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# king fook holdings limited

## 景福集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 280)

### GROUP RESULTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The Board of Directors (the “Board”) of King Fook Holdings Limited (the “Company”) announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the financial year ended 31 March 2026 together with the audited comparative figures for the previous year as follows:

#### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 HK\$'000	2025 HK\$'000
<b>Revenue</b>	6	<b>1,022,156</b>	885,991
Cost of sales		<b>(691,602)</b>	(611,349)
<b>Gross profit</b>		<b>330,554</b>	274,642
Other gains and income	7	<b>18,987</b>	20,291
Distribution and selling costs		<b>(129,797)</b>	(124,073)
Administrative expenses		<b>(59,634)</b>	(56,184)
Fair value loss on gold loans designated at fair value through profit or loss		<b>(44,778)</b>	(22,213)
Provision for impairment loss on property, plant and equipment		<b>(7)</b>	(3,689)
Provision for impairment loss on right-of-use assets		<b>(5,729)</b>	(7,575)
Other operating expenses	8	<b>(2)</b>	(540)
<b>Operating profit</b>		<b>109,594</b>	80,659
Finance costs		<b>(6,549)</b>	(4,793)
<b>Profit before taxation</b>	9	<b>103,045</b>	75,866
Taxation	10	<b>(1,227)</b>	12,400
<b>Profit for the year</b>		<b>101,818</b>	88,266

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2026 (Continued)**

	<i>Notes</i>	2026 HK\$'000	2025 HK\$'000
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Change in fair value of debt instruments at fair value through other comprehensive income		(468)	461
Exchange differences on translation of foreign operations		567	(132)
Release of fair value through other comprehensive income reserve upon disposal of relevant debt instruments		(2)	-
<i>Item that will not be reclassified to profit or loss:</i>			
Change in fair value of investments at fair value through other comprehensive income		<u>(2,031)</u>	<u>1,674</u>
<b>Other comprehensive income for the year</b>		<u>(1,934)</u>	<u>2,003</u>
<b>Total comprehensive income for the year</b>		<u>99,884</u>	<u>90,269</u>
<b>Profit/(loss) for the year attributable to:</b>			
– Owners of the Company		101,816	88,288
– Non-controlling interests		<u>2</u>	<u>(22)</u>
		<u>101,818</u>	<u>88,266</u>
<b>Total comprehensive income for the year attributable to:</b>			
– Owners of the Company		99,882	90,291
– Non-controlling interests		<u>2</u>	<u>(22)</u>
		<u>99,884</u>	<u>90,269</u>
		<b>HK cents</b>	<b>HK cents</b>
<b>Earnings per share</b>	<i>12</i>		
– Basic and diluted		<u>11.20</u>	<u>9.71</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 March	
		2026	2025
		HK\$'000	HK\$'000
	<i>Notes</i>		
<b>ASSETS AND LIABILITIES</b>			
<b>Non-current assets</b>			
Property, plant and equipment		2,967	6,390
Right-of-use assets	13	28,505	43,963
Investment properties		601	673
Investments at fair value through other comprehensive income		349	2,380
Debt instruments at fair value through other comprehensive income		32,126	31,772
Other asset		356	356
Deposits	14	7,397	6,401
Deferred tax assets		13,773	15,000
		<b>86,074</b>	106,935
<b>Current assets</b>			
Inventories		520,815	420,218
Debtors, deposits and prepayments	14	18,077	25,819
Debt instruments at fair value through other comprehensive income		35,094	15,534
Time deposits		211,523	161,377
Cash and cash equivalents		277,175	276,773
		<b>1,062,684</b>	899,721
<b>Total assets</b>		<b>1,148,758</b>	1,006,656
<b>Current liabilities</b>			
Trade payables, deposits received and other payables	15	58,773	50,510
Gold loans		156,875	80,322
Lease liabilities	13	33,687	31,889
		<b>249,335</b>	162,721
<b>Net current assets</b>		<b>813,349</b>	737,000
<b>Total assets less current liabilities</b>		<b>899,423</b>	843,935
<b>Non-current liabilities</b>			
Provision for long service payments		2,312	2,042
Lease liabilities	13	6,232	23,619
		<b>8,544</b>	25,661
<b>Net assets</b>		<b>890,879</b>	818,274
<b>CAPITAL AND RESERVES</b>			
Share capital		393,354	393,354
Other reserves		32,410	34,344
Retained profits		465,071	390,534
<b>Equity attributable to owners of the Company</b>		<b>890,835</b>	818,232
<b>Non-controlling interests</b>		<b>44</b>	42
<b>Total equity</b>		<b>890,879</b>	818,274

Notes:

## 1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company is a limited liability company incorporated and domiciled in Hong Kong. Its registered office is located at 9th Floor, King Fook Building, 30-32 Des Voeux Road Central, Hong Kong and its principal place of business is in Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The directors of the Company (the "Directors") consider the ultimate holding company to be Yeung Chi Shing Estates Limited, a company incorporated in Hong Kong.

The principal activities of the Group are gold ornament, jewellery, watch and gift retailing, bullion trading and diamond wholesaling.

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards, which is a collective term includes all applicable individual Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and have been prepared in compliance with the Hong Kong Companies Ordinance.

## 2. ADOPTION OF HKFRS ACCOUNTING STANDARDS

In the current year, the Group has applied for the first time the following amended HKFRS Accounting Standards as issued by the HKICPA, which are relevant to and effective for the Group's consolidated financial statements for the annual period beginning on 1 April 2025:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
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The above amended HKFRS Accounting Standards has no material impact on the Group's results and financial position for the current or prior period and financial statements disclosures.

## 3. NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE

The Group has not early applied the following new or amended HKFRS Accounting Standards that have been issued but are not yet effective. The Group anticipates that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement.

Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>1</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>2</sup>
HKFRS 19 and Amendments to HKFRS 19	Subsidiaries without Public Accountability: Disclosures <sup>2</sup>
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup>

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

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined

### **3. NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS THAT HAVE BEEN ISSUED BUT ARE NOT YET EFFECTIVE (Continued)**

#### ***HKFRS 18: Presentation and Disclosure in Financial Statements***

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and it will replace HKAS 1 Presentation of Financial Statements. The new HKFRS Accounting Standard introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. HKFRS 18 will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is not expected to have material impact on the financial performance and financial position of the Group but is expected to affect the disclosures and presentation in the future financial statements.

#### ***Amendments to HKFRS 9 and HKFRS 7: Amendments to the Classification and Measurement of Financial Instruments***

The amendments clarify that a financial liability is derecognised on the settlement date and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. It also clarifies the classification of financial assets with Environmental, Social and Governance linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments. Additional disclosures are introduced for financial instruments with contingent features and equity instruments classified at fair value through other comprehensive income. The amendments are effective for annual periods beginning on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for contingent features only. The Group is currently assessing the impact of these amendments.

Except as disclosed above, the Directors do not anticipate that the application of the amendments and revisions in the future will have an impact on the Group's financial performance and financial position.

The Directors anticipate that all of the relevant pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement.

### **4. USE OF JUDGEMENTS AND ESTIMATES**

In preparing the consolidated financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the Group's annual consolidated financial statements for the year ended 31 March 2025.

### **5. SEGMENT INFORMATION**

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the Group's top management including executive directors and chief executive for their decisions about resources allocation to the Group's business components and for their review of these components' performance. The business components in the internal financial information reported to the top management are determined according to the Group's major product and service lines.

Based on the above, the Group's top management determined that the Group has only one single reportable segment, which is retailing, bullion trading and diamond wholesaling. Accordingly, no separate segment of analysis is presented.

No geographical information was presented for the years ended 31 March 2025 and 2026 respectively as more than 90% of the Group's revenue was derived from activities in Hong Kong (place of domicile). Also, most of the Group's non-current assets are located in Hong Kong.

For the years ended 31 March 2025 and 2026 respectively, no revenue from a single customer accounted for 10% or more of the total revenue of the Group.

## 6. REVENUE

The Group is principally engaged in gold ornament, jewellery, watch and gift retailing, bullion trading and diamond wholesaling. Revenue of the Group recognised during the year comprised the following:

	2026 HK\$'000	2025 HK\$'000
Revenue from contracts with customers:		
Gold ornament, jewellery, watch and gift retailing and diamond wholesaling	838,548	788,877
Bullion trading	183,608	97,114
	<u>1,022,156</u>	<u>885,991</u>
Total revenue	<u>1,022,156</u>	<u>885,991</u>
Timing of revenue recognition:		
At a point in time	<u>1,022,156</u>	<u>885,991</u>

## 7. OTHER GAINS AND INCOME

	2026 HK\$'000	2025 HK\$'000
Dividend income	41	41
Fair value change of investments at fair value through profit or loss	-	21
Foreign exchange differences, net	1,018	-
Interest income from debt instruments at fair value through other comprehensive income	2,536	1,298
Interest income from financial assets at amortised cost	12,987	16,937
Interest income from rental deposits	849	833
Release of fair value through other comprehensive income reserve upon disposal of relevant debt instruments	2	-
Rental income on investment properties	1,269	1,075
Others	285	86
	<u>18,987</u>	<u>20,291</u>

## 8. OTHER OPERATING EXPENSES

	2026 HK\$'000	2025 HK\$'000
Foreign exchange differences, net	-	495
Loss on write off/disposal of property, plant and equipment	2	45
	<u>2</u>	<u>540</u>

## 9. PROFIT BEFORE TAXATION

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

	2026 HK\$'000	2025 HK\$'000
Auditors' remuneration	851	850
Cost of inventories sold, including	689,887	610,030
– provision for and write down of inventories to net realisable value	12,716	5,283
Depreciation of investment properties	72	71
Depreciation of property, plant and equipment	3,578	4,887
Depreciation of right-of-use assets	36,450	34,561
Direct operating expenses arising from investment properties that generated rental income	251	233
Provision for long service payments		
– provision	577	462
– reversal of provision	(292)	(397)
Rental expenses for variable lease payments	8	-
Rental expenses on short term lease in respect of car parking space	67	67
Rental expenses on short term lease in respect of furniture and fixtures	1	1
	<u>1</u>	<u>1</u>

## 10. TAXATION

	2026 HK\$'000	2025 HK\$'000
Deferred tax – Hong Kong, net	<u>1,227</u>	<u>(12,400)</u>
Taxation charge/(credit)	<u>1,227</u>	<u>(12,400)</u>

Hong Kong profits tax is calculated at the rate of 16.5% on the Group's estimated assessable profits arising in Hong Kong for the year.

No current Hong Kong profits tax has been provided for the years ended 31 March 2025 and 2026 respectively as the Group has sufficient tax loss brought forward to set off against the estimated assessable profit.

No overseas profits tax has been provided for the years ended 31 March 2025 and 2026 respectively as the Group has no estimated assessable profit.

## 11. DIVIDENDS

	2026 HK\$'000	2025 HK\$'000
Dividends recognised as distribution during the year:		
2024/25 final dividend of HK2.6 cents (2023/24 final dividend: HK2.6 cents) per ordinary share	23,642	23,642
2025/26 interim dividend of HK0.4 cent (2024/25 interim dividend: HK0.4 cent) per ordinary share	3,637	3,637
	<u>27,279</u>	<u>27,279</u>

At a meeting held on 26 June 2026, the Board recommended a final dividend of HK2.6 cents (2025: HK2.6 cents) per ordinary share and a special dividend of HK8.0 cents (2025: Nil) per ordinary share for the year ended 31 March 2026 which are subject to approval by the shareholders of the Company at the forthcoming annual general meeting. The proposed final dividend and special dividend are not reflected as dividend payable as at 31 March 2026 in the consolidated financial statements.

## 12. EARNINGS PER SHARE

### (a) Basic earnings per share

The calculation of basic earnings per share is based on the following data:

	2026	2025
<b>Profit attributable to owners of the Company (HK\$'000)</b>	<b>101,816</b>	88,288
<b>Weighted average number of ordinary shares</b>	<b>909,308,465</b>	909,308,465

### (b) Diluted earnings per share

Diluted earnings per share and basic earnings per share for the years ended 31 March 2025 and 2026 respectively are the same as there were no dilutive potential ordinary shares in issue during both years.

## 13. LEASES

### Nature of leasing activities

The Group has obtained the right to use properties and furniture and equipment as its office premises and retail stores under non-cancellable operating lease agreements, which comprise of fixed payments and variable payments that are based on sales over the lease terms.

### Right-of-use assets

The analysis of the net book value of the Group's right-of-use assets by class of underlying asset at the end of the reporting period is as follows:

	As at 31 March	
	2026	2025
	HK\$'000	HK\$'000
Properties	28,024	43,281
Furniture and equipment	481	682
	<b>28,505</b>	43,963

For the year ended 31 March 2026, there was no addition of right-of-use assets. For the year ended 31 March 2025, additions of right-of-use assets of HK\$10,407,000 represented the capitalised lease payments payable under new lease agreement.

### 13. LEASES (Continued)

#### Right-of-use assets (Continued)

Movement of right-of-use assets during the year is as follows:

	Properties HK\$'000	Furniture and equipment HK\$'000	Total HK\$'000
As at 1 April 2024	30,691	884	31,575
Additions	10,407	-	10,407
Depreciation	(33,752)	(809)	(34,561)
Impairment loss	(7,575)	-	(7,575)
Lease modifications	43,510	607	44,117
	<u>43,281</u>	<u>682</u>	<u>43,963</u>
As at 31 March 2025 and 1 April 2025	43,281	682	43,963
Depreciation	(35,625)	(825)	(36,450)
Impairment loss	(5,729)	-	(5,729)
Lease modifications	26,097	624	26,721
	<u>26,097</u>	<u>624</u>	<u>26,721</u>
<b>As at 31 March 2026</b>	<b><u>28,024</u></b>	<b><u>481</u></b>	<b><u>28,505</u></b>

#### Lease liabilities

The remaining contractual maturities of the Group's lease liabilities at the end of the reporting period are as follows:

	As at 31 March			
	2026			2025
	Present value of the minimum lease payments HK\$'000	Total minimum lease payments HK\$'000	Present value of the minimum lease payments HK\$'000	Total minimum lease payments HK\$'000
Within 1 year	33,687	35,000	33,695	34,979
After 1 year but within 2 years	6,232	6,888	19,887	22,406
After 2 years but within 5 years	-	-	1,926	2,284
	<u>39,919</u>	<u>41,888</u>	<u>55,508</u>	<u>59,669</u>
Less: Total future interest charges		<u>(1,969)</u>		<u>(4,161)</u>
Present value of lease liabilities		<u>39,919</u>		<u>55,508</u>

The present value of future lease payments is analysed as follows:

	As at 31 March	
	2026 HK\$'000	2025 HK\$'000
Current liabilities	33,687	31,889
Non-current liabilities	<u>6,232</u>	<u>23,619</u>
	<u>39,919</u>	<u>55,508</u>

#### 14. DEBTORS, DEPOSITS AND PREPAYMENTS

	As at 31 March	
	2026	2025
	HK\$'000	HK\$'000
<b>Current</b>		
Trade debtors	7,813	13,887
Other receivables	2,497	3,828
Rental deposits	4,862	5,576
Other deposits	361	1,024
Prepayments	2,544	1,504
	<u>18,077</u>	<u>25,819</u>
<b>Non-current</b>		
Rental deposits	7,397	6,401
	<u>25,474</u>	<u>32,220</u>

The ageing analysis of trade debtors, based on invoice date, was as follows:

	As at 31 March	
	2026	2025
	HK\$'000	HK\$'000
Within 30 days	6,476	13,037
31 – 90 days	1,276	161
More than 90 days	61	689
	<u>7,813</u>	<u>13,887</u>

#### 15. TRADE PAYABLES, DEPOSITS RECEIVED AND OTHER PAYABLES

	As at 31 March	
	2026	2025
	HK\$'000	HK\$'000
Trade payables	11,047	16,806
Other payables	1,229	1,370
Accruals and provision	23,910	21,504
Contract liabilities	4,536	4,133
Deposits received	18,051	6,697
	<u>58,773</u>	<u>50,510</u>

The ageing analysis of trade payables, based on invoice date, was as follows:

	As at 31 March	
	2026	2025
	HK\$'000	HK\$'000
Within 30 days	10,917	16,538
31 – 90 days	130	268
	<u>11,047</u>	<u>16,806</u>

## **16. EVENT AFTER THE REPORTING PERIOD**

Subsequent to the reporting period, the Group entered into a lease agreement for the existing retail store at Central Building for a term of 3 years at the total lease payment of HK\$12,960,000.

### **DIVIDENDS**

The Board has resolved the payment of a final dividend of HK2.6 cents (2025: HK2.6 cents) per ordinary share and a special dividend of HK8.0 cents (2025: Nil) per ordinary share for the year ended 31 March 2026 to shareholders whose names appear on the register of members of the Company on Wednesday, 23 September 2026 subject to the approval of shareholders at the forthcoming annual general meeting to be held on Wednesday, 16 September 2026 (the "Meeting"). Dividend warrants for the proposed final dividend and special dividend are expected to be despatched to shareholders on or about Friday, 9 October 2026.

### **CLOSURE OF REGISTER OF MEMBERS**

In order to determine entitlement to attend and vote at the Meeting, the register of members of the Company will be closed from Friday, 11 September 2026 to Wednesday, 16 September 2026, both days inclusive, during which period no transfer of shares will be effected. All transfers, accompanied by the relevant share certificates, must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (the "Share Registrar"), not later than 4:30 p.m. on Thursday, 10 September 2026.

In order to determine entitlement to the final dividend and special dividend to be approved at the Meeting, the register of members of the Company will be closed on Wednesday, 23 September 2026, during which day no transfer of shares will be effected. All transfers, accompanied by the relevant share certificates, must be lodged with the Share Registrar not later than 4:30 p.m. on Tuesday, 22 September 2026.

### **REVIEW OF OPERATIONS**

The year ended 31 March 2026 (the "Year") has been marked by significant challenges in the external environment, including geopolitical tensions, tariff wars, economic cooling, and record-high gold prices. These factors have made consumers increasingly selective in their purchasing decisions, prompting us to adjust our strategies accordingly.

Despite these adversities, the Group has demonstrated resilience and adaptability. While high gold prices have influenced consumer behaviour, we have also driven a surge in investment interest. In particular, the elevated gold prices have fueled strong demand for gold bullion as a safe-haven investment. Our sales in this segment have grown substantially, as customers seek stable and secure assets amid economic uncertainties. In response to this trend, we have strengthened our gold bullion supply and services while introducing a range of lighter-weight gold products that offer greater affordability without compromising on design and quality. These new products have been exceptionally well received, demonstrating our ability to innovate in line with evolving market demands.

Furthermore, we have successfully expanded our diamond-inlaid gold product series, which was first introduced last year. This range effectively combines value preservation with fashionable everyday wear, underpinned by exceptional craftsmanship. A notable success within this series has been "The Natal Buddha" collection, which has been warmly embraced by customers. The collection's strong popularity is largely attributable to our superior craftsmanship, featuring intricate detailing, cultural authenticity, and fine workmanship that truly distinguish it from competing offerings.

In addition to strengthening our gold and jewellery businesses, we remain committed to expanding our portfolio of independent watchmaker brands. This initiative not only diversifies our product range but also aligns with our strategic objective of offering unique, high-quality timepieces to discerning consumers.

To reach out to potential new customers and broaden our customer base, we have actively collaborated with commercial partners to organise curated events and engaging co-marketing activities. These initiatives have successfully introduced our high-quality products and services to a wider audience, while reinforcing brand awareness and ensuring our brand remains top-of-mind amidst challenging market conditions.

## **REVIEW OF OPERATIONS (Continued)**

Looking ahead, we will continue to focus on innovation and customer-centric strategies. By refining our product offerings and enhancing our marketing efforts, we are confident in our ability to thrive in this complex environment. Our unwavering commitment to quality and customer satisfaction will remain the cornerstone of our pursuit of sustained growth. Additionally, we will maintain strict discipline in inventory management and expense control to further improve operational efficiency and cost effectiveness.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Strategies and Long-term Objectives**

We are a local listed company mainly engaged in retailing of gold, jewellery and watches with 76 years of history, guided by the core values of integrity, diligence, and professionalism. Our long-term objectives centre on delivering premium products, achieving consistent profitability, maximising shareholder value, fostering employee growth and advancing environmental and social responsibility.

In the local luxury jewellery market, steady demand continues for high-purity gold and personalised designs despite economic caution. Key trends include pure gold-with-diamonds pieces and colored-gemstone jewellery, while major risks involve economic uncertainties, intense competition and gold price volatility.

Our strategy targets medium-to-high-end customers by offering premium exclusive brands of jewellery and watches, distinctive in-house designs, exceptional quality, and superior shopping experiences. This is delivered through product innovation, continuous staff training and data analytics, enabling us to capitalise on market opportunities, long-standing client trust and strengthened brand differentiation.

The Group continues to adopt prudent financial management policies, including using gold loans to fully offset our gold price exposure, conservative inventory management and balance sheet, and tight operational control to reduce exposure to risks.

### **Group Results Overview**

For the Year, the Group recorded total revenue of HK\$1,022.2 million, representing an increase of HK\$136.2 million or 15.4% from HK\$886.0 million of last year. The Group achieved a consolidated profit attributable to owners of the Company for the Year of HK\$101.8 million, which represents an increase of 15.3% as compared to HK\$88.3 million last year. The increase in profit was primarily due to the increase in revenue and gross profit.

The Group's distribution and selling costs for the Year increased by 4.6% to HK\$129.8 million as compared to HK\$124.1 million for the previous year due to increase in staff cost. The increase of staff costs was mainly due to growth in salary and staff commission in line with the increase in revenue. The Group's administrative costs for the Year rose by 6.1% to HK\$59.6 million as compared to HK\$56.2 million for the previous year, mainly due to increase in staff headcount, salary and bonus payment.

### **Business Review**

The Year was tumultuous, marked by escalating tariffs and conflicts in the Middle East that disrupted the global geopolitical landscape. These developments adversely affected the local economy, as well as consumer sentiments and shopping behaviours. The Group managed to achieve a 15.3% growth in our retailing business. Retailing revenue increased to HK\$1,021.6 million, up from HK\$885.7 million the previous year. This increase was driven by steady growth in our jewellery and watch businesses and rapid growth in our gold business, with overall same-store sales growth reaching 18.3% for the full year.

Our new in-house designed lighter-weight daily wear gold products, together with the rise in gold prices, drove growth in our gold ornament revenue. Strong demand for gold as an alternative investment boosted sales of gold bullion, resulting in significant growth in our gold bullion revenue.

## **MANAGEMENT DISCUSSION AND ANALYSIS (Continued)**

### **Business Review (Continued)**

During the Year, we launched a series of in-house diamond products and diamond-inlaid gold collections, which were well received by our customers. In particular, “The Natal Buddha” collection stood out with its exquisitely dignified image, featuring natural diamonds sparkling on a radiant lotus pedestal that evokes the Buddha’s grace and the joy of the Dharma. Our watch business grew steadily despite macro condition. We focused on high-price-point prestigious watch brands. Our clientele, comprising medium-to-high end customers, to some extent was less impacted by the broader economy.

During the Year, the surge in gold prices resulted in a fair value loss of HK\$44.8 million on our gold loans. The gold loans drawn were fully referenced to the weight of our gold inventory, with the objective of maintaining a net zero gold position for the Group. This strategy effectively insulates the Group from fluctuations in gold prices. When gold prices rise, the Group records a fair value loss on the gold loans. However, this loss is offset by an increase in gross profit from our weight-calculated gold business, as the products sold during periods of rising prices were purchased earlier at lower gold costs. Conversely, when gold prices decline, the reduced gross profit from the weight-calculated gold business is compensated by the fair value gain on the gold loans.

### **Future Outlook**

We anticipate that the coming year will continue to present challenges. Uncertainties in the macroeconomic outlook, compounded by fluctuation on gold and diamond prices, may weigh on consumer sentiment and shopping behaviour. Against this backdrop, we will remain agile, adapting swiftly to evolving market conditions and shifting customer preferences.

We will continue to develop premium-quality gold and jewellery products distinguished by exceptional craftsmanship, introduce independent watchmaker brands that meet our customers’ needs, and strengthen marketing efforts cultivating and nourishing our loyal group of clients as key to expand our customer base.

### **PURCHASE, SALE OR REDEMPTION OF SHARES**

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s shares during the year.

### **CORPORATE GOVERNANCE PRACTICES**

The Company had complied with all the code provisions set out in Part 2 of the Corporate Governance Code (the “Code”) in Appendix C1 to the Listing Rules throughout the year ended 31 March 2026 except the deviations as explained below:

1. As far as code provision C.3.3 of the Code is concerned, the Company does not have formal letters of appointment for directors setting out the key terms and conditions of their appointment. The Board decides on the key terms and conditions of the appointment of the Directors from time to time which are recorded in the relevant board minutes.
2. In respect of code provision F.1.1 of the Code in effect during the period from 1 April 2025 to 30 June 2025, the Company did not have a dividend policy or any pre-determined dividend distribution ratio. The Board will decide on the declaration/recommendation of any future dividends after taking into consideration a number of factors, including the prevailing market conditions, the Company’s operating results, business plans and prospects, financial position and working capital requirements, and other factors that the Board considers relevant.

### **REVIEW OF ANNUAL RESULTS**

The audit committee of the Company has reviewed with the management of the Group the accounting policies and practices adopted by the Group, its system of risk management and internal control and financial reporting matters including review of the results for the year ended 31 March 2026.

## **SCOPE OF WORK OF BDO LIMITED**

The figures in this preliminary announcement in respect of the Group's results for the year ended 31 March 2026 have been reviewed and agreed by the Group's auditor, BDO Limited ("BDO"), to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO 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 BDO on this preliminary announcement.

## **DISCLOSURE UNDER SECTION 436 OF THE HONG KONG COMPANIES ORDINANCE**

The financial information of the Group relating to the two years ended 31 March 2025 and 2026 respectively included in this preliminary announcement of the annual results for the year ended 31 March 2026 does not constitute the Company's statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 March 2025 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance and will deliver the financial statements for the year ended 31 March 2026 in due course.

The Company's auditor has reported on the financial statements of the Group for both years. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its reports; and did not contain a statement under sections 406(2), 407(2) or 407(3) of the Hong Kong Companies Ordinance.

By order of the Board  
**Tang Yat Sun, Richard**  
Chairman

Hong Kong, 26 June 2026

As at the date of this announcement, the executive directors of the Company are Mr. Tang Yat Sun, Richard and Dr. Fung Yuk Bun, Patrick; the non-executive directors are Mr. Ho Hau Hay, Hamilton, Ms. Veronica Ho, Mr. Kung Lin Cheng Leo and Dr. Sin Nga Yan, Benedict; and the independent non-executive directors are Mr. Cheng Kwok Shing, Anthony, Ms. Hou Tan Tan Danielle and Mr. Lam Chi Wai.