RONGZUN INTERNATIONAL HOLDINGS GROUP LIMITED
榮尊國際控股集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1780)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2026

FINANCIAL HIGHLIGHTS

- Revenue of the Group for the year ended 31 March 2026 amounted to approximately HK$82.7 million (2025: approximately HK$88.4 million).
- Gross (loss)/profit margin of the Group for the year ended 31 March 2026 was at approximately -20.2% (2025: approximately 4.7%).
- Loss before tax of the Group for the year ended 31 March 2026 was approximately HK$34.1 million (2025: Loss before tax of approximately HK$9.5 million).
- Loss of the Group for the year ended 31 March 2026 amounted to approximately HK$34.1 million (2025: Loss of the Group of approximately HK$9.5 million).
- Basic loss per share for the year ended 31 March 2026 amounted to approximately HK5.49 cents (2025: Basic loss per share of approximately HK1.54 cents).
- The Board did not recommend the payment of a final dividend for the year ended 31 March 2026 (2025: final dividend of HK4.0 cents per share).

The board (the "**Board**") of directors (the "**Directors**") of Rongzun International Holdings Group Limited (the "**Company**") is pleased to present the audited consolidated financial results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 March 2026, together with the comparative figures for the corresponding year ended 31 March 2025 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*
Revenue	*3 & 4*	**82,667**	88,375
Direct costs		**(99,367)**	(84,199)
Gross (loss)/profit		**(16,700)**	4,176
Other income		**1,410**	1,836
Other (losses)/gains net		**(20)**	138
Reversal of impairment losses under expected credit loss model, net		**373**	854
Administrative expenses		**(19,116)**	(16,546)
Finance costs		**(14)**	(3)
Loss before tax	*6*	**(34,067)**	(9,545)
Income tax expense	*5*	**–**	–
Loss for the year		**(34,067)**	(9,545)
Other comprehensive expense for the year			
Item that will not be reclassified to profit or loss			
Fair value loss on equity instrument at fair value through other comprehensive income ("**FVTOCI**")		**–**	(13,000)
Total comprehensive expense for the year		**(34,067)**	(22,545)
Loss per share	*8*		
– Basic (HK cents)		**(5.49)**	(1.54)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
Non-current assets			
Property, plant and equipment		**673**	975
Right-of-use asset		**120**	–
Prepayment	*10*	**515**	–
Equity instrument designated at FVTOCI	*9*	**–**	–
Deposits paid	*10*	**–**	15,917
		1,308	16,892
Current assets			
Trade and other receivables, deposits and prepayments	*10*	**16,718**	9,518
Contract assets		**14,120**	38,434
Restricted bank deposits		**–**	2,490
Amount due from a related company		**7,141**	–
Cash and cash equivalents		**94,974**	129,905
		132,953	180,347
Current liabilities			
Trade and other payables and retention payables	*11*	**28,339**	30,609
Amount due to a related company		**–**	1,943
Lease liability		**123**	–
Deferred income		**115**	136
		28,577	32,688
Net current assets		**104,376**	147,659
Net assets		**105,684**	164,551
Capital and reserves			
Share capital		**6,200**	6,200
Reserves		**99,484**	158,351
Total equity		**105,684**	164,551

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 March 2026

1. GENERAL INFORMATION

Rongzun International Holdings Group Limited, previously known as B & D Strategic Holdings Limited (the "**Company**") was incorporated in the Cayman Islands as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 24 April 2018 and its shares have been listed on Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") with effect from 30 April 2019. Its registered office is located at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1–1108, Cayman Islands. The address of its principal place of business is located at Room 2803–2803A, Asia Trade Centre, 79 Lei Muk Road, Kwai Chung, New Territories, Hong Kong.

The Company is an investment holding company. The businesses of the Company and its subsidiaries (collectively referred to as the "**Group**") are mainly conducted through three major operating subsidiaries, namely, (i) Ka Shun Civil Engineering Company Limited ("**Ka Shun Civil Engineering**"), (ii) Ka Shun Contractors Limited ("**Ka Shun Contractors**"); and (iii) Ka Construction Company Limited ("**Ka Construction**"); and are principally involved in provision of services on alteration and addition works (including alteration and addition of building layout and structural works that comprising design of new structural works, fitting-out works, changes in facilities configuration, construction of a new extension to existing buildings, conversion of an existing buildings, conversion of an existing building to different type, etc.) and civil engineering works in Hong Kong.

In the opinion of the directors of the Company, the ultimate controlling party of the Group is Mr. Yang Jingyao starting from 30 March 2026. Since kyosei Technology Inc., a company incorporated in the British Virgin Islands ("**BVI**") ceased to be immediate and ultimate holding company of the Company from 11 September 2023 to 30 March 2026, the ultimate controlling party of the Group was Mr. Kenichi Yanase ("**Mr. Kenichi**").

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), which is also the functional currency of the Company and its subsidiaries.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability

The application of the amendments to an HKFRS Accounting Standard 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.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKAS 21	Translation to Hyperinflationary Presentation currency[3]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[2]
Amendments to HKFRS 1, HKFRS 7, HKFRS9, HKFRS 10 and HKAS 7	HKFRS Accounting Standards – Volume 11[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[3]
HKFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures[3]
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause[3]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]

[1] Effective for annual periods beginning on or after a date to be determined
[2] Effective for annual periods beginning on or after 1 January 2026
[3] Effective for annual periods beginning on or after 1 January 2027

Except for the new HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of the 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, 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 in the notes to the financial statements and improves 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" and HKFRS 7 "Financial Instruments: Disclosures". 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. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. REVENUE

Disaggregation of revenue from contracts with customers

Revenue of the Group represents the fair value of amounts received and receivable from the provision of services on alteration and addition works and civil engineering works in Hong Kong (all recognised over time under construction contracts in Hong Kong) during the year.

	2026	2025
	HK$'000	*HK$'000*
Contract revenue from provision of services on alteration and addition works	**33,142**	47,350
Contract revenue from provision of services on civil engineering works	**49,525**	41,025
	82,667	88,375

4. SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (the "**CODM**"), the executive directors of the Company, in order for CODM to allocate resources and assess performance. No operating segments identified by the CODM have been aggregated in arriving at the reporting segments of the Group.

Specifically, the Group's reporting and operating segments under HKFRS 8 "Operating Segments" are as follows:

- Alteration and addition works; and

- Civil engineering works.

The CODM makes decisions according to the operating results of each segment. No analysis of segment assets and segment liabilities is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating segments:

For the year ended 31 March 2026

	Alteration and addition works *HK$'000*	**Civil engineering works** *HK$'000*	**Total** *HK$'000*
Segment revenue – external	**33,142**	**49,525**	**82,667**
Segment results	**691**	**(17,018)**	**(16,327)**
Other income and other gains and losses, net			**1,390**
Administrative expenses			**(19,116)**
Finance cost			**(14)**
Loss before tax			**(34,067)**

For the year ended 31 March 2025

	Alteration and addition works *HK$'000*	Civil engineering works *HK$'000*	Total *HK$'000*
Segment revenue – external	47,350	41,025	88,375
Segment results	(11,500)	16,530	5,030
Other income and other gains and losses, net			1,974
Administrative expenses			(16,546)
Finance cost			(3)
Loss before tax			(9,545)

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies. Segment results represent the loss before tax earned by each segment without allocation of certain other income, other gains and losses, net, administrative expenses and finance cost. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

5. INCOME TAX EXPENSE

No Hong Kong Profits Tax is provided as the Company and its subsidiaries as there is no assessable profits for both years.

6. LOSS BEFORE TAX

	2026 *HK$'000*	2025 *HK$'000*
Loss before tax has been arrived at after charging:		
Staff costs including directors' emoluments:		
– Salaries and other benefits	**17,662**	22,091
– Discretionary bonus*	**1,065**	2,520
– Retirement benefit scheme contributions	**462**	588
	19,189	25,199
Auditor's remuneration:		
– the Company	**600**	699
– subsidiaries of the Company	**282**	276
	882	975
Depreciation of property, plant and equipment	**330**	528
Depreciation of right-of-use asset	**120**	119

* The discretionary bonus is determined by reference to individual performance of the employees and approved by the management of the Group.

7. DIVIDENDS

No dividend was proposed during 31 March 2026. On 27 June 2025, a final dividend of HK4.0 cents per ordinary share in respect of the year ended 31 March 2025, in an aggregate amount of HK$24,800,000 were declared and paid to the owners of the Company.

8. LOSS PER SHARE

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

	2026 *HK$'000*	2025 *HK$'000*
Loss for the year attributable to the owners of the Company	**(34,067)**	(9,545)

	Number of shares *'000*	Number of shares *'000*
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	**620,000**	620,000

No diluted loss per share is presented for both years as there was no potential ordinary share in issue.

9. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

	2026	2025
	HK$'000	*HK$'000*
Financial asset measured at FVTOCI:		
− Unlisted equity security	**–**	–

On 31 January 2024, a direct wholly-owned subsidiary of the Company (the "**Purchaser**") entered into an equity transfer agreement ("**Equity Transfer Agreement**") with an independent third party (the "**Vendor**") and pursuant to which the Vendor has agreed to sell, and the Purchaser has agreed to purchase 5% equity interest in a private company incorporated in BVI (the "**Investee**") where its major asset is an investment in the form of equity capital in a company established in the People's Republic of China and is principally engaged in research and development of the technologies in acellular cartilage matrix which can be applied to surgeries for tackling the disease of cataract (the "**R&D Company**"). The unlisted equity security was acquired at a total consideration of HK$13,000,000 and completed on 31 January 2024. The Vendor also guaranteed the Purchaser in the Equity Transfer Agreement the right to put back the instrument to the Vendor at original consideration of HK$13,000,000 (the "**Put Option**") if the R&D Company cannot obtain the specified license within 10 months from the date of acquisition (the "**Put Option Expiry Date**"). On 20 March 2024, a supplemental agreement was entered into between the Vendor and the Purchaser to further extend the Put Option Expiry Date to 31 December 2025. The Put Option is a separate instrument from the equity instrument designated at FVTOCI and is accounted for a derivative financial instrument measured at FVTPL.

As at 31 March 2026, there have been no further extensions or renewals of the Equity Transfer Agreement or the Put Option. The Put Option expired without exercise, and the directors of the Company have concluded that the Vendor has no intention to fulfill its contractual obligations under the agreement. Consequently, the Put Option has been derecognized in full as of the current reporting period.

The directors of the Company are of the view that the unlisted equity security investment is not held for trading and they do not expect that the Group will realise the unlisted equity investment within 12 months after the end of the reporting period. Accordingly, the directors of the Company designated the unlisted equity security at FVTOCI and classified it as a non-current asset in the consolidated statement of financial position at 31 March 2026 and 2025.

During the year ended 31 March 2025, the R&D Company encountered significant operational funding constraints, adversely impacting its research activities and submission process for obtaining the Third Medical Device Registration License from China's National Medical Products Administration. As of 31 March 2025, despite active efforts by existing shareholders of the R&D Company to secure new funding and investors, no viable funding sources had been identified. Furthermore, as the investment in the unlisted equity security was fully impaired during the year ended 31 March 2026, and no subsequent recovery in value or viable funding sources for the R&D Company have been identified, the investment remains at a carrying amount of zero as at 31 March 2026.

As at 31 March 2026 and 2025, the fair value of the Group's unlisted equity security is based on net asset value of the Investee and its investment. During the year ended 31 March 2026, no fair value adjustment of the investment at FVTOCI (2025: HK$13,000,000) is recognised.

The directors of the Company previously considered the fair value of the derivative financial instrument to be insignificant at the date of acquisition and as at 31 March 2025, the condition for exercising the Put Option was satisfied as the specified license was not obtained before the expiry date. However, based on the available information regarding the Vendor's financial position and the Directors' assessment of the likelihood of recovery under the Put Option, the recoverable amount is considered negligible. Accordingly, the fair value of the derivative financial instrument was assessed to be nil as at 31 March 2026.

10. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2026	2025
	HK$'000	*HK$'000*
Trade receivables *(Note (a))*	**5,187**	2,550
Less: Allowance of credit losses for trade receivables	**(87)**	(24)
	5,100	2,526
Other receivables	**375**	434
Less: Allowance of credit losses for other receivables	**–**	–
	375	434
Advances to sub-contractors and suppliers	**10,390**	5,149
Prepayments and deposits	**1,368**	1,409
Deposit paid for potential acquisition of land use rights *(Note (b))*	**–**	6,500
Escrow deposit for potential investment *(Note (c))*	**–**	9,417
	17,233	25,435
Analysed as:		
Non-current assets	**515**	15,917
Current assets	**16,718**	9,518
	17,233	25,435

Notes

(a) Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limits by customers. Recoverability of the existing customers is reviewed by the directors of the Company regularly.

The Group allows generally a credit period ranging from 30 to 90 days (2025: from 30 to 90 days) to its customers.

The following is an aged analysis of trade receivables presented based on dates of work certified at the end of the reporting period, net of allowance for credit losses.

	2026	2025
	HK$'000	*HK$'000*
1 – 30 days	**1,372**	2,480
31 – 60 days	**–**	–
61 – 90 days	**179**	44
Over 90 days	**3,549**	2
	5,100	2,526

(b) During the year ended 31 March 2025, a wholly-owned subsidiary of the Company (the "**Buyer**") entered into a non-binding Memorandum of Understanding ("**MOU**") with an independent third party (the "**Seller**") and a custodian (the "**Custodian**"). The MOU contemplated the potential acquisition by the Buyer of land use rights held by the Seller under a 30-year customary land lease agreement dated 1 October 2023, granted by the Minister of Natural Resources and Environment of the Independent State of Samoa (acting on behalf of beneficial customary landowners). This lease includes an option to renew for a further 30-year term. Pursuant to the MOU, the Buyer paid a refundable deposit of HK$6,500,000 to a designated bank account controlled by the Custodian. This deposit was intended to be offset against the purchase consideration upon signing of the sales and purchase agreement for the acquisition of land use rights.

During the year ended 31 March 2026, the refundable deposit of HK$6,500,000 was refunded, to the Group while the Group decide to terminate the acquisition for the land use rights held by the seller.

(c) During the year ended 31 March 2025, a wholly-owned subsidiary of the Company (the "**Subsidiary**") entered into an arrangement (the "**Arrangement**") with a company controlled by Dr. Hiroshi Kaneko (the "**Related Company**") for placing a good faith deposit of United States Dollar ("**US$**") 1,295,000 (the "**Good Faith Deposit**"), representing one-tenth of the bidding price in connection with a potential acquisition of assets, assumption of certain liabilities and an option to acquire the casino license held by a liquidating company through a public bidding in Saipan, the capital of Commonwealth of the Northern Mariana Islands ("**CNMI**"). The Subsidiary paid US$1,200,000 (equivalent to approximately HK$9,417,000) to the Related Company and the Related Company paid the Good Faith Deposit to an independent licensed escrow agent which is held in a segregated trust account administered by it as at 31 March 2025.

In addition, under the Arrangement, the Subsidiary can terminate the Arrangement with not less than 1 month notice in writing to the Related Company. The Related Company should refund the Subsidiary's contribution of US$1,200,000 (equivalent to approximately HK$9,417,000) within a commercially reasonable period when the Subsidiary withdraws from the bidder project.

The Related Company was awarded the bid during the year ended 31 March 2025. After consideration of the costs and benefits of the Arrangement, the Subsidiary terminated the Arrangement and the contribution of US$1,200,000 (equivalent to approximately HK$9,417,000) was refunded during the year ended 31 March 2026.

11. TRADE AND OTHER PAYABLES AND RETENTION PAYABLES

	2026	2025
	HK$'000	*HK$'000*
Trade payables	**13,217**	14,767
Retention payables	**10,205**	10,522
Staff costs payables	**2,583**	3,128
Other payables	**2,334**	2,192
	28,339	30,609

Trade payables

The credit period of trade payables granted by the Group's suppliers are usually within 60 days (2025: 60 days).

The following is an aged analysis of trade payables presented based on the invoice dates at the end of the reporting period:

	2026	2025
	HK$'000	*HK$'000*
1 – 30 days	**5,302**	12,504
31 – 60 days	**1,000**	1,553
61 – 90 days	**600**	–
Over 90 days	**6,315**	710
	13,217	14,767

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review and Outlook

We are a contractor specialising in alteration and addition works and civil engineering works in Hong Kong. In order to emphasise the specification on different fields of construction works, among our principal operating subsidiaries, Ka Shun Contractors mainly focuses on the provision of alteration and addition works, while Ka Shun Civil Engineering and Ka Construction mainly focus on the provision of civil engineering works which generally include site formation works and foundation works.

We have obtained all material licenses, permits and registration required for carrying on our business activities, including the Registered General Building Contractors and the Specialist Contractors – Site Formation Works granted by the Buildings Department; the Approved Contractors for Public Works (Roads and Drainage) and the Approved Contractors for Public Works (Site Formation) both under Group B (probationary) granted by Works Branch of the Development Bureau of the Government of Hong Kong; and Subcontractor Registration Scheme of the Construction Industry Council under the group of general civil works.

During the year under review and into the first half of 2026, the Hong Kong market for alteration and addition works and civil engineering works faced considerable headwinds, driven by sustained downward pressure on property values. The resulting intensification of competition for fewer projects, together with rising construction costs and tighter credit conditions, has further eroded profit margins across the sector. In response, the Group has maintained a disciplined approach to cost management and project selection, while remaining cautiously optimistic about securing select sizeable projects that align with our execution capabilities. Despite these pressures, we remain focused on expanding our business network and diversifying our customer base. We believe our competitive strengths, including effective cost controls, long-standing relationships with customers, suppliers, and subcontractors, a diverse service offering, an established market presence, and an experienced management team will enable us to sustain revenue and maintain our competitive position in this challenging environment.

Looking ahead, the Group recognises that artificial intelligence (AI) and digital technologies are advancing rapidly, redefining how infrastructure and built-environment projects are planned, delivered, and managed. As AI transition from initial pilot phases to full integration into large-scale business operations, demand is surging across related areas encompassing hardware such as computing infrastructure, data centers, robotics, and semiconductors, as well as software including AI engineering systems, AI large language models, and multimodal model support services, all of which are reshaping operating models across industries. Faced with this irreversible industrial transformation, the Group views accelerating the comprehensive adoption of AI as its most urgent strategic priority.

The Board believes that these emerging fields present strategic opportunities that could complement and enhance the Group's traditional operations. Leveraging our established expertise in engineering management, project delivery, and cross-functional resource integration, the Group is actively evaluating potential entry points into AI infrastructure and other high-technology-related businesses. This includes assessing potential business models, partnerships, and selective investments while concurrently monitoring how AI-driven efficiencies can be integrated into our core operations to enhance performance, reduce costs, and strengthen our competitive advantage and business diversification differentiation.

As of the date of this announcement, the Group has not finalised any specific transformation strategy or material investment plan in respect of the foregoing areas. Any definitive decisions will be announced in due course as and when required under the Listing Rules.

Financial Review

Revenue

Our revenue decreased from approximately HK$88.4 million for the year ended 31 March 2025 to approximately HK$82.7 million for the year ended 31 March 2026, representing a decrease of approximately 6.5%. The decrease was primarily because less construction works were performed for the year ended 31 March 2026 than that for the year ended 31 March 2025.

During the year ended 31 March 2026, the Group recognised revenue from alteration and additions works of 13 (2025: 13) projects, while civil engineering works of 4 (2025: 2) projects. The segment revenue of alteration and additions works was approximately HK$33.1 million (2025: approximately 47.4 million), representing approximately 40.1% (2025: approximately 53.6%) of the Group's total revenue of approximately HK$82.7 million (2025: approximately HK$88.4 million), while the segment revenue of engineering works was approximately HK$49.5 million (2025: approximately HK$41.0 million), representing approximately 59.9% (2025: approximately 46.4%) of the total revenue.

The average contract size (revenue per project) for alteration and additions was approximately HK$2.5 million (2025: approximately HK$3.6 million), whereas for civil engineering it was approximately HK$12.4 million (2025: approximately HK$20.5 million, yielding an average of approximately HK$4.9 million (2025: approximately HK$5.9 million) per project across the 17 (2025: 15) projects in total, representing to year-on-year decrease of approximately 16.9%. In addition, the asset revenue ratio, calculated as total revenue divided by total assets (excluding the amount due from a related company and deposit paid), was approximately 0.65 times (2025: approximately 0.49 times), represents an increase of approximately 32.6% for every HK$1.00 of the Group's assets employed.

Direct Costs

Our direct costs increased from approximately HK$84.2 million for the year ended 31 March 2025 to approximately HK$99.4 million for the year ended 31 March 2026, representing a increase of approximately 18.1%. The average contract cost per project for alteration and addition works was approximately HK$2.8 million (2025: approximately HK$4.6 million), whereas for civil engineering it was approximately HK$15.9 million (2025: approximately HK$12.3 million). Considering all 17 projects undertaken during the year ended 31 March 2026 (2025: 15 projects), the overall average cost per project was approximately HK$5.8 million (2025: approximately HK$5.6 million), representing a year-on-year increase of approximately 3.6%.

This increase was primarily driven by significant, unanticipated additional costs for offsite works, combined with the financial impact of an accelerated timeline and extra work requested compared with year ended 31 March 2025.

Please refer to the following section for the shift from a gross profit margin for the year ended 31 March 2025 to a gross loss margin for the year ended 31 March 2026.

Gross (Loss)/Profit and Gross (Loss)/Profit Margin

Our gross loss for the year ended 31 March 2026 was approximately HK$16.7 million, compared with a gross profit of approximately HK$4.2 million for the year ended 31 March 2025. The change from a gross profit to a gross loss was primarily attributable to the aforementioned increase in direct costs, as the Group did not charge customers additional fees so as to preserve the business relationships.

Accordingly, the Group recorded a gross loss margin of approximately 20.2% for the year ended 31 March 2026 compared with a gross profit margin of approximately 4.7% for the year ended 31 March 2025. Furthermore, under HKFRS 15, the gross loss/profit margin recognised for the Group's projects across reporting periods is not static. Rather than reflecting the project's overall expected margin, the recognised margin fluctuates period-over-period, contingent upon the revenue certified and costs incurred for specific works completed during that period. Consequently, despite recording a gross profit margin for the year ended 31 March 2025, the Group had a gross loss margin for the year ended 31 March 2026.

Other Income

Our other income decreased from approximately HK$1.8 million for the year ended 31 March 2025 to approximately HK$1.4 million for the year ended 31 March 2026. Such decrease was mainly due to the decrease in bank interest income from approximately HK$1.8 million for the year ended 31 March 2025 to HK$1.0 million for the year ended 31 March 2026.

Administrative Expenses

Our administrative expenses amounted to approximately HK$19.1 million for the year ended 31 March 2026 which are comparable to that of approximately HK$16.5 million for the year ended 31 March 2025.

Loss Before Tax

Our loss before tax of approximately HK$34.1 million for the year ended 31 March 2026 which are comparable to that of approximately HK$9.5 million for the year ended 31 March 2025.

Our income tax expenses remained nil for the years ended 31 March 2026 and 2025 because there are no assessable profits for both years.

Loss and Total Comprehensive Expense for the Year

The increase in loss and total comprehensive expense for the year ended 31 March 2026 to approximately HK$34.1 million compared to loss and total comprehensive expense for the year ended 31 March 2025 of approximately HK$22.5 million was mainly due to the combined effect of the aforesaid increase in loss and no fair value loss on equity instrument at fair value through other comprehensive income was recognised for the year ended 31 March 2026.

Key Financial Ratio

	Notes	**As at 31 March 2026**	As at 31 March 2025
Current ratio	*1*	**4.7 times**	5.5 times
Return on total assets	*2*	**-25.4%**	-4.8%
Return on equity	*3*	**-32.2%**	-5.8%
Net loss margin	*4*	**-41.2%**	-10.8%

Notes:

1. Current ratio is calculated as current assets divided by current liabilities as at the respective reporting dates.

2. Return on total assets is calculated as loss before tax for the year divided by the total assets as of the respective reporting dates.

3. Return on equity is calculated as loss before tax for the year divided by the total equity attributable to owners of the Company as of the respective reporting dates.

4. Net loss margin is calculated as loss before tax for the year divided by the revenue for the respective reporting years.

Current Ratio

Our current ratio decreased from approximately 5.5 times as at 31 March 2025 to approximately 4.7 times as at 31 March 2026. The decrease was mainly attributable to the net effect of an increase in the aggregate of trade and other receivables, deposits, prepayments, and contract assets, coupled with a net decrease in cash and cash equivalents.

Return on Total Assets

Our return on total assets decreased from approximately -4.8% for the year ended 31 March 2025 to approximately -25.4% for the year ended 31 March 2026. The decrease was mainly due to the Group increased in loss and total comprehensive expense for the year ended 31 March 2026 as discussed above.

Return on Equity

Our return on equity decreased from approximately -5.8% for the year ended 31 March 2025 to approximately -32.2% for the year ended 31 March 2026. The decrease was mainly due to the Group increased in loss and total comprehensive expense for the year ended 31 March 2026 as discussed above.

Net Loss Margin

Our Group's net loss margin increased from approximately -10.8% for the year ended 31 March 2025 to approximately -41.2% for the year ended 31 March 2026. The increase was primarily due to the Group increased in loss and total comprehensive expense for the year ended 31 March 2026 as discussed above.

Liquidity, Financial Resources and Capital Structure

As at 31 March 2026, the Company's issued capital was HK$6.2 million and the number of its issued ordinary shares was 620,000,000 shares of HK$0.01 each.

As at 31 March 2026, the Group had total cash and cash equivalents of approximately HK$95.0 million and no restricted bank deposits (31 March 2025: cash and cash equivalents of approximately HK$129.9 million, and restricted bank deposits of approximately HK$2.5 million respectively).

The Group has funded the liquidity and capital requirements primarily through capital contributions and cash inflow generated from operating activities for the year ended 31 March 2026.

Foreign Exchange Exposures

As the Group only operates in Hong Kong and all of the revenue and transactions arising from its operations were settled in Hong Kong dollars, the Directors are of the view that the Group's foreign exchange rate risks are insignificant. Thus, the Group has not entered into any derivative contracts to hedge against the foreign exchange exposure for the year ended 31 March 2026 as well as for the year ended 31 March 2025.

Gearing Ratio

Gearing ratio is calculated as total debt divided by total equity as at the year ended date and expressed as a percentage. The gearing ratio of the Group as at 31 March 2026 is 0.1% (31 March 2025: 1.2%).

Debts and Charges on Assets

As at 31 March 2026, the Group had no performance bond of approximately (2025: HK$2.5 million) given by a bank, in favour of the Group's customer as security for the due performance and observance of the Group's obligations under the contract entered into between the Group and its customer.

As at 31 March 2026 and 2025, the performance guarantees issued by the bank are granted under the bank facilities of the Group which were secured by the restricted bank deposits and no personal guarantee given by Mr. Tang Wing Kwok ("**Mr. Tang**") (2025: HK$2,490,000), directors of subsidiaries of the Company in favour of the bank.

Capital Commitments and Contingent Liabilities

As at 31 March 2026 and 2025, the Group had no material capital commitments and contingent liabilities.

Significant Investment, Material Acquisitions or Disposals of Subsidiaries and Associated Companies

During the year ended 31 March 2026, the Group did not have any significant investment held, any material acquisitions or disposals of subsidiaries and associated companies.

Future Plans for Material Investment or Capital Assets

There was no plans for material investments or capital assets as at 31 March 2026.

Employees and Remuneration Policy

As at 31 March 2026, we employed a total of 28 full-time employees (including one executive director but excluding two non-executive directors and three independent non-executive directors). (2025: 49 full-time employees (including two executive Directors but excluding one non-executive director and three independent non-executive Directors). The remuneration packages that the Group offers to employees include salary, discretionary bonuses, staff benefits, contributions and retirement schemes as well as other cash subsidies. In general, the Group determines employee's salaries based on each employee's qualifications, position, experience and seniority. The Group has designed an annual review system to assess the performance of its employees, which forms the basis of its decisions with respect to salary raises, bonuses and promotions. The total staff cost incurred by the Group for the year ended 31 March 2026 was approximately HK$19.2 million compared to approximately HK$25.2 million in the corresponding year ended 31 March 2025.

Final Dividends

The Board did not recommend to pay a final dividend (2025: pay a final dividends of HK4.0 cents per share).

Share Option Scheme

Pursuant to written resolutions passed on 4 April 2019, the Company adopted a share option scheme (the "**Share Option Scheme**"). The purpose of the Share Option Scheme is to enable the Group to grant options to selected participants as incentives or rewards for their contribution to the Group.

Under the Share Option Scheme, the board of directors of the Company may, at its discretion, grant options to subscribe for ordinary shares of the Company to eligible participants ("**Eligible Participants**") who contribute to the long-term growth and profitability of the Company. Eligible Participants include (i) any employee (whether full-time or part-time including any executive director but excluding any non-executive director) of the Company, any of its subsidiaries or any entity ("**Invested Entity**") in which any member of the Group holds an equity interest; (ii) any non-executive directors (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity; (iii) any supplier of goods or services to any member of the Group or any Invested Entity; (iv) any customer of any member of the Group or any Invested Entity; (v) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity; (vi) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; (vii) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; and (viii) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group.

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes adopted by the Group shall not exceed 30% of the ordinary share capital of the Company in issue from time to time. The total number of ordinary shares which may be allotted and issued upon exercise of all options to be granted under Share Options Scheme and any other share option of the Group must not in aggregate exceed 10% of the ordinary shares in issue as at the date of passing of the relevant resolution adopting the Share Option Scheme.

Share options granted to a director, chief executive or substantial shareholder of the Company, or to any of their associates, are subject to approval in advance by the independent non-executive directors of the Company. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, or to any of their associates, in excess of 0.1% of the ordinary shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's ordinary shares at the date of the grant) in excess of HK$5,000,000, within any twelve-month period, are subject to shareholders' approval in advance in a general meeting.

Options granted must be taken up within seven days inclusive of the day on which such offer was made, upon payment of HK$1 per option. The exercise period of the share options granted is determinable by the directors of the Company, save that such period shall not be more than ten years from the date of the offer of the share options, subject to the provisions for early termination as set out in the Share Option Scheme.

Unless otherwise determined by the directors of the Company at their absolute discretion, there is no requirement of a minimum period for which an option must be held before an option can be exercised. In addition, there is no performance target which must be achieved before any of the options can be exercised.

The exercise price of the share options is determinable by the directors of the Company, but may not be less than the highest of (i) the Stock Exchange closing price of the Company's ordinary shares on the date of the offer of the share options; (ii) the average Stock Exchange closing price of the Company's ordinary shares for the five business days immediately preceding the date of the offer; and (iii) the nominal value of the Company's ordinary shares on the date of the offer.

The Share Option Scheme will remain in force for a period of ten years commencing on the date of the adoption (i.e. 4 April 2019) and shall expire at the close of business on the business day immediately preceding the tenth anniversary thereof unless otherwise terminated earlier by the shareholders in general meeting. As at 31 March 2026, the remaining life of the Share Option Scheme was more than three years.

No share options had been granted under the Share Option Scheme since the adoption of the Scheme. During the period between the adoption date of the Share Option Scheme and the date of this announcement, no share option has been granted, exercised, cancelled or lapsed. There was no outstanding share option under the Share Option Scheme as at 31 March 2026 and the date of this announcement. As at 31 March 2026 and the date of this announcement, the total number of shares available for issue under the Share Option Scheme was 62,000,000, representing 10% of the entire issued share capital of the Company.

The Company does not have any other share scheme other than the Share Option Scheme adopted on 4 April 2019.

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

No purchase, sale or redemption of the Company's listed securities was made by the Company or any of its subsidiaries for the year ended 31 March 2026 and up to the date of this announcement.

As at 31 March 2026, the Company did not hold any treasury shares.

Events after the year ended 31 March 2026

Mandatory conditional Cash Offer

Reference is made to the joint announcement dated 7 May 2026 (the "**Offer Announcement**") and the composite offer and response document dated 18 June 2026 (the "**Composite Document**") jointly issued by Mr. Yang Jingyao as offeror (the "**Offeror**") and the Company in relation to, among other things, (i) the acquisition of an aggregate of 84,000,000 shares of Ms. Xia Liping by the Offeror, representing approximately 13.55% of the then total issued share capital of the Company, at a total consideration of HK$43,680,000, which is equivalent to HK$0.52 per sale share; and (ii) Lego Securities Limited and Fortune Origin Securities Limited, on behalf of the Offeror, and in compliance with the Hong Kong Code on Takeovers and Mergers (the "**Takeovers Code**"), is making a mandatory conditional cash offer to acquire all issued Shares in the share capital of the Company (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) pursuant to Rule 26.1 of the Takeovers Code.

For further details of the mandatory conditional cash offer, please refer to the Offer Announcement and the Composite Document.

Sufficiency of Public Float

Based on the information that was publicly available and with the knowledge of the Directors as at the date of this announcement, the Company has maintained the prescribed minimum public float for its shares as required under the Listing Rules as at the latest practicable date prior to the issue of this announcement.

CORPORATE GOVERNANCE PRACTICES

Save as disclosed below, the Group has complied with the code provisions set out in Appendix C1 (the "**CG Code**") to the Rules (the "**Listing Rules**") Governing the Listing of Securities on the Stock Exchange throughout the Year and, where appropriate, the applicable recommended best practices of the CG Code.

The Company does not have a designated position of Chairman since 8 April 2024.

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Company does not have a designated position of Chairman since 8 April 2024. The responsibilities of the chairman and the chief executive officer of the Company are currently vested in Dr. Hiroshi Kaneko (the executive director and the chief executive officer of the Company). As all major decisions are made in consultation with the members of the Board, and there are three independent non-executive Directors on the Board offering independent perspectives, the Board is therefore of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board. The Board will also continue to review and monitor the practices of the Company for the purpose of complying with the CG Code and maintaining a high standard of corporate governance practices of the Company.

Code provision D.1.2 requires management to provide all members of the board with monthly updates on the issuer's business. The management of the Company currently reports to the Board on a half-yearly basis on the Group's performance, position and prospects and will promptly escalate to the Board if any material issues is noted. The Board believes that, with the executive Directors overseeing the daily operations of the Group and the effective communication between the executive Directors, management, and the non-executive Directors (including the independent non-executive Directors) on the Group's affairs, the current practice is sufficient for the Board members to discharge their duties.

Pursuant to code provision C.6.1 of Part 2 of the CG Code, an issuer can engage an external service provider as its company secretary, provided that the issuer should disclose the identity of a person with sufficient seniority at the issuer whom the external provider can contact. Mr. Tsang does not act as an individual employee of the Company, but as an external service provider in respect of the appointment of Mr. Tsang as the Company Secretary of the Company. In this respect, the Company has nominated Dr. Hiroshi Kaneko as its contact point with Mr. Tsang. While the Company is well aware of the importance of the company secretary in supporting the Board on governance matters, after having considered Mr. Tsang's prior experience in acting as the company secretary of other companies listed on the Stock Exchange, both the Company and Mr. Tsang are of the view that there will be sufficient experience as well as time, resources and support for fulfilment of the company secretary requirements of the Company. In view of Mr. Tsang's experience in company secretarial functions, the Directors believe that Mr. Tsang has the appropriate company secretarial expertise for the purposes of Rule 8.17 of the Listing Rules.

Save for the above, the Company had complied with all code provisions as set out in the CG Code throughout the year ended 31 March 2026 and, where appropriate, the applicable recommended best practices of the CG Code. The Company will continue to review and enhance its corporate governance practices to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiries with all the Directors, each of the Directors has confirmed that he/she had complied with the required standards as set out in the Model Code throughout the year ended 31 March 2026.

SCOPE OF WORK OF CCTH CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2026 as set out in the preliminary announcement have been agreed by the Group's auditor, CCTH CPA Limited, to the amounts set out in the audited consolidated financial statements for the year as approved by the Board of Directors on 30 June 2026. The work performed by CCTH CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance has been expressed by CCTH CPA Limited on the preliminary announcement.

AUDIT COMMITTEE

The Company established the audit committee in accordance with Rule 3.21 of the Listing Rules with the written terms of reference in compliance with the CG code as set out in Appendix C1 of the Listing Rules. The audit committee consists of three independent non-executive Directors, namely, Mr. Yiu To Wa, Mr. Jin Fan and Mr. Sung Ka Woon. Mr. Yiu To Wa currently serves as the Chairman of the audit committee.

The audit committee had reviewed, together with the management, the accounting principles and policies adopted by the Group and the audited consolidated financial statements for the year ended 31 March 2026.

The Group's audited consolidated financial statements for the year ended 31 March 2026 have been reviewed and approved by the audit committee. The audit committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements as well as the Listing Rules and that adequate disclosures have been made.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the Company's website at www.bnd-strategic.com.hk and the website of the Stock Exchange at www.hkexnews.hk. The 2026 annual report of the Company for the year ended 31 March 2026 will be despatched to shareholders of the Company and available on the same websites in due course.

APPRECIATION

The Board would like to express its sincere appreciation to our stakeholders for their continued support to the Group. The Board would also wish to thank to our management and all the staff who have contributed their time, efforts and supports to the Group's business operations.

By Order of the Board
Rongzun International Holdings Group Limited
Dr. Hiroshi Kaneko
Executive Director and Chief Executive Officer

Hong Kong, 30 June 2026

As at the date of this announcement, the Board comprises Dr. Hiroshi Kaneko as executive Director; Mr. Wang Xueyan and Miss Song Ningning as non-executive Directors; and Mr. Jin Fan, Mr. Sung Ka Woon and Mr. Yiu To Wa as independent non-executive Directors.