A & S GROUP (HOLDINGS) LIMITED
亞洲實業集團(控股)有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1737)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2026

FINANCIAL HIGHLIGHTS

- Revenue was approximately HK$457.7 million for the year ended 31 March 2026, representing a decrease of approximately 17.3% as compared with approximately HK$553.6 million for the year ended 31 March 2025.

- Gross profit decreased from approximately HK$39.2 million for the year ended 31 March 2025 to approximately HK$31.6 million for the year ended 31 March 2026.

- Gross profit margin decreased from approximately 7.1% for the year ended 31 March 2025 to approximately 6.9% for the year ended 31 March 2026.

- Loss attributable to the owners of the Company was approximately HK$21.4 million for the year ended 31 March 2026 as compared to a loss of approximately HK$19.8 million for the year ended 31 March 2025.

- Loss per share was approximately HK2.14 cents for the year ended 31 March 2026 as compared to loss per share of approximately HK1.98 cents for the year ended 31 March 2025.

- The Board does not recommend the payment of any final dividend for the year ended 31 March 2026.

FINAL RESULTS

The board (the "**Board**") of directors (the "**Directors**") of A & S Group (Holdings) Limited (the "**Company**") announces the consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the year ended 31 March 2026 (the "**FY2026**"), together with the comparative figures for the year ended 31 March 2025 (the "**FY2025**").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2026

		2026	2025
	Notes	***HK$'000***	*HK$'000*
Revenue	*3*	**457,703**	553,594
Direct costs		**(426,055)**	(514,380)
Gross profit		**31,648**	39,214
Other income and gains, net	*4*	**756**	3,961
Administrative and other operating expenses		**(52,305)**	(59,770)
Operating loss		**(19,901)**	(16,595)
Finance costs	*6*	**(2,568)**	(3,113)
Loss before tax	*5*	**(22,469)**	(19,708)
Income tax expense	*7*	**(151)**	(93)
Loss and total comprehensive expense for the year		**(22,620)**	(19,801)
Loss and total comprehensive expense for the year attributable to:			
Owners of the Company		**(21,416)**	(19,801)
Non-controlling interests		**(1,204)**	—
		(22,620)	(19,801)
Basic and diluted loss per share attributable to owners of the Company	*8*	**HK(2.14) cents**	HK(1.98) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**12,653**	22,137
Right-of-use assets		**40,308**	72,554
Club membership		**869**	869
		53,830	95,560
Current assets			
Trade receivables	*10*	**98,609**	116,533
Other receivables, deposits and prepayments		**28,116**	22,938
Amount due from a related company		**35**	35
Tax recoverable		**3,542**	2,628
Pledged deposit		**3,068**	3,062
Cash and bank balances		**70,840**	79,225
		204,210	224,421
Total assets		**258,040**	319,981
EQUITY			
Capital and reserves			
Share capital		**10,000**	10,000
Reserves		**152,973**	174,324
Equity attributable to owners of the Company		**162,973**	184,324
Non-controlling interests		**(779)**	—
Total equity		**162,194**	184,324

	Notes	**2026** *HK$'000*	2025 *HK$'000*
LIABILITIES			
Non-current liabilities			
Retirement benefits liabilities		**1,797**	1,778
Lease liabilities		**10,720**	42,011
		12,517	43,789
Current liabilities			
Trade payables	*11*	**23,350**	24,661
Accruals and other payables		**28,688**	37,715
Lease liabilities		**31,291**	29,492
		83,329	91,868
Total liabilities		**95,846**	135,657
Total equity and liabilities		**258,040**	319,981
Net current assets		**120,881**	132,553
Total assets less current liabilities		**174,711**	228,113

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

1 GENERAL INFORMATION AND BASIS OF PRESENTATION

The Company was incorporated in the Cayman Islands on 7 July 2016 as an exempted company with limited liability under the Companies Law (Cap. 22, Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") with effect from 14 March 2018 (the "**Listing Date**"). Its parent and ultimate holding company is Dynamic Victor Limited, a company incorporated in the Republic of Seychelles and owned as to 65% by Mr. Law Kwok Leung Alex and 35% by Mr. Law Kwok Ho Simon.

The address of the Company's registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and the Company's principal place of business in Hong Kong is L2 Office, Cainiao Smart Gateway, 8 Chun Yue Road, Chek Lap Kok, Hong Kong. The Company is an investment holding company. The Group is principally engaged in the provision of air freight forwarding ground handling services and air cargo terminal operating services in Hong Kong.

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), which is the same as the functional currency of the Company. All values are rounded to nearest thousand ("**HK$'000**") except when otherwise indicated.

2 SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of presentation

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange and by the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention except as explained.

2.1.1 Changes in accounting policies

(a) Amended standard adopted by the Group

The Group has applied the following amendments to a HKFRS Accounting Standard for the first time for their annual reporting period commencing 1 April 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability

The amendments listed above did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(b) *New and amended standards not yet adopted*

Certain new accounting standards and amendments to HKFRS Accounting Standards have been published that are not mandatory for the year ended 31 March 2026 and have not been early adopted by the Group.

		Effective for the accounting periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
Amendments to HKAS 21	Translation to a Hyperinflatimary Presentation Currency	1 January 2027
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 18 Presentation and Disclosure in Financial Statements

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

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss and other comprehensive income.

3 REVENUE AND SEGMENT INFORMATION

Revenue recognised during the year are as follows:

	2026	2025
	HK$'000	*HK$'000*
Revenue from customers and recognised over time:		
Air freight forwarding ground handling services	**241,569**	352,597
Air cargo terminal operating and related services	**216,134**	200,997
	457,703	553,594

Segment information

The chief operating decision-maker has been identified as the executive directors of the Company. The executive directors regard the Group's business as a single operating segment and review consolidated financial statements accordingly. Also, all of the Group's revenue during the years ended 31 March 2026 and 2025 are derived from Hong Kong, the place of domicile of the Group's operating subsidiary. The Group primarily operates in Hong Kong. The Group's non-current assets are principally located in Hong Kong. Therefore, no segment information is presented.

Information about major customers

Revenue from customers contributing over 10% of the total revenue of the Group are as follows:

	2026	2025
	HK$'000	*HK$'000*
Customer A[1]	**177,953**	163,083
Customer B[1]	**95,342**	163,970
Customer C	**65,598**	80,919

[1] The above customer represents a collective of companies within a group.

4 OTHER INCOME AND GAINS, NET

Other income and gains, net recognised during the year are as follows:

	2026	2025
	HK$'000	*HK$'000*
Bank interest income	**41**	286
Gain on disposal of property, plant and equipment	**165**	174
Reversal of provision for reinstatement costs	**—**	2,008
Management fee income	**—**	332
Government grants *(Note)*	**1,694**	967
(Provision for)/reversal of loss allowance on trade receivables, net	**(1,173)**	1
Others	**29**	193
	756	3,961

Note: During the year ended 31 March 2026, the Group recognised government grants in respect of the policy of the International Civil Aviation Organisation related subsidiary provided by the government of the Hong Kong Special Administrative Region (the "**Government**") of which approximately HK$1,000,000 was granted under the Pilot Subsidy Scheme for Third-Party Logistics Service Providers launched by the Government. There are no unfilled conditions or other contingencies attaching to the grant.

During the year ended 31 March 2026, the Group recognised approximately HK$694,000 (2025: approximately HK$967,000) related to one-off ex-gratia payment scheme for phasing out Euro IV diesel commercial vehicles from the Transport Department of the Government. There are no unfilled conditions or other contingencies attaching to the grant.

5 LOSS BEFORE TAX

	2026	2025
	HK$'000	*HK$'000*
Loss before tax has been arrived at after charging:		
Included in direct costs:		
Direct labour costs	**100,930**	118,683
Dispatched labour costs	**225,752**	269,034
Costs of packaging materials	**7,773**	13,484
Depreciation of property, plant and equipment	**3,518**	4,064
Depreciation of right-of-use assets	**32,246**	39,772
Expense relating to short-term leases not included in the measurement of lease liabilities		
– Car parking spaces	**2,039**	1,971
– Forklifts	**4,443**	6,412
Included in administrative and other operating expenses:		
Auditors' remuneration		
– Audit services	**860**	860
Depreciation of property, plant and equipment	**5,982**	5,283
Expense relating to short-term leases not included in the measurement of lease liabilities		
– Office premises	**906**	582
Staff costs, including directors' and chief executive officer's emoluments	**19,204**	18,125

6 FINANCE COSTS

	2026	2025
	HK$'000	*HK$'000*
Interest on lease liabilities	**2,568**	3,113

7 INCOME TAX EXPENSE

	2026	2025
	HK$'000	*HK$'000*
Hong Kong profits tax:		
– Current income tax	**137**	126
– Under-provision in prior years	**14**	4
Deferred income tax	**—**	(37)
Income tax expense	**151**	93

8 BASIC AND DILUTED LOSS PER SHARE

	2026	2025
Loss attributable to owners of the Company for the year (HK$'000)	**(21,416)**	(19,801)
Weighted average number of ordinary shares for the purpose of calculating basic loss per share (in thousand)	**1,000,000**	1,000,000
Basic loss per share (HK cents)	**(2.14)**	(1.98)

The diluted loss per share were the same as the basic loss per share as there were no dilutive potential ordinary share in issue during the years ended 31 March 2026 and 2025.

9 DIVIDENDS

No dividend was paid or proposed for the shareholders of the Company during the year ended 31 March 2026 (2025: Nil), nor has any dividend been proposed since the end of the reporting period.

10 TRADE RECEIVABLES

	2026	2025
	HK$'000	*HK$'000*
Trade receivables	**102,470**	119,221
Less: Loss allowance	**(3,861)**	(2,688)
	98,609	116,533

The credit period granted to customers is 30 to 90 days from invoice date generally. The Group does not hold any collateral as security.

At 31 March, the ageing analysis of the trade receivables, net of loss allowance, presented based on invoice date are as follows:

	2026	2025
	HK$'000	*HK$'000*
0-30 days	**40,142**	40,371
31-60 days	**42,274**	57,378
61-90 days	**14,095**	5,998
Over 90 days	**5,959**	15,474
	102,470	119,221
Less: Loss allowance	**(3,861)**	(2,688)
	98,609	116,533

11 TRADE AND OTHER PAYABLES

	2026	2025
	HK$'000	*HK$'000*
Trade payables	**23,350**	24,661

The ageing analysis of trade payables based on the invoice date is as follows:

	2026	2025
	HK$'000	*HK$'000*
0–30 days	**16,645**	17,721
31–60 days	**1,601**	2,559
61–90 days	**722**	1,103
Over 90 days	**4,382**	3,278
	23,350	24,661

As at 31 March 2026, included in trade payables was approximately HK$2,119,000 and HK$448,000 (2025: HK$2,143,000 and HK$448,000) payable to related companies, Gobo Trade Limited and Parkston Limited, respectively. The amounts due are trade in nature, unsecured, non-interest bearing and have no fixed terms of repayment.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

For the year ended 31 March 2026 (the "**Review Year**"), the Group continued to engage in the provision of air freight forwarding ground handling services and air cargo terminal operating services in Hong Kong, principally serving global logistics companies and major freight forwarding customers.

Throughout the year, global economic uncertainties, escalating geopolitical tensions and shifts in international trade landscape continued to prevail, resulting in volatile market demand across the air logistics industry, leading to a revenue reduction and placing certain pressure on the overall operating performance. Faced with a challenging operating environment, the Group adopted a prudent business strategy and actively pressed ahead with cost optimisation initiatives, as well as continuously expanding new small and medium-sized customers to mitigate the negative impacts arising from the loss of major clients and industry downturn.

Looking ahead to the financial year 2027, adjustments in international trade policies and geopolitical changes will continue to bring uncertainties to the logistics sector. The Board maintains a cautious attitude towards market demand for air freight ground handling and warehousing-related services, and will persist in implementing three core operational strategies:

Customer retention and expansion: Consolidate existing long-term cooperative customers, continuously enhance service quality, and proactively expand the customer base of small and medium-sized logistics enterprises to reduce reliance on major customers;

Operational and cost optimization: Continue to implement measures including warehouse consolidation, manpower reallocation and remuneration structure adjustments as well as lease renegotiation. The Group will further streamline expenses and improve operational efficiency in the future; and

Financial management: Maintain solid cash reserves and keep the gearing ratio within a reasonable range.

The Board believes that through prudent operation, cost control and customer diversification development, the Group is well-positioned to weather the industry downturn, gradually restore operating profitability and safeguard the long-term interests of shareholders.

FINANCIAL REVIEW

Revenue

Revenue of the Group decreased by approximately 17.3% from approximately HK$553.6 million for the FY2025 to approximately HK$457.7 million for the FY2026. Such decrease was primarily attributable to the volatile international logistics demand amid global economic and geopolitical uncertainties, leading to a decline in the overall air freight cargo volume processed by the Group.

Gross profit and gross profit margin

Gross profit decreased by approximately 19.3% from approximately HK$39.2 million for the FY2025 to approximately HK$31.6 million for the FY2026, which was primarily due to the decrease in revenue. The Group's gross profit margins were approximately 6.9% and 7.1% for FY2026 and FY2025, respectively, demonstrating stability across both fiscal years. Gross profit remained stable, primarily due to effective cost control measures that mitigated the impact of lower revenue.

Other income and gains, net

Other income and gains, net mainly comprised bank interest income, management fee income, government grants, net provision for loss allowance on trade receivables and other miscellaneous income. Other income and gains, net decreased from approximately HK$4.0 million for the FY2025 to approximately HK$0.8 million for the FY2026. The decrease was mainly due to the absence of one-off reversal of reinstatement costs recognised in the FY2025.

Administrative and other operating expenses

Administrative and other operating expenses decreased by approximately 12.5% from approximately HK$59.8 million for the FY2025 to approximately HK$52.3 million for the FY2026, which was mainly attributable to the Group's stringent cost control measures.

Finance costs

Finance costs decreased by approximately 17.5% from approximately HK$3.1 million for the FY2025 to approximately HK$2.6 million for the FY2026, mainly due to lower interest expenses on lease liabilities during the year.

Loss attributable to owners of the Company for the year

As a result of the foregoing, the Group recorded a loss and total comprehensive expense attributable to owners of the Company of approximately HK$21.4 million for the FY2026, as compared with a loss and total comprehensive expense attributable to owners of the Company of approximately HK$19.8 million for the FY2025.

LIQUIDITY AND FINANCIAL RESOURCES

The Group's operating and investment activities are principally financed by cash generated from business operations. As at 31 March 2026, the Group had net current assets of approximately HK$120.9 million (31 March 2025: HK$132.6 million); cash and bank balances amounted to approximately HK$70.8 million (31 March 2025: HK$79.2 million); and pledged deposits were approximately HK$3.1 million (31 March 2025: HK$3.1 million). As at 31 March 2026, equity attributable to owners of the Company amounted to approximately HK$163.0 million (31 March 2025: HK$184.3 million). And the Group's total debt, comprising lease liabilities amounted to approximately HK$42.0 million (31 March 2025: approximately HK$71.5 million). The Directors confirm that the Group has sufficient financial resources to meet its obligations as they fall due in the foreseeable future.

CAPITAL STRUCTURE

The Group's shares were successfully listed on the Main Board of the Stock Exchange on the Listing Date. There has been no change in the capital structure of the Group since then. The capital of the Group only comprised of ordinary shares.

GEARING RATIO

As at 31 March 2026, the gearing ratio (calculated as total lease liabilities divided by equity attributable to owners of the Company) was approximately 25.8% (31 March 2025: 38.8%). Such decrease in gearing ratio was mainly due to the decrease in lease liabilities for the FY2026.

CAPITAL COMMITMENTS

As at 31 March 2026, the Group did not have any material capital commitments (31 March 2025: Nil).

CONTINGENT LIABILITIES

As at 31 March 2026, the Group did not have any material contingent liability (31 March 2025: Nil).

INFORMATION ON EMPLOYEES

As at 31 March 2026, the Group employed 317 employees (31 March 2025: 352 employees). Remuneration packages are generally structured based on market terms, individual qualifications and experience. Salaries and wages of the Group's employees are normally reviewed on an annual basis based on performance appraisals and other relevant factors. Various types of trainings were provided to the employees. The total staff cost (including remuneration of Directors, Mandatory Provident Fund contributions and long service payments) for the FY2026 amounted to approximately HK$120.1 million (31 March 2025: HK$136.8 million).

CHARGE ON GROUP ASSETS

Certain cash deposits of the Group of approximately HK$3.1 million (31 March 2025: HK$3.1 million) are charged to the bank to secure general banking facilities.

FOREIGN EXCHANGE RISK

The Group is currently not exposed to any material foreign exchange risks as most of the monetary assets and liabilities are denominated in Hong Kong dollars. The management of the Company will consider suitable hedging instruments against significant currency exposure should the need arises.

TREASURY POLICY

The Directors will continue to follow a prudent policy in managing the Group's cash and maintaining a strong and robust liquidity position to ensure that the Group is ready to seize any future growth opportunities.

SEGMENT INFORMATION

Segment information is presented for the Group as disclosed in Note 3 to the consolidated financial statements.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES AND PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this announcement, the Group did not have any significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies for the FY2026. The Group did not have other plan for material investments or capital assets as at 31 March 2026.

FINAL DIVIDEND

No dividend was paid or proposed for the shareholders of the Company (the "**Shareholders**") during the FY2026 (FY2025: Nil), nor has any dividend been proposed since the end of the reporting period.

COMPARISON BETWEEN BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

An analysis comparing the business objectives as set out in the prospectus of the Company dated 28 February 2018 (the "**Prospectus**") with the Group's actual business progress for the period from the Listing Date to 31 March 2026 is set out below:

Business strategies as stated in the Prospectus	Business objectives up to 31 March 2026 as stated in the Prospectus	Actual business progress up to 31 March 2026
Setting up of new warehouse premises	– Rental deposit of new warehouse premises in Tuen Mun of around 130,000 sq. ft. – Fitting out and renovation of new warehouse premises – Installation of CCTV system, access control system and burglar alarm system – Installation of cargo storage and forklift operation systems in the new warehouse premises – Installation of RFID applications in the various storage locations in the new warehouses premises for cargo in and out segregation – Installation of measurement and control systems such as automatic measurement and weight check systems for pallet – Acquire mobile devices for scanning applications – Commence operations of the new warehouse premises – Working capital for the initial operation of new warehouse premises	The Group has set up a new warehouse in the Cainiao Smart Gateway. For details, please refer to the announcements of the Company dated 9 May 2023, 15 March 2024, 5 April 2024 and 30 September 2024 and the circulars of the Company dated 3 May 2024 and 13 November 2024

Business strategies as stated in the Prospectus	Business objectives up to 31 March 2026 as stated in the Prospectus	Actual business progress up to 31 March 2026
Upgrading existing facilities and acquiring additional trucks and equipment	– Acquire two additional 5.5 ton trucks, three additional 9 ton trucks and ten additional 16 ton trucks	The Group has acquired thirteen additional 16 ton trucks and one unit of 5.5 ton truck
	– Upgrade other existing facilities in the Group's warehouses and offices, such as shelving and racking, CCTV surveillance and fire equipment and RFID applications	The Group has upgraded the CCTV surveillance equipment and security system of the warehouses
	– Install two automatic measurement and weight check systems for cargo pallets in cargo receiving areas in the existing warehouses	The Group has installed one unit of automatic measurement and weight check system
	– Install security X-ray inspection systems for cargo pallets to applicable standard of the Transportation Security Administration of the United States for cargo screening process areas in our existing warehouses	The Group has installed six units of X-ray machines and two units of explosive trace detection equipment to upgrade the air cargo security screening facilities
	– Maintenance for the upgraded and new facilities or other existing facilities	A portion of the net proceeds were used to maintain the upgraded and new facilities or other existing facilities

Business strategies as stated in the Prospectus	Business objectives up to 31 March 2026 as stated in the Prospectus	Actual business progress up to 31 March 2026
Implementing new information technology system	– Plan for upgrading the existing warehouse management system and accounting system – Implement and evaluate the performance of the upgraded warehouse management system and accounting system	Warehouse management system has been upgraded in extension to scanning package IDs across HAWB to get more information. The warehouse management system data became available to traffic management system. This makes the shipment data more accurate and transparent
	– Recruit two experienced personnel responsible for the planning and implementation of the information system upgrade and maintain the cost of additional personnel for information system upgrade	The Group has recruited one experienced personnel responsible for the information system upgrade
	– Upgrade the existing hardwares, acquiring new computer facilities, implementing and engage specialised service providers to develop the new human resources management system	The Group is working with its information technology consultant to study the hardwares and computer facilities upgrade
	– Implement and evaluate the performance of the new human resources management system	The new human resources management system has been launched. The Group is working with the human resources vendor to explore the enhancement of add-in additional modules to improve the overall efficiency

USE OF PROCEEDS FROM THE SHARE OFFER

The net proceeds from the listing of the shares of the Company on the Stock Exchange on the Listing Date (the "**Listing**") (after deducting the underwriting fees and other listing expenses borne by the Company) amounted to approximately HK$92.8 million (the "**Net Proceeds**"). After the Listing, a part of these proceeds have been applied for the purposes in accordance with the future plans and use of proceeds as set out in the Prospectus.

On 9 May 2023, the Board resolved to change the use of the unutilised Net Proceeds. For further details of the change in use of Net Proceeds, please refer to the announcement of the Company dated 9 May 2023. An analysis of the utilisation of the net proceeds from the Listing as at 31 March 2026 is set out below:

Business objective and strategy	**Planned use of Net Proceeds up to 31 March 2026**	**Unutilised Net Proceeds as at 1 April 2025**	**Actual use of Net Proceeds during the year ended 31 March 2026**	**Unutilised use of Net Proceeds up to 31 March 2026**	**Expected timeline for utilising the unutilised Net Proceeds**
	HK$ million	*HK$ million*	*HK$ million*	*HK$ million*	
Setting up of new warehouse premises in Chek Lap Kok	36.4	0.2	0.2	—	N/A
Upgrading existing facilities and acquiring additional trucks and equipment	36.4	2.3	2.3	—	N/A
Implementing new information technology system	14.5	7.4	0.6	6.8	31 March 2027
General working capital	5.5	—	—	—	N/A
Total	92.8	9.9	3.1	6.8	

The Group finances the capital expenditure for setting up new warehouse premises in Cainiao Smart Gateway using the Net Proceeds. During the Review Period, the Company paid up the working capital for the initial operation of approximately HK$0.2 million.

For upgrading existing facilities and acquiring additional trucks and equipment, the Company has utilised approximately HK$2.3 million to maintain the upgraded and new facilities or other existing facilities during the Review Period.

For the implementation of new information technology system, the Group has utilised approximately HK$0.6 million to maintain the upgraded information technology system during the Review Period.

The unutilised Net Proceeds are expected to be fully utilised within 9 months from the date of this announcement. Such expected timeline is based on the estimation made by the Group which might be subject to changes in accordance with the change in market conditions from time to time.

The business objectives, future plans and planned use of proceeds as stated in the Prospectus were based on the best estimation and assumption of future market conditions made by the Group at the time of preparing the Prospectus while the proceeds were applied based on the actual development of the Group's business and the industry.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by the Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by Directors. Having made specific enquiry of all Directors, all Directors confirmed they have fully complied with the required standards set out in the Model Code during the FY2026.

CORPORATE GOVERNANCE PRACTICE

The Company acknowledges the need and importance of corporate governance as one of the key elements in creating shareholders' value. The Company is also committed to achieving a high standard of corporate governance that can protect and promote the interests of the Shareholders and to enhance corporate value and accountability of the Company. The Company has adopted the principles and code provisions in the Corporate Governance Code (the "**CG Code**") as set out in Part 2 of Appendix C1 to the Listing Rules. In the opinion of the Directors, the Company has complied with all the code provisions as set out in the CG Code for the year ended 31 March 2026 and up to the date of this announcement except for the code provision C.2.1 with details as below.

Following the appointment of Mr. Law Kwok Leung Alex ("**Mr. Alex Law**") as the Chief Executive Officer with effect from 31 March 2026, he serves as both the Chairman of the Board and the Chief Executive Officer. This appointment deviates from the requirements in the code provision C.2.1 of Part 2 the CG Code, which stipulates that the roles of the chairman of the Board and the chief executive officer should be separate and should not be performed by the same individual.

The Board considers that Mr. Alex Law will provide solid and continuous leadership to the Group with his extensive experience and knowledge in management and operation of the Group. Further, the Board is of the view that the balanced composition of the executive Directors and the independent non-executive Directors on the Board and the various committees of the Board in overseeing different aspects of the Company's affairs would provide adequate safeguards to ensure a balance of power and authority. As such, the Board considers that the deviation from Code Provision C.2.1 is appropriate in the current situation.

Further information of the corporate governance practice of the Company will be set out in the corporate governance report to be included in the annual report of the Company for the year ended 31 March 2026.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities including the sale of treasury shares (as defined under the Listing Rules) during the FY2026. As at 31 March 2026, there were no treasury shares held by the Company.

EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, the Board is not aware of any significant events since 31 March 2026 and up to the date of this announcement.

AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") was established on 21 February 2018. The chairman of the Audit Committee is Mr. Kwan Ngai Kit, the independent non-executive Director, and other members included Mr. Ho Chun Chung Patrick, Mr. Iu Tak Meng Teddy and Ms. Pau Yee Ling, the independent non-executive Directors. The written terms of reference of the Audit Committee are posted on the website of the Stock Exchange and on the Company's website.

The primary duties of the Audit Committee are mainly to review the financial information and oversee the financial reporting system, risk management and internal control systems and the relationship with the external auditors, and review arrangements employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

REVIEW OF CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR

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 FY2026 set out in the preliminary announcement have been agreed by the Group's auditor, HLB Hodgson Impey Cheng Limited ("**HLB**"), to the amounts set out in the Group's draft consolidated financial statements for the FY2026. The work performed by HLB 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 HLB on the preliminary announcement.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the consolidated financial statements for the FY2026 and the final results announcement of the Group for the FY2026.

APPRECIATION

Mr. Law Kwok Leung Alex, the chairman of the Board, would like to take this opportunity to express his heartfelt thanks to the members of the Board and all the staff of the Group for their effective work and strenuous efforts. As in the past, the Company will strive to reward the Shareholders for their unwavering support.

By order of the Board
A & S Group (Holdings) Limited
Law Kwok Leung Alex
Chairman and Executive Director

Hong Kong, 26 June 2026

As at the date of this announcement, the Board comprises Mr. Law Kwok Leung Alex and Mr. Law Kwok Ho Simon as executive Directors; and Mr. Iu Tak Meng Teddy, Mr. Kwan Ngai Kit, Mr. Ho Chun Chung Patrick and Ms. Pau Yee Ling as independent non-executive Directors.