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ASIA COMMERCIAL HOLDINGS LIMITED

冠亞商業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 104)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2026

FINANCIAL HIGHLIGHTS

	2026 <i>HK\$ million</i>	2025 <i>HK\$ million</i>	Change %
Operations			
Revenue	670	709	(6)
Profit attributable to owners of the Company	39	24	63
Earnings per share – Basic	5.28 HK cents	3.27 HK cents	61
Final dividend proposed after the end of the reporting period	23	20	15
	2026 <i>HK\$ million</i>	2025 <i>HK\$ million</i>	Change %
Financial position			
Total assets	697	713	(2)
Equity attributable to owners of the Company	476	442	8

The Board of Directors (the “Board”) of Asia Commercial Holdings Limited (the “Company”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31st March 2026 together with the comparative figures for 2025. The financial information set out in this announcement does not constitute the Group’s statutory financial statements for the year ended 31st March 2026 but represents an extract from those financial statements. The financial information has been reviewed by the Company’s audit committee.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31st March

	<i>Notes</i>	2026 HK\$’000	2025 HK\$’000
Revenue	2	669,553	709,373
Cost of sales and services rendered		<u>(454,447)</u>	<u>(476,865)</u>
Gross profit		215,106	232,508
Other revenue	2	3,236	5,066
Other net gains	2	6,078	7,876
Fair value losses on investment properties, net		(15,299)	(37,241)
Distribution costs		(97,457)	(99,346)
Administrative expenses		(29,464)	(34,839)
Impairment loss recognised on right-of-use assets	4(c)	–	(3,036)
Impairment loss recognised on trade and other receivables	4(c)	(412)	(1,282)
Finance costs	4(a)	<u>(5,402)</u>	<u>(9,102)</u>
Profit before taxation	4	76,386	60,604
Income tax	5	<u>(36,930)</u>	<u>(36,140)</u>
Profit for the year		<u>39,456</u>	<u>24,464</u>
Attributable to:			
Owners of the Company		39,457	24,465
Non-controlling interests		<u>(1)</u>	<u>(1)</u>
		<u>39,456</u>	<u>24,464</u>
		HK cents	HK cents
Earnings per share	7		
Basic and diluted		<u>5.28</u>	<u>3.27</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Profit for the year	39,456	24,464
Other comprehensive income/(loss) for the year		
Items that may be subsequently reclassified to profit or loss:		
Exchange differences on translation of foreign operations	15,363	(1,013)
Items that will not be reclassified to profit or loss:		
Fair value loss on equity instrument at fair value through other comprehensive loss	(922)	—
Total other comprehensive income/(loss) for the year, net of nil tax	14,441	(1,013)
Total comprehensive income for the year	53,897	23,451
Total comprehensive income for the year attributable to:		
Owners of the Company	53,898	23,452
Non-controlling interests	(1)	(1)
	53,897	23,451

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31st March

	<i>Notes</i>	2026 HK\$'000	2025 HK\$'000
Non-current assets			
Property, plant and equipment		33,148	44,018
Investment properties		305,946	310,207
Deposits and other receivables	8	3,324	3,134
Financial assets at fair value through profit or loss		7,304	7,498
Equity instrument at fair value through other comprehensive income		2,128	3,025
		351,850	367,882
Current assets			
Inventories		95,344	100,850
Trade and other receivables	8	66,626	64,924
Trading securities		15	15
Restricted bank deposit		122	–
Short-term bank deposit		5,624	5,338
Cash and cash equivalents		177,506	173,968
		345,237	345,095
Current liabilities			
Trade and other payables	9	70,456	75,210
Contract liabilities		432	436
Bank loans		102,800	134,320
Income tax payable		13,278	13,159
Lease liabilities		16,773	17,368
		203,739	240,493
Net current assets		141,498	104,602
Total assets less current liabilities		493,348	472,484

	<i>Notes</i>	2026 HK\$'000	2025 <i>HK\$'000</i>
Non-current liabilities			
Rental deposits received and receipt in advance	9	2,688	2,704
Deferred tax liabilities		13,260	14,010
Lease liabilities		1,535	13,802
		17,483	30,516
Net assets		475,865	441,968
Capital and reserves			
Share capital		149,424	149,424
Reserves		326,447	292,549
Equity attributable to owners of the Company		475,871	441,973
Non-controlling interests		(6)	(5)
Total equity		475,865	441,968

Notes:

1. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

(a) Statement of compliance

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

The HKICPA has issued certain amendments to HKFRS Accounting Standards which are mandatorily effective or available for early adoption for the current accounting period of the Group. Note 1(c) provides information on the initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

(b) Basis of preparation of the financial statements

The consolidated financial statements for the year ended 31st March 2026 incorporate the financial statements of the Company and its subsidiaries (together referred to as the “Group”).

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except that the following assets are stated at their fair value as explained in the accounting policies set out below:

- investment property, including interests in leasehold land and buildings held as investment property where the Group is the registered owner of the property interest; and
- investments in equity securities and club debentures.

The preparation of financial statements in conformity with HKFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amount of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

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

(c) Application of amendments to HKFRS Accounting Standards

The Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time in the current year:

Amendments to HKAS 21

Lack of Exchangeability

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

The Group has not applied any new or amendments to HKFRS Accounting Standards that are not yet effective for the current year.

2. REVENUE, OTHER REVENUE AND OTHER NET GAINS

Revenue

Revenue represents (i) the gross proceeds received and receivable derived from the sale of watches, less the value added tax, other sales taxes and trade discounts and (ii) rental income from property leasing.

For sales of watches, revenue is recognised when control of the goods has transferred, being at the point the customer purchased the goods at the retail shops, including those sales through department stores and on consignment. Retail sales are normally settled in cash or credit cards with the settlement from the corresponding banks or other financial institutions within 3 days. Payment of the transaction price is due immediately at the point the customer purchases the goods. A credit period of not more than 90 days is granted to department stores and consignees who receive the payment on behalf of the Group.

All sales contracts are for periods of one year or less. As permitted under HKFRS 15 "Revenue from Contracts with Customers", the transaction price allocated to these unsatisfied contracts is not disclosed.

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Revenue from contracts with customers within the scope of HKFRS 15		
– Sales of watches	657,516	698,975
– Service income	2,445	1,167
	<u>659,961</u>	<u>700,142</u>
Revenue from other sources	9,592	9,231
– Rental income from investment properties	<u>669,553</u>	<u>709,373</u>

Other Revenue

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Interest income on financial assets measured at amortised cost	1,280	1,975
Advertising income	–	367
Customer services income and others	1,956	2,724
	<u>3,236</u>	<u>5,066</u>

Other Net Gains

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Net realised and unrealised loss on trading securities	–	(1)
Fair value (loss)/gain on financial assets at fair value through profit or loss (“FVPL”)	(194)	11
Loss on write off of property, plant and equipment, net	–	(70)
Gain on lease modification	–	248
Write off of inventories	–	(17)
Government subsidies	5,924	6,555
Others	348	1,150
	<u>6,078</u>	<u>7,876</u>

3. SEGMENT REPORTING

The Group manages its business by divisions. In a manner consistent with the way in which information is reported internally to the board of directors of the Company, being the chief operating decision makers (“CODM”) for the purposes of resource allocations and performance assessment. The Group has identified two reportable segments: (i) sales of watches and (ii) properties leasing. No operating segments have been aggregated to form these reportable segments.

For the purposes of assessing segment performance and allocating resources between segments, the CODM monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

The accounting policy information of the reportable segments are the same as the Group’s material accounting policy information described in notes to the consolidated financial statements. Segment profit/(loss) represents the profit earned by/(loss) from each segment without allocation of central administration costs and corporate costs which cannot be meaningfully allocated to individual segment. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation and amortisation of assets attributable to those segments.

The revenue from external parties reported to the CODM is measured in a manner consistent with that in the consolidated statement of profit or loss.

All assets are allocated to reportable segments other than deferred tax assets and other corporate assets.

All liabilities are allocated to reportable segments other than income tax payable, deferred tax liabilities and borrowings not attributable to individual segments and other corporate liabilities.

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

	2026				
	Sales of watches HK\$'000	Property leasing HK\$'000	Segmental total HK\$'000	Unallocated HK\$'000	Total HK\$'000
Disaggregated by timing of revenue recognition					
Point in time	657,516	–	657,516	–	657,516
Over time	–	9,592	9,592	2,445	12,037
External revenue (<i>Note</i>)	<u>657,516</u>	<u>9,592</u>	<u>667,108</u>	<u>2,445</u>	<u>669,553</u>
Operating profit/(loss)	95,000	(124)	94,876	(5,147)	89,729
Fair value losses on investment properties, net	–	(15,299)	(15,299)	–	(15,299)
Interest income	1,046	–	1,046	234	1,280
Other net gains	5,930	–	5,930	148	6,078
Finance costs	(4,785)	(617)	(5,402)	–	(5,402)
Segmental results	<u>97,191</u>	<u>(16,040)</u>	<u>81,151</u>	<u>(4,765)</u>	<u>76,386</u>
Income tax					(36,930)
Profit for the year					<u>39,456</u>
Write-down of inventories, net	(5,625)	–	(5,625)	–	(5,625)
Impairment loss recognised on trade receivables	(412)	–	(412)	–	(412)
Depreciation	(20,089)	(65)	(20,154)	(11)	(20,165)
Segment assets	<u>369,514</u>	<u>316,040</u>	<u>685,554</u>	<u>4,229</u>	<u>689,783</u>
Financial assets at fair value through profit or loss					7,304
Total assets					<u>697,087</u>
Additions to non-current segment assets during the reporting period	<u>7,114</u>	<u>9,452</u>	<u>16,566</u>	<u>–</u>	<u>16,566</u>
Segment liabilities	<u>167,775</u>	<u>22,379</u>	<u>190,154</u>	<u>4,530</u>	<u>194,684</u>
Income tax payable					13,278
Deferred tax liabilities					<u>13,260</u>
Total liabilities					<u>221,222</u>

Note: There were no inter-segment sales during the year ended 31st March 2026.

	2025				
	Sales of watches HK\$'000	Property leasing HK\$'000	Segmental total HK\$'000	Unallocated HK\$'000	Total HK\$'000
Disaggregated by timing of revenue recognition					
Point in time	698,975	–	698,975	–	698,975
Over time	–	9,231	9,231	1,167	10,398
External revenue (<i>Note</i>)	<u>698,975</u>	<u>9,231</u>	<u>708,206</u>	<u>1,167</u>	<u>709,373</u>
Operating profit/(loss)	104,277	(254)	104,023	(6,927)	97,096
Fair value losses on investment properties, net	–	(37,241)	(37,241)	–	(37,241)
Interest income	1,709	–	1,709	266	1,975
Other net gains	7,423	32	7,455	421	7,876
Finance costs	(8,225)	(877)	(9,102)	–	(9,102)
Segmental results	<u>105,184</u>	<u>(38,340)</u>	<u>66,844</u>	<u>(6,240)</u>	60,604
Income tax					<u>(36,140)</u>
Profit for the year					<u>24,464</u>
Write-down of inventories, net	(2,578)	–	(2,578)	–	(2,578)
Net realised and unrealised loss on trading securities	–	–	–	(1)	(1)
Impairment loss reversed on trade receivables	473	–	473	–	473
Impairment loss recognised on other receivables	–	–	–	(1,755)	(1,755)
Depreciation	<u>(26,171)</u>	<u>(103)</u>	<u>(26,274)</u>	<u>(13)</u>	<u>(26,287)</u>
Segment assets	<u>378,809</u>	<u>320,811</u>	<u>699,620</u>	<u>5,859</u>	705,479
Financial assets at fair value through profit or loss					<u>7,498</u>
Total assets					<u>712,977</u>
Additions to non-current segment assets during the reporting period	<u>6,053</u>	<u>8,576</u>	<u>14,629</u>	<u>–</u>	<u>14,629</u>
Segment liabilities	<u>214,861</u>	<u>23,878</u>	<u>238,739</u>	<u>5,101</u>	243,840
Income tax payable					13,159
Deferred tax liabilities					<u>14,010</u>
Total liabilities					<u>271,009</u>

Note: There were no inter-segment sales during the year ended 31st March 2025.

	Revenues from external customers		Non-current assets	
	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Chinese Mainland	655,748	696,218	26,903	34,328
Hong Kong (place of domicile)	12,347	12,100	150,875	189,810
Switzerland	1,458	1,055	21,783	18,744
United Kingdom	<u>–</u>	<u>–</u>	<u>139,533</u>	<u>111,343</u>
	<u>669,553</u>	<u>709,373</u>	<u>339,094</u>	<u>354,225</u>

Information about major customers

For the year ended 31st March 2026 and 2025, no revenue from a single external customer contributed 10% or more of the total revenue of the Group.

4. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Finance costs

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Interest on bank borrowings	4,204	7,179
Interest on lease liabilities	<u>1,198</u>	<u>1,923</u>
Total interest expenses on financial liabilities not at fair value through profit or loss	<u>5,402</u>	<u>9,102</u>

(b) Employee benefits expenses (including directors' emoluments)

	2026	2025
	HK\$'000	HK\$'000
Salaries, wages and other benefits (including directors' fee and emoluments)	48,952	52,721
Retirement benefits scheme contribution	3,748	3,694
	52,700	56,415

(c) Other items

	2026	2025
	HK\$'000	HK\$'000
Rental receivable from investment properties less direct outgoings of HK\$200,000 (2025: HK\$185,000)	(9,392)	(9,046)
Net exchange (gain)/loss	(793)	1,037
Auditors' remuneration		
– Audit services	1,230	1,200
– Other services	355	375
Depreciation		
– Owned property, plant and equipment	1,628	5,702
– Right-of-use assets	18,537	20,585
	20,165	26,287
Write down of inventories	5,625	2,578
Impairment loss recognised/(reversed) on trade receivables	412	(473)
Impairment loss recognised on other receivables	–	1,755
	412	1,282
Impairment loss recognised on right-of-use assets	–	3,036
Variable lease payments not included in the measurement of lease liabilities	19,301	15,975
Cost of inventories recognised as an expense	454,447	476,865

5. INCOME TAX

	2026 HK\$'000	2025 HK\$'000
Current tax		
PRC Corporate Income Tax		
– Charge for the year	32,357	37,494
– Underprovision in prior year	79	47
Withholding tax on dividend income from PRC subsidiaries	5,244	5,296
	37,680	42,837
Deferred tax		
Origination and reversal of temporary differences	(750)	(6,697)
Income tax expense	36,930	36,140

The subsidiaries in Hong Kong are subject to Hong Kong Profits Tax at the rate of 16.5% (2025: 16.5%). No Hong Kong Profits Tax has been provided for in the financial statements for the years ended 31st March 2026 and 2025 either because the Hong Kong subsidiaries have accumulated tax losses brought forward which exceeded the estimated assessable profits or the Hong Kong subsidiaries sustained losses for taxation purpose.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years, except for subsidiaries which are eligible as Small Low-profit Enterprise* (小型微利企業). An entity eligible as a Small Low-profit Enterprise is subject to preferential tax treatments up to 31st December 2027. The annual taxable income of a Small Low-profit Enterprise which is not more than RMB3,000,000, 75% of its taxable income is not subject to EIT and the remaining 25% of its taxable income is subject to EIT at a tax rate of 20%. During the year, two subsidiaries (2025: two subsidiaries) are subject to the relevant preferential tax treatments.

The subsidiaries in Switzerland are subject to Switzerland Profits Tax at the rate of 16% (2025: 16%). No Switzerland Profits Tax has been provided for the years ended 31st March 2026 and 2025 as the Group has no estimated assessable profits in Switzerland.

The subsidiary in the United States is subject to Federal Corporate Income Tax at the rate of 21% (2025: 21%) and Maryland Corporation Income Tax at the rate of 8.25% (2025: 8.25%). No corporate income tax has been provided for the years ended 31st March 2026 and 2025 as the subsidiary did not generate any estimated assessable profits in the United States.

Pursuant to the rules and regulations of Bermuda and the British Virgin Islands, the Group is not subject to any income tax in these jurisdictions.

* For identification purpose only

6. DIVIDENDS

(a) Dividends payable to owners of the Company attributable to the year

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Final dividend proposed after the end of the reporting period of HK\$0.0304 (2025: HK\$0.02677) per ordinary share	<u>22,713</u>	<u>20,000</u>

The distribution of the final dividend is subject to the shareholders' approvals at the forthcoming annual general meeting of the Company. The final dividend declared or proposed after the end of the reporting period have not been recognised as liabilities at the end of the reporting period.

(b) Dividends payable to owners of the Company attributable to the previous financial year, approved and paid during the year:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Final dividend in respect of the previous financial year, approved and paid during the year of HK\$0.02677 (2025: HK\$0.0348) per ordinary share	<u>20,000</u>	<u>26,000</u>

7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share has been based on earnings attributable to owners of the Company of HK\$39,457,000 (2025: HK\$24,465,000) and the weighted average number of 747,123,000 ordinary shares in issue during the year.

Diluted earnings per share is equal to the basic earnings per share as the Company does not have any dilutive potential ordinary shares outstanding for both years.

8. TRADE AND OTHER RECEIVABLES

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Trade receivables, net of loss allowance		
– Third parties	55,967	52,216
– Related parties	4,268	3,987
	60,235	56,203
Other receivables, net of loss allowance	2,023	1,960
Deposits and prepayments	7,692	9,895
	69,950	68,058
Analysed as:		
Non-current	3,324	3,134
Current	66,626	64,924
	69,950	68,058

Aging analysis

The Group allows credit period of up to 180 days to its customers. The aging analysis of the trade receivables at the end of the reporting period based on invoice date and net of loss allowance, is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Up to 90 days	56,414	52,344
91 to 180 days	83	–
181 to 365 days	191	42
Over 365 days	3,547	3,817
	60,235	56,203

9. TRADE AND OTHER PAYABLES

	2026 HK\$'000	2025 HK\$'000
Trade payables	2,251	2,229
Other payables and accrued charges	23,841	25,919
Rental received in advance	2,841	2,861
Deposits received	1,231	976
Other tax payable	42,980	45,929
	<u>73,144</u>	<u>77,914</u>
Analysed as:		
Non-current	2,688	2,704
Current	70,456	75,210
	<u>73,144</u>	<u>77,914</u>

All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

The aging analysis of trade payables based on date of receipt of goods as at the end of the reporting period is as follows:

	2026 HK\$'000	2025 HK\$'000
Up to 90 days	1,122	1,157
91 to 180 days	–	–
181 to 365 days	–	–
Over 365 days	1,129	1,072
	<u>2,251</u>	<u>2,229</u>

10. EVENT AFTER THE REPORTING PERIOD

On 15th May 2026, an indirect wholly-owned subsidiary of the Company entered into a sale and purchase agreement with an independent third party for the disposal of an investment property located in London, the United Kingdom, at a consideration of £4,485,000 (equivalent to approximately HK\$47,003,000). The carrying amount of the investment property as at 31st March 2026 was £4,150,000 (equivalent to HK\$42,828,000). The disposal was completed on 5th June 2026 and the Group recorded at a gain on disposal of approximately HK\$2 million after deduction of expenses.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Group's revenue for the year amounted to HK\$670 million which was slightly decreased by 6% as compared with last year of HK\$709 million. The sales in Chinese Mainland this year amounted to HK\$656 million which were decreased by 6% as compared with HK\$696 million last year, owing to the change of product mix in a store. The "Sales of watches" segment continued to play a key role this year and achieved a total revenue of HK\$658 million. On the other hand, the business in the "Property leasing" segment derived a total revenue of HK\$10 million this year, representing an increase of 11% as compared with HK\$9 million last year, which was due to the increase in rental from a tenant for this year.

The total number of stores is as below:

	As at 31st March 2026	As at 31st March 2025
Beijing	1	1
Shanghai	2	2
Xiamen	1	1
Nantong	2	1
	<u>6</u>	<u>5</u>

Financial Review

Results review

For the year ended 31st March 2026, the Group's revenue amounted to HK\$670 million which was slightly decreased by 6% as compared with last year of HK\$709 million. Gross profit margin was 32% which was comparable to last year of 33%.

Distribution costs this year amounted to HK\$97 million which was comparable to HK\$99 million last year.

Administrative expenses decreased by 17% this year to HK\$29 million as compared with HK\$35 million last year, owing to the decrease in director's remuneration and exchange gains for the year.

Fair value losses on investment properties amounted to HK\$15 million this year as compared with fair value losses of HK\$37 million last year. The decrease was due to the revaluation losses on the investment properties in Hong Kong being partially offset by the revaluation gains on the investment properties in the United Kingdom.

Finance costs amounted to HK\$5 million this year which was 44% lower than the last year of HK\$9 million because of the decrease in both bank borrowings and interest rates.

Other net gains amounting to HK\$6 million this year as compared with net gains of HK\$8 million last year. The net gains in both years were mainly government subsidies.

As a result of the above, the Group achieved a net profit of HK\$39 million this year as compared with a net profit of HK\$24 million last year.

Liquidity, financial resources and capital structure

As at 31st March 2026, the Group's total cash balance amounted to HK\$183 million (31st March 2025: HK\$179 million). The slightly increase was mainly due to the increase in cashflow from operations which was partially offset by the repayments of bank loans and payment of dividend during the year. Bank loans amounted to HK\$103 million as of 31st March 2026 (HK\$134 million as of 31st March 2025). The bank loans were secured by (i) pledged of investment properties of HK\$281 million; (ii) corporate guarantees given by the Company; (iii) subordination of the payables to the group companies owned by a subsidiary of the Company as the loan borrower and (iv) assignment of rental income from certain investment properties.

Gearing ratio of the Group, expressed as a ratio of total bank borrowings over total equity, was 22% as at 31st March 2026 (31st March 2025: 30%).

Foreign exchange risks

The Group views its main currencies as Hong Kong dollars, Renminbi, Pound Sterling and Swiss Francs.

The Group monitors its exposure to foreign exchange risks and, when it considers necessary and appropriate, will hedge its foreign exchange risks by using financial instruments.

Prospect

The Group currently operates 6 stores in Chinese Mainland. The Group remained focus on its core stores and has streamlined their operating costs during the year and will continue to do so with a view to further enhance the cost efficiency of each store. Though our sales in Chinese Mainland were stable this year, the slowing economy in Chinese Mainland is still a challenge for the luxury retail business looking ahead.

Apart from the "Sales of watches" segment which continues to be the core business of the Group, the Group is also developing its business in the "Property leasing" segment and acquired two residential properties in London in previous years in addition to the key investment properties located in Hong Kong. One of the residential properties in London was disposed of in May 2026 and the transaction was completed in early June 2026.

The Group will continue to improve its business and take a cautious approach in its future expansion.

On behalf of the Group, we sincerely thank for the kind and positive support of our shareholders, customers, suppliers and associates.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintain a high standard of corporate governance practices by emphasising a quality board of directors, sound internal control, transparency and accountability to all the shareholders of the Company.

The Company has complied with all the code provisions set out in the Corporate Governance Code (the “Code”) contained in Appendix C1 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited throughout the year ended 31st March 2026 except for the deviation from the Code Provision C.3.3 and those discussed below:

The Company was incorporated in Bermuda and enacted by private act, the Asia Commercial Holdings Limited Company Act, 1989 of Bermuda (the “1989 Act”). Pursuant to section 3(e) of the 1989 Act, director holding office as executive chairman or managing director shall not be subject to retirement by rotation at each annual general meeting as provided in the Bye-Laws.

As the Company is bound by the provision of the 1989 Act, at this time, the Bye-Laws cannot be amended to fully reflect the requirements of the Code. As such, a special resolution was passed at the special general meeting held on 28th March 2007 to amend the Bye-Laws of the Company so that, inter alia, (i) every director (save for a director holding office as Chairman or Managing Director) of the Company shall be subject to retirement by rotation at least once every three years; (ii) a director may be removed by an ordinary resolution in general meeting instead of a special resolution; (iii) any director appointed by the Board to fill a casual vacancy or as an additional director shall hold office until the next following general meeting, instead of the next annual general meeting.

To enhance good corporate governance practices, the Chairman of the Board will voluntarily retire as director at annual general meeting of the Company at least once every three years in order for the Company to comply with the Code, provided that being eligible for re-election at the annual general meeting.

Code Provision C.3.3 stipulates that directors should clearly understand delegation arrangements in place. The Company should have formal letters of appointment for directors setting out the key terms and conditions of their appointments. Except for the appointments of Mr. Kee Wah Sze as an independent non-executive Director of the Company in August 2020 and the appointment of Ms. Lam Kim Phung as a non-executive Director of the Company, the Chairman of the Board and the chairman of the Nomination Committee of the Company in June 2022, and her redesignation as an Executive Director of the Company in March 2023, the Company has not entered into any written letters of appointment with its Directors.

However, the Board recognises that (i) the Directors have already been subject to the laws and regulations applicable to directors of a company listed on The Stock Exchange of Hong Kong Limited, including the Listing Rules as well as the fiduciary duties to act in the best interests of the Company and its shareholders; (ii) all of them are well established in their professions and (iii) the current arrangement has been adopted by the Company for several years and has proven to be effective. Therefore, the Board considers that the Directors are able to carry out their duties in a responsible and effective manner under the current arrangement.

The Board will continuously review and improve the corporate governance practices and standards of the Company to ensure that business activities and decision making processes are regulated in a proper and prudent manner.

Compliance of the Model Code for Securities Transaction by Directors of Listed Issuers

All Directors have confirmed that they complied with the required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules throughout the year under review.

OTHER INFORMATION

Final Dividend

The Directors have proposed a final dividend of HK\$0.0304 per share for the year ended 31st March 2026 (2025: HK\$0.02677) subject to the approval by shareholders at the forthcoming annual general meeting.

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 on The Stock Exchange of Hong Kong Limited during the year.

Employees and Remuneration Policy

There were 113 employees in the Group as at 31st March 2026. The Group offers competitive remuneration packages to employees in line with market trends. Incentives such as discretionary bonuses are offered to motivate employees.

Closure of Register of Members

For determining the entitlement to attend and vote at the Annual General Meeting to be held on Tuesday, 25th August 2026, the register of members of the Company will be closed from Thursday, 20th August 2026 to Tuesday, 25th August 2026, both days inclusive.

The record date for determining the eligibility of the shareholders to attend and vote at the Annual General Meeting will be 20th August 2026. In order to be eligible to attend and vote at the Annual General Meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 19th August 2026. Subject to the approval of the shareholders at the forthcoming Annual General Meeting to be held on Tuesday, 25th August 2026, the proposed final dividend will be payable on Wednesday, 16th September 2026 to the shareholders whose names appear on the register of members of the Company on Friday, 4th September 2026.

To ascertain shareholders' entitlements to the final dividend, the register of members of the Company will be closed from Wednesday, 2nd September 2026 to Friday, 4th September 2026, both days inclusive. The record date for entitlement to the proposed final dividend is 4th September 2026. In order to qualify for the final dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Tuesday, 1st September 2026.

Audit Committee

The Audit Committee is responsible for assisting the Board in safeguarding the Group's assets by providing an independent review of the effectiveness of the financial reporting process and the internal controls and risk management systems of the Group. It also performs other duties as assigned by the Board. All the members of our Audit Committee are independent non-executive Directors.

Scope of work of Crowe (HK) CPA Limited

The figures in respect of the announcement of the Group's results for the year ended 31st March 2026 have been agreed by the Group's auditor, Crowe (HK) CPA Limited to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Crowe (HK) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Crowe (HK) CPA Limited on this announcement.

EXPRESSION OF GRATITUDE

The Board would like to take this opportunity to express its gratitude to all staff members, shareholders, bankers, customers, suppliers and professional advisors for the sincere support to the Group.

By order of the Board
Asia Commercial Holdings Limited
Eav Guech Rosanna
Director

Hong Kong, 22nd June 2026

As at the date of this announcement, the Board comprises Ms. Lam Kim Phung, Ms. Eav Guech Rosanna and Mr. Eav Feng Ming, Jonathan as executive directors, and Mr. Lai Si Ming, Mr. Lee Tat Cheung, Vincent and Mr. Kee Wah Sze as independent non-executive directors.

* *For identification purpose only*