Super Strong Holdings Limited

(incorporated in the Cayman Islands with limited liability)

Stock Code: 8262

ANNUAL REPORT

2026



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*This report, for which the directors (the "**Directors**") of Super Strong 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. Kwok Tung Keung *(Chairman)*
Mr. Tam Brown Lun
Ms. Wong Hui Yu
Ms. Kwok Pui Sze

Independent Non- Executive Directors

Mr. Leung Tze Wai
Ms. Fung Yuk Yiu
Mr. Cheng Wai Man Clement

BOARD COMMITTEE

Audit Committee

Mr. Leung Tze Wai *(Chairman)*
Ms. Fung Yuk Yiu
Mr. Cheng Wai Man Clement

Remuneration Committee

Mr. Leung Tze Wai *(Chairman)*
Mr. Kwok Tung Keung
Ms. Fung Yuk Yiu
Mr. Cheng Wai Man Clement

Nomination Committee

Mr. Kwok Tung Keung *(Chairman)*
Mr. Leung Tze Wai
Ms. Fung Yuk Yiu
Mr. Cheng Wai Man Clement

COMPANY SECRETARY

Ms. Wong Hui Yu

AUTHORISED REPRESENTATIVES

Mr. Kwok Tung Keung
Ms. Wong Hui Yu

AUDITOR

ZHONGHUI ANDA CPA Limited
Certified Public Accountants

LEGAL ADVISER

As to Hong Kong Law
S.K. Wong & Co.
Solicitors, Hong Kong

REGISTERED OFFICE

Maples Corporate Services Limited
PO Box 309, Ugland House
Grand Cayman KY1-1104
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 1101, 11/F
33 Hung To Road, Kwun Tong
Kowloon, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Maples Fund Services (Cayman) Limited
PO Box 1093
Boundary Hall
Cricket Square Grand Cayman KY1-1102
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Union Registrars Limited
Suites 3301-04, 33/F.
Two Chinachem Exchange Square
338 King's Road, North Point
Hong Kong

PRINCIPAL BANKERS

Hang Seng Bank Limited
Bank of China (Hong Kong) Limited
OCBC Wing Hang Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Bank of Communications (Hong Kong) Limited

COMPANY WEBSITE

www.wmcl.com.hk
(information of this website does not form part of this report)

STOCK CODE

08262

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors of the Company and its subsidiaries (collectively, the "**Group**"), I am pleased to present the annual report for the year under review.

The local economy demonstrated steady recovery in the first half of 2026, supported by broader global economic stabilization. Easing interest rates and supportive government policy initiatives catalyzed a sustained rebound in transaction activity and home prices within the local residential property market, serving to rebuild market confidence.

While the competitive landscape in the construction industry remains challenging, the improving macroeconomic outlook offers selective opportunities for growth. The Group will continue to exercise disciplined evaluation of potential projects, maintaining a prudent balance between operational risk and commercial return. In parallel, we remain committed to exploring strategic investments and partnerships that align with our long-term objectives and deliver sustainable value to our shareholders. Looking ahead, we maintain a cautiously optimistic outlook on the Group's business prospects as we navigate this evolving market landscape.

Looking ahead, we are optimistic about the prospects for the Group as we navigate this evolving market landscape. With a clear strategic focus and a commitment to excellence, we are well-positioned to capitalize on emerging opportunities while ensuring resilience in the face of challenges.

On behalf of the Board, I would like to express our gratitude for your continued trust and support as we work to deliver lasting success for the Group.

Super Strong Holdings Limited
Kwok Tung Keung
Chairman

Hong Kong, 29 September 2026

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

During the Reporting Period, the Group actively pursued business opportunities and submitted 17 tenders for construction projects with an aggregate value of approximately HK$532 million. Adopting a disciplined and risk-conscious approach, we prioritised tenders offering reasonable profit margins, thereby providing a stable foundation for sustainable operations. Although the competitive landscape and the softening property market in Hong Kong presented challenges, we successfully secured new projects with a total contract sum of approximately HK$235 million, demonstrating our ability to operate effectively in a complex market environment.

The Group remained focused on a key project with a contract sum of approximately HK$190 million, which commenced in the previous financial year. Progress during the Reporting Period remained steady and on schedule, reflecting our strong execution capabilities and effective project management. We also maintained close supervision of projects that had been substantially completed in prior years to ensure timely finalisation and uphold our reputation for quality and reliability.

During the Reporting Period, the Group's financial position remained robust, supported by a healthy balance sheet and a relatively low gearing ratio. This sound financial footing enhanced our capacity to withstand short-term market fluctuations while preserving flexibility to pursue growth as conditions improve. Prudent capital management continued to be a core strength, enabling the Group to respond swiftly and strategically to changing market conditions.

The Directors recognise that the performance of the construction sector is closely linked to developments in the Hong Kong property market. Encouragingly, recent macroeconomic trends suggest gradual stabilisation. Property prices have shown signs of levelling off, while interest rates have remained relatively stable, contributing to improved market sentiment. At the same time, the Hong Kong Government's sustained commitment to land supply, public housing programmes and infrastructure investment is expected to support demand for construction services over the medium to long term. These initiatives provide a favourable backdrop for industry recovery and create a supportive environment for well-positioned contractors.

Looking ahead, the Board remains cautiously optimistic about the gradual recovery of the property sector and its positive impact on the construction industry. As public housing projects and infrastructure investments continue to gain momentum, the Group is well placed to capture suitable business opportunities. While industry competition remains intense, we believe our sound financial position, operational agility and market expertise will enable us to succeed in this evolving landscape.

The Directors will continue to adopt a forward-looking approach, carefully assessing potential projects to ensure alignment with our long-term objectives. By focusing on our core competencies, pursuing high-quality projects and maintaining our commitment to operational excellence, the Group is well positioned to manage challenges and support long-term growth. We remain dedicated to creating sustainable value for our shareholders while contributing to the development of Hong Kong's construction and property sectors.

BUSINESS MODEL

The Group is principally engaged in general building works and specialist building works in Hong Kong. It generally acts as main contractor and delegates works to subcontractors under supervision of its project management team. The Group secures projects from customers through tendering process, pursuant to which it is invited to submit tenders. It primarily derives revenue from projects for customers in the private sector, and receives progress payments from customers based on the site work done, pursuant to the contracts for the relevant projects.

FINANCIAL REVIEW

Revenue

Our revenue decreased from approximately HK$98.2 million for the year ended 30 June 2025 to approximately HK$73.6 million for the year ended 30 June 2026, representing a decrease of approximately 25.0%. This decrease was mainly due to a decline in construction orders taken up during the year.

MANAGEMENT DISCUSSION AND ANALYSIS

Direct Cost
Our direct costs decreased from approximately HK$90.6 million for the year ended 30 June 2025 to approximately HK$61.8 million for the year ended 30 June 2026, representing a decrease of approximately 31.8%. This decrease was in line with the decline in revenue and also reflects the intense market competition.

Gross Profit
The Group's gross profit increased by approximately 55.0%, from approximately HK$7.6 million for the year ended 30 June 2025 to approximately HK$11.8 million for the year ended 30 June 2026. This increment was primarily attributable to the drop in direct costs exceeded the decline in revenue. Consequently, the gross profit margin also increased from approximately 7.7% for the year ended 30 June 2025 to approximately 16.0% for the year ended 30 June 2026, reflecting the effectiveness of cost control measures.

Administrative Expenses
The Group's administrative expenses decreased by approximately 14.0%, from approximately HK$18.5 million for the year ended 30 June 2025 to approximately HK$15.9 million for the year ended 30 June 2026. This reduction was mainly attributable to a decrease in depreciation and total staff costs.

Other Income, Gains and (Losses)
The Group's other losses increased from approximately HK$2.2 million for the year ended 30 June 2025 to approximately HK$4.7 million for the year ended 30 June 2026, representing a significant increase of approximately 114.2%. This increase was primarily attributable to the impairment loss on investment in an associate and provision for allowance for bad and doubtful debts related to trade receivables.

Income Tax (Expense)/Credit
The Group recorded an income tax expense of approximately HK$26,000 for the year ended 30 June 2026, compared with an income tax credit of approximately HK$9,000 for the year ended 30 June 2025. The change was primarily attributable to a reduction in deferred tax credits.

Loss and Total Comprehensive Expense for the Year Ended 30 June 2026
Loss and total comprehensive expense for the year was approximately HK$6.9 million for the year ended 30 June 2026 (30 June 2025: approximately HK$10.3 million). The reduction in loss was primarily attributable to the net effect of (i) a decrease in administrative expenses; (ii) an increase in gross profit; and (iii) impairment loss on investment in an associate for the year ended 30 June 2026.

LIQUIDITY AND FINANCIAL RESOURCES
The Group continued to maintain a healthy liquidity position during the year ended 30 June 2026. As at 30 June 2026, the Group held bank balances and cash of approximately HK$25.5 million (30 June 2025: approximately HK$22.8 million). There were no outstanding interest-bearing borrowings as at 30 June 2026 (30 June 2025: Nil), and the current ratio improved to approximately 2.5 times as at 30 June 2026 (30 June 2025: approximately 2.4 times).

As at 30 June 2026, the Group had total assets of approximately HK$92.4 million (30 June 2025: approximately HK$105.6 million), which was financed by total liabilities and shareholders' equity of approximately HK$22.9 million (30 June 2025: approximately HK$29.2 million) and approximately HK$69.5 million (30 June 2025: approximately HK$76.4 million), respectively.

GEARING RATIO
The gearing ratio is calculated as total loans and borrowings (interest-bearing bank borrowings) divided by total equity as at the respective reporting date. As at 30 June 2026, the Group had no outstanding interest-bearing borrowings, resulting in a gearing ratio of nil (30 June 2025: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

TREASURY POLICY
The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the year ended 30 June 2026. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

PLEDGE OF ASSETS
As at 30 June 2026, the Group pledged its deposits paid for a life insurance policy with an aggregate net book value of approximately HK$9.4 million (30 June 2025: approximately HK$9.4 million) as collateral to secure bank facilities (2025: bank facilities) granted to the Group. In addition, the Group pledged cash deposits of approximately HK$20.0 million (30 June 2025: approximately HK$20.0 million) to secure performance bonds granted by third parties.

Save as disclosed above, the Group did not have any charges on its assets.

FOREIGN EXCHANGE EXPOSURE
The Group's monetary assets, liabilities and transactions are principally denominated in Hong Kong Dollars. For the year ended 30 June 2026, there was no significant exposure to foreign exchange rate fluctuations and the Group had not maintained any hedging policy against the foreign currency risk. The management will consider hedging significant currency exposure should the need arise.

CAPITAL STRUCTURE
As at 30 June 2026, the Company's issued share capital was HK$9,232,900 (30 June 2025: HK$9,232,900) and the number of its issued ordinary shares was 923,290,000 (30 June 2025: 923,290,000) of HK$0.01 each.

COMMITMENTS
As at 30 June 2026, the Group did not have any capital commitment (30 June 2025: HK$Nil).

SEGMENT INFORMATION
Segmental information is presented for the Group as disclosed on note 6 to the consolidated financial statements.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS
The Group did not have any plans for material investments or capital assets as of 30 June 2026.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES
The Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures during the year ended 30 June 2026.

EVENTS AFTER THE REPORTING PERIOD
Save as disclosed elsewhere in this annual report, the Group has no significant events after the reporting period.

FUND RAISING ACTIVITY
The Group did not conduct any equity fund raising activities during the year ended 30 June 2026.

CONTINGENT LIABILITIES
Performance guarantee is given by banks and third parties in favour of the Group's customers as security for the due performance and observance of the Group's obligations under contracts entered into between the Group and their customers for construction work. The Group has contingent liabilities to indemnify the banks and the third parties for any claims from customers under the guarantee due to the failure of the Group's performance.

MANAGEMENT DISCUSSION AND ANALYSIS

At 30 June 2026 and 30 June 2025, no performance guarantee is given by banks.

At 30 June 2026, performance guarantees of approximately HK$42,530,000 (30 June 2025: HK$42,530,000) are given by third parties. Performance guarantees of approximately HK$20,000,000 (30 June 2025: HK$20,000,000) were secured by the Group's cash deposits, which will be released upon completion of the contract works.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2026, the Group employed a total of 27 employees (30 June 2025: 29 employees). The staff costs, including Directors' emoluments, of the Group were approximately HK$17.8 million for the year ended 30 June 2026 (30 June 2025: approximately HK$18.7 million).

The Group promotes individuals based on their performance and development potential in the positions held. In order to attract and retain high quality staff, competitive remuneration package is offered to employees (with reference to market norms and individual employees' performance, qualification and experience). On top of basic salaries, bonuses may be paid with reference to the Group's performance as well as individual's performance. Other staff benefits include provision of retirement benefits, medical benefits and sponsorship of training courses. Share options or share awards may also be granted to eligible employees by reference to the Group's performance as well as individual contribution.

SIGNIFICANT INVESTMENTS HELD

Except for investment in its associate and subsidiaries, the Group did not hold any significant investments during the year ended 30 June 2026.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group's key risk exposures are summarised as follows:

(i) We may not be able to sustain growth rate and profit margin similar to those we achieved in the past, or maintain our cash flow position or financial performance in the future

(ii) Our business relies on successful tenders that determine the award of our projects contracts and is non-recurring in nature

(iii) We rely on subcontractors to help complete our projects and to supply the machinery required

(iv) The price of our variation works may not be clearly determined

(v) We are exposed to our customers' credit risks and our liquidity position may be adversely affected if our customers fail to make payment on time or in full

(vi) We rely on a limited number of major customers

For other risks and uncertainties facing the Group, please refer to the section headed "Risk Factors" in the Prospectus.

COMPLIANCE WITH LAWS AND REGULATIONS

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Company and its subsidiaries during the year ended 30 June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

RELATIONSHIP WITH CUSTOMERS, SUPPLIERS, SUBCONTRACTORS AND EMPLOYEES

Customers

The Group provides general building and specialised building services to customers from both the public and private sectors in Hong Kong. The majority of our revenue was derived from projects for customers in the private sector, and our major customers include companies engaged in property investment and development, social service organisation. During the year ended 30 June 2026, the Directors consider that the Group does not rely on any single customer. The Group has had business relationship with most of the top 5 customers ranging from 1 year to over 10 years and is being invited to tender or quote from time to time.

Suppliers and Subcontractors

During the year ended 30 June 2026, the Group (i) purchased construction materials used in the construction sites from suppliers; (ii) purchased other miscellaneous goods for the construction sites from suppliers; and (iii) engaged subcontractors to perform the construction works to enable the Group to continue to carry on its business.

The Group maintains an internal list of approved subcontractors and suppliers, for each categories of building works and materials where the list is updated on a continuous basis. While engaging subcontractors, the Group generally selects the most suitable subcontractor from the approved list based on their relevant skill sets and experience, subject to their availability and fee quotations.

The Group generally maintains multiple suppliers and subcontractors for products and services to avoid over- reliance on a few suppliers and subcontractors and did not experience any material difficulties in sourcing materials from suppliers or assigning subcontractors during the year ended 30 June 2026. The Group did not have any significant disputes with any of its top five suppliers and subcontractors during the year ended 30 June 2026.

Employees

The Group recognises employees as valuable assets of the Group and during the year ended 30 June 2026, the Group has complied with the applicable labour laws and regulations and regularly reviewed the existing staff benefits for improvement. The Group intends to use its best effort to attract and retain appropriate and suitable personnel to serve the Group. The objective of the Group's human resource management is to reward and recognise performing staff by providing an attractive remuneration package. The Group determines the salary of its employees mainly based on each employee's qualifications, relevant experience, position and seniority. The Group conducts annual review on salary raises, bonuses and promotions based on the performance of each employee.

The Directors consider that the Group has maintained good relationship with its employees. The Group has not experienced any strikes, work stoppages or labour disputes which affected its operations during the year ended 30 June 2026. The Directors also consider that the relationship and co-operation between the management team and the employees have been good during the year ended 30 June 2026.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to the long-term sustainability of the environments and communities in which it operates. Acting in an environmentally responsible manner is a key priority for the Group. The Group endeavors to comply with all applicable environmental protection laws and regulations. It also actively adopts measures to promote the efficient use of resources, energy conservation, and waste reduction. This includes implementing green office practices such as redeploying furniture, encouraging the use of recycled paper, double-sided printing, and reducing energy consumption by switching off idle equipment.

Furthermore, the Group is dedicated to the principle and practice of recycling and waste minimization across its operations. These efforts are aimed at preserving natural resources and mitigating the Group's environmental footprint. By embedding sustainability into its business practices, the Group is working to create long term value for its stakeholders while fulfilling its responsibility as a corporate citizen. The Group remains steadfast in its commitment to environmental stewardship and supporting the well-being of the communities it serves.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. Kwok Tung Keung (郭棟強) ("Mr. Kwok"), aged 67, is our Chairman and executive Director. He was appointed as an executive Director and the Chairman of the Board since 21 December 2015. Mr. Kwok is responsible for all of the operational aspects of our Group, and is responsible for the daily operation of construction business and formulation of business development strategies of our Group. He is the co-founder and director of W.M. Engineering Company Limited. Mr. Kwok is also a shareholder and director of Best Brain Investments Limited, the controlling shareholder of the Company.

Mr. Kwok has over 40 years of experience in the civil engineering industry. Mr. Kwok gained sound knowledge in civil engineering and commercial management during his extensive experience in the field. Mr. Kwok joined W.M. Construction Limited ("**WM Construction**") in July 1993 as a project manager. He was later appointed as the managing director of WM Construction from July 1999 onwards and finally became the sole shareholder of WM Construction on 30 April 2005.

Mr. Kwok obtained a Bachelor of Science in Building Construction & Management degree from the University of Reading in the United Kingdom in July 1984. He is also a fellow member of Hong Kong Institute of Construction Managers.

Mr. Tam Brown Lun (譚秉麟) ("Mr. Tam"), aged 64, was appointed as our executive Director on 12 January 2024.

Mr. Tam obtained a Bachelor of Science with Honours degree in Building Technology from University of Manchester in the United Kingdom in 1983. He is currently a member of Royal Institution of Chartered Surveyors, a member of Hong Kong Institute of Construction Managers and a member of Chartered Institute of Building.

Mr. Tam has over 40 years of experience in the construction industry including developers, consultants and contractors. He joined WM Construction, a wholly owned subsidiary of the Company, in 2018 and is currently a senior project manager of the Subsidiary.

Ms. Wong Hui Yu (黃煦榆) ("Ms. Wong"), aged 32, was appointed as our non-executive Director on 12 January 2024 and re-designated as our executive Director on 12 April 2024. She was also appointed as our Company Secretary on 12 April 2024.

Ms. Wong obtained a Bachelor of Arts with Honours degree in Business Administration from Coventry University in the United Kingdom and a Master of Corporate Governance degree from The Hong Kong Polytechnic University respectively. She is currently a fellow member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

Ms. Wong has over 10 years of experience in business administration in construction industry. She joined WM Construction, a wholly owned subsidiary of the Company in 2016 and currently a company secretary of the Subsidiary.

Ms. Kwok Pui Sze (郭佩詩) ("Ms. Kwok"), aged 39, was appointed as our executive Director on 12 April 2024. Ms. Kwok obtained a Bachelor of Social Sciences with Honours degree from Lingnan University and a Master of Corporate Governance degree from The Hong Kong Polytechnic University respectively.

Ms. Kwok has extensive experience in business administration and operation management. She is currently the Chief Administrative Officer of an educational training group offering superior educational training to clients in Hong Kong and the broader Asian region.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Leung Tze Wai (梁子煒) ("Mr. Leung"), aged 43, was appointed as our independent non-executive Director on 12 January 2024.

Mr. Leung holds a Bachelor of Commerce degree in Accounting from the University of Adelaide in Australia. He is currently a member of the Hong Kong Institute of Certified Public Accountants and a member of the CPA Australia.

Mr. Leung has over 18 years of experience in the accounting and company secretarial field. Mr. Leung served as chief financial officer and company secretary of various companies listed on the Stock Exchange. He is the company secretary of certain companies listed on GEM of the Stock Exchange. He is currently an independent non-executive director of hmvod Limited (stock code: 8103), which is listed on GEM of the Stock Exchange.

Ms. Fung Yuk Yiu (馮鈺堯) ("Ms. Fung"), aged 32, was appointed as our independent non-executive Director on 31 May 2024.

Ms. Fung obtained a Bachelor of Business Administration degree in Accountancy from The Hong Kong Polytechnic University in September 2016. She is a member of the Hong Kong Institute of Certified Public Accountants.

Ms. Fung has over ten years of experience in auditing, accounting and financial management. She is the company secretary of certain companies listed on GEM Board of the Stock Exchange.

Mr. Cheng Wai Man Clement (鄭渭文) ("Mr. Cheng"), aged 67, was appointed as our independent non-executive Director on 31 May 2024.

Mr. Cheng obtained a Bachelor of Science degree in Civil Engineering from the University of Manitoba in Canada in May 1981 and a Master of Business Administration degree from The Chinese University of Hong Kong in December 1987. Mr. Cheng was admitted as a graduate member of the Hong Kong Institution of Engineers in November 1983.

From 1982 to 1987, he worked for the Hong Kong branch of Mott, Hay & Anderson, being a renowned consulting engineering firm based in England. Besides, he served as a part-time lecturer delivering evening courses relating to project management at The Hong Kong Polytechnic University from 1982 to 1983. Since 1987, he has been holding senior positions in managing and overseeing the operation of companies principally engaged in, among others, the printing and publishing business, the medical and healthcare related business as well as the equity and property investment.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT

The following are the senior management team of our Group:

Mr. Wong Che Keung Andy (黃自強) ("Mr. Wong"), aged 59, joined WM Construction in August 1995 as a Quantity Surveyor. In June 1997, he left WM Construction temporarily, and re-joined WM Construction in March 2014 as a Contracts Manager.

Mr. Wong has over 25 years of experience in surveying works. Mr. Wong obtained a Bachelor of Science in Quantity Surveying degree from the London South Bank University in July 1994, and a Master of Science in Construction and Real Estate degree from the Hong Kong Polytechnic University in December 2007. He was elected a Professional Member of the Royal Institution of Chartered Surveyors in September 2007, and was admitted as a Member of the Australian Institute of Building in September 2007, a Member of the Chartered Institute of Building in October 2007, a Member of Hong Kong Institute of Construction Managers in December 2008. He was elected as a Member of the Hong Kong Institute of Surveyors in July 2009, and became a Registered Professional Surveyor in October 2010.

Mr. Lee Kai Man (李啟民) ("Mr. Lee"), aged 51, joined WM Construction in May 2001 as a Quantity Surveyor, and was promoted to the position of a Quantity Surveyor Manager in April 2012. He obtained a Higher Diploma in Building from the City University of Hong Kong in November 1997, and has over 20 years of experience in building works. Before joining our Group in May 2001, he served with Nishimatsu Construction Co., Ltd. as an Assistant Quantity Surveyor from September 1998 to May 2000 and served with To's Universe Construction Co., Ltd as a Quantity Surveyor from May 2000 to May 2001.

CORPORATE GOVERNANCE REPORT

Pursuant to Rule 18.44(2) of the GEM Listing Rules, the Board is pleased to present hereby the corporate governance report of the Company for the year ended 30 June 2026.

The Directors and the management of the Group recognise the importance of sound corporate governance to the long-term success and continuing development of the Group. Therefore, the Board is committed to upholding good corporate standards and procedures, so as to improve the accountability system and transparency of the Group, protect the interests and create value for shareholders of the Company.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code (the "**CG Code**") in Appendix C1 of the GEM Listing Rules.

During the year ended 30 June 2026 and up to the date of this annual report, save for the deviation from code provision C.2.1 of the CG Code as explained below, the Company has applied the principles and complied with all the applicable code provisions of the CG Code contained in Appendix C1 to the GEM Listing Rules.

BOARD OF DIRECTORS

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

Corporate Governance Functions

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

1. to develop and review the policies and practices on corporate governance of the Group and make recommendations;

2. to review and monitor the training and continuous professional development of the Directors and senior management;

3. to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;

4. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to the Directors and employees; and

5. to review the Company's compliance with the CG Code and disclosure in the corporate governance report of the Company.

CORPORATE GOVERNANCE REPORT

Composition of the Board

The following table sets out the composition of the Board during the year ended 30 June 2026 and up to the date of this annual report, together with each Director's date of first appointment, length of tenure and current period of appointment as at 30 June 2026.

Name	Date of first appointment	Length of tenure (Years) *(approx.)*	Current period of appointment (since last re-election *(Note 1)*)
Executive Directors			
Mr. Kwok Tung Keung *(Chairman)*	21 December 2015	10.5	0.5
Mr. Tam Brown Lun	12 January 2024	2.5	0.5
Ms. Wong Hui Yu	12 January 2024 *(Note 2)*	2.5	0.5
Ms. Kwok Pui Sze	12 April 2024	2.0	0.5
Independent Non-Executive Directors			
Mr. Leung Tze Wai	12 January 2024	2.5	0.5
Ms. Fung Yuk Yiu	31 May 2024	2.0	0.5
Mr. Cheng Wai Man Clement	31 May 2024	2.0	0.5

Notes:

1. Directors were re-elected by shareholders at respective annual general meetings.

2. Ms. Wong Hui Yu was appointed as a non-executive Director on 12 January 2024 and re-designated as an executive Director on 12 April 2024.

Pursuant to rule 5.05(1) of the GEM Listing Rules, the Board consisted of three INEDs during the year ended 30 June 2026, with at least one INED possessing professional qualifications or accounting or related financial management expertise. During the year ended 30 June 2026 and up to the date of this report, the number of INEDs represents at least one-third of the Board as required under the GEM Listing Rules. As such, there is a strong independent element in the Board to provide independent judgement.

In accordance with code provision B.2.2 of the CG Code, the Company has entered into a letter of appointment with each of the INEDs under which each INED is appointed for a specific term, subject to re-election. The independent non-executive Director, Mr. Leung Tze Wai has entered into a letter of appointment with the Company for a term of two years commencing from 12 January 2024. The independent non-executive Director, Ms. Fung Yuk Yiu has entered into a letter of appointment with the Company for a term of two years commencing from 31 May 2024. The independent non-executive Director, Mr. Cheng Wai Man Clement has entered into letter of appointment with the Company for a term of two years commencing from 31 May 2024. The service contracts and letters of appointment are subject to termination in accordance with their respective terms. The service contracts may be renewed in accordance with our articles of association and the applicable GEM Listing Rules.

Pursuant to Article 16.19 of the articles of association of the Company (the "**Articles**"), one-third of the Directors shall retire from office by rotation at each annual general meeting and every Director shall be subject to retirement by rotation at least once every 3 years. However, a retiring Director shall be eligible for re-election.

CORPORATE GOVERNANCE REPORT

Specific enquiry has been made by the Company to each of the INEDs to confirm their independence pursuant to rule 5.09 of the GEM Listing Rules. In this connection, the Company has received annual confirmations from all of the three INEDs. Based on the confirmations received, the Company considers all the INEDs to be independent under the GEM Listing Rules.

Saved as disclosed below and in the section "Biographical Details of Directors and Senior Management" in this annual report, there is no financial, business, family or other material or relevant relationship among members of the Board and senior management.

Board and General Meetings

For the year ended 30 June 2026, 6 board meetings were held. The annual general meeting (the "**AGM**") was held on 19 December 2025.

The attendance record of each Director at the Board meeting and the AGM is set out in the table below:

	Number of attendance/ number of meetings (Note)	Attendance of the AGM (Note)
Executive Directors		
Mr. Kwok Tung Keung *(Chairman)*	6/6	1/1
Mr. Tam Brown Lun	6/6	1/1
Ms. Wong Hui Yu	6/6	1/1
Ms. Kwok Pui Sze	6/6	1/1
Independent Non- Executive Directors		
Mr. Leung Tze Wai	6/6	1/1
Ms. Fung Yuk Yiu	6/6	1/1
Mr. Cheng Wai Man Clement	6/6	1/1

Note: Attendances of the Directors during the year ended 30 June 2026 were made by reference to the number of such meeting(s) held during their respective tenures.

RELATIONSHIPS AMONG THE MEMBERS OF THE BOARD

Mr. Kwok is the executive Director and the controlling shareholder with the meaning ascribed thereto under the GEM Listing Rules. The biographical details of each of the Directors are set out in the section headed "Biographical Details of Directors and Senior Management" of this annual report.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors in respect of the shares of the Company (the "**Code of Conduct**"). The Company has made specific enquiry to all Directors, and all Directors have confirmed that they have fully complied with the relevant required standard of dealings set out in the Code of Conduct during the year ended 30 June 2026.

CORPORATE GOVERNANCE REPORT

DIRECTORS' CONTINUING PROFESSIONAL DEVELOPMENT PROGRAMME

Pursuant to the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. The Group acknowledges the importance of continuing professional development for the Directors for a sound and effective internal control system and corporate governance. In this regard, the Group has always encouraged our Directors to attend relevant training courses to receive the latest news and knowledge regarding corporate governance.

During the year ended 30 June 2026, all Directors have participated in continuous professional development ("**CPD**") to develop and refresh their knowledge and skills as required under 5.02F and 5.02G of the GEM Listing Rules, by attending (1) external training, (2) internal training and/or (3) self-study, covering each of the following five specified topics:

(A) Board and directors' duties – the roles, functions and responsibilities of the board, its committees and directors, and board effectiveness;

(B) GEM Listing Rules and Hong Kong law compliance – the issuers' obligations and directors' duties under Hong Kong law and the GEM Listing Rules, and key legal and regulatory developments (including GEM Listing Rule updates) relevant to the discharge of such obligations and duties;

(C) Corporate governance and environmental, social and governance ("**ESG**") – corporate governance and ESG matters (including developments on sustainability or climate-related risks and opportunities relevant to the Company and its business);

(D) Risk management and internal controls; and

(E) Industry and business updates – updates on industry-specific developments, business trends and strategies relevant to the Company.

CORPORATE GOVERNANCE REPORT

Directors have provided the Company with records/confirmations of the CPD completed during the year ended 30 June 2026 covering the five specified topics, the relevant details of which are set out below:

Name of Directors	Hours completed and topics covered under each mode of CPD (Notes 1 and 2)			Approximate total number of CPD hours completed
	External Training	Internal Training	Self-study	
Mr. Kwok Tung Keung	–	1 (E)	11.5 (A) to (D)	12.5
Mr. Tam Brown Lun	–	1 (E)	11.5 (A) to (D)	12.5
Ms. Wong Hui Yu	–	1 (E)	11.5 (A) to (D)	12.5
Ms. Kwok Pui Sze	–	1 (E)	11.5 (A) to (D)	12.5
Mr. Leung Tze Wai	–	1 (E)	11.5 (A) to (D)	12.5
Ms. Fung Yuk Yiu	–	1 (E)	11.5 (A) to (D)	12.5
Mr. Cheng Wai Man Clement	–	1 (E)	11.5 (A) to (D)	12.5

Notes:

1. Specified topics include: (A) board and directors' duties; (B) GEM Listing Rules and Hong Kong law compliance; (C) corporate governance and ESG; (D) risk management and internal controls; and (E) industry and business updates.

2. Modes of CPD taken include: (1) external training (e.g., seminars/webinars hosted by professional bodies, regulators, governmental authorities or industry associations); (2) internal training (e.g., in-house board briefings or participation in relevant industry events); and (3) self-study (e.g., e-learning webcasts and videos provided by the Stock Exchange on its website and reading materials such as regulatory updates).

CORPORATE GOVERNANCE REPORT

BOARD COMMITTEES

The Board has established a number of functional committees in compliance with the relevant GEM Listing Rules and to assist the Board to discharge its duties. Currently, three committees have been established. An audit committee (the "**Audit Committee**") has been established on 9 March 2016 with its terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules, and the code provisions D.3.3 and D.3.7 of the CG Code; a remuneration committee (the "**Remuneration Committee**") has been established on 9 March 2016 with its terms of reference in compliance with the code provision E.1.2 of the CG Code; and a nomination committee (the "**Nomination Committee**") has been established on 9 March 2016 with its terms of reference in compliance with the code provision B.3.1 of the CG Code. The functions and responsibilities of these committees have been set out in the relevant terms of reference which are of no less stringent than that stated in the CG Code. The relevant terms of reference of each of the three committees can be found on the Group's website (www.wmcl.com.hk) and the website of the Stock Exchange.

All committees have been provided with sufficient resources and support from the Group to discharge their duties.

AUDIT COMMITTEE

The Audit Committee currently consists of three members, namely Mr. Leung Tze Wai (Chairman), Ms. Fung Yuk Yiu and Mr. Cheng Wai Man Clement, all being INEDs. Mr. Leung Tze Wai currently serves as the Chairman of the Audit Committee, who has appropriate professional qualifications and experience in accounting matters. The members of the Audit Committee shall comprise non-executive Directors and shall be appointed or removed by the Board. If any member of the Audit Committee ceases to be a Director, he/she will cease to be a member of the Audit Committee automatically.

The Audit Committee must comprise a minimum of three members, at least one of whom is an INED with appropriate professional qualifications or accounting or related financial management expertise as required under Rule 5.28 of the GEM Listing Rules. In addition, the majority of the Audit Committee shall be INEDs.

With reference to the terms of reference, the primary responsibilities of the Audit Committee are, among others, the following (for the complete terms of reference, please refer to the Group's website at www.wmcl.com.hk or the website of the Stock Exchange):

1. to make recommendations to the Board on the appointment, re-appointment and removal of the Company's external auditor, and approve the remuneration and terms of engagement of the Company's external auditor;

2. to review and monitor the Company's external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;

3. to develop and implement policy on engaging the Company's external auditor to supply non-audit services, if any;

4. to monitor integrity of the Company's financial statements, annual report and accounts, half-year report and quarterly report and review significant financial reporting judgments contained in them;

5. to discuss with the Company's external auditors questions and doubts arising in the audit of annual accounts;

CORPORATE GOVERNANCE REPORT

6. to review the statement about the Company's internal control system as included in the Company's annual report prior to submission for the Board's approval;

7. to review the Company's financial reporting, financial controls, internal control and risk management systems;

8. to discuss the internal control system with the Company's management to ensure that management has performed its duty to have an effective internal control system;

9. to consider major investigation findings on internal control matters as delegated by the Board or on its own;

10. to review the financial and accounting policies and practices of the Group;

11. to review the external auditor's management letter, any material queries raised by the auditor to the management in respect of accounting records, financial accounts or systems of control and management's response;

12. to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;

13. to report to the Board on that matters pursuant to the terms of reference of the Audit Committee and consider other topics as defined by the Board; and

14. to review arrangements that employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters.

The Board is of the view that the Audit Committee has properly discharged its duties and responsibilities during the year ended 30 June 2026 and up to the date of this report.

The Audit Committee should meet at least two times a year. For the year ended 30 June 2026, the Audit Committee held 2 meetings.

The attendance records of the members of the Audit Committee are summarised below:

	Number of attendance/ number of meetings (Note)
Mr. Leung Tze Wai *(Chairman)*	2/2
Ms. Fung Yuk Yiu	2/2
Mr. Cheng Wai Man Clement	2/2

Note: Attendances of the Directors during the year ended 30 June 2026 were made by reference to the number of such meeting(s) held during their respective tenures.

CORPORATE GOVERNANCE REPORT

The following is a summary of the works performed by the Audit Committee during the year ended 30 June 2026:

(a) reviewed the unaudited interim and audited annual financial statements of the Group and the accounting principles and practices adopted;

(b) reviewed the Group's financial controls, internal control and risk management systems and their effectiveness; and

(c) made recommendation to the Board on the reappointment of the external auditor and reviewed and approved the remuneration of the external auditor.

REMUNERATION COMMITTEE

The Remuneration Committee currently consists of four members, namely Mr. Leung Tze Wai (Chairman)(INED), Mr. Kwok Tung Keung (ED), Ms. Fung Yuk Yiu (INED) and Mr. Cheng Wai Man Clement (INED).

With reference to the terms of reference of the Remuneration Committee, the primary responsibilities of the Remuneration Committee include, among other things, the following (for the complete terms of references, please refer to the Group's website at www.wmcl.com.hk or the website of the Stock Exchange):

1. to consult the chairman of the Board and/or chief executive about their remuneration proposals for other executive Directors;

2. to make recommendations to the Board on the Company's policy and structure for all Directors' and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy;

3. to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;

4. to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management;

5. to make recommendations to the Board on the remuneration of non-executive Directors;

6. to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;

7. to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;

8. to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; and

9. to ensure that no Directors or any of his associates is involved in deciding his own remuneration.

The Remuneration Committee should meet at least once a year. For the year ended 30 June 2026, 1 meeting of the Remuneration Committee was held and has, inter alia, reviewed the remuneration packages for individual executive Directors and senior management, assessed the performance of executive directors and made recommendations to the Board.

CORPORATE GOVERNANCE REPORT

The attendance records of the members of the Remuneration Committee are summarised below:

	Number of attendance/ number of meetings (Note)
Mr. Leung Tze Wai *(Chairman)*	1/1
Mr. Kwok Tung Keung	1/1
Ms. Fung Yuk Yiu	1/1
Mr. Cheng Wai Man Clement	1/1

Note: Attendances of the Directors during the year ended 30 June 2026 were made by reference to the number of such meeting(s) held during their respective tenures.

The emolument payable to the Directors depends on their respective contractual terms under the service contracts or the appointment letters (as the case may be), and as recommended by the Remuneration Committee. Details of the Directors' emoluments are set out in note 12 to the consolidated financial statements.

NOMINATION COMMITTEE

The Nomination Committee currently consists of four members, namely Mr. Kwok Tung Keung (Chairman) (ED), Mr. Leung Tze Wai (INED), Ms. Fung Yuk Yiu (INED) and Mr. Cheng Wai Man Clement (INED).

With reference to the terms of reference of the Nomination Committee, the primary responsibilities of the Nomination Committee include, among other things, the following (for the complete terms of reference please refer to the Group's website at www.wmcl.com.hk or the website of the Stock Exchange):

1. to review the structure, size, composition and diversity (including gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board, assist the Board in maintaining a board skills matrix, and make recommendations on proposed changes to the Board to complement the Company's corporate strategies;

2. to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;

3. to assess the independence of independent non-executive Directors;

4. to make recommendations to the Board on the appointment or re-appointment of the Directors and succession planning for the Directors, in particular the chairman and the chief executive;

5. to support the Company's regular evaluation of the Board's performance;

6. to develop and review the policy for the nomination of Directors, including the nomination procedures, the process and criteria adopted by the Nomination Committee to select and recommend candidates for directorship;

7. to annually assess each Director's time commitment and contribution to the Board, as well as the Director's ability to discharge his or her responsibilities effectively; and

8. to develop and review the diversity policy on the Board members, and review the measurable objectives that the Board has set for the promotion of gender diversity on the Board and the measures the Company has adopted to achieve gender diversity.

CORPORATE GOVERNANCE REPORT

Nomination Committee should meet at least once a year. For the year ended 30 June 2026, 1 meeting of the Nomination Committee was held and the Nomination Committee has, inter alia, performed the following works:

- reviewed the structure, size, composition and diversity of the Board (including the implementation and effectiveness of the board diversity policy);
- assessed each Director's time commitment and contribution to the Board, as well as the Director's ability to discharge his or her responsibilities effectively, and considered that each Director had devoted sufficient time to discharge his/her responsibilities effectively, taking into his or her account participation in Board and Board committee meetings, professional qualifications and work experience, existing directorships of issuers listed on the Stock Exchange, other significant external time commitments (if any), and other factors or circumstances relevant to the Director's character, integrity, independence and experience;
- assessed the independence of all the independent non-executive Directors (including the review of mechanisms to ensure their independent views can reach the Board);
- made recommendation to the Board on the retirement and re-election of Directors at the annual general meeting; and
- considered and made recommendation to the Board on the amendments to the nomination and board diversity policy to conform with the latest requirements under the CG Code and the related GEM Listing Rules.

The attendance records of the members of the Nomination Committee are summarised below:

	Number of attendance/ number of meetings (Note)
Mr. Kwok Tung Keung *(Chairman)*	1/1
Mr. Leung Tze Wai	1/1
Ms. Fung Yuk Yiu	1/1
Mr. Cheng Wai Man Clement	1/1

Note: Attendances of the Directors during the year ended 30 June 2026 were made by reference to the number of such meeting(s) held during their respective tenures.

In assessing the Board composition, the Nomination Committee would take into account various aspects set out in the Board diversity policy, including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience. The Nomination Committee would discuss and agree on measurable objectives for achieving diversity on the Board, where necessary, and recommend them to the Board for adoption.

In identifying and selecting suitable candidates for directorships, the Nomination Committee would consider the candidate's character, qualifications, experience, independence and other relevant criteria necessary to complement the corporate strategy and achieve Board diversity, where appropriate, before making recommendation to the Board. Pursuant to the code provision B.1.4 of the CG Code, the Company should conduct a formal evaluation of the Board's performance at least once every two years. The Board has determined that the focus of the board performance review will be on the overall performance of the Board as well as the existing skills, expertise and qualifications of the Board as a whole. The board performance review was not conducted during the year as the Company is still determining the appropriate scope, format and process of the evaluation. The upcoming performance review of the Board will be conducted during the year ending 30 June 2027.

CORPORATE GOVERNANCE REPORT

BOARD AND WORKFORCE DIVERSITY

The Board has adopted a board diversity policy setting out the approach to achieve diversity on the Board. Under the board diversity policy, all Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. In determining an optimum composition of the Board, the Company will consider all aspects of diversity and will also take into account factors based on its own business model and specific needs from time to time. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

As at 30 June 2026, out of seven Directors, three are female representing approximately 43% of the Board, which exceeds the Company's target of 20% female Board member for gender diversity at Board level. The Company is committed to maintaining a diverse Board, including having female representation at 20% or above. The Board will engage independent professional search firms, as and when appropriate, in its work to increase female representation on the Board and to develop a pipeline of potential successors to the Board to achieve gender diversity.

The Board skills matrix, setting out the collective capabilities of the Board members as of 30 June 2026, is set out below:

Skills and experience	Strategic alignment	Collective Board representation
Executive leadership and strategic planning	Driving business growth, overall strategy execution, and organizational culture	100%
Financial Literacy/accounting/ banking	Ensuring robust capital management, accurate financial reporting, and effective internal controls	29%
Legal/regulatory/compliance/risk management	Safeguarding corporate governance, regulatory adherence, and mitigating enterprise risks	43%
Industry knowledge/experience	Providing critical market insights to guide product innovation and maintain competitive advantage	57%

The Board skills matrix demonstrates the Board's balanced expertise across key areas including leadership, strategic planning, financial literacy, legal/regulatory compliance and industry knowledge. Its combination of diverse experience and perspectives enables the Board to effectively drive strategy, uphold the Company's values and foster a culture that integrates agile decision-making, forward-looking thinking, compliance and ethical governance, ensuring Board decisions consistently support the Company's purpose and desired culture.

Upon due consideration of the Company's business needs and long-term strategic objectives, the Nomination Committee is of the view that the existing level of expertise within the skills matrix is adequate to support the Group's strategic direction and no material skill gaps have been identified.

The Nomination Committee has reviewed the implementation and effectiveness of the board diversity policy and considered that it is appropriate and effective, given the results of the annual evaluation on the Board's composition (in particular the board skills matrix and gender diversity as discussed above) and the achievement of its measurable objectives of Board gender diversity.

CORPORATE GOVERNANCE REPORT

The Board has adopted a workforce diversity policy setting out the Group's objectives for promoting diversity across its workforce, as well as the oversight framework for implementing the relevant strategies. The Group recognises the value of gender diversity to promote a diverse and inclusive working environment and welcomes increased female representation at all levels. While the Board aspires to increase female representation among both senior management and the wider workforce, it recognises the challenges arising from the traditional characteristics of the industries in which the Group operates, particularly the construction industry, which has historically been male-dominated. As a measurable objective under our workforce diversity policy, the Company is committed to maintaining at least 20% female representation across total employees (including senior management). As at 30 June 2026, this gender diversity objective was achieved, with the gender ratios across the Group's workforce set out below:

	Male (%)	Female (%)
Senior management	80%	20%
Workforce (excluding senior management)	59%	41%

AUDITOR'S REMUNERATION

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

For the year ended 30 June 2026, the remuneration paid or payable to the external auditor of the Company in respect of the statutory audit services and non-audit services for the Group are as follows:

	Fees paid/payable for the services rendered HK$'000
Statutory audit services	650

COMPANY SECRETARY

Ms. Wong Hui Yu was appointed as the company secretary of the Company on 12 April 2024. Please refer to the section "Biographical details of Directors and Senior Management" for her biographical information.

During the year ended 30 June 2026, Ms. Wong Hui Yu has undertaken no less than 15 hours of relevant professional training in accordance with Rule 5.15 of the GEM Listing Rules.

COMPLIANCE OFFICER

Mr. Kwok Tung Keung, an executive Director, is the compliance officer of the Group. Please refer to the section headed "Biographical details of Directors and Senior Management" for his biographical information.

CHIEF EXECUTIVE OFFICER ("CEO")

Under the code provision C.2.1 of the Code, the roles of the chairman and the CEO should be separate and should not be performed by the same individual. The Board is in the process of finding an appropriate person to fill the vacancy of the CEO as soon as practicable. Meanwhile, the Board considers that the existing Board members are able to share the power and responsibilities of CEO among themselves.

CORPORATE GOVERNANCE REPORT

RISK MANAGEMENT AND INTERNAL CONTROL

The main features of the risk management and internal control systems are to provide a clear governance structure, policies and procedures, as well as reporting mechanism to facilitate the Group to manage its risks across business operations.

The Group has established a risk management framework, which consists of the Board, the Audit Committee and the Risk Management Taskforce. The Board acknowledges its responsibility for the Company's risk management and internal control systems, including monitoring the design, implementation and overall effectiveness of risk management and internal control systems and reviewing their effectiveness. The Board determines the nature and extent of risks that shall be taken in achieving the Group's strategic objectives. The Board reviews all materials controls, including financial, operational and compliance controls. The Company has not established an internal audit department and the Directors are of the view that given the size, nature and complexity of the business of the Group, it would be more cost effective to appoint external independent professional firms to perform the internal audit function for the Group as the need arises.

The Group has formulated and adopted risk management policy in providing direction in identifying, evaluating and managing significant risks. At least on an annual basis, the Risk Management Taskforce identifies risks that would adversely affect the achievement of the Group's objectives, and assesses and prioritizes the identified risks according to a set of standard criteria. Risk mitigation plans and risk owners are then established for those risks considered to be significant. Risk management report and internal control reports are then submitted to the Audit Committee and the Board.

The Board had performed annual review on the effectiveness of the Group's risk management and internal control systems, including but not limited to the Group's ability to cope with its business transformation and changing external environment; the scope and quality of management's ongoing monitoring of risks (including ESG risks) and of the internal control systems; the extent and frequency of communication with the Board in relation to the result of risk and internal control review; significant control failures or weaknesses identified and their related implications; the effectiveness of the issuer's processes for financial reporting and GEM Listing Rule compliance; and the adequacy of resources for designing, implementing and monitoring the risk management and internal control systems. During the year ended 30 June 2026, there were no significant changes in the Group's assessment of risks (including ESG risks) and the risk management and internal controls systems. No significant control failings or weaknesses were identified in the year ended 30 June 2026, or were previously reported but remain unresolved. The Board considered the Company's risk management and internal control systems are appropriate and effective for the purposes set out in Principle D2 of the CG Code.

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

Procedures for the timely, accurate and complete disclosure of disclosable information

The Group acknowledges its obligations under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the "SFO"), the GEM Listing Rules, and the overriding principle that relevant discloseable information, including inside information and any other information required to prevent a false market in the Company's securities should be disclosed immediately unless relevant exceptions apply. The Company restricts the access of information to a limited number of employees on a need-to-know basis and ensures employees who are in possession of inside information are fully conversant with their obligations to preserve confidentiality. It has set out relevant guidelines in the employee's handbook of the Group, which includes a strict prohibition on the unauthorised use of confidential or inside information. The Group discloses inside information to the public as soon as reasonably practicable unless the information falls within any of the Safe Harbours as provided in the SFO. If the Group believes that the necessary degree of confidentiality cannot be maintained or that confidentiality may have been breached, the Group would immediately disclose the inside information and any other information required to prevent a false market in the Company's securities to the public. The Group is committed to the timely, accurate and complete disclosure of disclosable information.

CORPORATE GOVERNANCE REPORT

DIRECTORS' AND AUDITORS' RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The Directors acknowledge and understand their responsibility for preparing the consolidated financial statements and to ensure that the consolidated financial statements of the Group are prepared in a manner which reflects the true and fair view of the state of affairs, results and cash flows of the Group and are in compliance with the relevant accounting standards and principles, applicable laws and disclosure provisions required of the GEM Listing Rules.

The Directors are of the view that the consolidated financial statements of the Group for the year ended 30 June 2026 have been prepared on this basis.

To the best knowledge of the Directors, there is no uncertainty relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern, therefore the Directors continue to adopt the going concern approach in preparing the consolidated financial statements.

Statement of the Company's external auditors' responsibilities in respect of the consolidated financial statements is set out in the Independent Auditors' Report of this report.

GENERAL MEETINGS WITH SHAREHOLDERS

The annual general meeting (the "**AGM**") is a forum in which the Board and the shareholders communicate directly and exchange views concerning the affairs and overall performance of the Group, and its future developments, etc. At the AGM, the Directors (including INEDs) are available to attend to questions raised by the shareholders.

The forthcoming AGM ("**2026 AGM**") will be held on Monday, 28 December 2026. A circular containing the details of 2026 AGM and the notice of 2026 AGM and form of proxy accompanying thereto will be dispatched to the shareholders of the Company in due course.

SHAREHOLDERS' RIGHTS

Convening of Extraordinary General Meeting on Requisition by Shareholders

Pursuant to Article 12.3 of the Articles, the Board may, whenever it thinks fit, convene an extraordinary general meeting (the "**EGM**"). The EGM shall also be convened on the written requisition of any one or more members deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionists, provided that such requisitionists held as at the date of deposit of the requisition not less than 10% of the paid up capital of the Company which carries the right of voting at general meetings of the Company. General meetings may also be convened on the written requisition of any one member which is a recognised clearing house (or its nominee(s)) deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office specifying the objects of the meeting and signed by the requisitionist, provided that such requisitionist held as at the date of deposit of the requisition not less than 10% of the paid up capital of the Company which carries the right of voting at general meetings of the Company. If the Board does not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Board provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to them by the Company.

CORPORATE GOVERNANCE REPORT

Procedures for Shareholders' Nomination of Directors

Pursuant to Article 16.4 of the Articles, no person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director, notice in writing by that person of his willingness to be elected and the biographical details of that person as required under Rule 17.50(2) of the GEM Listing Rules for publication by the Company shall have been lodged at the head office or at the registration office of the Company. The period for lodgment of the notices required under this Article will commence on the day after the dispatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least 7 days.

Procedures for Directing Shareholders' Enquiries to the Board

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

Should there be any enquiries and concerns from shareholders, they may send in written enquiries addressed to the head office and principal place of business of the Company in Hong Kong at Unit 1101, 11/F, 33 Hung To Road, Kwun Tong, Kowloon, Hong Kong by post for the attention of the Board and/or the Company Secretary.

Shareholders are reminded to lodge their questions together with their detailed contact information for the prompt response from the Company if it deems appropriate.

Procedures for Putting Forward Proposals at Shareholders' Meeting

Shareholders who wish to move a resolution may request the Company to convene a general meeting in accordance with the procedures set out in the preceding paragraph.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

Shareholder Communication Policy

The objective of shareholder communication is to provide the Shareholders with timely, balanced, and clear information about the Company so they can exercise their rights in an informed manner.

The Company uses a range of communication tools to keep Shareholders informed of key business imperatives, including general meetings, annual/interim report, various notices, announcements and circulars. All meeting materials and proposed resolutions are published/despatched in accordance with the GEM Listing Rules to provide Shareholders with necessary details to make informed voting decisions.

During the year ended 30 June 2026, the Board reviewed the implementation and effectiveness of the shareholder communication policy and concluded that the existing channels provide effective, direct and two-way communication between the Company and Shareholders.

CORPORATE GOVERNANCE REPORT

Shareholder Engagement

For the year ended 30 June 2026, the Company's primary channel for formal, face-to-face engagement was the AGM which was held on 19 December 2025. The AGM featured a dedicated question-and-answer session to facilitate a two-way dialogue between the Board and Shareholders and to understand Shareholders' views on matters affecting the Company, including governance and performance against the Company's corporate strategy. The engagement involved minority Shareholders as well as Shareholders who are also the Directors, alongside authorized proxy holders representing the broader investing public. The AGM was attended by the Chairman of the Board and all Directors (including the independent non-executive Directors), the chairmen of the Audit Committee, the Remuneration Committee and the Nomination Committee, and the company secretary to directly address Shareholder inquiries. All resolutions were decided by poll, and results were published promptly on the websites of the Stock Exchange and the Company. Feedback and views (if any) expressed by the Shareholders during engagements are documented and submitted to the Board for review, which will be taken into account during its ongoing governance and strategy evaluations with follow-up actions delegated to management or relevant committees where appropriate.

Investor Relations

Beyond formal general meetings, the Company maintains communication channels with the investing public through its website at www.wmcl.com.hk, where news updates, financial reports, operational developments, and regulatory announcements are regularly published. Management and the company secretary also handle routine inquiries from investors and shareholders throughout the year.

Constitutional Documents

During the year ended 30 June 2026, there had been no significant changes in the constitutional documents of the Company.

DIVIDEND POLICY

The Company maintains a dividend policy pursuant to which the Company may declare and distribute dividends to the shareholders of the Company, provided that the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholder value. The Company's dividend policy aims to strike an optimal balance between providing shareholders with attractive returns while retaining adequate cash reserves to support the Company's sustainable long-term growth and strategic development.

The Company does not have any pre-determined dividend payout ratio and the Board has the sole discretion as to the declaration and payment of dividends. The declaration, payment and amount of dividends are subject to the Board's discretion having regard to the following factors: (i) the Company's availability of cash reserves; (ii) the earnings, financial condition, capital requirements and future plans of the Group; (iii) the shareholders' interests; (iv) the contractual/statutory/regulatory restrictions on the payment of dividends by the Company to its shareholders; and (v) any other factors the Board may consider relevant.

The Board decided not to declare any interim or final dividend for the year ended 30 June 2026, as the Board considers it prudent to maintain sufficient working capital and retain financial resources to meet the Group's operational commitments and anticipated cash flow requirements in the ordinary course of business and in support of future growth. To enhance Shareholders' return, the Company is implementing key measures including securing high-margin construction projects, capitalizing on government policy tailwinds to rebuild profitability and restore dividend-paying capacity when market conditions stabilize. The Board confirms that all dividend decisions made by the Board during the year ended 30 June 2026 were made in accordance with the Company's dividend policy.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Super Strong Holdings Limited (the "**Company**", "**we**", "**our**" and "**us**") is pleased to present the Environmental, Social and Governance ("**ESG**") Report ("**this Report**") for the year from 1 July 2025 to 30 June 2026 (the "**Reporting Period**" or "**2026**").

REPORTING BASIS

In accordance with Appendix 20 – Environmental, Social and Governance Reporting Code (the "**ESG Reporting Code**") of the GEM Listing Rules issued by The Stock Exchange of Hong Kong Limited ("**Stock Exchange**"), the Company has complied with the mandatory disclosure requirements and the "comply or explain" provisions set out in the ESG Reporting Code and the following reporting principles in the preparation of this Report: Materiality, Quantitative, Balance and Consistency.

Reporting Principles	The Company's Application
Materiality	The Company engages stakeholders through ongoing communication and engagement activities to understand their expectations and concerns. Based on the results of the materiality assessment, the Company identifies and reports on the material ESG issues.
Quantitative	The Company collects and discloses quantifiable key performance indicators ("**KPIs**") where feasible with comparative data and information on the standards, methodologies and assumptions adopted for the calculation, and further provides details on statistical standards, data sources and conversion factors used for compiling such performance indicators.
Balance	The Company follows the principles of accuracy, objectivity and fairness to report its achievements and challenges in sustainable development.
Consistency	The Company ensures consistency in preparing this Report and manages its ESG data for future comparison. If there are any changes to the methodologies, calculations, or any other factors that affect meaningful comparison, the Company will make a clear explanation.

This Report is prepared and published in both English and Chinese, which are available on the Company's website. In the event of contradiction or inconsistency, the English version shall prevail.

SCOPE OF THIS REPORT

This Report serves to provide details of the Company's ESG policies and initiatives of its building contractor business in the Hong Kong Special Administrative Region ("**Hong Kong**"), which is the sole operating segment of the Company. Except for the change of the Company's head office and principal place of business in November 2025, the reporting scope of this Report remains substantially consistent with that of the previous reporting period from 1 July 2024 to 30 June 2025 ("**previous reporting period**" or "**2025**").

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG GOVERNANCE

The Company commits to upholding ESG principles in its businesses and takes every possible step in incorporating ESG elements into its business decisions and daily operations, thereby fostering sustainable development of the Company as well as society.

The Board of Directors (the "**Board**") has overall responsibility for the Company's ESG strategy and reporting. The Company identifies and manages ESG risks in order to achieve its business objectives and ensure its stable development. The Board has the overall responsibility of maintaining sound ESG risk management and internal control systems within the Company.

In order to fulfill the social expectation relating to the Company's ESG strategies, along with our operational and financial performance, we have established an ESG workforce which comprises of our senior management (the "**Management**") to enhance our ESG governance. While the Board of Directors holds the overall responsibility for the achievement of green and sustainable development of the Company, the ESG workforce is responsible for effective implementation of our ESG strategies. We have summarized the major responsibilities and process of the ESG workforce as follows:

- Develop the ESG vision, missions and values of the Company;
- Assist the Board in identifying, assessing and handling the ESG risks and issues;
- Monitor and review the ESG management system for effective operation; and
- Report regularly to the Board the material ESG issues and achievements.

Under this governance structure, the ESG workforce is enabled by the Board to perform its duties, such as identification of material ESG risks in the aspects of emissions, consumption of resources, impact on natural resources and climate change, as well as other social aspects pertaining to our Company. As part of this, the Board is responsible for overseeing the identification and assessment of the Company's significant ESG risks, determining related risk levels, and formulating counter measures for which management is implemented by relevant departments and business units.

The Board understands that the establishment of ESG targets aids in the Company's ESG governance. Therefore, the Board sets ESG targets related to the Company's business where appropriate, and reviews progress made toward improving the Company's ESG performance by keeping track of the ESG KPIs on a regular basis, in the environmental and social aspects, which are vital and closely related to the business of the Company.

The Company believes an effective risk management system is of high importance in achieving its ESG strategies, therefore the ESG workforce and the Board review regularly the Company's risk management system in order to identify, assess and handle the material ESG risks. In addition, the Company is gradually considering climate-related risks within its existing risk management framework, where relevant, to better understand how climate change may affect the likelihood and impact of certain existing risk categories. For instance, physical climate risks may affect operational risks, while transition risks may have implications for strategic and financial risks. The Company develops and implements internal control measures for corresponding ESG risks. Please refer to the "RISK MANAGEMENT AND INTERNAL CONTROL" section of the "CORPORATE GOVERNANCE REPORT" for details of the effectiveness of risk management and internal control systems.

In addition to the environmental issues, the Company is also dedicated to complying with applicable laws and regulations in its operating locations. Therefore, the Company has established interactive and bilateral communication channels for both its internal and external stakeholders for reporting and communication of potential irregularities.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

DATA COLLECTION AND CONFIRMATION

This Report is compiled based on the Company's official documents, statistical data, and management and operational information. With the assistance of an external consulting firm in data collection, materiality assessment and report preparation, the Company is responsible for the accuracy and completeness of the information disclosed in this Report and its compliance with the ESG Reporting Code. This Report was approved by the Board of the Company on 29 September 2026.

STAKEHOLDER ENGAGEMENT

The Company emphasizes stakeholders' involvement as a major element in its ESG strategic planning and implementation process, therefore the Company engages its stakeholders through various channels during its daily operation. The Company's stakeholder engagement channels are set out below:

#	Our Stakeholders	Engagement Processes
1	Employees	• Internal email and brochure • Meetings and briefings • Staff trainings • Staff activities • Performance appraisal
2	Customers	• Company's website • Customer service hotline • Customer service questionnaire • Business meetings
3	Investors and Shareholders	• Annual general meetings • Annual and interim reports • Circulars and announcements
4	Suppliers and Business Partners	• Business meetings • Supplier evaluation • Field visit
5	Government and Supervising Authorities	• Public consultation
6	Social Groups and Public	• Charitable events • Email communication
7	Media	• Press conference

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

MATERIALITY ASSESSMENT

In accordance with the ESG Reporting Code, the Company conducted materiality assessments annually to identify the key ESG issues that are material to its business operations. ESG issues were identified with reference to the ESG Reporting Code, peer benchmarking results and the nature of the Company's business operations.

Stakeholder engagement remains an important element of the Company's ESG management approach. In assessing the materiality of ESG issues, the Company considered insights obtained through its ongoing stakeholder engagement activities conducted in the ordinary course of business, together with its business and operational developments, ESG performance during the Reporting Period and industry practices.

Following the review, management concluded that the material ESG issues remained substantially consistent with those identified in the previous reporting period.

During the Reporting Period, ESG issues which are considered material to the stakeholders and the Company are listed in the following table:

	Area	Material ESG issues
A. Environment	Emissions	• Air Emissions • Water Discharges • Greenhouse Gas ("**GHG**") Emissions • Waste Disposal
	Use of Resources	• Energy and Resources Conservation • Energy Consumption • Water Consumption
	The Environment and Natural Resources	• Noise Management
B. Employment	Working Condition	• Staff Remuneration and Welfares • Equal Opportunities • Other Employment Practices
	Health and Safety	• Health and Safety Measures
	Development and Training	• Staff Training
	Labour Standards	• Anti-Child and Forced Labour
C. Operating Practices	Supply Chain Management	• Supplier and Subcontractor Management
	Product Responsibility	• Quality Management System • Project Quality Control • Data Privacy
	Anti-corruption	• Anti-fraud Policies
D. Community Involvement	Community Investment	• Corporate Social Responsibility

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL ASPECTS

Emissions

The Company is committed to minimising any adverse impacts on the environment resulting from its business activities in order to fulfil its responsibilities to the community, our environmentally conscious customers as well as the local and global environment.

The Company requires its subcontractors to comply with our environmental management plan. Our staff are encouraged to contribute towards the Company's sustainability by suggesting and adopting environmentally friendly construction methods and planning their works to reduce emissions efficiently and to the maximum extent to achieve long-term cost savings.

The Company's operations at construction sites are subject to certain environmental requirements pursuant to the laws and regulations of Hong Kong, including but not limited to the Air Pollution Control Ordinance (Cap. 311), Waste Disposal Ordinance (Cap. 354), Water Pollution Control Ordinance (Cap. 358), Noise Control Ordinance (Cap. 400), Ozone Layer Protection Ordinance (Cap. 403), Dumping at Sea Ordinance (Cap. 466), Environmental Impact Assessment Ordinance (Cap. 499), Hazardous Chemicals Control Ordinance (Cap. 595), Product Eco-responsibility Ordinance (Cap. 603), and Motor Vehicle Idling (Fixed Penalty) Ordinance (Cap. 611) of Hong Kong. During the Reporting Period, we have not identified any material non-compliance of environment-related laws and regulations.

The Company has established various key policies governing environmental protection that are required to be followed by our employees and subcontractors in order to minimise emissions. To minimise environmental impacts, the Company promotes environmentally responsible practices, including encouraging green driving, reducing unnecessary business travel through the use of video conferencing facilities, and improving the efficient use of energy and resources where practicable.

Air Emissions

The Company has maintained vehicles for its operations. During the Reporting Period, the emission generated from our vehicles was as follows:

Type of emissions1	Unit	2026	2025
Nitrogen oxides ("**NO_x**")	kg	**0.13**	0.40
Sulphur oxides ("**SO_x**")	kg	**0.01**	0.02
Particulate Matter ("**PM**")	kg	**0.01**	0.03

Note:

1. The calculation of emissions is based on Reporting Guidance on Environmental Key Performance Indicators published by HKEx.

The Company's air emissions decreased during the Reporting Period. Emissions of NOx, SOx and PM were lower than those recorded in 2025, mainly attributable to the reduced use of petrol-powered vehicles and the gradual transition to electric vehicles. The Company will continue to promote the use of cleaner transportation options to minimise air pollutant emissions from its operations.

Looking ahead, the Company aims to reduce its air emissions by 5% by 2030, using 2025 as the baseline, and will continue to promote cleaner transportation options and optimise vehicle usage to support the achievement of the target.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Apart from vehicle-related emissions, the Company recognises that construction activities may generate dust, which is one of the principal air pollutants arising from its operations. To minimise the impact on the surrounding environment, the Company has implemented a range of dust suppression measures during construction works. The Company continuously sprays water onto dusty materials and the ground, while unused materials are covered to avoid the spread of dust. Meanwhile, project personnel are provided with suitable training to ensure that these methods are implemented. The Company has effectively monitored and controlled the dust at an acceptable level.

Water Discharges

In order to effectively manage water discharge, prior to commencement of construction works, project managers identify wastewater discharge points in advance and then install adequate discharge pipelines and sedimentation tanks for discharging sewage properly. Wastewater or polluted water has been discharged under a lawful and appropriate manner.

GHG Emissions

Our carbon emissions during the Reporting Period are summarized as below:

Source of emissions[1]	Unit	2026	2025
Scope 1 – Direct emissions[2]	Tonnes of carbon dioxide equivalent ("**Tonnes CO_2e**")	**5**	9
Scope 2 – Energy indirect emissions (location-based)[3]	Tonnes CO_2e	**8**	13[4]
Scope 3 – Other indirect emissions[5]	Tonnes CO_2e	**1**	2
Gross Scope 1 and Scope 2 GHG emissions	**Tonnes CO_2e**	**13**	22
Scope 1 and Scope 2 GHG emissions intensity (per staff of the Company)	**Tonnes CO_2e**	**0.48**	0.76
Total gross GHG emissions	**Tonnes CO_2e**	**14**	24
GHG emissions intensity (per staff of the Company)	**Tonnes CO_2e**	**0.52**	1.03

Notes:

1. The calculation of GHG emissions is conducted with reference to the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004). The methodologies, inputs and emission factors adopted are based on the Reporting Guidance on Environmental Key Performance Indicators published by HKEx, CLP Power Hong Kong Limited's Sustainability Report, Drainage Services Department's Sustainability Report and Water Supplies Department's Annual Report, as these references are considered applicable to the Company's operations in Hong Kong.

2. Scope 1: Refers to direct GHG emissions from sources owned or controlled by the Company, including the emission from the Company's vehicle fleet.

3. Scope 2: Refers to indirect GHG emissions resulting from the generation of purchased electricity consumption by the Company.

4. The comparative Scope 2 GHG emissions figure for 2025 has been updated using an emission factor more closely aligned with the current reporting methodology to enhance year-on-year comparability.

5. Scope 3: Refers to other indirect emissions arising from the Company's activities but occur from sources not owned or controlled by the Company. During the Reporting Period, the reported Scope 3 emissions included the emissions associated with paper wastes disposed of at landfills, electricity used for processing fresh water and sewage by government departments, and business air travel by employees.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Company's total gross GHG emissions decreased by approximately 42% as compared with 2025. The decrease was mainly driven by reductions across all emission scopes. Scope 1 emissions decreased due to the reduced use of petrol-powered vehicles and the increased adoption of electric vehicles. Scope 2 emissions decreased following the Company's relocation to a smaller office in November 2025, which resulted in lower electricity consumption. Scope 3 emissions also decreased, primarily due to lower paper waste generation and reduced water consumption during the Reporting Period.

During the Reporting Period, the Company recycled 0.1 (2025: 4.0) tonnes of paper, resulting in avoided emissions of approximately 0.5 (2025: 19.2) tonnes CO2e.

In the previous reporting period, the Company set a target to reduce its GHG emissions by 2% to 3% in the subsequent reporting year. The target was achieved during the Reporting Period.

Looking ahead, the Company aims to reduce its Scope 1 and Scope 2 GHG emissions by 5% by 2030, using 2025 as the baseline. The Company will continue to reduce emissions through energy conservation measures, the adoption of more environmentally friendly transportation options and other resource efficiency initiatives.

Waste Disposal

During the Reporting Period, the Company did not generate a significant amount of hazardous waste. Non-hazardous waste was mainly construction waste, including wood, bamboo, water pipes, bricks and stones. The non-hazardous waste generated during the Reporting Period was as follows:

		2026		2025	
Type	**Unit**	**Amount generated**	**Intensity (per staff of the Company)**	Amount generated	Intensity (per staff of the Company)
Construction waste	Tonnes	**935**	**34.63**	1,310	45.17

During the Reporting Period, the amount of construction waste generated decreased by approximately 29% as compared with 2025. The decrease was primarily attributable to a lower level of construction activities during the Reporting Period, together with the Company's continued efforts to enhance waste management and promote the efficient use of construction materials.

Looking ahead, the Company aims to reduce its construction waste generation by 5% by 2030, using 2025 as the baseline, and will continue to strengthen waste management practices, promote waste reduction and recycling, and encourage the efficient use of construction materials to support the achievement of the target.

The Company works on waste reduction in its operations and encourages waste recycling wherever possible. The Company promotes waste recycling by putting adequate facilities in place to collect and segregate wastes. Chemical wastes are collected and disposed of by contractors authorized by the Environmental Protection Department. On the other hand, construction wastes are regularly discharged offsite to recycling companies or lawful landfill in order to avoid excessive accumulation which causes nuisance to the neighbourhood. Recycling bins are placed in the working places for the classification of other wastes. The Company has acquired more environmentally-friendly materials for its operations in order to reduce the amount of hazardous waste.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Use of Resources

Energy and Resources Conservation

The Company is committed to promoting resources conservation and sustainable business practices across its operations. The Company ensures that its business activities and operations are conducted in accordance with the principles of resource conservation and relevant environmental protection policies and procedures. The Company requires its subcontractors to uphold the same principle.

Regarding construction projects, the Company has utilized construction methodology and equipment which can help perform construction works in an environmentally friendly manner. In respect of subcontracted works, we include construction methods and equipment adopted by the subcontractors into the assessment criteria of the subcontractor selection process. Preference is given to subcontractors that adopt environmentally friendly construction methods and equipment. Similar considerations are applied during supplier selection, with preference given to suppliers that provide environmentally friendly materials.

In addition, the Company has implemented green management systems to improve the efficiency of energy and resources consumption and enhance staff awareness of energy and resources conservation. The Company has monitored energy and resources usage monthly through management reports, and evaluated the effectiveness of environmentally friendly practices to identify opportunities for continuous improvement.

As the Company does not manufacture or sell finished products in the course of its construction business, no packaging materials for finished products are consumed during its operations. Accordingly, the disclosure relating to packaging materials used for finished products is not applicable to the Company.

Energy Consumption

The Company's primary energy sources comprise purchased electricity and petrol consumed by its vehicle fleet. During the Reporting Period, the energy consumption that was directly managed and consumed by the Company was as follows:

		2026		2025	
Type	**Unit[1]**	**Consumption**	**Intensity (per staff of the Company)**	Consumption	Intensity (per staff of the Company)
Direct energy					
Petrol[1]	kWh	**6,978**	**258.44**	10,370	357.59
Indirect energy					
Electricity	kWh	**24,275**	**899.07**	34,651	1,194.86
Total energy consumption	kWh	**31,253**	**1,157.52**	45,021	1,552.45

Note:

1. Energy consumption data are presented in kWh. Petrol consumption has been converted into energy units using the conversion factors set out in the Reporting Guidance on Environmental KPIs issued by HKEX. The corresponding comparative figure has been presented on the same basis.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the Reporting Period, the Company's total energy consumption decreased by approximately 31% compared with 2025. The decrease was mainly attributable to lower electricity consumption following the relocation to a smaller office in November 2025, together with reduced petrol consumption due to the decreased use of petrol-powered vehicles and the increased use of electric vehicles. The Company's overall energy consumption intensity also decreased by approximately 26%.

In the previous reporting period, the Company set a target to reduce energy consumption by 2% to 3% in the subsequent reporting year. The target was achieved during the Reporting Period.

Looking ahead, the Company aims to reduce its energy consumption by 5% by 2030, using 2025 as the baseline, and will continue to monitor its performance and implement energy-saving initiatives to support the achievement of the target.

To improve energy efficiency and reduce energy consumption, the Company has implemented the following measures:

- Use more environmentally-friendly and energy-saving electrical appliances;
- Use LED lighting in offices and at construction sites;
- Optimise employees' seating arrangements to centralise the use of air-conditioning and lighting;
- Encourage employees to switch off monitors or activate energy-saving mode during lunch hours;
- Switch off air-conditioning systems when the office is not in operation; and
- Continue to explore the use of more energy-efficient equipment at construction sites.

Water Consumption

The Company's water resources are supplied by the Water Supplies Department of the Government of Hong Kong. During the Reporting Period, the water consumption that was directly managed and consumed by the Company was as follows:

		2026		2025	
Type	**Unit**	**Consumption**	**Intensity (per staff of the Company)**	Consumption	Intensity (per staff of the Company)
Water	m^3	**293**	**10.85**	345	11.90

During the Reporting Period, the Company's water consumption decreased by approximately 15%. Water consumption intensity also decreased by approximately 9%. The decrease was mainly attributable to the Company's relocation to a smaller office in November 2025, which reduced water demand associated with daily office operations, as well as the Company's continued efforts to promote water conservation and minimise unnecessary water consumption in its offices and construction sites.

During the Reporting Period, the Company did not encounter any issue in sourcing water that was fit for purpose.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In the previous reporting period, the Company set a target to reduce its water consumption by 2% to 3% in the subsequent reporting year. The target was achieved during the Reporting Period.

Looking ahead, the Company aims to reduce its water consumption by 5% by 2030, using 2025 as the baseline, and will continue to strengthen water conservation measures and monitor water usage performance to support the achievement of the target.

To foster an environmentally-friendly working place and reduce water consumption, the Company has implemented the following measures:

– Conduct training to enhance employees' awareness of water conservation;

– Use containers, where practicable, for water used in cleaning activities;

– Avoid excessive use of detergents to minimise rinsing water consumption;

– Encourage employees to switch off taps when not in use; and

– Conduct regular inspections to identify water leakage and unnecessary water wastage.

The Environment and Natural Resources

Recognising that the Company's business activities, particularly construction projects, inevitably generate certain environmental impacts, the Company has established an integrated management system for managing environmental and occupational health and safety aspects. The Company's environmental and occupational health and safety management system are certified to ISO 14001:2015 and ISO 45001: 2018, respectively, through its principal operating subsidiary, W.M. Construction Limited.

Noise Management

During the course of carrying out construction works, noise and vibration are generated from the operation of construction machinery. The Company strives to minimise disturbance to residents in the vicinity of our construction sites. The following are some of the environmental protection measures adopted:

- The project manager monitors all site operations with significant environmental impacts and ensures compliance with applicable environmental laws and regulations;
- The Company provides education and training to employees, subcontractors and workers on environmentally responsible work practices; and
- The Company collects feedback and suggestions from the customers and subcontractors to continuously improve its environmental management system.

Noise control is governed by the Noise Control Ordinance (Cap. 400) of Hong Kong. Accordingly, the Company strives to minimise the impact of noise generated from its construction sites on nearby residents and surrounding communities. Project personnel are required to ensure that regular maintenance is carried out on construction plants and equipment to maintain smooth operations. In addition, equipment of lower noise level is selected, where practicable, to reduce noise at source. Project personnel are also required to implement appropriate mitigation measures whenever possible to further minimise noise generated from construction activities.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Climate Change

Governance

The Company recognises that climate change may affect its operations and long-term development. Climate-related matters are managed as part of the Company's broader ESG governance framework and are gradually incorporated into its existing ESG management and risk management processes.

As described in the section headed "ESG Governance", the Board has overall responsibility for overseeing the Company's ESG strategy, risks and reporting, including climate-related matters. The ESG workforce assists the Board in identifying, assessing and monitoring climate-related risks and opportunities, and reports relevant findings and developments to the Board for review and consideration. Climate-related matters are considered alongside other ESG issues in the Company's decision-making and risk management processes.

Strategy

The Company recognises that climate change may present both risks and opportunities to its business operations. As a building contractor operating primarily in Hong Kong, the Company may be exposed to climate-related impacts arising from its construction activities, project execution, workforce management, office operations and supply chain. The Company's assessment focuses on climate-related risks and opportunities that are considered relevant to its business and operational characteristics.

The Company has identified the following climate-related risks and opportunities and will continue to monitor their potential impacts as part of its ongoing ESG and risk management processes.

Risk/Opportunity Type	Description	Response/Management Measures
Physical Risk		
Acute physical risk	Extreme weather events, such as typhoons, rainstorms and flooding, may disrupt construction schedules, affect site operations and damage equipment and assets.	• The Company has established work arrangements for adverse weather conditions, including Black Rainstorm Warnings and Typhoon Signal No. 8 or above. • The Company maintains insurance coverage for fire, flood and typhoon damages to equipment and assets.
Chronic physical risk	Rising temperatures and prolonged periods of hot weather may affect outdoor working conditions, employee wellbeing and operational efficiency.	• The Company continues to monitor weather conditions and implement occupational health and safety measures to safeguard workers at construction sites.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Risk/Opportunity Type	Description	Response/Management Measures
Transition Risk		
Policy and Legal Risk	Changes in environmental laws, climate-related regulations and ESG disclosure requirements may increase compliance obligations and operating costs.	• The Company monitors relevant regulatory developments and maintains compliance with applicable environmental laws and regulations in Hong Kong. • The Company also expects its suppliers and subcontractors to comply with relevant environmental requirements.
Technology Risk	The development of low-carbon technologies and more energy-efficient construction practices may require gradual changes to operational practices.	• The Company remains attentive to developments in environmentally friendly construction methods and energy-efficient equipment where appropriate.
Market Risk	Customers and other stakeholders may place increasing emphasis on environmental performance and sustainable business practices.	• The Company continues to promote resource conservation, emissions reduction and responsible environmental management across its operations and considers environmental performance in supplier and subcontractor management.
Reputational Risk	Failure to effectively manage environmental impacts and climate-related matters may adversely affect stakeholder confidence and corporate reputation.	• The Company maintains environmental management measures, monitors ESG performance and discloses relevant ESG information to stakeholders.
Climate-related Opportunity		
Climate Resilience Opportunity	Improving resource efficiency and environmental performance may enhance operational resilience and support long-term sustainable development.	• The Company continues to implement energy-saving, water conservation and emissions reduction measures, and encourages suppliers and subcontractors to adopt environmentally friendly construction methods and materials where appropriate.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Company addresses climate-related risks and opportunities through its ongoing efforts in emissions management, resource conservation and environmentally responsible construction practices. The Company also promotes responsible environmental practices among its suppliers and subcontractors where appropriate. Details of the Company's greenhouse gas emissions management, energy and water conservation measures, waste management initiatives, supplier and subcontractor management practices, and environmental protection measures are presented in the sections headed "Emissions", "Use of Resources", "Supply Chain Management" and "The Environment and Natural Resources" of this Report.

Risk Management
Climate-related risks and opportunities are managed as part of the Company's existing ESG governance and risk management framework.

The Company incorporates climate-related considerations into its existing risk assessment and management processes, where relevant, taking into account factors such as its operational experience, business characteristics, weather conditions and relevant regulatory developments. Potential climate-related impacts on construction activities, workforce, assets and business operations are monitored on an ongoing basis.

Climate-related considerations are integrated, where appropriate, into the Company's environmental management, occupational health and safety practices, project management and supplier and subcontractor management processes. The Company will continue to monitor climate-related developments and review the effectiveness of its existing management measures as part of its ongoing ESG management efforts.

Metrics and Targets
The Company monitors GHG emissions, energy consumption and water consumption as part of its climate-related management efforts.

The Company has established energy consumption and water consumption targets and regularly reviews its progress. Details of the Company's environmental performance, including GHG emissions, energy consumption, water consumption and related targets, are set out in the sections headed "GHG Emissions", "Energy Consumption" and "Water Consumption" of this Report.

At present, the Company does not apply an internal carbon pricing mechanism and climate-related performance indicators are not linked to the remuneration of directors or employees.

SOCIAL ASPECTS

Employment and Labour Practices

Employment
The Company is committed to maintaining a stable and diverse workforce and fostering a fair and inclusive workplace. Employment practices, including recruitment, promotion, remuneration, working hours, rest periods and employee benefits, are governed by internal policies and applicable employment laws and regulations.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Employee Profile:
As at the end of the Reporting Period, the Company had a workforce of 27 (2025: 29) full-time employees and no (2025: nil) part-time employees. The breakdowns by gender, function, age group, employment type and geographical location are as follows.

	2026	2025
By gender		
– Male	**18**	18
– Female	**9**	11
By function		
– Senior Management	**10**	10
– Operational team	**9**	10
– Back office	**8**	9
By age group		
– Below 30	**–**	–
– 30 – 50	**19**	15
– Above 50	**8**	14
By employment type		
– Full Time	**27**	29
– Part-Time	**–**	–
By geographical region		
– Hong Kong	**27**	29
– Mainland China	**–**	–

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Employee Turnover Rates:
During the Reporting Period, the Company maintained a relatively stable workforce, with employee turnover remaining at a manageable level. The employee turnover profile by gender, age group and geographical region is as follows.

	2026		2025	
	Turnover Rate	**Number of Employees Left**	Turnover Rate	Number of Employees Left
By gender				
– Male	**–**	**–**	10%	2
– Female	**18%**	**2**	–	–
By age group				
– Below 30	**–**	**–**	–	–
– 30 – 50	**7%**	**1**	12%	2
– Above 50	**7%**	**1**	–	–
By geographical region				
– Hong Kong	**7%**	**2**	6%	2
– Mainland China	**–**	**–**	–	–

Staff Remuneration and Welfares
The Company believes that employees are fundamental to its long-term development and business success. As such, the Company is committed to providing competitive remuneration, employee welfare and career development opportunities to attract and retain talent. The objective of the Company's human resources management is to recognise and reward employees based on their performance and contributions. The Company conducts annual review on salary, bonuses and promotion based on the performance of each employee.

The Company assists each employee in developing his or her career according to his or her performance and position held. To attract and retain qualified employees, the Company offers competitive remuneration packages, working hours and leave arrangements with reference to market conditions, individual performance, qualifications and experience. On top of basic salaries, bonuses may be paid with reference to the Company's performance as well as individual's performance. Other employee benefits include provision of retirement and medical benefits and sponsorship of training courses.

Equal Opportunities
The Company is committed to providing a non-discriminatory working environment which is free from intimidation and harassment. The Company firmly supports equal opportunities in all aspects of employment, regardless of sex, race, ethnic origin, religion, marital status or disabilities.

Other Employment Practices
The Company ensures that all employment practices, including but not limited to compensation and dismissal, recruitment and promotion, working hours, rest periods and anti-discrimination are conducted in compliance with the Employment Ordinance (Cap. 57) of Hong Kong.

The Company emphasises the importance of compliance with applicable employment laws and regulations, such as the Employment Ordinance (Cap. 57), Minimum Wage Ordinance (Cap. 608), and Employees' Compensation Ordinance (Cap. 282) of Hong Kong. During the Reporting Period, the Company did not identify any material non-compliance to employment laws and regulations.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Health and Safety

Health and Safety Measures

Occupational health and safety is one of the Company's top priorities. The Company is committed to providing a safe and healthy working environment for employees, subcontractors and the general public. To this end, the Company has implemented a comprehensive safety plan to promote occupational health and safety at construction sites and ensure compliance with applicable laws and regulations, such as the Occupational Safety and Health Ordinance (Cap. 509) of Hong Kong. The safety plan is documented in writing and supplemented with instructions, trainings and demonstrations. The Company requires strict implementation of and adherence to the plan. In addition, the Company has qualified safety officers approved by the Labour Department to monitor and implement its safety plan. The Company will continue to put adequate resources and effort to maintain and improve its safety management in order to mitigate relevant risks. The safety plan sets out work safety measures to prevent common accidents which could happen at construction sites. Some details of our safety plan are set out below:

- Safety policies, objectives and records are documented, maintained and displayed at construction sites and offices.

- The project safety officer will prepare a project-specific safety plan at the commencement of the project. He or she will mention in the plan those operations and activities that are associated with identified hazards and will prescribe measures to control the identified risks.

- The Company provides internal safety training to employees to enhance their knowledge. Special safety training is recommended for workers engaged in hazardous tasks, where necessary.

- All personnel entering construction sites are required to receive site safety induction training before they commence working on site. Toolbox talks, safety activities and safety training is given by the safety officer to workers in order to enhance their safety awareness.

- All personnel as well as the subcontractors and their workers are required to comply with the general safety rules, policies and measures adopted by the Company which are posted on conspicuous notice boards. Anyone who breaches these requirements will be subject to internal disciplinary actions.

- Regular site inspections and visits are conducted by the safety officers bi-weekly to ensure compliance with statutory provisions by all workers, including subcontractors' employees.

Furthermore, we have appointed an independent safety auditor (who was registered with the Labour Department) to conduct safety audits as required under the Safety Management Regulation. Following the market norm of the Hong Kong construction industry, as well as a term of most construction contracts between main contractors and customers, the Company, in the case of being the main contractor, takes out and maintains employees' compensation insurance and contractor's all risks insurance for the entire project. The coverage of such insurance policies includes all works performed by the main contractor and all its subcontractors.

During the Reporting Period, there were no (2025: nil, 2024:nil) concluded material cases of non-compliance with the Construction Sites (Safety) Regulations. The Company continued to strengthen its safety management and monitoring measures at construction sites. For example, briefing sessions have been held for construction site workers about safety awareness and there have been trainings for use of toolbox. These measures helped strengthen safety awareness among construction site personnel and reinforce safe working practices. During the Reporting Period, the Company did not record any work-related fatalities (2025: nil), work-related injuries (2025: nil) or lost days due to work injury (2025: nil).

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Development and Training

Staff Training

The Company recognises that employees are fundamental to its long-term development and success. To support employees' professional growth and enhance operational performance, the Company provides training and development opportunities to employees at different levels. New employees are required to attend orientation training to familiarise themselves with applicable rules and regulations, as well as their job duties.

The Company places strong emphasis on employees' continuous learning and professional development to enhance their work performance. Regular in-house training programmes are organised to strengthen employees' knowledge of industry quality standards, occupational health and safety requirements, site management practices and the operation of tools. The Company considers that the training programmes are not only used as a platform to upgrade the skills of employees regularly, but also used to encourage greater cohesion within the Company. These measures increase overall efficiency and loyalty of employees to the Company, and also serve as a means of retaining talents.

The following figures show the employee training statistics during the Reporting Period:

	2026	2025
The number of employees received training	**27**	29
Total training hours	**75 Hours**	84 Hours
Percentage of employees received training	**100%**	100%
Average training hours per employee	**3 Hours**	3 Hours
Percentage of employees received training by gender		
Male	**100%**	100%
Female	**100%**	100%
Percentage of employees received training by function		
Senior Management	**100%**	100%
Operations	**100%**	100%
Back Office	**100%**	100%
Average training hours completed per employee by gender		
Male	**3 Hours**	3 Hours
Female	**2 Hours**	3 Hours
Average training hours completed per employee by function		
Senior Management	**3 Hours**	3 Hours
Operations	**4 Hours**	5 Hours
Back Office	**1 Hour**	1 Hour

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Labour Standards

Anti-Child and Forced Labour

The Company strictly complies with local statutory requirements and prohibits child and forced labour. The Human Resources ("**HR**") department is required to verify every job applicant's identification document to ensure eligibility. Employment contracts are signed by both parties to ensure mutual agreement on the terms of employment.

Furthermore, the Company has included terms in the agreements with subcontractors that their HR policies and procedures must comply with the local labour laws and regulations (e.g. the Employment Ordinance (Cap. 57) of Hong Kong).

The Company has conducted regular inspections on its subsidiaries, local offices and subcontractors to ensure there is no non-compliance of relevant laws and regulations.

The Company has implemented corresponding control measures to prevent violation of child and forced labour-related laws and regulations, such as the Employment Ordinance (Cap. 57), the Employment of Children Regulations (Cap. 57B) and other applicable labour laws and regulations of Hong Kong. During the Reporting Period, the Company did not identify any material non-compliance of child and forced labour-related laws and regulations.

OPERATING PRACTICES

Supply Chain Management

Supplier and Subcontractor Management

The Company procures construction materials and other miscellaneous goods for the construction projects from suppliers; and engages subcontractors to perform the construction works on its behalf. Recognising the importance of supply chain management as an integral part of our quality control, the Company has implemented strict control measures for the selection and monitoring of suppliers and subcontractors.

The Company maintains a list of approved subcontractors and suppliers for each category of building works and materials. The list is updated on an ongoing basis. When engaging a subcontractor for any project, the subcontractor should be selected from the approved list and the selection criteria are relevant skill sets and experience, availability and fee quotations. For construction materials, unless otherwise specified by customers, the Company generally procures materials from the list of its internally approved suppliers with whom the Company has established satisfactory business relationships in terms of consistency of quality. The Company will also engage independent experts to perform quality test on sample materials.

The Company generally maintains multiple suppliers and subcontractors for products and services to avoid over-reliance on a few suppliers and subcontractors and did not experience any material difficulties in sourcing materials from suppliers or assigning subcontractors before.

During the Reporting Period, the Company engaged 10 (2025: 10) suppliers and all of them were located in Hong Kong.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Caring about the ESG performance of its supply chain, the Company requests its suppliers to integrate sustainable and responsible practices into their business operations, including maintaining high safety standards, and managing environmental and social risks. In particular, suppliers and subcontractors are expected to adhere to the following principles:

– Safety:

Safety policies and procedures are in place, and safety training are provided to employees.

– Environmental Protection:

Compliance with applicable environmental related laws and regulations is maintained during operations.

– Ethics:

No improper benefits are offered to the Company's employees in business transactions.

However, some parts of the supply chain require additional attention to promote sustainable and responsible practices. The Company has identified the sourcing of construction materials as one of these priority parts due to its potential environmental and social impacts.

As part of its supplier management practices, the Company collects information about its suppliers and reviews their compliance and performance to ensure that they consistently meet the relevant requirements of the Company.

Product Responsibility

The Directors of the Company believe that the financial results and profits of the Company depend on its ability to meet our customers' requirements. The Company places strong emphasis on quality control as it helps ensure that construction works meet or exceed customers' requirements, and it is also crucial for building safety, customer satisfaction and future business opportunities.

Quality Management System

The Company has established a formal quality management system in accordance with the requirements of ISO 9001:2015 standards. Through the quality management system, the Company promotes a sustainable performance-oriented culture with an emphasis on pursuing continuous improvement rather than adopting a short-term and project based approach. The Company's principal operating subsidiary, W.M. Construction Limited, maintains ISO 9001:2015 Quality Management System certification applicable to construction of buildings, demolition of buildings with demolition design, construction of civil engineering works (site formation) and design and construction of foundation.

Project Quality Control

The Company's project management team, comprising project manager and site agent, is responsible for the quality control of each project. To ensure our works meet the required standards, the Company normally assigns a site agent at each construction site. Such site agent is responsible for monitoring the quality of works carried out by our subcontractors. Project managers are responsible for monitoring progress and quality of works and ensuring that the works are completed on time. Furthermore, the project management team communicates frequently with and reports to the Executive Directors. The Executive Directors closely monitor the progress of each project to ensure that the works (i) meet the customers' requirements; (ii) are completed within the time stipulated in the contract and the budget allocated for the project; and (iii) comply with all relevant laws and regulations applicable to the works.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Data Privacy
The Company emphasises the importance of data privacy. The Company strives to protect the privacy of its customers, business partners and staff throughout the collection, processing and use of such information. The Company strictly follows the data protection laws and regulations in Hong Kong.

With respect to service quality and personal data protection, the Company strictly complies with applicable laws and regulations, such as the Supply of Services (Implied Terms) Ordinance (Cap. 457) and the Personal Data (Privacy) Ordinance (Cap. 486) of Hong Kong. During the Reporting Period, the Company did not identify any material non-compliance with laws and regulations relating to products and services.

Anti-corruption
Anti-fraud Policies
The Company believes that honesty, integrity and fairness are of vital importance to its business operations. All employees are also required to comply with the Company's code of conduct. Other than the internal anti-bribery and corruption guidelines as stipulated in the Company's code of conduct, the Company has also established a whistle-blowing policy, which is made publicly available to third-party stakeholders in reporting any irregularities or misbehaviour.

The Company has implemented appropriate and effective internal controls at different business processes to prevent and detect fraudulent activities.

Raising directors and employees' awareness of anti-corruption practices and helping them identify and mitigate related risks are integral parts of the Company's compliance framework. The Company plans to adopt the directors' training package jointly developed by the Independent Commission Against Corruption and the Hong Kong Business Ethics Development Centre to ensure that all directors are aware of corruption, fraud, conflict of interest, cross-border bribery, shell listing and insider trading. During the Reporting Period, anti-corruption training was provided to all directors and employees. A total of seven Directors and 27 employees participated in anti-corruption training sessions, each lasting approximately 1 hour.

The Company strictly complies with applicable laws and regulations such as the Prevention of Bribery Ordinance (Cap. 201) and the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615) of Hong Kong. During the Reporting Period, the Company did not identify any material non-compliance with laws and regulations relating to corruption and anti-money laundering.

COMMUNITY INVOLVEMENT
Community Investment
Corporate Social Responsibility
As a socially responsible corporation, the Company is committed to developing and implementing sustainable corporate policies in areas including environmental protection, staff management and development, as well as occupational health and safety.

The Company also demonstrates its commitment to supporting underprivileged students through participation in the Twinkle Stars Plan, which aims to provide financial assistance to students in need in pursuing tertiary education. During the Reporting Period, the Chairman of the Company, Mr. Kwok Tung Keung, participated in a visit organised by the Twinkle Stars Plan to meet students in need in Nanning, Guangxi Province, while the Company donated approximately HK$613,800 (2025: HK$759,000) to the organisation.

The Company will continue to support community development and educational initiatives through participation in community investment programmes where appropriate.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG REPORTING CODE CONTENT INDEX

Subject Areas, Aspects, General Disclosures and KPIs		Reference/Response
Subject Area A. Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	Emissions
KPI A1.1	The types of emissions and respective emissions data	Emissions
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Emissions
KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Emissions
KPI A1.5	Description of emission target(s) set and steps taken to achieve them	Emissions
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Emissions
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Use of Resources
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Use of Resources
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Use of Resources

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs		Reference/Response
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	Use of Resources
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	Not relevant to the Company's business
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuers' significant impact on the environment and natural resources	The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them	The Environment and Natural Resources
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	Climate Change
Subject Area B. Social		
Employment and Labour Practice		
Aspect B1 Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, antidiscrimination, and other benefits and welfare	Employment
KPI B1.1	Total workforce by gender, employment type, age group and geographical region	Employment
KPI B1.2	Employee turnover rate by gender, age group and geographical region	Employment

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs		Reference/Response
Aspect B2 Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Health and Safety
KPI B2.2	Lost days due to work injury	Health and Safety
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	Health and Safety
Aspect B3 Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities	Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category	Development and Training
KPI B3.2	The average training hours completed per employee by gender and employee category	Development and Training
Employment and Labour Practice		
Aspect B4 Labour standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child or forced labour	Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	Labour Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered	Labour Standards

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs		Reference/Response
Operating Practices		
Aspect B5 Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of supply chain	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region	Supply Chain Management
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	Supply Chain Management
Aspect B6 Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Product Responsibility
KPI B6.2	Number of products and service-related complaints received and how they are dealt with	Product Responsibility
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	Product Responsibility
KPI B6.4	Description of quality assurance process and recall procedures	Product Responsibility
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	Product Responsibility

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Subject Areas, Aspects, General Disclosures and KPIs		Reference/Response
Operating Practices		
Aspect B7 Anti-corruption		
General Disclosure	Information on (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	No cases
KPI B7.2	Description of preventive measures and whistleblowing procedures, and how they are implemented and monitored	Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-corruption
Community		
Aspect B8 Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	Community Investment
Part D: Climate-related Disclosure		
Governance	Disclosure of board oversight and management's role in climate-related matters	Climate Change – Governance
Strategy	Disclosure of climate-related risks and opportunities, impact on business strategy, financial impact and climate resilience	Climate Change – Strategy
Risk Management	Disclosure of processes for identifying, assessing and managing climate-related risks	Climate Change – Risk management
Metrics and Targets	Disclosure of climate-related metrics including GHG emissions (Scope 1, 2 and 3) and climate related targets	Emissions – GHG Emission, Climate Change – Metrics and targets

REPORT OF THE DIRECTORS

The Directors hereby present their report and the audited consolidated financial statements for the year ended 30 June 2026.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The Group is principally engaged in the provision of general building works and specialised building works. The principal activity of the Company is investment holding. The names and principal activities of its subsidiaries are set out in note 35 to the consolidated financial statements of this annual report. There were no significant changes in the nature of the Group's principal activities during the year ended 30 June 2026.

Further discussion and analysis of these activities as required by Schedule 5 to the Hong Kong Companies Ordinance (Chapter 622 of the laws of Hong Kong) (the "**Companies Ordinance**"), including a discussion of the principal risks and uncertainties facing the Group, environmental policies of the Group, compliance with laws and regulations by the Group, its relationship with customers, suppliers, subcontractors and employees and an indication of likely future developments in the Group's business, can be found in the Management Discussion and Analysis set out on pages 4 to 8 of this annual report. This discussion forms part of this directors' report.

SEGMENT INFORMATION

An analysis of the Group's performance for the year ended 30 June 2026 by operating segment is set out in note 6 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 30 June 2026 are set out in the consolidated statement of profit or loss and other comprehensive income on page 66 of this annual report.

The Board does not recommend the payment of a final dividend for the year ended 30 June 2026 (30 June 2025: HK$nil).

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group is set out on page 106 of this annual report.

PLANT AND EQUIPMENT

Details of the movements during the year ended 30 June 2026 in the plant and equipment of the Group are set out in note 15 to the consolidated financial statements of this annual report.

CHARITABLE DONATION

Charitable and other donations made by the Group during the year ended 30 June 2026 amounted to approximately HK$0.7 million (30 June 2025: approximately HK$0.8 million).

SHARE CAPITAL

Details of the movements during the year ended 30 June 2026 in the share capital of the Company are set out in note 26 to the consolidated financial statements of this annual report.

DISTRIBUTABLE RESERVES OF THE COMPANY

As at 30 June 2026, the Company's reserves available for distribution to the shareholders, calculated in accordance with the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands amounted to approximately HK$41.6 million.

SHARE SCHEME

The Board adopted a share scheme (the "**Share Scheme**") on 17 June 2024 (the "**Adoption Date**") in place of the then share option scheme which was conditionally approved and adopted by written resolutions of the then shareholders of the Company (the "**Shareholders**") on 9 March 2016.

The number of share options and award shares available for grant under the scheme mandate as at 1 July 2025 and 30 June 2026 was 79,594,000, representing 10% of the Shares in issue as at the Adoption Date.

REPORT OF THE DIRECTORS

The Share Scheme

During the year ended 30 June 2026, no share options or award shares were granted, vested/exercised, cancelled or lapsed under the Share Scheme. There were no unvested award shares or outstanding share options granted under the Share Scheme as at 1 July 2025 and 30 June 2026.

Purpose

The purpose of the Share Scheme is to enable the Company to grant the awards (which may take the form of a share option and/or a share award) (the "**Awards**") to the selected participants as incentives or rewards for their contributions to the Group. The Share Scheme will (i) give the selected participants an opportunity to have a personal stake in the Company so as to motivate the selected participants in optimising their performance and efficiency; and (ii) attract and retain or otherwise maintain a long-term relationship with the selected participants whose contributions are or will be crucial to the long-term growth of the Group.

Participants

Eligible persons to participate in the Share Scheme include any director(s) (including executive directors, non-executive directors and independent non-executive directors), officer(s) and employee(s) (whether full time or part time) of any member of the Group (including persons who are granted any Award(s) under the Share Scheme as an inducement to enter into employment contracts with any member of the Group). The basis of eligibility of any eligible person to the grant of any Award shall be determined by the Board from time to time at its absolute discretion on the basis of such eligible person's past and/or potential contributions to the Group, or such other factors as the Board may deem appropriate.

Total number of shares available for issue

The total number of shares of the Company (the "Shares") available for issue under the Share Scheme amounted to 79,594,000 Shares, representing 8.62% of the total issued share capital of the Company as at the date of this report.

Maximum entitlement of each participant

Unless approved by the Shareholders, the total number of Shares issued and to be issued upon exercise of Awards granted and to be granted under the Share Scheme and any other share schemes of the Company to each selected participant (including both exercised and outstanding share awards and share options) in any 12-month period shall not exceed 1% of the total number of Shares in issue. Any further grant of Awards to such selected participant which would exceed this limit shall be subject to prior approval of the Shareholders in general meeting with the relevant selected participant and their close associates (or associates if the selected participant is a connected person of the Company) abstaining from voting.

Where any grant of share awards (but not any grant of share options) to any Director (other than an independent non-executive Director) or chief executive of the Company (or any of their respective associates) would result in the Shares issued and to be issued in respect of all share awards granted (excluding any share awards lapsed in accordance with the terms of the Share Scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the Shares in issue, such further grant of Awards must be subject to the prior approval of the Shareholders in general meeting in the manner required under, and subject to the requirements set out in, Rule 23.04(4) of the Rules Governing the Listing of Securities on GEM (the "**GEM Listing Rules**") of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The selected participant, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting whereas these parties may vote against the resolution at the said general meeting provided that their intention to do so has been stated in the relevant circular to the Shareholders.

REPORT OF THE DIRECTORS

Where any grant of Awards to any independent non-executive Director or substantial shareholder of the Company (or any of their respective associates) would result in the Shares issued and to be issued in respect of all Awards granted (excluding any Awards lapsed in accordance with the terms of the Share Scheme) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the Shares in issue, such further grant of Awards must be subject to the prior approval of the Shareholders in general meeting in the manner required under, and subject to the requirements set out in, Rule 23.04(4) of the GEM Listing Rules. The selected participant, his/her associates and all core connected persons of the Company must abstain from voting in favour at such general meeting whereas these parties may vote against the resolution at the said general meeting provided that their intention to do so has been stated in the relevant circular to the Shareholders.

Exercise period for share options
The exercise period shall in any event not be longer than ten (10) years from the date of grant. A share option shall lapse automatically and shall not be exercisable (to the extent not already exercised) on the expiry of the tenth anniversary from the date of grant.

Vesting period
The vesting period in respect of any Award shall not be less than twelve (12) months from the date of grant. A shorter vesting period may be granted to any selected participant at the discretion of the Board (or the remuneration committee of the Board, where the arrangements relate to grants of Awards to the Directors and/or senior managers of the Company) in certain circumstances as set out in the rules relating to the Share Scheme.

Payment and period for acceptance
The Board may determine the amount (if any) payable on application or acceptance of an Award and the period within which any such payments must be made, which amounts (if any) and periods shall be set out in the award letter. Unless otherwise specified in the award letter, a selected participant shall accept the offer of the grant of an Award within twenty-eight (28) days from and including the date of grant.

Basis for determining the exercise price of share options and the purchase price of share awards
For Awards which take the form of share options, the Board shall, at its sole discretion, determine and notify the grantee in the award letter the exercise price for such share options, provided that the exercise price shall in any event be at least the higher of: (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of grant; (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five (5) business days immediately preceding the date of grant; and (iii) the nominal value per Share on the date of grant.

The purchase price for Awards which take the form of share awards shall be such price determined by the Board on an individual basis and notified to the grantee in the award letter. For the avoidance of doubt, the Board may determine the purchase price to be at nil consideration.

Remaining life
Subject to any early termination as may be determined by the Board, the Share Scheme shall be valid and effective for a period of ten (10) years commencing on the Adoption Date. As at 30 June 2026, the remaining life of the Share Scheme is less than 8 years.

EQUITY-LINKED AGREEMENTS

Save as disclosed under the section headed "Share Scheme", 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

DISCLOSURE OF INTERESTS

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

As at 30 June 2026, the interests and short positions of the Directors and chief executives of the Company in the Shares, the underlying Shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the "**SFO**")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such director or chief executive was taken or deemed to have under such provision of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to standard of dealings by Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

(i) Long positions in the Shares

Name of Director	Nature of interest	Number of the Shares held/ interested in	Number of share options	Cancelled/ lapsed during the period	Percentage of shareholding (approximately)
Mr. Kwok Tung Keung ("**Mr. Kwok**")	Interest in controlled corporation (Note 1)	250,000,000	–	–	27.08%
Ms. Kwok Pui Sze	Beneficial Owner	30,000,000	–	–	3.25%

Note:

1. Mr. Kwok beneficially owns 100% of the issued share capital of Best Brain Investments Limited ("**Best Brain**"). By virtue of the SFO, Mr. Kwok is deemed to be interested in the same number of the Shares held by Best Brain.

(ii) Long position in the ordinary shares of associated corporations

Name of Director	Name of associated corporation	Nature of interest	Number of shares held/ interested in	Percentage of shareholding
Mr. Kwok	Best Brain	Beneficial owner	7,500	100%

Save as disclosed above, as at 30 June 2026, none of the Directors nor chief executive of the Company has registered an interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

REPORT OF THE DIRECTORS

B. Substantial Shareholders' and Other Persons' Interests and Short Positions in the Shares, Underlying Shares and Debentures

So far as the Directors are aware, as at 30 June 2026, the following persons (other than the Directors or chief executive of the Company) or companies were interested in 5% or more of the issued share capital of the Company which were recorded in the register of interests required to be kept by the Company under Section 336 of the SFO, or to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the GEM Listing Rules:

Name of shareholder	Nature of interest	Number of the Shares held/ interested in	Long/short position	Percentage of total issued share capital of the Company
Best Brain	Beneficial owner	250,000,000	Long	27.08%
Lui Yu Kin	Beneficial owner	127,350,000	Long	13.79%

Save as disclosed above, as at 30 June 2026, the Directors were not aware of any other persons or companies who had any interest or short position in the Shares or underlying Shares of the Company that was required to be recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

MAJOR CUSTOMERS

During the year ended 30 June 2026, the Group's five largest customers accounted for approximately 99.2% (30 June 2025: approximately 97.8%) of the gross revenue of the Group and the largest customer of the Group accounted for approximately 86.4% (30 June 2025: approximately 54.5%) of the gross revenue.

To the best of the knowledge of the Directors, none of the Directors or any of their respective close associates, or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had any interest in the Group's five largest customers.

MAJOR SUPPLIERS AND SUBCONTRACTORS

During the year ended 30 June 2026, the Group's five largest suppliers and subcontractors accounted for approximately 40.0% (30 June 2025: approximately 76.7%) of the total direct costs of the Group and the largest subcontractor of the Group accounted for approximately 18.4% (30 June 2025: approximately 59.6%) of the total direct costs.

To the best of the knowledge of the Directors, none of the Directors or any of their respective close associates, or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had any interest in the Group's five largest suppliers and subcontractors.

DIRECTORS

The Directors during the year ended 30 June 2026 and up to the date of this annual report were:

Executive Directors

Mr. Kwok Tung Keung *(Chairman)*
Mr. Tam Brown Lun
Ms. Wong Hui Yu
Ms. Kwok Pui Sze

REPORT OF THE DIRECTORS

Independent Non-Executive Directors
Mr. Leung Tze Wai
Ms. Fung Yuk Yiu
Mr. Cheng Wai Man Clement

Information regarding directors' emoluments is set out in note 12(a) to the consolidated financial statements of this annual report.

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

BIOGRAPHICAL DETAILS OF DIRECTORS

Brief biographical details of the Directors are set out on pages from 9 to 11 of this annual report.

CHANGES OF DIRECTORS' INFORMATION UNDER RULE 17.50A(1) OF THE GEM LISTING RULES

The Company is not aware of any change in the directors' information which are required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules since the date of the last annual report of the Company and up to the date of this annual report.

DIRECTORS' SERVICE CONTRACTS

Each of the Directors has entered into a service agreement with the Company and was appointed for a specific term, any of which is not more than three years and each of these service contracts is subject to termination by not less than three months written notice. Non-executive Director and Independent non-executive Directors are appointed for a term of two years subject to termination in certain circumstance as stipulated on appointment letter.

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

DIRECTORS' RETIREMENT AND RE-ELECTION

Pursuant to Article 16.19 of 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 of the Company, provided that every Director shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation every year shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

Pursuant to Article 16.2 of the Articles, any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of members of the Company after his appointment and be subject to re-election at such meeting 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 of the Company and shall then be eligible for re-election.

REPORT OF THE DIRECTORS

MATERIAL INTERESTS OF DIRECTORS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

Save as disclosed in this annual report, no transactions, arrangements and contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year ended 30 June 2026.

CONTROLLING SHAREHOLDERS' INTEREST

There were no contracts of significance between the Company or any of its subsidiaries and a controlling shareholder or any of its subsidiaries or any contracts of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries.

EMOLUMENTS OF THE DIRECTORS AND THE FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in note 12, respectively, to the consolidated financial statements of this annual report.

EMOLUMENT POLICY

The Remuneration Committee will review and determine the remuneration and compensation packages of the Directors and senior management with reference to their responsibilities, workload, time devoted to the Group and the performance of the Group. The Company has adopted the Share Scheme to provide an incentive to the Directors and eligible employees, details of which are set out in the section headed "Share Scheme".

COMPETING INTERESTS

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

DEED OF NON-COMPETITION

The deed of non-competition dated 9 March 2016 has been entered into by Mr. Kwok and Best Brain, the controlling shareholders of the Company within the meaning of the GEM Listing Rules (collectively the "**Controlling Shareholders**") in favour of the Company regarding certain non-competition undertakings given by the Controlling Shareholders in favour of the Company. The details of the deed of non-competition have been disclosed in the section headed "Relationship with the Controlling Shareholders" of the Prospectus.

The Company has received an annual declaration from each of the Controlling Shareholders confirming that he/she/it has complied with the non-competition undertakings provided to the Company under the said deed of non-competition during the reporting period. The independent non-executive Directors have reviewed the status of compliance and enforcement of the non-competition undertakings and confirmed that all the undertakings thereunder have been complied for the year ended 30 June 2026.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 30 June 2026.

RELATED PARTY TRANSACTIONS

The related party transactions are set out in note 30 to the consolidated financial statements of this annual report. None of these transactions constitute a connected transaction or continuing connected transaction as defined under Chapter 20 of the GEM Listing Rules.

REPORT OF THE DIRECTORS

CONNECTED TRANSACTIONS

The Group did not enter into any transactions which constituted connected transactions or continuing connected transactions that were subject to reporting requirements under Chapter 20 of the GEM Listing Rules during the year ended 30 June 2026.

SUFFICIENCY OF PUBLIC FLOAT

The Company relies on the Initial Prescribed Threshold (as defined in Rule 17.37B of the GEM Listing Rules) for compliance with Rule 17.37B of the GEM Listing Rules, where the minimum percentage threshold applicable to the Company is at least 25% of the total number of issued shares of the Company. Throughout the year ended 30 June 2026, the Company has maintained the minimum prescribed public float in compliance with Rule 17.37B of the GEM Listing Rules. As of 30 June 2026, based on the information publicly available to the Company and within the knowledge of the Directors, approximately 52.63% of the total number of issued shares of the Company were held by the public (as defined in the GEM Listing Rules).

The Company had one class of shares listed on the Stock Exchange, namely the Shares. The composition of ownership of the Shares in issue as at 30 June 2026 is set out below:

Group of shareholders	Number of Shares held	Shareholding
(a) Shareholders who are not members of "the public"		
(i) Substantial shareholders and their close associates		
Best Brain Investments Limited	250,000,000 *(Note 1)*	27.08%
Lui Yu Kin	127,350,000	13.79%
(ii) Directors and chief executives of the Company and their close associates		
Kwok Pui Sze	30,000,000	3.25%
(iii) Other persons excluded from the definition of "the public" (Note 2)	30,000,000	3.25%
Sub-total	**437,350,000**	**47.37%**
(b) Shareholders who are members of "the public"		
(i) Persons who fall within the definition of "the public" and have disclosed their interests pursuant to Part XV of the SFO	–	–
(ii) A trustee holding shares which are regarded as being held by "the public" pursuant to Note 3 to Rule 11.23 of the GEM Listing Rules	–	–
(iii) Other members of "the public"	485,940,000	52.63%
Sub-total	485,940,000	52.63%
Total number of issued Shares	**923,290,000**	**100.00%**

REPORT OF THE DIRECTORS

Notes:

(1) Mr. Kwok Tung Keung, the Chairman of the Board and an executive Director, beneficially owns 100% of the issued share capital of Best Brain Investments Limited. By virtue of the SFO, Mr. Kwok Tung Keung is deemed to be interested in 250,000,000 Shares held by Best Brain Investments Limited.

(2) These persons include directors, chief executives or substantial shareholders of the subsidiaries of the Company or a close associate of any of them.

AUDIT COMMITTEE

The Audit Committee currently consists of three members, namely Mr. Leung Tze Wai (Chairman), Ms. Fung Yuk Yiu and Mr. Cheng Wai Man Clement, all being INEDs. Mr. Leung Tze Wai currently serves as the Chairman of the Audit Committee, who has appropriate professional qualifications and experience in accounting matters. The members of the Audit Committee shall comprise non-executive Directors and shall be appointed or removed by the Board. If any member of the Audit Committee ceases to be a Director, he/she will cease to be a member of the Audit Committee automatically.

The Audit Committee must comprise a minimum of three members, at least one of whom is an INED with appropriate professional qualifications or accounting or related financial management expertise as required under Rule 5.28 of the GEM Listing Rules. In addition, the majority of the Audit Committee shall be INEDs.

The Group's results for the year ended 30 June 2026 had been reviewed by the Audit Committee before submission to the Board for approval. The Audit Committee is of the opinion that the financial statements of the Company and the Group for the year ended 30 June 2026 comply with applicable accounting standards, GEM Listing Rules and that adequate disclosures have been made.

AUDITOR

The consolidated financial statements for the year ended 30 June 2026 have been audited by ZHONGHUI ANDA CPA Limited ("**ZHONGHUI**"). ZHONGHUI shall retire in the forthcoming AGM and, being eligible, offer themselves for reappointment. A resolution for the re-appointment of ZHONGHUI as auditor of the Company will be proposed at the forthcoming AGM. The Company has not changed its external auditor during the year ended 30 June 2026 and up to the date of this annual report.

CORPORATE GOVERNANCE

Details of the corporate governance of the Company are set out in the section headed "Corporate Governance Report" of this report on pages 12 to 27.

PRE-EMPTIVE RIGHTS

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

PERMITTED INDEMNITY PROVISIONS

Pursuant to the memorandum and article of association of the Company, the Directors and other officers, for the time being acting in relation to the affairs of the Company, shall be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by his/her as a director, or other officer of the Company in defending any proceedings, whether civil or criminal in which judgement is given in his favour, or in which he is acquitted. Such permitted indemnity provision is currently in force and was in force throughout the financial year.

REPORT OF THE DIRECTORS

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or in existence during the year ended 30 June 2026.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 22 December 2026 to Monday, 28 December 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attending and voting at the AGM, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong not later than 4:00 p.m. on Monday, 21 December 2026.

On behalf of the Board
Super Strong Holdings Limited
Kwok Tung Keung
Chairman and executive Director

Hong Kong, 29 September 2026

INDEPENDENT AUDITOR'S REPORT



TO THE SHAREHOLDERS OF SUPER STRONG HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Super Strong Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as "**the Group**") set out on pages 66 to 105, which comprise the consolidated statement of financial position as at 30 June 2026, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

Revenue and profit recognition of construction service and contract assets

Refer to Note 6 and Note 21 to the consolidated financial statements.

The Group's carrying value of the contract assets balances as well as the revenue and profit recognised are based on estimates of costs to complete. These estimates are significant to our audit because the contract assets of HK$21,360,000 as at 30 June 2026 and the construction services revenue of HK$73,589,000 for the year then ended are material to the consolidated financial statements. In addition, the Group's estimates involve application of judgement and can be affected by a variety of uncertainties that depend on the outcome of future events resulting in revisions throughout the contract period.

INDEPENDENT AUDITOR'S REPORT

KEY AUDIT MATTERS (CONTINUED)

Revenue and profit recognition of construction service and contract assets (continued)

Our audit procedures included, among others:

- Evaluating the Group's estimation process;
- Agreeing contract sums and budgeted costs to signed contracts and approved budgets;
- Challenging the reasonableness of key judgements and assumptions inherent in the approved budgets;
- Assessing the reliability of the approved budgets by comparing the actual outcome against estimates; and
- Checking arithmetical accuracy of the related calculations.

We consider that the Group's estimates of the contract assets balance as well as the revenue and profit recognised are supported by the available evidence.

Impairment of trade receivables and contract assets

Refer to Note 20 and Note 21 to the consolidated financial statements.

The Group tested the amounts of trade receivables and contract assets for impairment. This impairment test is significant to our audit because the carrying amount of trade receivables and contract assets of HK$9,606,000 and HK$21,360,000, respectively are material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on assumptions and estimates.

Our audit procedures, where applicable, included, among others:

- Assessing the Group's procedures on granting credit limits and credit periods to customers;
- Assessing the Group's relationship and transaction history with the customers;
- Evaluating the Group's impairment assessment;
- Assessing ageing of the trade receivables;
- Assessing creditworthiness of the customers;
- Assessing the competence, independence and integrity of the external valuer engaged by the Group;
- Obtaining the external valuation reports and meeting with the external valuer to discuss and challenge the valuation process, methodologies used and market evidence to support significant judgments and assumptions applied in the valuation model;
- Checking key assumptions and input data in the valuation model to supporting evidence;
- Checking arithmetical accuracy of the valuation model;
- Assessing the disclosure of the Group's exposure to credit risk in the consolidated financial statements; and
- Testing subsequent contract work certification and settlement of contract assets and receivables respectively after the end of the reporting period on a sample basis.

We consider that the Group's impairment test for trade receivables and contract assets is supported by the available evidence.

INDEPENDENT AUDITOR'S REPORT

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

A further description of our responsibilities for the audit of the consolidated financial statements is located at the HKICPA's website at:

https://www.hkicpa.org.hk/en/Standards-setting/Standards/Our-views/auditre
This description forms part of our auditor's report.

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Yeung Hong Chun
Audit Engagement Director
Practising Certificate Number P07374

Hong Kong, 29 September 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2026

	Notes	**2026 HK$'000**	2025 HK$'000
Revenue	6	**73,589**	98,165
Direct costs		**(61,804)**	(90,561)
Gross profit		**11,785**	7,604
Interest revenue	7	**1,173**	2,034
Other incomes, gains and (losses)	8	**(4,703)**	(2,196)
Administrative expenses		**(15,886)**	(18,482)
Loss from operation		**(7,631)**	(11,040)
Finance costs	9	**(51)**	(115)
Fair value changes for contingent consideration payable		**486**	(42)
Share of profit of an associate		**304**	853
Loss before tax		**(6,892)**	(10,344)
Income tax (expense)/credit	10	**(26)**	9
Loss and total comprehensive expense for the year	11	**(6,918)**	(10,335)
Loss per share	14		
Basic (HK cents)		**(0.75)**	(1.21)
Diluted (HK cents)		**(0.75)**	(1.21)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Notes	2026 HK$'000	2025 HK$'000
Non-current assets			
Plant and equipment	15	**219**	554
Right-of-use assets	16	**618**	1,512
Investment in an associate	17	**4,484**	5,297
Deferred tax assets	18	**62**	88
Deposits and prepayments	19	**29,445**	29,391
		34,828	36,842
Current assets			
Trade receivables	20	**9,606**	4,282
Other receivables, deposits and prepayments	19	**1,113**	15,832
Contract assets	21	**21,360**	25,874
Bank balances and cash	22	**25,489**	22,762
		57,568	68,750
Current liabilities			
Trade payables	23	**2,210**	3,882
Other payables, retention payables and accrued charges	24	**18,396**	22,481
Contract liabilities	21	**1,400**	955
Tax payable		**269**	318
Lease liabilities	25	**509**	1,358
		22,784	28,994
Net current assets		**34,784**	39,756
Total assets less current liabilities		**69,612**	76,598
Non-current liabilities			
Lease liabilities	25	**119**	187
Net assets		**69,493**	76,411
Capital and reserves			
Share capital	26	**9,233**	9,233
Reserves	27	**60,260**	67,178
Total equity		**69,493**	76,411

The consolidated financial statements on pages 66 to 105 were approved and authorised for issue by the Board of Directors on 29 September 2026 and are signed on its behalf by:

Kwok Tung Keung
Director

Wong Hui Yu
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	Attributable to owners of the Company				
	Share capital HK$'000	**Share premium** HK$'000	**Capital contribution** HK$'000	**Retained profits** HK$'000	**Total** HK$'000
At 1 July 2024	7,959	40,578	11,572	24,322	84,431
Total comprehensive expense for the year	–	–	–	(10,335)	(10,335)
Issue of shares on placement (note 26)	1,274	1,041	–	–	2,315
At 30 June 2025	9,233	41,619	11,572	13,987	76,411
At 1 July 2025	**9,233**	**41,619**	**11,572**	**13,987**	**76,411**
Total comprehensive expense for the year	**–**	**–**	**–**	**(6,918)**	**(6,918)**
At 30 June 2026	**9,233**	**41,619**	**11,572**	**7,069**	**69,493**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

	Notes	2026 HK$'000	2025 HK$'000
Cash flows from operating activities			
Loss before taxation		**(6,892)**	(10,344)
Adjustment for:			
Depreciation of plant and equipment		**335**	429
Depreciation of right-of-use assets		**888**	1,538
Finance costs		**51**	115
Gain on disposal of property, plant and equipment		**(42)**	–
Gain on lease termination		**(26)**	–
Interest income		**(1,173)**	(2,034)
Provision/(reversal) of allowance for bad and doubtful debts for trade receivables, net		**528**	(1,263)
Reversal of allowance for bad and doubtful debts for other receivables		**(565)**	–
Provision of allowance for bad and doubtful debts for contract assets, net		**3,731**	4,295
Impairment loss on investment in an associate		**1,117**	–
Share of profit of an associate		**(304)**	(853)
Fair value changes for contingent consideration payable		**(486)**	42
Operating loss before working capital changes		**(2,838)**	(8,075)
Change in trade receivables		**(5,852)**	25,271
Change in other receivables, deposits and prepayments		**(675)**	4,834
Change in contract assets		**783**	(11,683)
Change in trade payables		**(1,672)**	(15,609)
Change in other payables, retention payables and accrued charges		**(3,599)**	(6,965)
Change in contract liabilities		**445**	(230)
Cash used in operations		**(13,408)**	(12,457)
Income tax paid		**(49)**	(12)
Net cash used in operating activities		**(13,457)**	(12,469)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

	Notes	2026 HK$'000	2025 HK$'000
Cash flows from investing activities			
Interest received		**1,173**	3,385
Payment for acquisition of an associate	17	**–**	(3,500)
Repayment from loan to third party		**15,905**	–
Proceeds from disposal of property, plant and equipment		**42**	–
Withdrawal of pledged bank balances		**–**	11,572
Withdrawal of time deposit with original maturity over three months		**–**	6,000
Net cash generated from investing activities		**17,120**	17,457
Cash flows from financing activities			
Interest paid		**(51)**	(115)
Repayment of lease liabilities		**(885)**	(1,511)
Proceeds from issue of shares		**–**	2,420
Share issue expenses paid		**–**	(105)
Net cash (used in)/generated from financing activities		**(936)**	689
NET INCREASE IN CASH AND CASH EQUIVALENTS		**2,727**	5,677
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR		**22,762**	17,085
CASH AND CASH EQUIVALENTS AT END OF THE YEAR		**25,489**	22,762
Analysis of cash and cash equivalents			
Bank balances and cash		**25,489**	22,762

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

1. GENERAL INFORMATION

Super Strong Holdings Limited (the "**Company**") was incorporated and registered as an exempted company with limited liability in the Cayman Islands on 22 September 2015 and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited ("**the Stock Exchange**") on 30 March 2016. The registered office of the Company is located at PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands. The principal place of business of the Company is located at Unit 1101, 11/F, Horizon Sea, 33 Hung To Road, Kowloon, Hong Kong.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are the provision of property construction services in Hong Kong.

2. ADOPTION OF NEW AND REVISED HKFRS ACCOUNTING STANDARDS

In the current year, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") that are relevant to its operations and effective for its accounting year beginning on 1 July 2025. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards ("**HKFRS**"); Hong Kong Accounting Standards ("**HKAS**"); and Interpretations. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current year and prior years.

The Group has not applied the new and revised HKFRS Accounting Standards that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRS Accounting Standards but is not yet in a position to state whether these new and revised HKFRS Accounting Standards would have a material impact on its results of operations and financial position.

3. MATERIAL ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange and by the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared under the historical cost convention.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain key assumptions and estimates. It also requires the directors to exercise their judgements in the process of applying the accounting policies. The areas where assumptions and estimates are significant to these consolidated financial statements are disclosed in note 4 to the consolidated financial statements.

The material accounting policies applied in the preparation of these consolidated financial statements are set out below.

Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 30 June. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Consolidation (continued)

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate the goodwill.

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, equity investments at fair value through other comprehensive income), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the accounting policy below. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The consolidated financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency.

Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder's intention and financial ability to exercise or convert that right is not considered.

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group's share of an associate's post-acquisition profits or losses is recognised in consolidated profit or loss, and its share of the post-acquisition movements in reserves is recognised in the consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group's share of the net assets of that associate plus any remaining goodwill relating to that associate and any related accumulated foreign currency translation reserve. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

Depreciation of plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Machinery	25% – 30%
Leasehold improvements	Over the lease terms or useful lives of 4 years whichever is shorter
Office equipment	20% – 25%
Furniture and fixtures	20% – 25%
Motor vehicles	25%

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

The gain or loss on disposal of plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

Leases

The Group as lessee

Leases are recognised as right-of-use assets and corresponding lease liabilities when the leased assets are available for use by the Group. Right-of-use assets are stated at cost less accumulated depreciation and impairment losses. Depreciation of right-of-use assets is calculated at rates to write off their cost over the shorter of the asset's useful life and the lease term on a straight-line basis. The principal annual rates are as follows:

–	Land and buildings	1-2 years

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liabilities, lease payments prepaid, initial direct costs and the restoration costs. Lease liabilities include the net present value of the lease payments discounted using the interest rate implicit in the lease if that rate can be determined, or otherwise the Group's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the lease liability.

Payments associated with short-term leases and leases of low-value assets are recognised as expenses in profit or loss on a straight-line basis over the lease terms. Short-term leases are leases with an initial lease term of 12 months or less. Low-value assets are assets of value below US$5,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of an asset is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned, and are initially recognised at fair value, plus directly attributable transaction costs except in the case of investments at fair value through profit or loss. Transaction costs directly attributable to the acquisition of investments at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets of the Group are classified as financial assets at amortised cost.

Financial assets (including trade and other receivables) are classified under this category if they satisfy both of the following conditions:

– the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

– the contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

They are subsequently measured at amortised cost using the effective interest method less loss allowance for expected credit losses.

Loss allowances for expected credit losses

The Group recognises loss allowances for expected credit losses on financial assets at amortised cost and contract assets. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

At the end of each reporting period, the Group measures the loss allowance for a financial instrument at an amount equal to the expected credit losses that result from all possible default events over the expected life of that financial instrument ("**lifetime expected credit losses**") for trade receivables and contract assets, or if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the end of the reporting period, the credit risk on a financial instrument (other than trade receivables and contract assets) has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to the portion of lifetime expected credit losses that represents the expected credit losses that result from default events on that financial instrument that are possible within 12 months after the reporting period.

The amount of expected credit losses or reversal to adjust the loss allowance at the end of the reporting period to the required amount is recognised in profit or loss as an impairment gain or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRS Accounting Standards. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer with reference to the customary business practices and excludes amounts collected on behalf of third parties. For a contract where the period between the payment by the customer and the transfer of the promised product or service exceeds one year, the consideration is adjusted for the effect of a significant financing component.

The Group recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Depending on the terms of a contract and the laws that apply to that contract, a performance obligation can be satisfied over time or at a point in time. A performance obligation is satisfied over time if:

– the customer simultaneously receives and consumes the benefits provided by the Group's performance;

– the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

– the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is satisfied over time, revenue is recognised by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the product or service.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Other revenue

Interest income is recognised using the effective interest method.

Employee benefits

(a) Employee leave entitlements

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

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(b) Pension obligations

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme ("**MPF Scheme**") in Hong Kong under the Hong Kong Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

(c) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, 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.

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

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities 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.

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 by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

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 purpose of allocating resources and assessing the performance of the Group's various lines of business.

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 productions 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.

Related parties

A related party is a person or entity that is related to the Group.

(a) A person or a close member of that person's family is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Company or of a parent of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Related parties (continued)

(b) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) Both entities are joint ventures of the same third party.

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to a parent of the Company.

Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets and receivables to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

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.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit 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 (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

4. KEY ESTIMATES

Key sources of estimation uncertainty

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

(a) Revenue and profit recognition

The Group estimated the percentage of completion of the construction contracts by reference to the proportion that contract costs incurred for work performed to date to the estimated total costs for the contracts. When the final cost incurred by the Group is different from the amounts that were initially budgeted, such differences will impact the revenue and profit or loss recognised in the period in which such determination is made. Budget cost of each project will be reviewed periodically and revised accordingly where significant variances are noted during the revision.

(b) Impairment loss for bad and doubtful debts

The Group makes impairment loss for bad and doubtful debts based on assessments of the recoverability of the trade and other receivables and contract assets, including the current creditworthiness and the past collection history of each debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and loan receivables and doubtful debt expenses in the year in which such estimate has been changed. If the financial conditions of the debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

5. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. However, at 30 June 2026, the payment for a life insurance policy of HK$9,445,000 (2025: HK$9,391,000) is denominated in United States Dollar ("**US$**"), the currency other than the functional currency of the relevant group entity. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

As HK$ is pegged to US$, the directors of the Company consider that the currency risk of US$ is insignificant. Accordingly, no sensitivity analysis for US$ is presented.

(b) Credit risk

The carrying amount of the bank balances and cash, trade and other receivables, and contract assets included in the consolidated statement of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

The Group has no significant concentration of credit risk.

It has policies in place to ensure that sales and loans are made to customers with an appropriate credit history.

The credit risk on bank balances and cash is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group considers whether there has been a significant increase in credit risk of financial assets on an ongoing basis throughout each reporting period by comparing the risk of a default occurring as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following information is used:

- internal credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower; and
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers.

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Credit risk (continued)

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group normally categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 365 days past due. Where loans or receivables have been written off, the Group, if practicable and economical, continues to engage in enforcement activity to attempt to recover the receivable due.

The Group uses two categories for non-trade loan receivables which reflect their risk and how the loan loss provision is determined for each of the categories. In calculating the expected credit loss rates, the Group considers historical loss rates for each category and adjusts for forward looking data.

Category	Definition	Loss provision
Performing	Low risk of default and strong capacity to pay	12 month expected losses
Non-performing	Significant increase in credit risk	Lifetime expected losses

	Third Parties HK$'000
At 30 June 2026	
Loan to	**185**
Provision for loss allowance	**(185)**
Carrying amount	**–**
At 30 June 2025	
Loan to	15,000
Provision for loss allowance	(750)
Carrying amount	14,250

All of these loans are considered to have low risk and under the "Performing" category because they have a low risk of default and have strong ability to meet their obligations.

Expected credit loss rate	
2026	100%
2025	5%

	HK$'000
Loss allowance at 1 July 2024, 30 June 2025 and 1 July 2025	750
Decrease in provision in 2026	(565)
Loss allowance at 30 June 2026	185

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis of the Group's financial liabilities is as follows:

	Less than 1 year HK$'000	Between 1 and 2 years HK$'000	Total HK$'000
At 30 June 2026			
Trade payables	**2,210**	**–**	**2,210**
Other payables, retention payables and accrued charges	**15,403**	**2,876**	**18,279**
Lease liabilities	**509**	**119**	**628**
	18,122	**2,995**	**21,117**

	Less than 1 year HK$'000	Between 1 and 2 years HK$'000	Total HK$'000
At 30 June 2025			
Trade payables	3,882	–	3,882
Other payables, retention payables and accrued charges	16,326	5,915	22,241
Lease liabilities	1,358	187	1,545
	21,566	6,102	27,668

(d) Interest rate risk

The Group's exposure to interest-rate risk arises from its payment for a life insurance policy and bank balances and cash. These deposits bear interests at variable rates varied with the then prevailing market condition.

The Group's loan to third parties bear interest at fixed interest rates and therefore are subject to fair value interest rate risks.

No sensitivity analysis is presented as the directors of the Company consider that the interest rate fluctuation on interest income charged on payment for a life insurance policy, pledged bank balances and bank balances and cash is insignificant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

5. FINANCIAL RISK MANAGEMENT (CONTINUED)

(e) Categories of financial instruments

	2026 HK$'000	2025 HK$'000
Financial assets:		
Financial assets at amortised cost (including cash and cash equivalents)	**65,572**	72,267
Financial liabilities:		
Financial liabilities at amortised cost	**20,489**	26,123

(f) Fair value

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

6. REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable from construction services. An analysis of the Group's revenue is as follow:

	2026 HK$'000	2025 HK$'000
Construction services	**73,589**	98,165

Segment information

For the purpose of resources allocation and performance assessment, the chief operating decision maker (i.e. the chief executive of the Group) reviews the overall results and financial position of the Group, which are prepared based on the same accounting policies set out in note 3. Accordingly, the Group presents only one single operating segment and no further analysis is presented.

Geographical information

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

Timing of revenue recognition

All timing of revenue recognition is over time for the years ended 30 June 2026 and 2025.

Information about major customers

Revenue attributed from customers that accounted for 10% or more of the Group's total revenue during the year is as follows:

	2026 HK$'000	2025 HK$'000
Customer A	**N/A***	53,530
Customer B	**65,619**	35,417

* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

6. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Construction service fee income

The Group provides construction service to the customers. When the progress towards complete satisfaction of the performance obligations of a construction contract can be measured reasonably, revenue from the contract and the contract costs are recognised using the percentage of completion method, measured by reference to the percentage of contract costs incurred to date to the estimated total contract costs for the contract. This method provides the most reliable estimate of the percentage of completion.

When the progress towards complete satisfaction of the performance obligations of a construction contract cannot be measured reasonably, revenue is recognised only to the extent of contract costs incurred that is expected to be recoverable.

The customers pay the contract prices to the Group according to the payment schedules as stipulated in the contracts. If the service rendered by the Group exceeds the payments, a contract asset is recognised. If the payments exceed the service rendered, a contract liability is recognised.

The contract price is allocated to the performance obligations based on the relative stand-alone selling prices of the performance obligations. The stand-alone selling prices are determined by applying the expected cost plus a margin approach.

7. INTEREST REVENUE

	2026 HK$'000	2025 HK$'000
Bank interest income	**13**	231
Interest income on payment for a life insurance policy	**312**	310
Interest income on loan to third parties	**848**	1,493
	1,173	2,034

8. OTHER INCOMES, GAINS AND (LOSSES)

	2026 HK$'000	2025 HK$'000
Exchange (loss)/gain	**(9)**	49
Gain on disposal of property, plant and equipment	**42**	–
Gain on lease termination	**26**	–
(Provision)/reversal of allowance for bad and doubtful debts for trade receivables, net	**(528)**	1,263
Reversal of allowance for bad and doubtful debts for other receivables	**565**	–
Provision of allowance for bad and doubtful debts for contract assets, net	**(3,731)**	(4,295)
Impairment loss on investment in an associate	**(1,117)**	–
Sundry income	**49**	787
	(4,703)	(2,196)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

9. FINANCE COSTS

	2026 HK$'000	2025 HK$'000
Interest on lease liabilities	**51**	115

10. INCOME TAX EXPENSE/(CREDIT)

	2026 HK$'000	2025 HK$'000
Hong Kong Profits Tax		
– Current year	**–**	–
– Under-provision in prior years	**–**	2
	–	2
Deferred taxation – current year (note 18)	**26**	(11)
	26	(9)

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

No Hong Kong profits tax has been provided as the Group has sufficient tax losses to offset the estimated assessable profits for the years ended 30 June 2026 and 2025.

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

	2026 HK$'000	2025 HK$'000
Loss before taxation	**(6,892)**	(10,344)
Tax at the domestic tax rate	**(1,137)**	(1,707)
Tax effect of expenses not deductible for tax purpose	**1,120**	902
Tax effect of income not taxable for tax purpose	**(282)**	(423)
Tax effect of estimated tax losses not recognised	**652**	1,393
Tax effect of utilisation of tax losses not previously recognised	**(327)**	(176)
Under-provision in prior years	**–**	2
Income tax expense/(credit)	**26**	(9)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

11. LOSS FOR THE YEAR

	2026 HK$'000	2025 HK$'000
The Group's loss for the year is stated after charging/(crediting) the following:		
Auditor's remuneration	**650**	650
Directors' remuneration (note 12)	**4,912**	6,586
Other staff costs:		
Salaries and other benefits	**12,583**	11,771
Retirement benefit schemes contributions	**353**	333
Total staff costs*	**17,848**	18,690
Depreciation of plant and equipment	**335**	429
Depreciation of right-of-use assets	**888**	1,538
Gain on lease termination	**(26)**	–
Gain on disposal of property, plant and equipment	**(42)**	–

* The staff costs were expensed in direct costs and administrative expenses amounting to HK$9,470,000 (2025: HK$9,409,000) and HK$8,378,000 (2025: HK$9,281,000) respectively.

12. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

(a) Directors' and chief executive's emoluments

The emoluments paid or payable to directors and chief executive of the Company are as follows:

	Fee	Salaries and other benefits	Performance and discretionary bonus (note i)	Retirement scheme contributions	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Executive directors (note ii)					
Mr. Kwok Tung Keung	**3,000**	**–**	**–**	**–**	**3,000**
Mr. Tam Brown Lun	**–**	**416**	**10**	**18**	**444**
Ms. Wong Hui Yu	**–**	**600**	**10**	**18**	**628**
Ms. Kwok Pui Sze	**360**	**–**	**–**	**–**	**360**
Independent non-executive directors (note iii)					
Mr. Leung Tze Wai	**120**	**–**	**–**	**–**	**120**
Ms. Fung Yuk Yiu	**240**	**–**	**–**	**–**	**240**
Mr. Cheng Wai Man Clement	**120**	**–**	**–**	**–**	**120**
Total for 2026	**3,840**	**1,016**	**20**	**36**	**4,912**

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For the year ended 30 June 2026

12. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (CONTINUED)

(a) Directors' and chief executive's emoluments (continued)

	Fee	Salaries and other benefits	Performance and discretionary bonus (note i)	Retirement scheme contributions	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Executive directors (note ii)					
Mr. Kwok Tung Keung	3,000	–	1,500	–	4,500
Mr. Tam Brown Lun	–	480	10	18	508
Ms. Wong Hui Yu	–	600	120	18	738
Ms. Kwok Pui Sze	360	–	–	–	360
Independent non-executive directors (note iii)					
Mr. Leung Tze Wai	120	–	–	–	120
Ms. Fung Yuk Yiu	240	–	–	–	240
Mr. Cheng Wai Man Clement	120	–	–	–	120
Total for 2025	3,840	1,080	1,630	36	6,586

Notes:

(i) The performance and discretionary bonus is determined by reference to the duties and responsibilities of the relevant individual within the Group and the Group's performance.

(ii) The emoluments of the executive directors are for their services in connection with the management of the affairs of the Company and the Group.

(iii) The emoluments of the independent non-executive directors are for their services as the directors of the Company.

During both years, no emolument was paid or payable by the Group to any directors of the Company as an inducement to join, or upon joining the Group or as compensation for loss of office. There is no arrangement under which a director has waived or agreed to waive any remuneration.

(b) Employees' emoluments

The five highest paid individuals include one director (2025: two directors) whose emolument is presented in the disclosures in (a) above. The emoluments of the remaining four (2025: three) individuals are as follows:

	2026	2025
	HK$'000	HK$'000
Salaries and other benefits	**2,920**	2,676
Performance and discretionary bonus	**120**	100
Retirement benefit schemes contributions	**54**	36
	3,094	2,812

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

12. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (CONTINUED)

(b) Employees' emoluments (continued)

Their emoluments are within the following bands:

	2026 Number of employees	2025 Number of employees
Nil to HK$1,000,000	**4**	2
HK$1,000,001 to HK$1,500,000	**–**	1
	4	3

During both years, no emolument was paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

13. DIVIDENDS

No dividend was proposed for the years ended 30 June 2026 and 30 June 2025.

14. LOSS PER SHARE

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

Loss

	2026 HK$'000	2025 HK$'000
Loss for the purpose of calculating basic and diluted loss per share	**(6,918)**	(10,335)

Number of shares

	2026 '000	2025 '000
Issued ordinary shares at 1 July	**923,290**	795,940
Effect of consideration shares issued	**–**	60,360
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	**923,290**	856,300

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

15. PLANT AND EQUIPMENT

	Machinery HK$'000	Leasehold improvements HK$'000	Office equipment HK$'000	Furniture and fixtures HK$'000	Motor vehicles HK$'000	Total HK$'000
COST						
At 1 July 2024, 30 June 2025 and 1 July 2025	187	1,444	1,174	438	2,815	6,058
Disposal	–	–	–	–	(344)	(344)
Write off	–	(1,046)	–	–	–	(1,046)
At 30 June 2026	187	398	1,174	438	2,471	4,668
ACCUMULATED DEPRECIATION						
At 1 July 2024	187	1,444	1,174	438	1,832	5,075
Charge for the year	–	–	–	–	429	429
Write off	–	–	–	–	–	–
At 30 June 2025 and 1 July 2025	187	1,444	1,174	438	2,261	5,504
Charge for the year	–	–	–	–	335	335
Disposal	–	–	–	–	(344)	(344)
Write off	–	(1,046)	–	–	–	(1,046)
At 30 June 2026	187	398	1,174	438	2,252	4,449
CARRYING AMOUNT						
At 30 June 2026	–	–	–	–	219	219
At 30 June 2025	–	–	–	–	554	554

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

16. RIGHT-OF-USE ASSETS

Disclosure of lease-related items:

	2026 HK$'000	2025 HK$'000
At 30 June:		
Right-of-use assets		
– Land and buildings	**618**	1,512
The maturity analysis, based on undiscounted cash flows, of the Group's lease liabilities is as follows:		
– Less than 1 year	**528**	1,405
– Between 1 and 2 years	**120**	191
	648	1,596
Year ended 30 June:		
Depreciation of right-of-use assets		
– Land and buildings	**888**	1,538
Lease interests	**51**	115
Expenses related to short-term leases	**22**	31
Total cash outflow for leases	**958**	1,657
Additions to right-of-use assets	**687**	489
Gain on lease termination	**26**	–

The Group leases various land and buildings. Lease agreements are typically made for fixed periods of 1 to 2 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and the leased assets may not be used as security for borrowing purposes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

17. INVESTMENT IN AN ASSOCIATE

	2026 HK$'000	2025 HK$'000
Unlisted investment:		
Share of net assets	**2,656**	2,352
Goodwill	**2,945**	2,945
	5,601	5,297
Impairment losses	**(1,117)**	–
	4,484	5,297

On 4 July 2024, the Group acquired 45% equity interest of Expert Lead Holdings Limited, a private company established in the British Virgin Islands ("**BVI**"), with its wholly-owned subsidiary, Soar Construction Engineering Co. Limited ("**Soar Construction**"), a private company established in Hong Kong, at a consideration of approximately HK$4,444,000 (including the initial consideration of HK$3,500,000 and contingent consideration payable of approximately HK$944,000).

Details of investment in an associate as at 30 June 2026 and 2025 are as follows:

Name	Principal place of business/country of incorporation	% of ownership interests/voting rights held by the Group	Principal activities
Expert Lead Holdings Limited	BVI	directly 45%	Investment holding
Soar Construction	Hong Kong	indirectly 45%	Construction work

The following table shows information of the associate that is material to the Group. The associate is accounted for in the consolidated financial statements using the equity method. The summarised financial information presented is based on the financial statements of the associate prepared under HKFRS Accounting Standards.

	2026 HK$'000	2025 HK$'000
At 30 June:		
Non-current assets	**313**	418
Current assets	**8,575**	8,099
Current liabilities	**(2,985)**	(3,290)
Net assets	**5,903**	5,227
Group's share of net assets	**2,656**	2,352
Goodwill	**1,828**	2,945
Group's share of carrying amount of interests	**4,484**	5,297

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

17. INVESTMENT IN AN ASSOCIATE (CONTINUED)

	2026 HK$'000	From 4 July 2024 (date of acquisition) to 30 June 2025 HK$'000
Period ended 30 June:		
Revenue	**7,744**	10,691
Profit	**677**	1,895
Total comprehensive income	**677**	1,895

18. DEFERRED TAX ASSETS

The following are the major deferred tax assets recognised by the Group.

	Accelerated depreciation allowance HK$'000
At 1 July 2024	77
Credit to profit or loss (note 10)	11
At 30 June 2025 and 1 July 2025	88
Charge to profit or loss (note 10)	(26)
At 30 June 2026	62

The Group has estimated unused tax losses of HK$69,608,000 (2025: HK$61,637,000) available for offsetting against future taxable profits of the companies in which the losses arose. No deferred tax asset has been recognised in respect of the unused tax losses due to unpredictability of future profit streams. All unrecognised tax losses may be carried forward indefinitely.

19. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2026 HK$'000	2025 HK$'000
Deposits (note i)	**20,499**	20,912
Payment for a life insurance policy (note ii)	**9,445**	9,391
Prepayment	**81**	–
Other receivables	**282**	505
Loan to third parties (note iii)	**–**	14,250
Interest receivables (note iii)	**–**	14
Amount due from an associate (note iv)	**251**	151
	30,558	45,223
Analysed for reporting purposes as:		
Non-current assets	**29,445**	29,391
Current assets	**1,113**	15,832
	30,558	45,223

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

19. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

Notes:

(i) Cash deposits of HK$20,000,000 (2025: HK$20,000,000) were pledged to third parties to secure surety bonds of HK$20,000,000 (2025: HK$20,000,000) as disclosed in note 29.

(ii) The Group entered into a life insurance policy to insure a director of the Company. Under this policy, the Group is the beneficiary and policy holder and the total insured sum is United States dollars ("**US$**") 2,000,000. The Group is required to pay a single premium of US$1,049,379 (equivalent to approximately HK$8,139,000) to the insurance company at inception. The Group can, at any time, withdraw cash based on the account value of the policy ("**Account Value**") at the date of withdrawal, which is determined by the gross premium paid plus accumulated interest earned and minus any charges made in accordance with the terms and conditions of the policy. If withdrawal is made between the 1st to 18th policy year, there is a specified amount of surrender charge deducted from Account Value. The insurance company will pay the Group a guaranteed interest rate of 4% per annum for the first year and a variable return per annum afterwards (with guaranteed minimum interest rate of 2%) during the effective period of the policy.

At the inception date, the gross premium paid by the Group included a fixed policy premium charge and a deposit. Monthly policy expense and insurance charges will be incurred over the insurance period with reference to the terms set out in the life insurance policy. The policy premium, expense and insurance charges are recognised in profit or loss over the expected life of the policy and the deposit placed is measured at amortised cost using the effective interest method.

In the view of the directors of the Company, the Group will not terminate the policy nor withdraw cash prior to the end of 18th policy year and the expected life of the policy remained unchanged since its initial recognition. The balance of the deposit of the life insurance policy is denominated in US$, being a currency other than the functional currency of the relevant group entity.

(iii) On 29 October 2019, King Victory Investment Limited ("**KV**"), a wholly owned subsidiary of the Group, lent the loan amounting to HK$15,000,000 to the directors of Grand Paradise Development Company Limited ("**Grand Paradise**"), a non-wholly owned subsidiary of the Group. The loan is secured by the 35% shareholdings of Grand Paradise, interest bearing at 3% per annum and repayable within 12 months from the date of the loan agreement.

Following the Group's disposal of Grand Paradise to an independent third party on 24 June 2021, the loan terms were subsequently modified. Pursuant to the fifth supplemental agreement dated 30 June 2022, the interest rate was adjusted to 6% per annum with a maturity date of 31 August 2022. On 5 September 2022, KV executed a sixth supplemental agreement with the borrowers, Mr. Chan Hon Wing and Ms. Yuen Sau Lin Florence (the "**Borrowers**"), extending the maturity date to 30 November 2022.

Upon default of repayment at maturity, KV initiated legal proceedings against the Borrowers on 5 December 2022 (further details are disclosed in Note 36). On 5 December 2025, the High Court issued a sale order authorizing the sale of the assets pledged as collateral to satisfy the judgment debt.

During the current year, KV received aggregate cash installment payments of HK$3,125,000 from the Borrowers and received net proceeds of approximately HK$12,780,000 on 28 April 2026 following the execution of the sale order.

The total cumulative receipts of HK$15,905,000 were applied toward settling the principal amount, accrued interest, and associated legal costs. As at 30 June 2026, an outstanding principal balance of approximately HK$185,000 remains unpaid.

Details of impairment assessment of loan to third parties is disclosed in note 5(b).

The remaining balance of HK$185,000 has been fully impaired.

(iv) The amount is non-trade nature, unsecured, interest-free and has no fixed term of repayment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

20. TRADE RECEIVABLES

	2026 HK$'000	2025 HK$'000
Trade receivables	**10,524**	4,672
Less: allowance for bad and doubtful debts	**(918)**	(390)
	9,606	4,282

The Group allows a credit period of 30 to 60 days to its customers for construction works. An ageing analysis of the trade receivables, presented based on the invoice date at the end of the reporting period, is as follows:

	2026 HK$'000	2025 HK$'000
0 – 30 days	**9,606**	4,282

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customer. Credit limits attributable to customers are reviewed regularly. Approximately 100% (2025: 100%) of trade receivables as at 30 June 2026, that are neither past due nor impaired have good credit quality. These customers have no default of payment in the past.

The movements in the allowance for doubtful debts during the year are as follows:

	2026 HK$'000	2025 HK$'000
Balance at beginning of year	**390**	1,653
Provision/(reversal) of impairment losses recognised, net	**528**	(1,263)
Balance at end of year	**918**	390

The Group applies the simplified approach under HKFRS 9 to provide for expected credit losses using the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

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For the year ended 30 June 2026

20. TRADE RECEIVABLES (CONTINUED)

	Current	Within 90 days past due	Over 90 days past due	Over 180 days past due	Over 1 year past due	Total
At 30 June 2026						
Weighted average expected loss rate	**5%**	**0%**	**0%**	**0%**	**100%**	
Receivable amount (HK$'000)	**10,134**	**–**	**–**	**–**	**390**	**10,524**
Loss allowance (HK$'000)	**528**	**–**	**–**	**–**	**390**	**918**

	Current	Within 90 days past due	Over 90 days past due	Over 180 days past due	Over 1 year past due	Total
At 30 June 2025						
Weighted average expected loss rate	0%	0%	0%	0%	100%	
Receivable amount (HK$'000)	4,282	–	–	–	390	4,672
Loss allowance (HK$'000)	–	–	–	–	390	390

21. CONTRACT ASSETS AND LIABILITIES

Disclosures of revenue-related items:

	As at 30 June 2026 HK$'000	As at 30 June 2025 HK$'000	As at 1 July 2024 HK$'000
Contract assets – construction	**21,360**	25,874	18,486
Contract liabilities – construction	**1,400**	955	1,185
Contract receivables (included in trade receivables)	**9,606**	4,282	28,290

Transaction prices allocated to performance obligations unsatisfied at the year ended and expected to be recognised as revenue in:

– 2026	N/A	82,254
– 2027	84,589	81,661
– 2028	16,525	–
	101,114	163,915

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For the year ended 30 June 2026

21. CONTRACT ASSETS AND LIABILITIES (CONTINUED)

Year ended 30 June

	2026 HK$'000	2025 HK$'000
Revenue recognised in the year that was included in contract liabilities at beginning of year	**–**	1,185

Significant changes in contract assets and contract liabilities during the year:

	2026 Contract assets HK$'000	**2026 Contract liabilities HK$'000**	2025 Contract assets HK$'000	2025 Contract liabilities HK$'000
Increase due to operations in the year	**73,589**	**445**	21,067	955
Decrease due to provision of impairment of contract assets, net	**(3,731)**	**N/A**	(4,295)	N/A
Transfer of contract assets to receivables	**(74,372)**	**N/A**	(9,384)	N/A
Transfer of contract liabilities to revenue	**N/A**	**N/A**	N/A	(1,185)

A contract asset represents the Group's right to consideration in exchange for products or services that the Group has transferred to a customer.

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

Unbilled retention receivables relating to contracts in progress of HK$10,681,000 (2025: HK$14,230,000) are included in contract assets as at 30 June 2026. Retention monies will be released after completion of maintenance period of the relevant contracts or in accordance with the terms specified in the relevant contracts, ranging from 1 to 2 years from the date of completion of the respective construction contracts, of which approximately HK$650,000 (2025: HK$5,573,000) and HK$10,031,000 (2025: HK$8,657,000) are recoverable within one year and after one year, respectively.

22. PLEDGED BANK BALANCES/TIME DEPOSIT/BANK BALANCES AND CASH

Bank balances and cash comprise of cash on hand and short-term bank deposits with an original maturity of three months or less, and carry interest at prevailing market rate ranging from 0% to 0.15% (2025: 0.001% to 0.38%) per annum.

23. TRADE PAYABLES

The credit period granted to the Group by suppliers and subcontractors is 30 to 60 days. The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

	2026 HK$'000	2025 HK$'000
0 – 30 days	**2,210**	3,882

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

24. OTHER PAYABLES, RETENTION PAYABLES AND ACCRUED CHARGES

	2026 HK$'000	2025 HK$'000
Accrued charges for construction	**9,573**	13,162
Other accrued charges	**3,156**	839
Retention payables (note i)	**3,919**	6,918
Amount due to a director (note ii)	**1,131**	336
Provision (note iii)	**117**	240
Contingent consideration payable (note iv)	**–**	986
Consideration payable (note iv)	**500**	–
	18,396	22,481

Notes:

(i) Retention monies payable to subcontractors of contract works will be released by the Group after completion of maintenance period of the relevant contracts or in accordance with the terms specified in the relevant contracts, ranging from 1 to 2 years from the date of completion of the respective construction contracts, of which approximately HK$1,043,000 (2025: HK$1,003,000) and HK$2,876,000 (2025: HK$5,915,000) are due within one year and after one year, respectively.

(ii) The amount is non-trade nature, unsecured, interest-free and has no fixed term of repayment.

(iii) The Group provides for the probable future long services payments expected to be made to employees under the Hong Kong Employment Ordinance. The provision represents management's best estimate of the probable future payments which have been earned by the employees from their services to the Group up to the end of the reporting period.

(iv) On 4 July 2024, the Group acquired 45% equity interest of an associate, at a consideration of approximately HK$4,444,000 (including the initial consideration of HK$3,500,000 and contingent consideration payable of approximately HK$944,000).

Pursuant to the sale and purchase agreement relating to the acquisition of 45% equity interest of Expert Lead Holdings Limited, in the event that (i) the actual profit of Soar Construction for the year ended 30 June 2025 reaches or exceeds HK$2,000,000, the Company shall, within two (2) months (or such other period as agreed between the vendor) from the issue date of the audit report, pay the earn-out consideration of HK$500,000 to the vendor; and (ii) the actual profit of Soar Construction for the year ended 30 June 2026 reaches or exceeds HK$2,000,000, the Company shall, within two (2) months (or such other period as agreed between the vendor) from the issue date of the audit report, pay the earn-out consideration of HK$500,000 to the vendor.

Based on the financial information of Soar Construction, the net profit after tax of Soar Construction for the year ended 30 June 2025 amounted to approximately HK$2.1 million, which exceeded HK$2,000,000. Upon the issuance of the audit report of Soar Construction for the year ended 30 June 2025, the Company will pay the earn-out consideration of HK$500,000 to the vendor in accordance with the terms of the agreement. The net profit after tax of Soar Construction for the year ended 30 June 2026 amounted to approximately HK$0.7 million, which is less than HK$2,000,000. Accordingly, no earn-out consideration is expected to be paid by the Company to the vendor for the year ended 30 June 2026.

At 30 June 2026, the fair value of contingent consideration payable is approximately HK$ nil (2025: HK$986,000), and fair value changes for contingent consideration payable of HK$486,000 (2025: HK$42,000) is recorded in the consolidated profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

25. LEASE LIABILITIES

	Lease payments		Present value of lease payments	
	2026 HK$'000	2025 HK$'000	**2026** HK$'000	2025 HK$'000
Within one year	**528**	1,405	**509**	1,358
In the second to fifth years, inclusive	**120**	191	**119**	187
	648	1,596		
Less: Future finance charges	**(20)**	(51)		
Present value of lease liabilities	**628**	1,545	**628**	1,545
Less: Amount due for settlement within 12 months (shown under current liabilities)			**(509)**	(1,358)
Amount due for settlement after 12 months			**119**	187

At 30 June 2026, the average borrowing rate was 5.48% (2025: 5.59%). Interest rate is fixed at the contract dates and thus expose the Group to fair value interest rate risk.

26. SHARE CAPITAL

	Number of shares	Amount HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 July 2024, 30 June 2025, 1 July 2025 and 30 June 2026	2,000,000,000	20,000
Issued and fully paid:		
At 1 July 2024	795,940,000	7,959
Issue of shares on placement (note)	127,350,000	1,274
At 30 June 2025, 1 July 2025 and 30 June 2026	923,290,000	9,233

Note: On 31 December 2024 (after trading hours), the Company entered into the subscription agreement with the subscriber, pursuant to which the Company conditionally agreed to issue and allot, and the subscriber conditionally agreed to subscribe for, an aggregate of 127,350,000 subscription shares at the subscription price of HK$0.019 per subscription share. The subscription was completed on 9 January 2025 and the premium on the issue of shares, amounting to approximately HK$1.0 million (net of share issue expenses of HK$0.1 million), was credited to the Company's share premium account.

All issued shares rank pari passu in all respects including all rights as to dividends, voting and return of capital.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

26. SHARE CAPITAL (CONTINUED)

The capital structure of the Group consists of debt and equity of the Group, comprising issued share capital and reserves. Management of the Group reviews the capital structure regularly taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through issue of new shares or raise of new borrowings.

27. RESERVES

(a) Group

The amounts of the Group's reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

(b) Company

	Share premium HK$'000	Retained profits HK$'000	Total HK$'000
At 1 July 2024	40,578	5,942	46,520
Total comprehensive expense for the year	–	(3,378)	(3,378)
Issue of shares on placement	1,041	–	1,041
At 30 June 2025 and 1 July 2025	**41,619**	**2,564**	**44,183**
Total comprehensive expense for the year	**–**	**(2,548)**	**(2,548)**
At 30 June 2026	**41,619**	**16**	**41,635**

(c) Nature and purpose of reserves

(i) Share premium account

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(ii) Capital contribution

Capital contribution represents (a) the difference of the combined share capital of the operating subsidiaries and the share capital of the Company for shares issued pursuant to a group reorganisation in preparation for listing of the Company's shares; (b) capital contributions from the controlling shareholder of the Company; and (c) a deemed distribution for the financial guarantee provided by a subsidiary of the Group to a related company wholly owned by the controlling shareholder of the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

28. PLEDGE OF ASSETS

At 30 June 2026, the Group has pledged the deposit placed for the life insurance policy of approximately HK$9,445,000 (2025: pledged the deposit placed for the life insurance policy of approximately HK$9,391,000), details of which is disclosed in note 19 (2025: note 19), to secure the certain banking facilities (2025: the certain banking facilities) granted to the Group. Also, the Group has pledged the cash deposits as disclosed in note 19 to third parties to secure the performance bonds granted by the third parties for the both years.

29. PERFORMANCE GUARANTEE

Performance guarantee are given by banks and third parties in favour of the Group's customers as security for the due performance and observance of the Group's obligations under contracts entered into between the Group and their customers for construction work. The Group has contingent liabilities to indemnify the banks and the third parties for any claims from customers under the guarantee due to the failure of the Group's performance.

At 30 June 2026 and 30 June 2025, no performance guarantee is given by banks.

At 30 June 2026, performance guarantees of approximately HK$42,530,000 (2025: HK$42,530,000) are given by third parties. Performance guarantees of approximately HK$20,000,000 (2025: HK$20,000,000) was secured by the Group's cash deposits as disclosed in note 19, which will be released upon completion of the contract works.

At the end of both reporting periods, the directors of the Company do not consider it is probable that a claim will be made against the Group.

30. RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in the consolidated financial statements, the Group does not have any material related party transaction for both years.

Compensation of key management personnel

The remuneration of directors of the Company, who represent the key management personnel during the year, are set out in note 12.

31. RETIREMENT BENEFITS SCHEMES

The MPF Schemes are registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Schemes are held separately from those of the Group in funds under the control of an independent trustee. Under the MPF Schemes, the employer and its employees are each required to make contributions to the MPF Schemes at rates specified in the rules. The only obligation of the Group with respect to the MPF Schemes is to make the required contributions. Except for voluntary contribution, no forfeited contribution under the MPF Schemes is available to reduce the contribution payable in future years. The cap of contribution amount is HK$1,500 per employee per month.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

31. RETIREMENT BENEFITS SCHEMES (CONTINUED)

The retirement benefits schemes contributions arising from the MPF Schemes charged to the consolidated statement of profit or loss and other comprehensive income represent contributions paid or payable to the funds by the Group at rates specified in the rules of the schemes.

The Group's contributions to the retirement benefits schemes charged to profit or loss in the consolidated statement of profit or loss and other comprehensive income amounted to approximately HK$389,000 (2025: HK$369,000).

32. SHARE SCHEME

The Company adopted the 2024 share scheme (the "2024 Share Scheme") in place of the Share Option Scheme pursuant to the extraordinary general meeting held on 17 June 2024, which is valid and effective for a term of ten years from the date of its adoption. Under the 2024 Share Scheme, the Company may grant the share options and/or share awards to the eligible persons, including any director(s), officer(s) and employee(s) (whether full time or part time) of any member of the Group. The maximum number of shares in respect of which options may be granted under the 2024 Share Scheme shall be 10% of the issued share capital of the Company as at the adoption date. No options and awards have been granted under the 2024 Share Scheme since its adoption. Therefore, there were no unvested award shares or outstanding share options granted under the 2024 Share Scheme as at 30 June 2026 and 30 June 2025.

33. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOW

Changes in liabilities arising from financing activities

The following table shows the Group's changes in liabilities arising from financing activities during the year.

	Interest payable	Lease liabilities	Total
	HK$'000	HK$'000	HK$'000
At 1 July 2024	–	2,567	2,567
Changes in cash flows	(115)	(1,511)	(1,626)
Non-cash changes:			
– addition of lease liabilities	–	489	489
– interest charged	115	–	115
At 30 June 2025 and 1 July 2025	**–**	**1,545**	**1,545**
Changes in cash flows	**(51)**	**(885)**	**(936)**
Non-cash changes:			
– addition of lease liabilities	**–**	**687**	**687**
– lease termination	**–**	**(719)**	**(719)**
– interest charged	**51**	**–**	**51**
At 30 June 2026	**–**	**628**	**628**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

34. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2026 HK$'000	2025 HK$'000
Non-current assets		
Investments in subsidiaries	**2**	2
Investment in an associate	**4,484**	5,297
	4,486	5,299
Current assets		
Amounts due from subsidiaries	**47,787**	50,124
Amount due from an associate	**123**	123
Other receivables	**266**	266
Bank balances and cash	**105**	105
	48,281	50,618
Current liabilities		
Other payables and accrued charges	**1,322**	1,953
Amount due to a subsidiary	**577**	548
	1,899	2,501
Net current assets	**46,382**	48,117
Net assets	**50,868**	53,416
Capital and reserves		
Share capital	**9,233**	9,233
Reserves	**41,635**	44,183
	50,868	53,416

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

35. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Details of the major subsidiaries directly and indirectly held by the Company as at 30 June 2026 and 2025 are as follows:

Name of subsidiary	Place of incorporation and principal place of business	Authorised share capital	Issued and fully paid share capital	Proportion of nominal value of issued share capital held by the Company 2026 %	2025 %	Principal activities
Direct subsidiaries						
Well Joint Limited	BVI/Hong Kong	US$100	US$100	**100**	100	Investment holding
Focus Wealth Investments Limited	BVI/Hong Kong	US$100	US$100	**100**	100	Investment holding
KV	Hong Kong	HK$1	HK$1	**100**	100	Investment holding
Indirect subsidiaries						
W.M. Construction Limited	Hong Kong	HK$24,550,000 (2025: HK$15,390,000)	HK$24,550,000 (2025: HK$15,390,000)	**100**	100	Building construction in Hong Kong
W.M. Engineering Company Limited	Hong Kong	HK$10	HK$10	**100**	100	Construction and engineering works with focus on minor and supplementary works in Hong Kong

None of the subsidiaries had issued any debt securities at the end of the respective reporting periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 30 June 2026

36. LITIGATIONS

Loan to third parties

On 5 December 2022, KV, a wholly owned subsidiary of the Group, commenced a legal action for the outstanding loan amounting to HK$15,000,000, related interest and costs of the action from the Borrowers. On 19 July 2023, KV received a written judgment (the "**Judgment**") from the Registrar of the High Court which states the Borrowers need to pay the outstanding amounts, interest and legal costs to KV. On 4 December 2024, the Company filed a creditor's petitioner to Petition for an order for bankruptcy against the Borrowers. Since the Borrower agrees to pays off the entire judgement debt, the hearing of the Petition has been adjourned several times by consent.

On 5 December 2025, the High Court issued a sale order authorizing the sale of the assets pledged as collateral to satisfy the judgment debt. During the current year, KV received aggregate cash installment payments of HK$3,125,000 from the Borrowers and received net proceeds of approximately HK$12,780,000 on 28 April 2026 following the execution of the sale order. The total cumulative receipts of HK$15,905,000 were applied toward settling the principal amount, accrued interest, and associated legal costs. As at 30 June 2026, the debt due to KV has not been fully settled. Further legal actions are being considered and pursued to recover the remaining outstanding amounts.

Claim

On 21 August 2024, More Wealth Development Limited (the "**Plaintiff**") made a claim to KV arising from a joint venture agreement. The Plaintiff states KV breached the clauses of the joint venture agreement and claims against KV for damages, interest, costs and further and/or other relief. Following the repayment of the loan to the third party in April 2026, KV has been negotiating with the Plaintiff to withdraw the claim. As there is no formal legal confirmation of withdrawal from the Plaintiff yet, and no further developments in the legal proceedings, the outcome remains uncertain at this stage. The directors of the Company do not expect that the outcome of this legal proceeding will have a material adverse effect on the Group's financial position or results of operations.

37. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

These consolidated financial statements were approved and authorised for issue by the Board of Directors on 29 September 2026.

FINANCIAL SUMMARY

RESULTS

	For the year ended 30 June				
	2026	2025	2024	2023	2022
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue	**73,589**	98,165	90,277	116,132	132,945
Loss for the year	**(6,918)**	(10,335)	(19,245)	(14,081)	(11,958)
Loss for the year attributable to:					
Owners of the Company	**(6,918)**	(10,335)	(19,242)	(14,079)	(11,956)
Non-controlling interests	**–**	–	(3)	(2)	(2)
	(6,918)	(10,335)	(19,245)	(14,081)	(11,958)

ASSETS AND LIABILITIES

	As at 30 June				
	2026	2025	2024	2023	2022
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Total assets	**92,396**	105,592	136,462	144,901	170,228
Total liabilities	**(22,903)**	(29,181)	(52,031)	(41,227)	(52,580)
Total equity	**69,493**	76,411	84,431	103,674	117,648