ended are set out below:

|                                             | For the year ended 30 April 2026 |                                                       |                                   |                                                     |                   |
|---------------------------------------------|----------------------------------|-------------------------------------------------------|-----------------------------------|-----------------------------------------------------|-------------------|
|                                             | Directors' fees<br>HK\$'000      | Salaries, allowances and benefits in kind<br>HK\$'000 | Discretionary bonuses<br>HK\$'000 | Retirement benefits scheme contribution<br>HK\$'000 | Total<br>HK\$'000 |
| <b>Executive directors:</b>                 |                                  |                                                       |                                   |                                                     |                   |
| Mr. Shiu Kwok Leung                         | –                                | –                                                     | –                                 | –                                                   | –                 |
| Mr. Shao Chiliang                           | –                                | 244                                                   | –                                 | –                                                   | 244               |
| Mr. Zheng Yi                                | –                                | 120                                                   | –                                 | –                                                   | 120               |
| Mr. Zhao Zichao (Note a)                    | –                                | 110                                                   | –                                 | –                                                   | 110               |
| Mr. Huang Aizhong (Note b)                  | –                                | –                                                     | –                                 | –                                                   | –                 |
| <b>Independent non-executive directors:</b> |                                  |                                                       |                                   |                                                     |                   |
| Mr. Lang Jilu                               | 120                              | –                                                     | –                                 | –                                                   | 120               |
| Ms. Cheng Ka Yan (Note c)                   | 60                               | –                                                     | –                                 | –                                                   | 60                |
| Mr. Cheng Hok Ming Albert                   | 120                              | –                                                     | –                                 | –                                                   | 120               |
| Ms. Leung Tze Ying Gwen (Note d)            | 60                               | –                                                     | –                                 | –                                                   | 60                |
| <b>Total emoluments</b>                     | <b>360</b>                       | <b>474</b>                                            | <b>–</b>                          | <b>–</b>                                            | <b>834</b>        |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 11. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

### (a) Directors' emoluments (Continued)

|                                             | For the year ended 30 April 2025 |                                                       |                                   |                                                     |                   |
|---------------------------------------------|----------------------------------|-------------------------------------------------------|-----------------------------------|-----------------------------------------------------|-------------------|
|                                             | Directors' fees<br>HK\$'000      | Salaries, allowances and benefits in kind<br>HK\$'000 | Discretionary bonuses<br>HK\$'000 | Retirement benefits scheme contribution<br>HK\$'000 | Total<br>HK\$'000 |
| <b>Executive directors:</b>                 |                                  |                                                       |                                   |                                                     |                   |
| Mr. Shiu Kwok Leung                         | –                                | –                                                     | –                                 | –                                                   | –                 |
| Mr. Pan Liang Bo (Note f)                   | –                                | 39                                                    | –                                 | –                                                   | 39                |
| Mr. Shao Chiliang                           | –                                | 194                                                   | –                                 | –                                                   | 194               |
| Mr. Zheng Yi (Note e)                       | –                                | 46                                                    | –                                 | –                                                   | 46                |
| Mr. Zhao Zichao (Note e)                    | –                                | 43                                                    | –                                 | –                                                   | 43                |
| <b>Independent non-executive directors:</b> |                                  |                                                       |                                   |                                                     |                   |
| Mr. Lang Jilu                               | 60                               | –                                                     | –                                 | –                                                   | 60                |
| Ms. Cheng Ka Yan                            | 120                              | –                                                     | –                                 | –                                                   | 120               |
| Mr. Cheng Hok Ming Albert                   | 120                              | –                                                     | –                                 | –                                                   | 120               |
| <b>Total emoluments</b>                     | <b>300</b>                       | <b>322</b>                                            | <b>–</b>                          | <b>–</b>                                            | <b>622</b>        |

Notes:

- (a) Mr. Zhao Zichao resigned as an executive director on 28 November 2025.
- (b) Mr. Huang Aizhong was appointed as executive director on 19 March 2026.
- (c) Ms. Cheng Ka Yan resigned as independent non-executive director on 1 November 2025.
- (d) Ms. Leung Tze Ying was appointed as independent non-executive director on 1 November 2025 and resigned on 18 June 2026.
- (e) Mr. Zheng Yi and Mr. Zhao Zichao were appointed as executive directors on 12 December 2024 and 23 December 2024 respectively.
- (f) Mr. Pan Liang Bo resigned as an executive director on 23 December 2024.

### (b) Five highest paid individuals

The five highest paid employees of the Group included 1 director for the years ended 30 April 2026 and 2025. The emoluments of the remaining individuals are analysed as follows:

|              | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|--------------|------------------|------------------|
| Non-director | 1,045            | 890              |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 11. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS (Continued)

### (b) Five highest paid individuals (Continued)

Details of the remuneration of the above non-director, highest paid employees, during the year are as follow:

|                                           | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------|------------------|------------------|
| Salaries, allowances and benefits in kind | 986              | 846              |
| Discretionary bonus                       | –                | –                |
| Retirement scheme contributions           | 59               | 44               |
|                                           | 1,045            | 890              |

The number of the highest paid individuals who are not the directors of the Company whose remuneration fell within the following bands is as follows:

|                      | No. of individuals |      |
|----------------------|--------------------|------|
|                      | 2026               | 2025 |
| Nil to HK\$1,000,000 | 4                  | 4    |

### (c) Senior management of the Group

The emoluments of senior management (including the directors as disclosed in Note 11(a)) are within the following bands:

|                      | No. of senior management |      |
|----------------------|--------------------------|------|
|                      | 2026                     | 2025 |
| Nil to HK\$1,000,000 | 5                        | 5    |

During the years ended 30 April 2026 and 2025, no emoluments were paid by the Group to the directors and non-director, highest paid employees or senior management as an inducement to join or upon joining the Group or as compensation for loss of office. Executive director Mr. Shiu Kwok Leung agreed to waive his emoluments during the reporting period.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 12. TAXATION

|              | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|--------------|------------------|------------------|
| Current tax: |                  |                  |
| — the PRC    | —                | —                |
| — Hong Kong  | —                | —                |
|              | —                | —                |
| Deferred tax | —                | —                |
|              | —                | —                |

### Hong Kong Profits Tax

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

### PRC enterprise income tax ("EIT")

PRC EIT is calculated at the applicable tax rates in accordance with the relevant laws and regulation in the PRC.

Under the PRC Enterprise Income Tax Law (the "EIT Law") and the Implementation Regulations of the EIT Law, the tax rate of a PRC subsidiary is 25% during the reporting period.

The income tax expense for the reporting period can be reconciled to the accounting profit at applicable income tax rate as follows:

|                                                       | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------|------------------|------------------|
| Loss before taxation                                  | (4,368)          | (44,905)         |
| Tax at applicable income tax rate (16.5%)             | (720)            | (7,409)          |
| Effect of tax rate in other jurisdictions             | (343)            | (3,782)          |
| Tax effect of expenses not deductible for tax purpose | 790              | 5,158            |
| Tax effect of income not taxable for tax purpose      | (254)            | (1,452)          |
| Tax losses not recognised                             | 527              | 7,485            |
| Taxation                                              | —                | —                |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 12. TAXATION (Continued)

### PRC enterprise income tax ("EIT") (Continued)

At the end of the reporting period, the Group has unused tax losses of approximately HK\$72,531,000 (2025: HK\$70,305,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of approximately HK\$30,460,000 (2025: HK\$29,597,000) with expiry dates as disclosed in the following table. Other losses may be carried forward indefinitely.

|      | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------|------------------|------------------|
| 2027 | 3,816            | 3,816            |
| 2028 | 1,240            | 1,240            |
| 2029 | 683              | 683              |
| 2030 | 23,858           | 23,858           |
| 2031 | 863              | –                |
|      | 30,460           | 29,597           |

## 13. DIVIDENDS

The Board of Directors do not recommend the payment of any dividend for the year ended 30 April 2026 (2025: Nil).

## 14. LOSS PER SHARE ATTRIBUTABLE TO EQUITY OWNERS OF THE COMPANY

The calculation of basis loss per share attributable to the owners of the Company is based on the following data:

|                                                                                   | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-----------------------------------------------------------------------------------|------------------|------------------|
| Loss:                                                                             |                  |                  |
| Loss for the purpose of calculation basic loss per share                          |                  |                  |
| — Loss for the year attributable to equity owners of the Company                  | (4,368)          | (44,891)         |
|                                                                                   |                  |                  |
|                                                                                   | 2026<br>'000     | 2025<br>'000     |
| Number of shares:                                                                 |                  |                  |
| Number of ordinary shares for the purpose of calculation basic earnings per share | 500,000          | 500,000          |

Diluted loss per share for the years ended 30 April 2026 and 2025 were the same as the basic loss per share as there were no potential ordinary shares in issue for both years.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

### 15. PROPERTY, PLANT AND EQUIPMENT

|                                                    | Leasehold<br>improvement<br>HK\$'000 | Plant and<br>machinery<br>HK\$'000 | Furniture<br>and fixtures<br>HK\$'000 | Office<br>equipment<br>HK\$'000 | Total<br>HK\$'000 |
|----------------------------------------------------|--------------------------------------|------------------------------------|---------------------------------------|---------------------------------|-------------------|
| <b>Cost</b>                                        |                                      |                                    |                                       |                                 |                   |
| At 1 May 2024                                      | 5,587                                | 26,095                             | 604                                   | 1,289                           | 33,575            |
| Exchange realignment                               | (67)                                 | (314)                              | (7)                                   | (16)                            | (404)             |
| At 30 April 2025 and<br>1 May 2025                 | 5,520                                | 25,781                             | 597                                   | 1,273                           | 33,171            |
| Exchange realignment                               | 402                                  | 1,878                              | 43                                    | 93                              | 2,416             |
| <b>At 30 April 2026</b>                            | <b>5,922</b>                         | <b>27,659</b>                      | <b>640</b>                            | <b>1,366</b>                    | <b>35,587</b>     |
| <b>Accumulated depreciation<br/>and impairment</b> |                                      |                                    |                                       |                                 |                   |
| At 1 May 2024                                      | 5,587                                | 26,095                             | 604                                   | 1,289                           | 33,575            |
| Exchange realignment                               | (67)                                 | (314)                              | (7)                                   | (16)                            | (404)             |
| At 30 April 2025 and<br>1 May 2025                 | 5,520                                | 25,781                             | 597                                   | 1,273                           | 33,171            |
| Exchange realignment                               | 402                                  | 1,878                              | 43                                    | 93                              | 2,416             |
| <b>At 30 April 2026</b>                            | <b>5,922</b>                         | <b>27,659</b>                      | <b>640</b>                            | <b>1,366</b>                    | <b>35,587</b>     |
| <b>Carrying amount</b>                             |                                      |                                    |                                       |                                 |                   |
| <b>At 30 April 2026</b>                            | <b>–</b>                             | <b>–</b>                           | <b>–</b>                              | <b>–</b>                        | <b>–</b>          |
| At 30 April 2025                                   | –                                    | –                                  | –                                     | –                               | –                 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 16. RIGHT-OF-USE ASSETS

|                                                | Leased<br>properties<br>HK\$'000 |
|------------------------------------------------|----------------------------------|
| <b>Cost</b>                                    |                                  |
| At 1 May 2024                                  | 16,326                           |
| Addition                                       | 1,538                            |
| Exchange realignment                           | (213)                            |
| At 30 April 2025 and 1 May 2025                | 17,651                           |
| Exchange realignment                           | 1,285                            |
| At 30 April 2026                               | 18,936                           |
| <b>Accumulated depreciation and impairment</b> |                                  |
| At 1 May 2024                                  | 16,326                           |
| Charge for the year                            | 709                              |
| Exchange realignment                           | (204)                            |
| At 30 April 2025 and 1 May 2025                | 16,831                           |
| Charge for the year                            | 728                              |
| Exchange realignment                           | 1,251                            |
| At 30 April 2026                               | 18,810                           |
| <b>Carrying amount</b>                         |                                  |
| At 30 April 2026                               | 126                              |
| At 30 April 2025                               | 820                              |

Total cash outflow of leases is approximately HK\$996,000 (2025: HK\$964,000) including payments of principal and interest portion of lease liabilities and short-term leases.

During the current year, the Group leases office, factories and plant and machinery. Lease contracts are entered into for fixed term of 2 to 10 years (2025: 2 to 10 years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

During the year ended 30 April 2026, the management of the Group identified indications of impairment due to continued monitoring of the Group's performance. The Group continues to estimate recoverable amounts of individual assets based on the higher of fair value less costs of disposal and value in use, with value-in-use calculations derived from cash flow projections under formally approved budgets covering a 5-year period. As a result, no impairment of right-of-use assets has been recognised in profit or loss during the year ended 30 April 2026.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 17. SUBSIDIARIES

The Company had direct or indirect interest in the following subsidiaries as at 30 April 2026 and 2025:

| Name of Company                                | Place of incorporation/<br>registration and operation                           | Issued/<br>paid up capital | Percentage of<br>equity attributable to<br>the Company |          | Principal activities                                                 |
|------------------------------------------------|---------------------------------------------------------------------------------|----------------------------|--------------------------------------------------------|----------|----------------------------------------------------------------------|
|                                                |                                                                                 |                            | Direct                                                 | Indirect |                                                                      |
| Harvest Mount<br>Global Enterprises<br>Limited | Incorporated on 5 November 2010<br>in the British Virgin Islands<br>(the "BVI") | US\$100                    | 100%                                                   | –        | Investment holding                                                   |
| Bortex International<br>Limited                | Incorporated on 30 December 2008<br>in Hong Kong                                | HK\$100                    | –                                                      | 100%     | Marketing and trading of<br>LED lighting products<br>in Hong Kong    |
| Bortex Holdings<br>Limited                     | Incorporated on 10 November 2011<br>in Hong Kong                                | HK\$100                    | –                                                      | 100%     | Investment holding                                                   |
| 東莞市濠亮實業<br>有限公司                                | Incorporated on 29 December 2004<br>in the PRC (Note)                           | USD1,000,000               | –                                                      | 100%     | Manufacturing and<br>trading of LED lighting<br>products in the PRC  |
| Bortex (Cambodia)<br>Co., Ltd.                 | Incorporated on 20 June 2019<br>in Cambodia                                     | USD56,000                  | –                                                      | 100%     | Manufacturing and<br>trading of LED lighting<br>products in Cambodia |
| 中山市戎創照明科技<br>有限公司                              | Incorporated on 3 November 2024<br>in PRC                                       | RMB100,000                 | –                                                      | 90%      | Investment holding                                                   |

Note: The company is wholly foreign-owned enterprise established in PRC.

## 18. GOODWILL

|                                 | HK\$'000 |
|---------------------------------|----------|
| Cost                            |          |
| At 1 May 2024                   | 8,001    |
| Exchange realignment            | (97)     |
| At 30 April 2025 and 1 May 2025 | 7,904    |
| Exchange realignment            | 576      |
| At 30 April 2026                | 8,480    |
| Accumulated impairment loss     |          |
| At 1 May 2024                   | 8,001    |
| Exchange realignment            | (97)     |
| At 30 April 2025 and 1 May 2025 | 7,904    |
| Exchange realignment            | 576      |
| At 30 April 2026                | 8,480    |
| Carrying amount                 |          |
| At 30 April 2026                | –        |
| At 30 April 2025                | –        |

The goodwill was recognised upon the completion of the acquisition of the entire issued share capital of 東莞市濠亮實業有限公司 on 14 May 2013.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 18. GOODWILL (Continued)

Goodwill had been allocated to the business relating to manufacturing and trading of LED lighting products. Management considered this as a single CGU for the purpose of impairment testing of the goodwill.

Before recognition of impairment losses, the carrying amount of goodwill was allocated to the CGU as follows:

|                            | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------------|------------------|------------------|
| LED manufacturing business | 8,480            | 7,904            |

## 19. INVENTORIES

|                  | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------|------------------|------------------|
| Raw materials    | 3,303            | 7,077            |
| Work-in-progress | 5,521            | 2,223            |
| Finished goods   | 99               | 2,822            |
|                  | 8,923            | 12,122           |

## 20. TRADE RECEIVABLES

|                              | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------------|------------------|------------------|
| Trade receivables            | 32,468           | 32,999           |
| Less: Allowance for ECL, net | (31,425)         | (32,380)         |
|                              | 1,043            | 619              |

The Group's trade receivables are attributable to a number of independent customers with credit. The Group normally allows a credit period of 0 to 180 days to its customers.

Note: Ageing analysis of trade receivables, based on invoice date, as at the end of each reporting periods are as follows:

|                   | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------|------------------|------------------|
| Within 30 days    | 235              | –                |
| 31–60 days        | –                | –                |
| 61–90 days        | –                | –                |
| 91–180 days       | 1,027            | –                |
| 181–365 days      | –                | 958              |
| 365 days or above | 31,206           | 32,041           |
|                   | 32,468           | 32,999           |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

### 20. TRADE RECEIVABLES (Continued)

#### Movements in the allowances for ECL of trade receivables

Movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach. Details of the ECL assessment are set out in Note 33.

|                                               | HK\$'000 |
|-----------------------------------------------|----------|
| At 1 May 2024                                 | 35,317   |
| Reversal of allowance for ECL recognised, net | (2,937)  |
| At 30 April 2025 and 1 May 2025               | 32,380   |
| Reversal of allowance for ECL recognised, net | (955)    |
| At 30 April 2026                              | 31,425   |

### 21. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

|                              | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------------|------------------|------------------|
| Deposits                     | 1,205            | 1,167            |
| Other receivables            | 107              | 340              |
|                              | 1,312            | 1,507            |
| Less: Allowance for ECL, net | (20)             | (81)             |
| Prepayments (Note)           | 15,348           | 20,833           |
|                              | 16,640           | 22,259           |

Note: Including in the prepayments, approximately HK\$15,277,000 (2025: HK\$20,426,000) represented the prepayments for purchase of raw material as at 30 April 2026.

#### Movements in the allowances for ECL of other receivables

Movement in 12m ECL that has been recognised for other receivables in accordance with the general approach. Details of the ECL assessment are set out in Note 33.

|                                   | HK\$'000 |
|-----------------------------------|----------|
| At 1 May 2024                     | –        |
| Allowance for ECL recognised, net | 81       |
| At 30 April 2025 and 1 May 2025   | 81       |
| Allowance for ECL recognised, net | (61)     |
| At 30 April 2026                  | 20       |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 22. CASH AND BANK BALANCES

|                        | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------|------------------|------------------|
| Cash and bank balances | 888              | 16,106           |

As at 30 April 2026, the Group has cash and cash equivalents of the Group denominated in Renminbi amounted to approximately RMB537,000 (equivalent to HK\$615,000) (2025: RMB1,127,000 (equivalent to HK\$1,207,000)) placed with the banks in the PRC. RMB is not freely convertible into other currencies and the remittance of funds out of the PRC is subject to exchange restrictions imposed by the PRC government. Under the PRC's Foreign Exchange Control Regulations and Administration of Settlement and Sales and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for foreign currencies through the banks that are authorised to conduct foreign exchange business.

## 23. TRADE PAYABLES

|                | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------|------------------|------------------|
| Trade payables | 264              | 3,504            |

Credit periods of trade payables normally granted by its suppliers were ranging from 0 to 180 days throughout the reporting period.

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

|                | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------|------------------|------------------|
| Within 60 days | –                | 1,882            |
| 61–90 days     | 21               | –                |
| 91–180 days    | 22               | 12               |
| 181–365 days   | 221              | 386              |
| Over 365 days  | –                | 1,224            |
|                | 264              | 3,504            |

## 24. ACCRUALS AND OTHER PAYABLES

|                | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------|------------------|------------------|
| Accruals       | 4,165            | 6,996            |
| Other payables | 8,518            | 2,947            |
|                | 12,683           | 9,943            |

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

### 25. CONTRACT LIABILITIES

|                                                                                                       | 2026<br>HK\$'000 | 2025<br>HK\$'000                       |
|-------------------------------------------------------------------------------------------------------|------------------|----------------------------------------|
| LED decorative lighting                                                                               | 3,090            | 3,976                                  |
|                                                                                                       |                  | LED decorative<br>lighting<br>HK\$'000 |
| For the year ended 30 April 2026                                                                      |                  |                                        |
| Revenue recognised that was included in the contract liabilities balance at the beginning of the year |                  | 3,976                                  |
| For the year ended 30 April 2025                                                                      |                  |                                        |
| Revenue recognised that was included in the contract liabilities balance at the beginning of the year |                  | 3,557                                  |

The contract liabilities represent the Group's obligation to transfer goods for which the Group has received consideration, or for which an amount of consideration is due from customers. In general, the Group received certain percentage of the contract sum as advance payment from customers for the sale of goods. The contract liabilities would be recognised as revenue within one year.

### 26. BANK BORROWINGS

|                                                                   | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------------------|------------------|------------------|
| Fixed-rate bank borrowings (Notes a, b)                           | –                | 15,541           |
| Secured                                                           | –                | –                |
| Unsecured                                                         | –                | 15,541           |
|                                                                   | –                | 15,541           |
| The carrying amounts of the above borrowings are repayable:       |                  |                  |
| Within one year                                                   | –                | 8,901            |
| Over one year but within two years                                | –                | 6,640            |
|                                                                   | –                | 15,541           |
| Less: Amounts due within one year shown under current liabilities | –                | (8,901)          |
| Amounts shown under non-current liabilities                       | –                | 6,640            |

Notes:

- (a) An unsecured fixed-rate bank borrowing of approximately HK\$8,539,000 (equivalent to RMB8,000,000 as at 30 April 2025) is repayable within two years and bear interest at 3.80% per annum. It was guaranteed by personal guarantee of Mr. Shao Chiliang, a director of the Group.
- (b) An unsecured fixed-rate bank borrowing of approximately HK\$7,002,000 (equivalent to RMB6,560,000 as at 30 April 2025) is repayable within one year and bear interest at 3.91% per annum. It was guaranteed by personal guarantee of Mr. Shao Chiliang, a director of the Group.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 27. LEASE LIABILITIES

At 30 April 2026 and 2025, the lease liabilities are repayable:

|                                                                                     | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------------------------------------|------------------|------------------|
| Within one year                                                                     | 131              | 714              |
| In the second year                                                                  | –                | 122              |
|                                                                                     | 131              | 836              |
| Less: Amount due for settlement within 12 months shown<br>under current liabilities | (131)            | (714)            |
| Amount due for settlement after 12 months shown<br>under non-current liabilities    | –                | 122              |

The weighted average incremental borrowing rates applied to lease liabilities is 3.91% per annum as at 30 April 2026 and 2025, respectively.

## 28. SHARE CAPITAL

|                                                            | Number of<br>shares | HK\$'000 |
|------------------------------------------------------------|---------------------|----------|
| <b>Authorised:</b>                                         |                     |          |
| Ordinary share of HK\$0.01 each                            |                     |          |
| At 1 May 2024, 30 April 2025, 1 May 2025 and 30 April 2026 | 10,000,000,000      | 100,000  |
| <b>Issue and fully paid:</b>                               |                     |          |
| Ordinary share of HK\$0.01 each                            |                     |          |
| At 1 May 2024, 30 April 2025, 1 May 2025 and 30 April 2026 | 500,000,000         | 5,000    |

## 29. RETIREMENT BENEFIT PLANS

The employees in the PRC are members of state-managed retirement benefit scheme operated by the PRC government. The Company's subsidiaries operating in the PRC is required to contribute a certain percentage of payroll to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the scheme is to make the required contribution under the scheme.

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") for all qualifying employees in Hong Kong. The MPF Scheme is a registered scheme under the MPF Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the employers and their employees are each required to make contributions to the MPF Scheme at a rate specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the MPF Scheme. The Group contributes 5% of relevant payroll costs to the scheme, which contribution is matched by employees and capped at HK\$1,500 per month. No forfeited contribution is available to reduce the contribution payable in the future years.

The retirement benefit scheme contributions arising from the MPF Scheme charged to profit or loss represent contributions payable to the funds by the Group at rates specified in the rules of the MPF Scheme.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 30. SHARE OPTION SCHEME

The Company operates a share option scheme (the “Share Option Scheme”) for the purpose of recognising and acknowledging the contributions that eligible participants have made or may make to the Group. The Share Option Scheme became effective on 16 November 2017 and, unless otherwise cancelled or amended, would remain in force for 10 years from that date.

Eligible participants of the Share Option Scheme include any director, employee (full time or part time), consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company (“Affiliate”); (ii) the trustee of any trust the beneficiary of which or any discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate.

The maximum number of shares issuable under share options granted to each eligible participant in the Scheme (including both exercised and outstanding options) within any 12-month period is limited to 1% of the shares of the Company in issue. Any grant or further grant of share options in excess of this limit is subject to shareholders’ approval in a general meeting.

A grant of share options under the Scheme to a director, chief executive or substantial shareholder of the Company, or to any of their associates, is subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, which would result in the shares issued and to be issued, upon exercise of all options already granted and to be granted, to such person in the 12-month period up to and including the date of the grant in excess of 0.1% of the shares of the Company in issue and with an aggregate value (based on the closing price of the Company’s shares at the date of grant) in excess of HK\$5 million, are subject to shareholders’ approval in advance in a general meeting.

Subject to the Board discretion, the period of acceptance of offer of a grant of share options under the Scheme shall be not less than three business days and not longer than the remaining life of the Share Option Scheme. The offer shall be deemed accepted by the grantee upon non-refundable payment of HK\$1 in total by the grantee. The exercise period of the share options granted is determined by the directors, save that such a period shall not be more than 10 years from the date of offer of the share options. Unless otherwise determined by the directors at their sole discretion, there is no requirement of a minimum period for which an option must be held or a performance target which must be achieved before an option can be exercised.

The exercise price of the share options shall be not less than the highest of (i) the closing price of the Company’s shares as stated in the daily quotations sheet of the Stock Exchange on the date of offer of the share options; (ii) the average closing price of the Company’s shares as stated in the Stock Exchange’s daily quotations sheets for the five trading days immediately preceding the date of offer; and (iii) the nominal value of a share of the Company on the date of offer.

During the years ended 30 April 2026 and 2025, the Company did not grant any share option under the share option scheme.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

### 31. 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:

|                                 | Lease liabilities<br>HK\$'000 | Bank<br>borrowings<br>HK\$'000 | Total<br>HK\$'000 |
|---------------------------------|-------------------------------|--------------------------------|-------------------|
| At 1 May 2024                   | 2,929                         | 16,767                         | 19,696            |
| Financing cash flows:           |                               |                                |                   |
| Repayment of bank loans         | –                             | (9,060)                        | (9,060)           |
| Accrued interest                | 54                            | 631                            | 685               |
| Interest paid                   | (54)                          | (631)                          | (685)             |
| Addition of new lease           | 1,538                         | –                              | 1,538             |
| Repayment of lease liabilities  | (3,297)                       | –                              | (3,297)           |
| Addition of bank loans          | –                             | 8,538                          | 8,538             |
| Exchange realignment            | (334)                         | (704)                          | (1,038)           |
| At 30 April 2025 and 1 May 2025 | 836                           | 15,541                         | 16,377            |
| Financing cash flows:           |                               |                                |                   |
| Repayment of bank loans         | –                             | (16,530)                       | (16,530)          |
| Accrued interest                | 20                            | 430                            | 450               |
| Interest paid                   | (20)                          | (430)                          | (450)             |
| Repayment of lease liabilities  | (760)                         | –                              | (760)             |
| Exchange realignment            | 55                            | 989                            | 1,044             |
| At 30 April 2026                | 131                           | –                              | 131               |

### 32. MATERIAL RELATED PARTY TRANSACTIONS AND BALANCES

#### Compensation of key management personnel

The directors of the Company are identified as key management members of the Group and their compensation during the reporting period is set out in Note 11.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

### 33. FINANCIAL RISK MANAGEMENT

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations and in its investment activities. The financial risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

Financial risk management is coordinated at the Group's headquarters, in close co-operation with the board of directors. Overall objectives in managing financial risks focus on securing the Group's short to medium term cash flows by minimising its exposure to financial markets.

#### (a) Categories of financial assets and liabilities

|                                | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|--------------------------------|------------------|------------------|
| <b>Financial assets</b>        |                  |                  |
| At amortised cost:             |                  |                  |
| Trade receivables              | 1,043            | 619              |
| Deposits and other receivables | 1,292            | 1,426            |
| Cash and bank balance          | 888              | 16,106           |
|                                | <b>3,223</b>     | <b>18,151</b>    |
|                                |                  |                  |
|                                | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
| <b>Financial liabilities</b>   |                  |                  |
| At amortised cost:             |                  |                  |
| Trade payables                 | 264              | 3,504            |
| Accruals and other payables    | 12,476           | 9,752            |
| Lease liabilities              | 131              | 836              |
| Bank borrowings                | –                | 15,541           |
|                                | <b>12,871</b>    | <b>29,633</b>    |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 33. FINANCIAL RISK MANAGEMENT (Continued)

### (b) Currency risk

The Group operates in Hong Kong and the PRC with most of transactions denominated and settled in US\$, HK\$ and RMB. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. The management do not expect the net foreign currency risk from these activities to be significant and hence, the Group do not presently hedge the foreign exchange risks. The Group periodically review liquid assets and liabilities held in currencies other than the functional currencies of the respective subsidiaries to evaluate its foreign exchange risk exposure and will consider hedging significant foreign currency exposure should the need arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities at the end of the reporting period are as follows:

|        | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|--------|------------------|------------------|
| Assets |                  |                  |
| US\$   | 313              | 1,141            |
| RMB    | 51               | –                |
|        | 364              | 1,141            |

### Sensitivity analysis

As US\$ is pegged to HK\$, the Group does not expect any significant movement in the HK\$/US\$ exchange rate. No sensitivity analysis in respect of the Group's financial assets and liabilities denominated in US\$ is disclosed as in the opinion of directors of the Company.

Such sensitivity analysis does not give additional value in view of insignificant movement in the US\$/HK\$ exchange rates as the reporting dates.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 33. FINANCIAL RISK MANAGEMENT (Continued)

### (b) Currency risk (Continued)

#### **Sensitivity analysis (Continued)**

The Group's sensitivity to a 5% change in RMB against HK\$, represents management's assessment of the reasonably change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the reporting period for a 5% change in foreign currency rates. A positive number below indicates an increase in loss for the year where the relevant foreign currencies strengthen 5% against RMB. For a 5% weakening of the relevant foreign currency against RMB, there would be an equal and opposite impact on the loss for the year. The Group's post tax profit for the year would be increased/decreased by approximately HK\$2,500 (2025: HK\$Nil).

Sensitivity analysis of the Group's exposure to foreign currency risk at the end of each reporting period has been determined based on the assumed percentage changes in foreign currency exchange rates taking place at the beginning of the financial year and held constant throughout the years.

The stated changes represent management's assessment of reasonably possible changes in foreign exchange rates over the period until the end of next reporting period. The analysis is performed on the same basis for the reporting period.

### (c) Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from bank borrowings which bore interests at fixed interest rates. Bank borrowings bearing fixed rates expose the Group to fair value interest rate risk. The Group does not have a formulated policy to manage the interest rate risk but will closely monitor the interest rate risk exposure in the future.

### (d) Credit risk

It is the risk that a counterparty is unable to pay amount in full when due. It arises primarily from the Group's trade receivables. The Group limits its exposure to credit risk by rigorously selecting counterparties. The Group mitigates its exposure to risk relating to trade receivables by dealing with diversified customers with sound financial standing. The Group seeks to maintain strict control over its outstanding receivables and has a credit control policy to minimise credit risk. In addition, all receivables balances are monitored on an ongoing basis and overdue balances are followed up by senior management. The amounts presented in the consolidated statement of financial position are net of allowances for ECL, if any, estimated by the management based on prior experience and the current economic environment. The Group reviews the recoverable amount of each individual debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors believe that the credit risk is significantly reduced.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

### 33. FINANCIAL RISK MANAGEMENT (Continued)

#### (d) Credit risk (Continued)

The Group applies the simplified approach to provide ECL prescribed by HKFRS 9, which permits the use of the lifetime ECL provision for all trade receivables. To measure the ECL, trade receivables have been grouped based on shared credit risk characteristics. The Group has performed historical analysis and identified the key economic variables impacting credit risk and expected credit loss. It considers available reasonable and supportive forward-looking information. The Group also individually assessed the trade receivables when there is an event of default on the receivables.

|                                  | Trade receivables — day past due |            |            |             |              |                       | Total    |
|----------------------------------|----------------------------------|------------|------------|-------------|--------------|-----------------------|----------|
|                                  | No past due or within 30 days    | 31–60 days | 61–90 days | 91–180 days | 181–365 days | Individual assessment |          |
| At 30 April 2025                 |                                  |            |            |             |              |                       |          |
| ECL rate                         | N/A                              | N/A        | N/A        | 35.39%      | N/A          | 100%                  |          |
| Gross carrying amount (HK\$'000) | –                                | –          | –          | 958         | –            | 32,041                | 32,999   |
| Lifetime ECL (HK\$'000)          | –                                | –          | –          | (339)       | –            | (32,041)              | (32,380) |
|                                  | –                                | –          | –          | 619         | –            | –                     | 619      |

|                                  | Trade receivables — day past due |            |            |             |              |                       | Total    |
|----------------------------------|----------------------------------|------------|------------|-------------|--------------|-----------------------|----------|
|                                  | No past due or within 30 days    | 31–60 days | 61–90 days | 91–180 days | 181–365 days | Individual assessment |          |
| At 30 April 2026                 |                                  |            |            |             |              |                       |          |
| ECL rate                         | 4.68%                            | N/A        | N/A        | 20.25%      | N/A          | 100%                  |          |
| Gross carrying amount (HK\$'000) | 235                              | –          | –          | 1,027       | –            | 31,206                | 32,468   |
| Lifetime ECL (HK\$'000)          | (11)                             | –          | –          | (208)       | –            | (31,206)              | (31,425) |
|                                  | 224                              | –          | –          | 819         | –            | –                     | 1,043    |

As at 30 April 2026, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$1,027,000 (2025: HK\$958,000) which has been past due 90 days or more and is not considered as in default as the customers had long-term relationship with the Group and good repayment history.

The Group has a concentration of credit risk in certain individual customers. As at 30 April 2026, the five largest customer accounted for approximately 87.1% (2025: 76.4%) of trade receivables and the largest customer was accounted for approximately 23.9% (2025: 30.0%) of the Group's total trade receivables. The Group seeks to minimise its risk by dealing with counterparties which have good credit history. Majority of the trade receivables that are neither past due nor impaired have no default payment history.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 33. FINANCIAL RISK MANAGEMENT (Continued)

### (d) Credit risk (Continued)

#### *Other receivables and deposits*

For other receivables and deposits, the management makes periodic individual assessment on the recoverability of other receivables and deposits based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. The management believes 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 30 April 2026 and 2025, the Group assessed the ECL for other receivables and deposits amount to HK\$20,000 (2025: HK\$81,000). The expected credit loss rate for other receivables and deposits is 1.52% (2025: 5.37%).

#### *Pledged bank deposits and bank balance*

Credit risk on pledged bank deposits and bank balance is limited because the counterparties are reputable banks with high credit ratings assigned by international credit agencies. The Group assessed 12m ECL of pledged bank deposits and bank balance. Based on the average loss rates, it is insignificant and therefore no loss allowance was recognised.

### (e) Liquidity risk

The Group is exposed to minimal liquidity risk as a substantial portion of its financial assets and financial liabilities are due within one year and it can finance its operations from existing shareholders' funds and internally generated cash flows.

In the management of the liquidity risk, the Group monitors and maintains a level of cash and bank balances deemed adequate by management to finance the Group's operations and mitigate the effect of fluctuations in cash flows. Management monitors the utilisation of borrowings on a regular basis.

The following tables detail the Group's contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which the Group can be required to pay. The tables include both interest and principal cash flows.

|                                      | At 30 April 2026                 |                                       |                                                     |                                                       |                                       |                          |
|--------------------------------------|----------------------------------|---------------------------------------|-----------------------------------------------------|-------------------------------------------------------|---------------------------------------|--------------------------|
|                                      | Weighted average interest rate % | On demand or within one year HK\$'000 | More than one year but less than two years HK\$'000 | More than two years but less than five years HK\$'000 | Total undiscounted cash flow HK\$'000 | Carrying amount HK\$'000 |
| Non-derivative financial liabilities |                                  |                                       |                                                     |                                                       |                                       |                          |
| Trade payables                       | –                                | 264                                   | –                                                   | –                                                     | 264                                   | 264                      |
| Accruals and other payables          | –                                | 12,476                                | –                                                   | –                                                     | 12,476                                | 12,476                   |
| Lease liabilities                    | 3.91                             | 136                                   | –                                                   | –                                                     | 136                                   | 131                      |
|                                      |                                  | 12,876                                | –                                                   | –                                                     | 12,876                                | 12,871                   |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 33. FINANCIAL RISK MANAGEMENT (Continued)

### (e) Liquidity risk (Continued)

|                                      | At 30 April 2025                          |                                                |                                                                 |                                                                   |                                                |                                |
|--------------------------------------|-------------------------------------------|------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------|--------------------------------|
|                                      | Weighted<br>average<br>interest rate<br>% | On demand<br>or within<br>one year<br>HK\$'000 | More than<br>one year<br>but less than<br>two years<br>HK\$'000 | More than<br>two years<br>but less than<br>five years<br>HK\$'000 | Total<br>undiscounted<br>cash flow<br>HK\$'000 | Carrying<br>amount<br>HK\$'000 |
| Non-derivative financial liabilities |                                           |                                                |                                                                 |                                                                   |                                                |                                |
| Trade payables                       | –                                         | 3,504                                          | –                                                               | –                                                                 | 3,504                                          | 3,504                          |
| Accruals and other payables          | –                                         | 9,752                                          | –                                                               | –                                                                 | 9,752                                          | 9,752                          |
| Lease liabilities                    | 3.91                                      | 734                                            | 127                                                             | –                                                                 | 861                                            | 836                            |
| Bank borrowings                      |                                           |                                                |                                                                 |                                                                   |                                                |                                |
| — fixed-rate                         | 3.85                                      | 9,248                                          | 6,899                                                           | –                                                                 | 16,147                                         | 15,541                         |
|                                      |                                           | 23,238                                         | 7,026                                                           | –                                                                 | 30,264                                         | 29,633                         |

### (f) Fair value measurements

The carrying amount of financial assets and liabilities carried at amortised cost, approximate their respective fair values due to the relatively short-term nature of these financial instruments.

For financial reporting purpose, fair value measurement 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 input to the fair value measurements in its entirety.

The table below gives the information about how the fair value of these financial assets and financial liabilities that are measured at fair value on a recurring basis are determined (in particular, the valuation technique(s) and inputs used). The different level are defined as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active market for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liability that are not based on observable market data (unobservable inputs).

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 34. STATEMENTS OF FINANCIAL POSITION AND CHANGE THE EQUITY OF THE COMPANY

### (a) Statement of Financial Position

|                                         | Notes | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-----------------------------------------|-------|------------------|------------------|
| <b>Current assets</b>                   |       |                  |                  |
| Amounts due from subsidiaries (Note)    |       | 4,288            | 6,674            |
|                                         |       | 4,288            | 6,674            |
| <b>Current liability</b>                |       |                  |                  |
| Accruals                                |       | 7,367            | 5,876            |
|                                         |       | 7,367            | 5,876            |
| <b>Net current (liabilities)/assets</b> |       | (3,079)          | 798              |
| <b>Net (liabilities)/assets</b>         |       | (3,079)          | 798              |
| <b>Equity</b>                           |       |                  |                  |
| Share capital                           | 28    | 5,000            | 5,000            |
| Reserves                                |       | (8,079)          | (4,202)          |
| <b>Total equity</b>                     |       | (3,079)          | 798              |

Note: The amounts due from subsidiaries are non-trade nature, unsecured, interest-free and repayable on demand.

The financial statements were approved and authorised for issue by the Board of Directors on 31 August 2026 and are signed on its behalf by:

Shiu Kwok Leung  
Director

Shao Chiliang  
Director

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 April 2026

## 34. STATEMENTS OF FINANCIAL POSITION AND CHANGE THE EQUITY OF THE COMPANY *(Continued)*

### (b) Reserves of the Company

|                                                | Share premium<br>HK\$'000 | Accumulated losses<br>HK\$'000 | Total<br>HK\$'000 |
|------------------------------------------------|---------------------------|--------------------------------|-------------------|
| At 1 May 2024                                  | 41,901                    | (43,657)                       | (1,756)           |
| Loss and total comprehensive loss for the year | –                         | (2,446)                        | (2,446)           |
| At 30 April 2025 and 1 May 2025                | 41,901                    | (46,103)                       | (4,202)           |
| Loss and total comprehensive loss for the year | –                         | (3,877)                        | (3,877)           |
| At 30 April 2026                               | 41,901                    | (49,980)                       | (8,079)           |

## 35. CAPITAL MANAGEMENT

The Group's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide an adequate return to shareholders by pricing goods commensurately with the level of risk.

The Group activity and regularly reviews its capital structure and makes adjustments in light of changes in economic conditions. The Group monitors its capital structure on the basis of the net debt to equity ratio. For this purpose, debt is defined as bank borrowings and lease liabilities. In order to maintain or adjust the ratio, the Company may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

No changes were made to the objectives, policies or processes for managing capital during the years ended 30 April 2026 and 2025.

The Group's net debt to equity ratio at the reporting period was as follows:

|                              | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------------|------------------|------------------|
| Debt (Note 1)                | 131              | 16,377           |
| Less: Cash and bank balances | (888)            | (16,106)         |
| Net cash                     | (757)            | 271              |
| Total equity                 | 10,495           | 15,957           |
| Net debt to equity ratio     | Nil              | 1.7%             |

Note:

(1) Debt comprises bank borrowings and lease liabilities as detailed in Notes 26 and 27 respectively.

## 36. MAJOR NON-CASH TRANSACTIONS

During the year end 30 April 2026, the Group had no major non-cash transaction being noted.

## 37. EVENT AFTER REPORTING PERIOD

There were no significant events after the reporting period up to the date of this report.

## 38. APPROVAL FOR ISSUE OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issued by the board of directors on 31 August 2026.

## FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is as follows.

| RESULTS                       | Year ended 30 April |                  |                  |                  |                  |
|-------------------------------|---------------------|------------------|------------------|------------------|------------------|
|                               | 2022<br>HK\$'000    | 2023<br>HK\$'000 | 2024<br>HK\$'000 | 2025<br>HK\$'000 | 2026<br>HK\$'000 |
| Revenue                       | 149,918             | 70,562           | 33,137           | 26,440           | 24,468           |
| (Loss)/Profit before taxation | 6,419               | (69,772)         | (32,146)         | (44,905)         | (4,368)          |
| Taxation                      | (752)               | (163)            | –                | –                | –                |
| (Loss)/Profit for the year    | 5,667               | (69,935)         | (32,146)         | (44,905)         | (4,368)          |

| ASSETS AND LIABILITIES  | At 30 April      |                  |                  |                  |                  |
|-------------------------|------------------|------------------|------------------|------------------|------------------|
|                         | 2022<br>HK\$'000 | 2023<br>HK\$'000 | 2024<br>HK\$'000 | 2025<br>HK\$'000 | 2026<br>HK\$'000 |
| Current assets          | 199,637          | 130,306          | 99,047           | 51,106           | 27,494           |
| Non-current assets      | 31,842           | 8,474            | –                | 820              | 126              |
| Total assets            | 231,479          | 138,780          | 99,047           | 51,926           | 27,620           |
| Current liabilities     | 45,388           | 37,298           | 28,261           | 29,207           | 17,125           |
| Non-current liabilities | 15,877           | 3,062            | 7,087            | 6,762            | –                |
| Total liabilities       | 61,265           | 40,360           | 35,348           | 35,969           | 17,125           |
| Net assets              | 170,214          | 98,420           | 63,699           | 15,957           | 10,495           |

Note:

The summary above does not form part of the audited consolidated financial statements.