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SHEUNG YUE GROUP HOLDINGS LIMITED

上諭集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1633)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2025

The board (the “**Board**”) of directors (the “**Directors**”) of Sheung Yue Group Holdings Limited (the “**Company**”) is pleased to present the annual results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2025 (the “**Year**”), together with the comparative figures for the year ended 31 March 2024 (the “**Previous Year**”).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

		2025	2024
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	4(a)	264,770	361,257
Cost of services		(245,788)	(330,009)
Gross profit		18,982	31,248
Other income	4(b)	3,442	3,378
Other gains, net		403	6
Reversal of/(allowance for) expected credit loss (“ECL”) on financial assets, net		1,096	(950)
Impairment loss on right-of-use assets		(5,190)	–
Administrative expenses		(22,683)	(23,874)
(Loss)/profit from operation	5	(3,950)	9,808
Finance costs	6	(5,702)	(5,522)
(Loss)/profit before taxation		(9,652)	4,286
Income tax	8	–	–
(Loss)/profit and total comprehensive income for the year attributable to owners of the Company		(9,652)	4,286
		<i>HK cents</i>	<i>HK cents</i>
(Loss)/earnings per share	10		
– Basic and diluted		(1.41)	0.63

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

		2025	2024
	Notes	HK\$'000	HK\$'000
Non-current assets			
Plant and equipment		94,152	86,013
Right-of-use assets		–	11,199
Financial asset at fair value through profit or loss		–	2,860
Rental deposit	11	626	643
		<u>94,778</u>	<u>100,715</u>
Current assets			
Inventories		14,541	14,477
Contract assets		96,241	118,825
Trade and other receivables	11	56,051	102,979
Pledged bank deposits		2,000	2,014
Cash and cash equivalents		13,108	17,307
		<u>181,941</u>	<u>255,602</u>
Current liabilities			
Trade and other payables	12	35,502	60,499
Lease liabilities		3,923	4,977
Bank and other loans		64,145	105,938
		<u>103,570</u>	<u>171,414</u>
Net current assets		<u>78,371</u>	<u>84,188</u>
Total assets less current liabilities		<u>173,149</u>	<u>184,903</u>
Non-current liabilities			
Lease liabilities		1,417	3,519
NET ASSETS		<u>171,732</u>	<u>181,384</u>
Capital and reserves			
Share capital		6,848	6,848
Reserves		164,884	174,536
TOTAL EQUITY		<u>171,732</u>	<u>181,384</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

1. GENERAL

The Company was incorporated in the Cayman Islands on 23 March 2016 as an exempted company with limited liability under the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The registered office of the Company is located at the Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is Unit 103–105, 1st Floor, New East Ocean Centre, 9 Science Museum Road, Tsim Sha Tsui East, Kowloon, Hong Kong.

The Company, an investment holding company, and its subsidiaries are principally engaged in the provision of foundation works including piling construction, excavation and lateral support (“ELS”) works, pile cap construction, site formation and ancillary services in Hong Kong and Macau.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company, and all values are rounded to the nearest thousands, except when otherwise indicated. Each entity in the Group maintains its books and records in its own functional currency.

As at 31 March 2025 and 2024, the Board hereby acknowledges that the immediate holding company is Favourable Year Limited, a company incorporated in the British Virgin Islands (the “BVI”), and ultimate holding company of the Company is Creative Elite Global Limited, a company incorporated in the BVI. The ultimate controlling party of Creative Elite Global Limited is vested in the director of the Company, Mr. Chan Lap Wai Gary, and his spouse, Ms. Vane Siu Ling Linda.

2. STATEMENT OF COMPLIANCE AND APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards which comprise Hong Kong Financial Reporting Standards (“HKFRSs”), Hong Kong Accounting Standards (“HKASs”) and Interpretations, issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

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

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

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Hong Kong Interpretation 5 (“HK Int 5”) (Revised)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

Except as described below, the other amendments to HKFRS Accounting Standards effective for the current year do not have a material impact on the Group’s consolidated financial positions and consolidated financial performance for the current and prior year and/or on the disclosures set out in the consolidated financial statements.

Adoption of Amendments to HKAS 1 “Classification of Liabilities as Current or Non-current” and Amendments to HKAS 1 “Non-current Liabilities with Covenants” (collectively, the “HKAS 1 Amendments”)

As a result of the adoption of the HKAS 1 Amendments, the Group changed its accounting policy for the classification of borrowings as below:

“Borrowings are classified as current liabilities unless, at the end of the reporting period, the Group has a right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Covenants that the Group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the end of the reporting period do not affect the classification.”

This new accounting policy did not result in a change in the classification of the Group’s bank and other loans. The Group did not make retrospective adjustments as a result of adopting the HKAS 1 Amendments.

2.3 New or amendments to HKFRS Accounting Standards that have been issued but are not yet effective

The following new or amendments to HKFRS Accounting Standards, potentially relevant to the Group's consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability ¹
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Annual Improvements to HKFRS Accounting Standards	Volume 11 ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³
Amendments to HK Int 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

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

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

⁴ Effective date to be determined by the HKICPA

Except as disclosed below, the Directors expect that the adoption of the other amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the year of initial application.

HKFRS 18 “Presentation and Disclosure in Financial Statements”

HKFRS 18 will replace HKAS 1 “Presentation of financial statements”, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of consolidated financial statements, with a focus on information about financial performance present in the consolidated statement of profit or loss, which will affect how the Group present and disclose financial performance in the consolidated financial statements. The key changes introduced in HKFRS 18 relate to (i) the structure of the statement of profit or loss; (ii) required disclosures for management-defined performance measures (which are referred to alternative or non-GAAP performance measures); and (iii) enhanced requirements for aggregation and disaggregation of information.

The Directors are currently assessing the impact of applying HKFRS 18 on the presentation and the disclosures of the consolidated financial statements.

3. SEGMENT INFORMATION

(i) Operating segments

The chief operating decision maker (the “CODM”) has been identified as the executive Directors of the Company, who review the Group’s internal reporting in order to assess performance and allocate resources. The CODM has determined the operating segments based on these reports.

The CODM assesses the performance based on a measure of (loss)/profit for the year and considers all businesses to be included in a single operating segment.

The Group was principally engaged in provision of foundation works including piling construction, ELS works, pile cap construction, site formation and ancillary services in Hong Kong and in Macau. Information reported to the CODM, for the purpose of resources allocation and performance assessment, focuses on the operating results and financial position of the Group as a whole, as the Group’s resources are integrated and no discrete operating segment financial information is available. Accordingly, no segment information is presented.

(ii) Geographical information

All of the Group’s revenue were derived from Hong Kong, based on the location of the customers, and all of its non-current assets were located in Hong Kong, based on the location of assets. Therefore, no geographical information is presented.

(iii) Information about major customers

Revenue attributed from customers that accounted for 10% (2024: 10%) or more of the Group’s total revenue during the year ended 31 March 2025 is as follows:

	2025 HK\$’000	2024 HK\$’000
Customer A	79,505	54,551
Customer B	42,612	N/A*
Customer C	N/A*	166,955
Customer D	N/A*	37,972
Customer E	31,886	N/A*

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

4. REVENUE AND OTHER INCOME

(a) Revenue

The Group’s revenue represents amount received and receivable from contract work performed and recognised over time in accordance with HKFRS 15 during the years ended 31 March 2025 and 2024.

(b) Other income

	2025 HK\$'000	2024 HK\$'000
Other income		
Interest income on bank deposits	74	52
Rental income	2,081	1,139
Income from the staff outsourcing	1,287	2,187
	<u>3,442</u>	<u>3,378</u>

5. (LOSS)/PROFIT FROM OPERATION

The Group's (loss)/profit from operation has been arrived at after charging/(crediting):

	2025 HK\$'000	2024 HK\$'000
Auditor's remuneration:		
Audit services	350	480
Depreciation of:		
– Plant and equipment	21,043	22,105
– Right-of-use assets	5,252	6,963
Expenses related to short-term leases	3,442	1,296
Reversal of/(allowance for) ECL on:		
– Contract assets	761	(400)
– Trade receivables	(550)	–
– Advances to subcontractors	894	(506)
– Deposits and other receivables	(9)	(44)
Staff costs (including directors' emoluments) (Note 7)	37,939	65,394

6. FINANCE COSTS

	2025 HK\$'000	2024 HK\$'000
Interest on lease liabilities	499	365
Interest on bank overdrafts	64	55
Interest on bank and other loans	5,139	5,102
	<u>5,702</u>	<u>5,522</u>

7. STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

	2025 HK\$'000	2024 HK\$'000
Salaries and allowances	36,977	62,398
Contributions to defined contribution retirement plan	926	1,431
Performance related bonuses	36	1,565
	<u>37,939</u>	<u>65,394</u>

8. INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.

Under the two-tiered profits tax rate regime of Hong Kong Profits Tax, the first HK\$2 million of profits of a 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%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

For the year ended 31 March 2025, Hong Kong Profits Tax is calculated at 8.25% on the first HK\$2,000,000 of the estimated assessable profits of one of the subsidiaries of the Company and at 16.5% on the estimated assessable profits above HK\$2,000,000 of that subsidiary. The profits of other group entities not qualified for the two-tier profits tax regime will continue to be taxed at a flat rate of 16.5%.

No provision for Hong Kong Profits Tax has been made for the year ended 31 March 2025 as the Group had no assessable profits during the year. For the year ended 31 March 2024, while the Group generated assessable profits, no tax provision was required due to the utilisation of available tax losses brought forward from previous years, which fully offset the tax liability.

Macau Complementary Income Tax is calculated at 12% (2024: 12%) of the estimated assessable profits for the year ended 31 March 2025 and 2024.

No Macau Complementary Income Tax has been provided since there were no assessable profits generated for the years ended 31 March 2025 and 2024.

9. DIVIDENDS

No dividend was paid or proposed for both years, nor has any dividend been proposed since the end of the reporting period to the date of this announcement.

10. (LOSS)/EARNINGS PER SHARE

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

	2025 HK\$'000	2024 HK\$'000
(Loss)/earnings		
(Loss)/profit for the year attributable to owners of the Company	(9,652)	4,286
	2025 '000	2024 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted (loss)/earnings per share (<i>Note</i>)	684,750	684,750

Note: Weighted average number of ordinary shares for the years ended 31 March 2025 and 2024 are based on the number of ordinary shares in issue throughout the year.

Diluted (loss)/earnings per share is same as basic (loss)/earnings per share during the years ended 31 March 2025 and 2024 as there were no potential dilutive ordinary shares outstanding for both years.

11. TRADE AND OTHER RECEIVABLES

	2025 HK\$'000	2024 HK\$'000
Trade receivables (<i>Note (a)</i>)	33,334	16,734
Less: allowance for ECL	(550)	–
	32,784	16,734
Advances to subcontractors (<i>Note (b)</i>)	19,692	85,406
Less: allowance for ECL	(560)	(1,454)
	19,132	83,952
Other receivables	3,272	1,474
Deposits	1,216	1,121
Less: allowance for ECL	(53)	(44)
	4,435	2,551
Prepayments	326	385
	56,677	103,622
Less: Non-current portion Rental deposit	(626)	(643)
Total current portion	56,051	102,979

Notes:

- (a) Trade receivables were derived from provision of foundation works, including piling construction, ELS works, pile cap construction, site formation and ancillary services, and are non-interest bearing. The Group does not hold any collaterals or other credit enhancements over these balances.

A credit period of less than 60 days (2024: less than 60 days) since the issuance of invoice or payments received from main contractor is granted by the Group to its trade customers of contract work. Application for progress payments of contract works is made on a regular basis.

The following is an ageing analysis of the carrying amount of trade receivables presented based on the invoice dates, net allowance for ECL:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
1–30 days	10,426	12,611
31–90 days	6,462	3,906
More than 90 days	15,896	217
	<u>32,784</u>	<u>16,734</u>

- (b) All advances to subcontractors are interest free and have no fixed terms of repayment. The advances made to subcontractors are for the purpose of working capital for the projects undertaken by the Group, which were trade-related and within the scope of the Group's usual and ordinary business operations. Therefore, the Directors considered that such advances do not constitute to notifiable transactions under the Listing Rules.

The Group does not hold any collateral as security for trade and other receivables.

12. TRADE AND OTHER PAYABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade payables (<i>Note</i>)	16,562	41,560
Retention payables	14,020	10,653
Other payables and accruals	4,920	8,286
	<u>35,502</u>	<u>60,499</u>

Note: The following is an ageing analysis of trade payables presented based on the invoice dates:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
1–30 days	4,375	18,102
31–90 days	8,360	16,620
91–365 days	1,907	4,962
More than 365 days	1,920	1,876
	<hr/> 16,562 <hr/>	<hr/> 41,560 <hr/>

The Group's trade payables are non-interest bearing and generally have payment terms of 30 to 60 days.

13. COMPARATIVE FIGURES

Certain comparative figures in the consolidated financial statements have been reclassified to conform to current year's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the year ended 31 March 2025 (the “**Year**”), the Group was engaged in the provision of foundation works in Hong Kong and Macau. The scope of foundation works undertaken by us mainly includes piling construction, ELS works, pile cap construction, site formation and ancillary services (such as loading test and construction machinery leasing services).

As at 31 March 2025, there are 8 projects on hand with total contract sum amounting to approximately HK\$350,469,000, all of which are expected to be completed in the forthcoming financial year.

PROSPECTS

Looking forward, the global economic landscape is expected to remain uncertain, with persistent challenges such as geopolitical tensions, trade disruptions, and inflationary pressures continuing to impact growth. These factors contribute to a cautious outlook for global trade and investment in the near term. Despite these headwinds, the Hong Kong government’s proactive initiatives, including talent attraction programs and labour importation schemes, are anticipated to enhance the city’s competitiveness and capacity. Additionally, the successful attraction of strategic enterprises is expected to bring in capital and talent, thereby supporting housing demand in Hong Kong. Furthermore, the implementation of significant government-led infrastructure projects, such as the Northern Metropolis, is poised to drive demand for construction and foundation works, creating a conducive environment for the Group to sustain and grow its core businesses in the coming years.

Despite the immediate challenges, the Directors believe that the Group is well-positioned to capitalise on new project opportunities in the upcoming year, leveraging the favorable policy environment. The Group will remain vigilant in monitoring market developments, adopt a prudent approach in assessing potential business opportunities, and strive to drive continuous business growth, diversify revenue streams, and maximise returns for our shareholders.

FINANCIAL REVIEW

Revenue

The Group’s total revenue for the Year was approximately HK\$264,770,000 (for the year ended 31 March 2024 (the “**Previous Year**”): approximately HK\$361,257,000), representing a decrease of approximately 26.7% over the Previous Year. The decrease in our revenue was mainly due to the less foundation work projects undertaken by the Group during the Year.

Gross Profit and Gross Profit Margin

The Group's gross profit amounted to approximately HK\$18,982,000 for the Year (for the Previous Year: approximately HK\$31,248,000). The Group's gross profit margin during the Year was approximately 7.2% (for the Previous Year: approximately 8.6%).

The decrease in gross profit margin was mainly due to lower gross profit derived from the new projects commenced and the increase of subcontracting cost involved during the Year.

Other Income

The Group's other income for the Year were approximately HK\$3,442,000 (for the Previous Year: approximately HK\$3,378,000), representing an increase of approximately 1.9% compared to the Previous Year.

Other Gains, Net

The Group's other gains, net for the Year were approximately HK\$403,000 (for the Previous Year: approximately HK\$6,000). This was primarily attributed to gain on disposal of plant and equipment, gain on disposal of financial asset at fair value through profit or loss and gain on early termination of lease.

General and Administrative Expenses

The Group's administrative expenses for the Year were approximately HK\$22,683,000 (for the Previous Year: approximately HK\$23,874,000), representing a decrease of approximately 5.0% compared to the Previous Year. This was mainly due to the decrease in staff salaries and bonus of head office during the Year.

Income Tax

There was no income tax for the Year of the Group (for the Previous Year: Nil).

Net Loss/Profit

As a result of the abovementioned, the Group reported a net loss for the Year of approximately HK\$9,652,000 (for the Previous Year: net profit approximately HK\$4,286,000).

Trade and Other Receivables

Trade and other receivables decreased by approximately 45.3% from approximately HK\$103,622,000 as at 31 March 2024 to approximately HK\$56,677,000 as at 31 March 2025. This was mainly due to the decrease in advances to certain subcontractors.

Liquidity, Financial Resources and Capital Structure

As at 31 March 2025, the Group had bank balances of approximately HK\$13,108,000 (as at 31 March 2024: approximately HK\$17,307,000). The interest-bearing debts of the Group as at 31 March 2025 was approximately HK\$69,485,000 (as at 31 March 2024: approximately HK\$114,434,000). The gearing ratio was calculated based on the amount of bank and other loans, and lease liabilities divided by total equity. The gearing ratio of the Group as at 31 March 2025 was approximately 40.5% (as at 31 March 2024: approximately 63.1%), as a result of the decrease in bank and other loans, and lease liabilities during the Year.

Pledge of Assets

The Group's plant and machinery and right-of-use assets with an aggregate net book value as at 31 March 2025 held under leases and other loan was Nil (as at 31 March 2024: HK\$9,989,000).

As at 31 March 2025, the Group banking facilities were secured by the Group's bank deposits amounting to HK\$2,000,000 (as at 31 March 2024: HK\$2,014,000).

Foreign Exchange Risk

The Group mainly operates in Hong Kong and most of the operating transactions (such as revenue, expenses, monetary assets and liabilities) are denominated in Hong Kong dollars. As such, the Directors are of the view that the Group's risk in foreign exchange is insignificant and that we should have sufficient resources to meet foreign exchange requirements as and if they arise. Therefore, the Group has not engaged in any derivative contracts to hedge its exposure to foreign exchange risk during the Year.

Employees and Remuneration Policy

As at 31 March 2025, the Group employed 43 employees (as at 31 March 2024: 161 employees). Total remuneration costs including Directors' emoluments for the Year amounted to approximately HK\$37,939,000 (for the Previous Year: approximately HK\$65,394,000). The salary and benefit levels of the employees of the Group are competitive and individual performance is rewarded through the Group's salary and bonus system. The Group conducts annual review on salary increase, discretionary bonuses and promotions based on the performance of each employee.

During the Year, the Group has not experienced any significant problems with its employees due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff.

Capital Commitments

The Group did not have capital commitments in respect of acquisition of plant and equipment as at 31 March 2025 (as at 31 March 2024: Nil).

Distributable Reserves

The Companies Act provides that share premium account of a company incorporated in the Cayman Islands may be applied in such manner as it may from time to time determine, subject to the provisions, if any, of its memorandum and articles of association, provided that no distribution or dividend may be paid to its members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, the Company shall be able to pay its debts as they fall due in the ordinary course of business. The Company's reserves available for distribution comprise the share premium, contributed surplus and accumulated losses. In the opinion of the Board, the Company's reserves available for distribution to the shareholders at 31 March 2025 were approximately HK\$63,205,000 (as at 31 March 2024: HK\$118,972,000).

Performance Bonds

As at 31 March 2025, the Group has given guarantees on performance bonds issued by financial institutions of approximately HK\$11,439,000 (as at 31 March 2024: HK\$11,439,000) in respect of 2 (as at 31 March 2024: 2) construction contracts of the Group in its ordinary course of business. This performance bonds are expected to be released in accordance with the terms of the respective construction contracts.

CORPORATE GOVERNANCE AND OTHER INFORMATION

Purchase, Sale or Redemption of the Company's Listed Securities

No purchase, sale or redemption of the Company's listed securities was made by the Company or its subsidiaries (including sale of treasury shares (as defined in the Listing Rules)) from the Listing Date and up to the date of this announcement.

Compliance with the Corporate Governance Code

The Group is committed to uphold high standards of corporate governance. The Board considers that enhanced public accountability and corporate governance are beneficial to the healthy growth of the Group, improving customer and supplier confidence and safeguarding the interests of the shareholders of the Company.

The Company had complied with all applicable code provisions as set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules from the Listing Date and up to the date of this announcement.

Compliance with the Model Code

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standard as set out in the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the “**Model Code**”). In response to a specific enquiry by the Company, all Directors have confirmed that they complied with the requirements of the Model Code since the Listing Date and up to the date of this announcement.

Audit Committee

The Company has established an audit committee (the “**Audit Committee**”) in accordance with the requirements of the Listing Rules with terms of reference aligned with the provision of the Corporate Governance Code as set out in Appendix C1 to the Listing Rules. The Audit Committee is to serve as a focal point for communication between other Directors, the external auditor, and the management as their duties relate to financial and other reporting, internal controls and the audits, and to assist the Board in fulfilling its responsibilities by providing an independent review of financial reporting and make themselves satisfied as to the effectiveness of the Company's internal controls and as to the efficiency of the audits. The Audit Committee comprises three independent non-executive Directors, namely Mr. Cheng Chi Hung (chairman), Mr. Li Hon Hung, *BBS, MH, JP* and Mr. Wong Yip Kong.

Review of Annual Results

The Audit Committee of the Company has reviewed the accounting principles and practices adopted by the Group and the annual results for the year ended 31 March 2025. The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year as set out in this announcement have been agreed by the Company's auditor, McMillan Woods (Hong Kong) CPA Limited, to the amounts set out in the Group's consolidated financial statements for the Year. The work performed by McMillan Woods (Hong Kong) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by McMillan Woods (Hong Kong) CPA Limited on this announcement.

Dividend Policy

The declaration of payment of dividends are subject to the criteria set out in the dividend policy adopted by the Company (the “**Dividend Policy**”), shall remain to be determined at the sole discretion of the Board and are subject to all applicable laws and regulations and the Articles of Association of the Company. The Board shall take into account the following factors, among other factors, when considering the declaration and payment of dividends:

- (a) the Group’s overall results of operation, financial position, liquidity position, capital requirements, cash flow and future prospects;
- (b) the amount of distributable reserves of the Company;
- (c) the expected capital requirements and future expansion plans of the Group;
- (d) the general business and regulatory conditions, the business cycle of the Group and other internal or external factors that may have an impact on the business or financial performance and position of the Group;
- (e) the statutory and regulatory restrictions;
- (f) the contractual restrictions on the payment of dividends by the Company to the shareholders or by the subsidiaries of the Company to the Company;
- (g) the shareholders’ interests; and
- (h) other factors that the Board deems relevant.

The Company will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend, modify and/or cancel the Dividend Policy at any time. The Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

Final Dividend and Annual General Meeting

The Directors recommended no payment of final dividend for the Year. Notice of the annual general meeting will be published and despatched to shareholders of the Company in the manner required by the Listing Rules in due course.

Publication of Results Announcement and Annual Report

This announcement is published on the website of the Stock Exchange at www.hkex.com.hk and at the website of the Company at www.simonandsons.com.hk. The annual report will be despatched to the shareholders of the Company and available on the above websites in due course.

APPRECIATION

On behalf of the Board, I would like to express my sincere gratitude to all our management and staff members for their dedication and contribution to the Group. In addition, I would like to thank all our shareholders and investors for their support and our customers for their patronage.

By order of the Board
Sheung Yue Group Holdings Limited
Chan Lap Wai Gary
Chairman

Hong Kong, 30 June 2025

As at the date of this announcement, the Board comprises Mr. Chan Lap Wai Gary (Chairman), Mr. Chan Lap Chuen Edmond and Ms. Chan Chin Ying Amanda as executive Directors, and Mr. Li Hon Hung, BBS, MH, JP, Mr. Cheng Chi Hung and Mr. Wong Yip Kong as independent non-executive Directors.