Seven Elements Investment Holdings Limited
七元投資控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1660)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2026

RESULTS

The board (the "**Board**") of directors (the "**Director(s)**") of Seven Elements Investment Holdings Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 March 2026 (the "**Year**") together with comparative figures of the year ended 31 March 2025 (the "**Previous Year**") as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	**2026**	2025
		HK$'000	*HK$'000*
Revenue	*5*	**171,716**	197,899
Cost of sales and services		**(136,954)**	(176,879)
Gross profit		**34,762**	21,020
Other gains and losses, net		**(15,207)**	(43,292)
Reversal of/(Provision for) expected credit losses ("**ECL**") allowance of financial assets, net		**7,041**	(19,698)
Administrative expenses		**(34,622)**	(44,637)
Loss from operations		**(8,026)**	(86,607)
Finance income		**1,733**	1,615
Finance costs		**(388)**	(1,074)
Finance income, net		**1,345**	541
Loss before income tax		**(6,681)**	(86,066)
Income tax (expense)/credit	*7*	**(3,412)**	8,261
Loss for the year	*8*	**(10,093)**	(77,805)
Other comprehensive income/(expense)			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		**8,335**	(1,245)
Release of reserve upon disposal of subsidiaries		**–**	504
Item that will not be reclassified subsequently to profit or loss:			
Fair value loss on financial assets at fair value through other comprehensive income ("**FVOCI**")		**(1,418)**	(2,827)
Other comprehensive income/(expense) for the year, net of tax		**6,917**	(3,568)
Total comprehensive expense for the year		**(3,176)**	(81,373)

	Notes	**2026**	2025
		HK$'000	*HK$'000*
Loss for the year attributable to:			
Owners of the Company		**(10,093)**	(77,805)
Non-controlling interests		**–**	–
		(10,093)	(77,805)
Total comprehensive expense for the year attributable to:			
Owners of the Company		**(3,176)**	(81,373)
Non-controlling interests		**–**	–
		(3,176)	(81,373)
		HK cents	*HK cents*
Loss per share for loss attributable to owners of the Company:	*10*		
Basic and diluted		**(0.16)**	(1.26)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Notes	**2026**	2025
		HK$'000	*HK$'000*
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	*11*	**50,844**	67,180
Right-of-use assets		**11,696**	15,047
Goodwill		**150**	–
Financial assets at FVOCI	*12*	**–**	2,168
Financial assets at fair value through profit or loss ("**FVTPL**")	*14*	**70,494**	56,966
Deposits, prepayments and other receivables	*13*	**1,267**	14,090
Loans receivable		**62,910**	12,569
		197,361	168,020
Current assets			
Tax recoverable		**167**	1,589
Inventories		**1,168**	1,799
Trade receivables	*13*	**92,742**	106,482
Deposits, prepayments and other receivables	*13*	**60,254**	25,682
Loans receivable		**24,166**	78,938
Financial assets at FVOCI	*12*	**796**	–
Financial assets at FVTPL	*14*	**7,785**	3,753
Amounts due from then related companies		**6,227**	820
Bank and cash balances		**26,779**	28,882
		220,084	247,945
Current liabilities			
Contract liabilities		**7,186**	5,783
Borrowings		**–**	2,677
Lease liabilities		**12,376**	15,202
Trade payables	*15*	**15,911**	24,565
Accruals and other payables	*15*	**46,889**	39,286
Amount due to the then controlling shareholder		**1,918**	1,918
Amounts due to then related companies		**6,397**	3,750
Amount due to a shareholder		**3,260**	–
Current tax liabilities		**6,090**	130
		100,027	93,311

	Notes	2026	2025
		HK$'000	*HK$'000*
Net current assets		**120,057**	154,634
Total assets less current liabilities		**317,418**	322,654
Non-current liabilities			
Lease liabilities		**326**	–
Deferred tax liabilities		**2,757**	5,293
		3,083	5,293
NET ASSETS		**314,335**	317,361
Capital and reserves attributable to owners of the Company			
Share capital		**12,390**	12,390
Reserves		**301,795**	304,971
Equity attributable to owners of the Company		**314,185**	317,361
Non-controlling interests		**150**	–
TOTAL EQUITY		**314,335**	317,361

NOTES

1. GENERAL INFORMATION

Seven Elements Investment Holdings Limited (formerly known as "Zhaobangji Lifestyle Holdings Limited") (the "**Company**") was incorporated in the Cayman Islands with limited liability. The address of its registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The address of its principal place of business is Unit 19, 9th Floor, China Merchants Tower, Shun Tak Centre, 168–200 Connaught Road Central, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company is an investment holding company and, together with its subsidiaries (the "**Group**"), are principally engaged in trading of machinery and spare parts, leasing of machinery and the provision of related services, money lending business and insurance brokerage services in Hong Kong region and the provision of property management services, leasing of machinery, property leasing, subletting, retail and other businesses, money lending business in the People's Republic of China (the "**PRC**").

2. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards (which collective term includes all applicable individual HKFRS Accounting Standards, Hong Kong Accounting Standards and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the accounting principles generally accepted in Hong Kong. These consolidated financial statements also include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and by the Hong Kong Companies Ordinance.

The HKICPA has issued certain new and revised HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

3. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS

(a) Amended HKFRS Accounting Standards that are effective for annual periods beginning on 1 April 2025

In the current year, the Group has applied for the first time the Amendments to HKAS 21 "Lack of Exchangeability", which are relevant to the Group's operations and effective for the Group's consolidated financial statements for the annual period beginning on 1 April 2025.

The amendments do not have a material impact on how the results and financial position of the Group for the current and prior periods have been prepared and presented.

(b) Issued but not yet effective HKFRS Accounting Standards

At the date of authorisation of these consolidated financial statements, certain new and amended HKFRS Accounting Standards have been published but are not yet effective, and have not been adopted early by the Group.

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

1 Effective for annual periods beginning on or after 1 January 2026
2 Effective for annual periods beginning on or after 1 January 2027
3 Effective date not yet determined

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning on or after the effective date of the pronouncement. Information on new and amended HKFRS Accounting Standards that are expected to have impact on the Group's accounting policies is provided below. Other new and amended HKFRS Accounting Standards are not expected to have a material impact on the Group's consolidated financial statements.

HKFRS 18 "Presentation and Disclosure in Financial Statements" and related amendments to Hong Kong Interpretation 5

HKFRS 18 replaces HKAS 1 "Presentation of Financial Statements". It carries forward many of the existing requirements in HKAS 1, with limited changes, and some HKAS 1 requirements will be moved to HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and HKFRS 7 "Financial Instruments: Disclosures".

HKFRS 18 will not impact the recognition and measurement of financial statements items but the presentation of them. It introduces three major new requirements, including:

- reporting newly defined subtotals (namely "operating profits" and "profits before financing and income tax"), and classifying items into five newly defined categories (namely "operating", "investing", "financing", "income tax" and "discontinued operation"), depending on the reporting entity's main business activities, in the statement of profit or loss;

- disclosure of management-defined performance measures ("**MPMs**") in a single note to the financial statements; and

- enhanced guidance of aggregation and disaggregation of information in the financial statements.

Besides, narrow-scope amendments have been made to HKAS 7 "Statement of Cash Flows", which includes:

- using "operating profit or loss" as the starting point for indirect method for the presentation of operating cash flows purposes; and

- the option for classifying interest and dividend cash flows as operating activities is eliminated.

In addition, there are consequential amendments to several other standards.

HKFRS 18, and the amendments to the other HKFRS Accounting Standards, are effective for annual period beginning on or after 1 January 2027 and must be applied retrospectively with specific transition provisions. The directors of the Company are still in the process of assessing the impact of HKFRS 18, particularly with respect to the structure of the Group's consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the additional disclosures required for MPMs.

4. MATERIAL ACCOUNTING POLICIES

These consolidated financial statements have been prepared under the historical cost convention, expect for financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss.

The preparation of consolidated financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

5. REVENUE

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service line for the year is as follows:

	2026	2025
	HK$'000	*HK$'000*
Revenue from contracts with customers within the scope of HKFRS 15		
Sales of machinery and spare parts and provision of related services	**778**	2,434
Transportation services	**44**	138
Property management services	**96,104**	84,689
Property leasing, subletting, retail and others	**32,332**	54,675
Insurance brokerage commission income	**16**	–
	129,274	141,936
Revenue from other sources		
Interest income on loans receivable	**14,748**	4,889
Property leasing, subletting, retail and others	**455**	2,684
	15,203	7,573
Leasing of machinery and provision of related services	**27,239**	48,390
	42,442	55,963
	171,716	197,899

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product and services lines and geographical regions:

Revenue from contracts with customers within the scope of HKFRS 15

	Sales of machinery and spare parts and provision of related services		Transportation		Property management services		Property leasing, subletting, retail and others		Insurance brokerage commission income		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Primary geographical markets												
Hong Kong	**778**	2,434	**44**	138	**–**	–	**–**	–	**16**	–	**838**	2,572
The PRC except Hong Kong	**–**	–	**–**	–	**96,104**	84,689	**32,332**	54,675	**–**	–	**128,436**	139,364
Revenue from external customers	**778**	2,434	**44**	138	**96,104**	84,689	**32,332**	54,675	**16**	–	**129,274**	141,936
Timing of revenue recognition												
Goods and services transferred at a point in time	**778**	2,434	**44**	138	**–**	–	**–**	–	**16**	–	**838**	2,572
Service transferred over time	**–**	–	**–**	–	**96,104**	84,689	**32,332**	54,675	**–**	–	**128,436**	139,364
Total	**778**	2,434	**44**	138	**96,104**	84,689	**32,332**	54,675	**16**	–	**129,274**	141,936

Revenue from other source not within the scope of HKFRS 15

	Leasing of machinery and provision of related services		Property leasing, subletting, retail and others		Money lending		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Primary geographical markets								
Hong Kong	**27,239**	44,630	**–**	–	**13,782**	3,608	**41,021**	48,238
The PRC except Hong Kong	**–**	3,760	**455**	2,684	**966**	1,281	**1,421**	7,725
Revenue from external customers	**27,239**	48,390	**455**	2,684	**14,748**	4,889	**42,442**	55,963

6. SEGMENT INFORMATION

The Group has six (2025: five) reportable segments as follows:

(i)	Trading	–	Sales of machinery and spare parts and provision of related services
(ii)	Leasing	–	Leasing of machinery and provision of transportation and related services
(iii)	Property management	–	Provision of property management services
(iv)	Property leasing, subletting, retail and others	–	Provision of property leasing, subletting, retail and other businesses
(v)	Money Lending	–	Provision of money lending business
(vi)	Insurance brokerage	–	Provision of insurance brokerage services

Information reported to the executive directors of the Company, being the chief operating decision maker ("**CODM**"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

During the year ended 31 March 2026, the Group commenced the business engaging in insurance brokerage services along with the acquisition of Seven Elements Wealth Management Limited and its subsidiaries, and it is considered as a new operating and reportable segment by the CODM.

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

Segment profits or losses do not include corporate income and expenses, certain other gain and losses, finance income, finance costs and income tax.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

(i) Information about reportable segments profit or loss:

	Trading		Leasing		Property management		Property leasing, subletting, retail and others		Money lending		Insurance brokerage		Unallocated		Inter segment elimination		Total	
	2026	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Year ended 31 March																		
Revenue from external customers	**778**	2,434	**27,283**	48,528	**96,104**	84,689	**32,787**	57,359	**14,748**	4,889	**16**	–	**–**	–	**–**	–	**171,716**	197,899
Inter-segment revenue*	**–**	4,000	**–**	–	**747**	860	**–**	–	**–**	–	**–**	–	**–**	–	**(747)**	(4,860)	**–**	–
Reportable segment revenue	**778**	6,434	**27,283**	48,528	**96,851**	85,549	**32,787**	57,359	**14,748**	4,889	**16**	–	**–**	–	**(747)**	(4,860)	**171,716**	197,899
Segment (loss)/profit before tax	**(1,176)**	(5,009)	**(42,852)**	(32,109)	**41,781**	(7,580)	**(894)**	(3,984)	**4,131**	2,376	**(554)**	–	**–**	–	**–**	–	**436**	(46,306)
Depreciation and amortisation	**–**	–	**(29,950)**	(34,126)	**–**	–	**(18,298)**	(28,291)	**–**	–	**–**	–	**(619)**	(305)	**–**	–	**(48,867)**	(62,722)
Loss on disposal of property, plant and equipment	**–**	–	**(1,007)**	(4,260)	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**(1,007)**	(4,260)
Written-off on property, plant and equipment	**–**	–	**(172)**	(448)	**–**	–	**(1,306)**	(2,769)	**–**	–	**–**	–	**–**	–	**–**	–	**(1,478)**	(3,217)
Impairment loss on property, plant and equipment	**–**	–	**(25,963)**	(15,312)	**–**	–	**(682)**	(3,765)	**–**	–	**–**	–	**–**	–	**–**	–	**(26,645)**	(19,077)
Gain on early termination of leases, net	**–**	–	**–**	–	**–**	–	**11**	255	**–**	–	**–**	–	**–**	–	**–**	–	**11**	255
(Write down)/Reversal of write down of inventories	**(254)**	470	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**–**	–	**(254)**	470
Finance income	**92**	181	**362**	1,133	**1,273**	3	**4**	283	**2**	15	**–**	–	**–**	–	**–**	–	**1,733**	1,615
Finance costs	**(69)**	(192)	**(14)**	(317)	**–**	–	**(276)**	(565)	**–**	–	**–**	–	**(29)**	–	**–**	–	**(388)**	(1,074)
ECL allowance of financial assets, net	**636**	(689)	**1,141**	(6,899)	**11,390**	(9,226)	**3,070**	(1,789)	**(9,196)**	(1,095)	**–**	–	**–**	–	**–**	–	**7,041**	(19,698)
Capital additions *(note)*	**–**	–	**35,170**	22,559	**–**	65	**14,085**	20,481	**–**	–	**–**	–	**1,254**	–	**–**	–	**50,509**	43,105

* Inter-segment revenue transactions are priced with reference to prices charged to external parties for similar orders based on similar terms and conditions of sales agreements entered.

Note: Capital additions to non-current segment assets (other than financial instruments) during the year.

(ii) Reconciliations of reportable segments revenue and profit or loss:

	2026	2025
	HK$'000	*HK$'000*
Revenue		
Total revenue of reportable segments	**171,716**	197,899
Profit or loss		
Total profit or loss of reportable segments	**436**	(46,306)
Unallocated amounts (note):		
Unallocated corporate income	**13,589**	912
Unallocated corporate expenses and losses	**(20,706)**	(40,672)
Consolidated loss before tax	**(6,681)**	(86,066)

Note: Unallocated head office and corporate income/expenses and losses mainly include professional and consultancy fees, administrative expenses and business development expenses and fair value (gain)/loss on financial assets at FVTPL.

(iii) Geographical information:

Revenue

The Group's revenue from external customers by location of operations are detailed below:

	2026	2025
	HK$'000	*HK$'000*
Hong Kong	**41,859**	50,810
PRC except Hong Kong	**129,857**	147,089
Consolidated total	**171,716**	197,899

Non-current assets (excluding financial instruments)

The Group's non-current assets (excluding financial instruments) by location of operations are detailed below:

	2026	2025
	HK$'000	*HK$'000*
Hong Kong	**49,058**	76,623
PRC except Hong Kong	**13,632**	19,604
Consolidated total	**62,690**	96,227

(iv) Revenue from major customers:

There were no customers individually contributed more than 10% of the Group's revenue during the years ended 31 March 2026 and 2025.

7. INCOME TAX EXPENSE/(CREDIT)

Income tax expense/(credit) has been recognised in profit or loss as follows:

	2026	2025
	HK$'000	*HK$'000*
Current tax – Hong Kong Profits Tax		
Provision for the year	**1,487**	165
Overprovision in prior year	**(2)**	(3)
Current tax – PRC Enterprise Income Tax		
Provision for the year	**4,463**	–
Overprovision in prior years	**–**	(1,671)
Deferred tax	**(2,536)**	(6,752)
	3,412	(8,261)

For the years ended 31 March 2026 and 2025 under the two-tiered profits tax regime of Hong Kong Profits Tax, profits tax rate for the first HK$2,000,000 of assessable profits of qualifying corporations established in Hong Kong will be lowered to 8.25%, and profits above that amount will be subject to the tax rate of 16.5%. For the other Hong Kong established subsidiaries, Hong Kong Profits Tax has been provided at a rate 16.5% on the estimated assessable profits.

During the year ended 31 March 2026, PRC Enterprise Income Tax has been provided at a rate of 25% on the estimated assessable profits (2025: No provision for PRC Enterprise Income Tax has been provided as the Company and its subsidiaries, which were subject to PRC Enterprise Income Tax, incurred a loss for taxation purpose).

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/regions in which the Group's subsidiaries operate, based on existing legislation, interpretation and practices in respect thereof.

8. LOSS FOR THE YEAR

The Group's loss for the year is stated after charging/(crediting) the following:

	2026	2025
	HK$'000	*HK$'000*
Depreciation of property, plant and equipment	**30,367**	40,242
Depreciation of right-of-use assets	**18,500**	22,480
Loss on disposals of property, plant and equipment	**1,007**	4,260
Gain on early termination of leases, net	**(11)**	(255)
Auditor's remuneration		
– Audit service	**1,300**	1,200
Cost of inventories sold	**4,732**	14,559
Write down/(Reversal of write down) of inventories to net realisable value	**254**	(470)
Written-off on property, plant and equipment	**1,478**	3,217
(Reversal of)/Provision for ECL allowance of financial assets, net	**(7,041)**	19,698
Short term lease expenses	**5,752**	7,878

Note: Cost of sales and services includes depreciation of property, plant and equipment, depreciation of right-of-use assets and cost of inventories sold of approximately HK$53,235,000 (2025: HK$68,525,000).

9. DIVIDENDS

The directors do not recommend the payment of any dividend for the year ended 31 March 2026 (2025: Nil).

10. LOSS PER SHARE

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

	2026	2025
	HK$'000	*HK$'000*
Loss		
Loss for the purpose of calculating basic loss per share (loss for the year attributable to owners of the Company)	**(10,093)**	(77,805)
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	**6,195,000,000**	6,195,000,000

The Company did not have any potential dilutive shares for the years ended 31 March 2026 and 2025. Accordingly, the diluted loss per share are the same as the basic loss per share.

11. PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 March 2026, the Group purchased and disposed of property, plant and equipment with carrying amount of approximately HK$49,395,000 and HK$7,555,000 (2025: HK$8,472,000 and HK$14,145,000) and depreciation and impairment loss of property, plant and equipment of HK$30,367,000 and HK$26,645,000 (2025: HK$40,242,000 and HK$19,077,000) was recorded respectively.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2026	2025
	HK$'000	*HK$'000*
Unlisted equity securities		
Analysed as:		
Current portion	**796**	–
Non-current portion	**–**	2,168
	796	2,168

As at 31 March 2026 and 2025, the unlisted equity securities represented an investment of 0.7% (2025: 0.7%) equity interest in a private company established in the PRC controlled by the independent third party and are denominated in RMB.

The fair value of this investment at 31 March 2025 was valued on asset-based approach with reference to its consolidated management accounts provided by the management. The valuation was performed by an independent qualified valuation firm, 深圳市國政房地產土地資產評估顧問有限公司 ("**Guo Zheng Appraisal**"). Guo Zheng Appraisal took into consideration the assets and liabilities of this investment and its current financial status. During the year ended 31 March 2026, the Group entered into the equity transfer agreement with the controlling shareholder of the investee who is the independent third party, to dispose of its entire 0.7% equity interest in the investee at the consideration of RMB700,000 (equivalent approximately to HK$796,000). The management of the Group determined that the fair value to be HK$796,000 as at 31 March 2026, and a fair value loss of HK$1,418,000 on the equity investment in unlisted equity securities has been recognised in other comprehensive income for the year ended 31 March 2026. As at 31 March 2026, the disposal has not yet been completed.

13. TRADE RECEIVABLES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

(a) Trade receivables

	2026	2025
	HK$'000	*HK$'000*
Trade receivables	**117,977**	139,219
Less: ECL Allowance	**(25,235)**	(32,737)
	92,742	106,482

The Group's trading terms with customers are mainly on credit. The credit terms generally range from 1 to 90 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors and senior management.

The ageing analysis of the Group's gross trade receivables, based on the invoice date, is as follows:

	2026	2025
	HK$'000	*HK$'000*
0 to 30 days	**5,202**	2,556
31 to 60 days	**1,907**	5,879
61 to 90 days	**2,753**	4,709
More than 90 days	**108,115**	126,075
	117,977	139,219

(b) Deposits, prepayments and other receivables

	2026	2025
	HK$'000	*HK$'000*
Current portion:		
Deposits	**1,002**	1,459
Prepayments	**514**	4,831
Other receivables	**58,738**	19,392
	60,254	25,682
Non-current portion:		
Deposits	**1,201**	14,001
Other receivables	**66**	89
	1,267	14,090
Total	**61,521**	39,772

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2026	2025
	HK$'000	*HK$'000*
Current portion:		
Equity securities, listed in Hong Kong	**5,303**	1,449
Unlisted fund investment	**2,482**	2,304
	7,785	3,753
Non-current portion:		
Distressed asset	**70,494**	56,966
	78,279	60,719

The equity securities are listed in Hong Kong and the unlisted fund investment are denominated in HK$. The distressed asset is denominated in RMB.

15. TRADE PAYABLES, ACCRUALS AND OTHER PAYABLES

	2026	2025
	HK$'000	*HK$'000*
Trade payables	**15,911**	24,565
Accruals and other payables	**46,889**	39,286
	62,800	63,851

The ageing analysis of the Group's trade payables, based on the date of receipt of goods or service consumed, is as follows:

	2026	2025
	HK$'000	*HK$'000*
0 to 30 days	**541**	895
31 to 60 days	**1,331**	1,586
61 to 90 days	**1,162**	1,424
More than 90 days	**12,877**	20,660
	15,911	24,565

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND MARKET PROSPECT

The Group is principally engaged in the trading of machinery and spare parts, leasing of machinery and provision of related services and money lending and insurance brokerage services in Hong Kong, and provision of property management services, leasing of machinery, property leasing and subletting, money lending in the People's Republic of China (the "**PRC**").

Revenue for the year ended 31 March 2026 ("**Year**") declined by HK$26.2 million, or 13.2%, from HK$197.9 million to HK$171.7 million. The decline was mainly due to the reduction in: i) income from property leasing, subletting, retail and others of HK$24.6 million; ii) leasing of machinery and provision of related services by HK$21.2 million, offset by the increase in revenue from: i) property management of HK$11.4 million; and ii) interest income on loans receivables of HK$9.9 million.

Loss for the year reduced from HK$77.8 million to HK$10.1 million, as a result of: i) the reduction of other gains and losses, net of HK$28.1 million; ii) the reversal of ECL allowance of financial asset of HK$7.0 million, as compared to the provision for ECL allowance of HK$19.7 million for the Previous Year; and iii) the reduction in administrative expenses of HK$10.0 million.

The overall market condition in Hong Kong and Mainland China remained challenging during the Year. The real estate sector was broadly stable in Hong Kong but the demand for construction equipment remained weak, particularly for traditional generators, which is being phased out and replaced by electric generators. Therefore, the scale of our leasing business decreased during the Year. In Mainland China, the property market remained stagnant and developers continued to face over supply and leverage issues. As a result, the demand for new residential projects was subdued, and the occupancy rate for commercial properties was low. Therefore, it was difficult for the Group to expand the property area under management during the Year. Our retail business also faced headwinds as the product life cycle was short and the Group was cautious to make material reinvestment for new shops in light of the overall challenging market condition.

As a result, the Board will continue to employ a low leverage position and will continue to explore potential business opportunities to bring long-term value to the shareholders of the Company (the "**Shareholders**").

FINANCIAL REVIEW

Revenue

Our total revenue decreased by approximately HK$26.2 million, or 13.2%, from approximately HK$197.9 million for the Previous Year to approximately HK$171.7 million for the Year. The decline was mainly due to the reduction in: i) income from property leasing, subletting, retail and others of HK$24.6 million; ii) leasing of machinery and provision of related services by HK$21.2 million, offset by the increase in revenue from: i) property management of HK$11.4 million; and ii) interest income on loans receivables of HK$9.9 million.

Leasing of construction machinery

Our Group's revenue generated from leasing of construction machinery recorded a decrease by approximately HK$21.2 million, or approximately 43.7%, from approximately HK$48.4 million for the Previous Year to approximately HK$27.2 million for the Year. Such decrease was mainly due to the weak demand for traditional generators as they were being phased out and replaced by electronic generators.

Trading of construction machinery

Our Group's revenue generated from trading of construction machinery recorded a decrease by approximately HK$1.7 million, or approximately 68.0%, from approximately HK$2.4 million for the Previous Year to approximately HK$0.8 million for the Year. Such decrease was mainly due to the overall challenging market condition in the construction industry in Hong Kong.

Property management services

Our Group's revenue generated from property management services increased by approximately HK$11.4 million, or approximately 13.5%, from approximately HK$84.7 million for the Previous Year to approximately HK$96.1 million for the Year. The increase was mainly due to the pick-up of commission-basis property management income for the Year.

Property leasing, subletting services and retail businesses

Our Group's revenue generated from property leasing, subletting services and retail businesses decreased by approximately HK$24.6 million, or approximately 42.8%, from approximately HK$57.4 million for the Previous Year to approximately HK$32.8 million for the Year. Such decrease was mainly the result of a competitive market for retail arcade business which indicated the product life cycle was short and the Group was cautious in material re-investment in new shops in light of challenging market conditions.

Money Lending

Our Group's revenue generated from money lending increased by approximately HK$9.9 million, or approximately 201.7%, from HK$4.9 million for the Previous Year to HK$14.8 million for the Year. Such increase was mainly due to both the increase in interest rate charged to the borrowers and the increase in the loan portfolio during the Year.

Cost of Sales and Services

Our Group's cost of sales and services decreased by approximately HK$39.9 million, or approximately 22.6%, from approximately HK$176.9 million for the Previous Year to approximately HK$137.0 million for the Year. Cost of sales and services mainly comprised costs of machinery and equipment and spare parts, staff costs and depreciation. The decrease in cost of sales and services was mainly due to lower revenue for the Year and an increase in operation efficiency.

Gross Profit and Gross Profit Margin

Our Group's gross profit increased by approximately HK$13.7 million, or approximately 65.4%, from approximately HK$21.0 million for the Previous Year to approximately HK$34.8 million for the Year, and our gross profit margin increased from approximately 10.6% for the Previous Year to approximately 20.2% for the Year as a result of higher operation efficiency.

Other Gains and Losses, Net

Our Group's other losses decreased by approximately HK$28.1 million, or approximately 64.9%, from approximately HK$43.3 million for the Previous Year to approximately HK$15.2 million for the Year. The decrease was mainly due to the fair value gain on financial asset at FVTPL of HK$13.7 million received by the Company for the Year as compare to fair value loss of HK$18.2 million in the Previous Year, offset by increase in impairment loss of property, plant and equipment of HK$7.5 million.

Reversal of/(Provision for) ECL Allowance of Financial Assets, Net

Our Group recorded ECL allowance of financial assets, net of approximately HK$19.7 million and turned to reversal of ECL allowance of financial assets, net of approximately HK$7.0 million. The decrease was mainly due to the repayment of certain receivables during the Year.

* *For identification purposes only*

Administrative Expenses

Our Group's administrative expenses decreased by approximately HK$10.0 million, or 22.4%, from approximately HK$44.6 million for the Previous Year to approximately HK$34.6 million for the Year. The decrease was mainly attributable to the reduction of depreciation charge during the Year.

Finance Income

Our Group's finance income increased by approximately HK$0.1 million, or approximately 7.3%, from approximately HK$1.6 million for the Previous Year to approximately HK$1.7 million for the Year as a result of higher market interest rate.

Finance Costs

Our Group's finance costs decreased by approximately HK$0.7 million, or approximately 63.9%, from approximately HK$1.1 million for the Previous Year to approximately HK$0.4 million for the Year. The decrease was mainly due to the reduction of borrowing during the Year.

Income Tax (Expense)/Credit and Effective Tax Rate

Our Group recorded income tax credit of approximately HK$8.3 million for the Previous Year and turned to income tax expense of approximately HK$3.4 million for the Year. The turnaround from tax credit to tax expense was due to the increase of profit for certain subsidiaries of the Group.

The effective tax rate was not applicable for the Year and the Previous Year as the Group were loss-making.

Net Loss

The Group's net loss decreased by approximately HK$67.7 million, or approximately 87.0%, from approximately HK$77.8 million in the Previous Year to approximately HK$10.1 million for the Year.

LIQUIDITY AND FINANCIAL RESOURCES REVIEW

The Group financed its operations through a combination of cash flow from operations, borrowings and lease liabilities. As at 31 March 2026, the Group had cash and bank balance of approximately HK$26.8 million (31 March 2025: approximately HK$28.9 million) which were mainly denominated in HK$ and RMB, and had no borrowings (31 March 2025: approximately HK$2.7 million) and lease liabilities of approximately HK$12.7 million (31 March 2025: approximately HK$15.2 million) respectively that were mainly in HK$ and RMB.

Gearing ratio is calculated as net debt divided by total equity at the end of the reporting period. Net debt is calculated as total borrowings and total obligations under finance leases less cash and bank balances and restricted cash. As at 31 March 2026, the Group was in a net cash position (31 March 2025: net cash position).

As at 31 March 2026, our Group's total current assets and current liabilities were approximately HK$220.1 million (31 March 2025: approximately HK$247.9 million) and approximately HK$100.0 million (31 March 2025: approximately HK$93.3 million) respectively. Our Group's current ratio was approximately 2.2 times as at 31 March 2026 (31 March 2025: approximately 2.7 times).

PLEDGE OF ASSETS

As at 31 March 2026, our Group had no borrowings (31 March 2025: approximately HK$2.7 million) but lease liabilities of HK$12.7 million (31 March 2025: approximately HK$15.2 million). Such borrowings (if any) were not secured by property, plant and equipment and right-of-use assets (31 March 2025: nil).

CAPITAL STRUCTURE

As at 31 March 2026, the total issued share capital of the Company was HK$12,390,000 divided into 6,195,000,000 ordinary shares of HK$0.002 each.

CAPITAL EXPENDITURE

The total capital expenditure incurred for the Year was approximately HK$50.5 million (Previous Year: approximately HK$43.1 million) which was mainly used in purchase of property, plant and equipment for our leasing business and property decoration and additions of right-of-use for our retail business.

CURRENCY RISK

Certain transactions of the Group are denominated in currencies which are different from the functional currencies of the Group's principal subsidiaries, namely, HK$ and RMB. Therefore the Group is exposed to foreign exchange risk. At 31 March 2026, the Group held certain financial assets and financial liabilities which were denominated in US$. The Directors are of the opinion that the Group's exposure to US$ and RMB foreign currency risk is minimal. Therefore, the Directors consider that the Group has no significant foreign currency risk.

The Group does not have a foreign currency hedging policy. However, the Group will continue to monitor closely its exposure to currency movement and take proactive measures.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities at the end of the reporting period (31 March 2025: Nil).

CAPITAL COMMITMENTS

As at 31 March 2026, there was no capital commitment (31 March 2025: HK$0.1 million) in machinery and equipment contracted but not provided for.

Acquisition of a securities company

On 13 November 2025, the Company has entered into the conditional sale and purchase agreement with the independent third parties at a consideration of HK$1,000,000 plus unaudited net asset value of the securities company as at the completion date and agreed fees (subject to a maximum aggregate consideration of HK$20,000,000) in relation to acquisition of the entire issued capital of the securities company. Completion of the acquisition of the securities company is subject to satisfaction of conditions precedent as set out in the conditional sale and purchase agreement. For details, please refer to the voluntary announcement of the Company dated 13 November 2025.

As at 31 March 2026, a deposit of HK$1,000,000 had been paid in respect of the acquisition of the securities company. The remaining balance of the total consideration represents the Group's capital commitment for the acquisition. As at the date of this announcement, the acquisition has not yet been completed.

Acquisition of an asset management company

On 23 December 2025, the Company has entered into the conditional sale and purchase agreement with an independent third party at a consideration of HK$5,000,000 plus unaudited net asset value of the asset management company at the completion date (subject to a maximum aggregate consideration of HK$10,000,000) in relation to acquisition of the entire issued capital of the asset management company. Completion of the acquisition of the asset management company is subject to satisfaction of conditions precedent as set out in the conditional sale and purchase agreement. For details, please refer to the voluntary announcement of the Company dated 23 December 2025.

As at 31 March 2026, there is no consideration paid and the capital commitment is the total consideration in relation to the proposed acquisition of the asset management company. As at the date of this this announcement, the acquisition has not yet been completed.

EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2026, our Group had 238 staff members (31 March 2025: 395). The total staff costs incurred by our Group for the Year were approximately HK$39.1 million (Previous Year: approximately HK$52.4 million). The decrease in staff costs was mainly due to the reduction in staff costs from the property management business and retail business for cost measures.

Employees' remuneration packages are determined with reference to the market information and individual performance and will be reviewed on a regular basis. The remuneration policy will be reviewed by the Board from time to time. In addition to basic remuneration, the Group also makes contributions to mandatory provident funds scheme in Hong Kong and contribute an amount to certain retirement benefit schemes of those employees in the PRC.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSET

Save as to the distressed secured loan of RMB80,000,000 (equivalent to approximately HK$91,200,000) principal amount acquired for a cash consideration of RMB65,000,000 (equivalent to approximately HK$74,100,000), the details of which has been disclosed in the Company's announcement dated 8 September 2022, the Group did not have any significant investments held.

During the year ended 31 March 2026, neither the Company nor any of its subsidiaries had other material acquisition or disposal.

As at the date of this announcement, the Group does not have any plans for material investments or capital asset.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There was no significant events affecting the Group after the end of the Year up to the date of this announcement.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

There were no purchase, redemption or sale of the listed securities of the Company by the Company or any of its subsidiaries during the Year.

SHARE OPTION SCHEME

The Company's share option scheme (the "**Share Option Scheme**") was adopted pursuant to the written resolutions passed on 23 January 2017. From the date of the adoption of the Share Option Scheme and up to 31 March 2026, no share option has been granted, or agreed to be granted, under the Share Option Scheme.

OTHER INFORMATION

Corporate Governance Practices

The Group is committed to maintain high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Part 2 of Appendix C1 to the Listing Rules as our corporate governance practices. The Company has complied with the applicable code provisions under the CG Code during the Year.

Following the resignation of Ms. Zeng Yue Ying as an executive Director and a member of the nomination committee of the Company with effect from 2 June 2026 (the "**Resignation**"), since 2 June 2026 and up to the date of this announcement, the Company has a single gender Board which does not meet the diversity requirement under Rule 13.92 of the Listing Rules. The Board is actively identifying a suitable female candidate for appointment as a Director in order to ensure compliance with Rule 13.92 of the Listing Rules. Further announcements will be made by the Company as and when appropriate. Save as aforesaid, the nomination committee of the Board was of the opinion that the Board consists of members with diversified age, education background, professional/business experience, skills and knowledge.

Further, code provision B.3.5 of the CG Code provides that issuers should appoint at least one director of a different gender to the nomination committee. Following the Resignation, the Company is in the process of identifying a suitable female candidate for appointment as a Director and intends to appoint such a female Director as a member of its nomination committee. The Company will make further announcement in accordance with the Listing Rules accordingly.

Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. The Company has made enquiries to all Directors regarding any non-compliance with the Model Code.

All the Directors confirmed that they have fully complied with the required standard set out in the Model Code during the Year.

Scope of work of Grant Thornton Hong Kong 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 as set out in the preliminary announcement have been agreed by the Group's auditor, Grant Thornton Hong Kong Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Grant Thornton Hong Kong Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Grant Thornton Hong Kong Limited on the preliminary announcement.

Review by Audit Committee

The annual results of the Group for the Year have been reviewed by the audit committee of the Company.

Dividend

The Directors do not recommend the payment of a final dividend for the Year (Previous Year: Nil).

Closure of Register of Members and Record Date

For determining the entitlement to attend and vote at the annual general meeting ("**AGM**") of the Company to be held on Friday, 14 August 2026, the register of members of the Company will be closed from Tuesday, 11 August 2026 to Friday, 14 August 2026 (both days inclusive), during which period no transfer of shares of the Company will be registered. The record date for the AGM is Friday, 14 August 2026. In order to be eligible to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's registrar, Tricor Investor Services Limited, 17th Floor, Far East Finance Centre, No. 16 Harcourt Road, Hong Kong, for registration no later than 4:30 p.m. on Monday, 10 August 2026.

Publication of the Results Announcement and Annual Report

This results announcement is published on the Company's website (https://www.7elmt.com) and the website of the Stock Exchange (http://www.hkexnews.hk).

The annual report of the Company for the Year will also be available at the respective websites of the Company and the Stock Exchange and will be despatched to the Shareholders in July.

By order of the Board
Seven Elements Investment Holdings Limited
Meng Zhaoyi
Chairman

Hong Kong, 30 June 2026

As at the date of this announcement, the Board comprises five executive directors, namely, Mr. Meng Zhaoyi, Mr. Wen Xiaojian, Mr. Wang Jerry Gerui, Mr. Ip Yik Nam, JP and Mr. Sze-to Kin Keung; and three independent non-executive directors, namely, Mr. Hui Chin Tong Godfrey, Mr. Ye Longfei and Mr. Yu Chor On.