EvDynamics

Ev Dynamics (Holdings) Limited
科軒動力(控股)有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 476)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2026

The board of directors (the "**Board**") of Ev Dynamics (Holdings) Limited (the "**Company**") is pleased to announce the audited consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 March 2026.

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	*5(a)*	**41,098**	3,012
Cost of sales		**(25,673)**	(4,982)
Gross profit/(loss)		**15,425**	(1,970)
Other income	*5(b)*	**3,177**	1,465
Selling and distribution expenses		**(80)**	(431)
Administrative expenses		**(34,882)**	(39,889)
Impairment of mining assets		**(266,981)**	(284,752)
Impairment of trade receivables, net		**(5,628)**	(7,584)
Reversal of impairment of contract assets		**–**	516
Write-off construction in progress		**(1,758)**	–
Write-off of other receivables and prepayments		**(352)**	(16,360)
Change in fair value of financial assets at fair value through profit or loss ("**FVTPL**")		**–**	(10,295)
Realised loss on disposal of financial assets at FVTPL		**–**	(11,600)
Loss on disposal of subsidiaries		**(1,415)**	(2,674)
Loss on dissolution of a subsidiary		**–**	(58)
Finance costs	*6*	**(742)**	(397)

	Notes	**2026** ***HK$'000***	2025 *HK$'000*
Loss before income tax	*7*	**(293,236)**	(374,029)
Income tax credit	*8*	**123**	121
Loss for the year		**(293,113)**	(373,908)
Other comprehensive income for the year			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising from:			
– translation of foreign operations		**46,582**	(9,966)
– reclassification relating to disposal and dissolution of subsidiaries		**–**	1,504
Other comprehensive income for the year		**46,582**	(8,462)
Total comprehensive income for the year		**(246,531)**	(382,370)
Loss attributable to:			
– Owners of the Company		**(291,999)**	(372,028)
– Non-controlling interests		**(1,114)**	(1,880)
		(293,113)	(373,908)
Total comprehensive income attributable to:			
– Owners of the Company		**(244,102)**	(380,518)
– Non-controlling interests		**(2,429)**	(1,852)
		(246,531)	(382,370)
Loss per share			
– Basic and diluted *(HK$)*	*10*	**(1.08)**	(1.93)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Notes	**2026** **HK$'000**	2025 *HK$'000*
Non-current assets			
Property, plant and equipment		**52,501**	27,175
Construction in progress		**28,537**	28,149
Right-of-use assets		**25,871**	13,654
Mining assets	*11*	**619,360**	845,000
Other intangible assets	*12*	**–**	1,778
Prepayments		**12,014**	11,343
Total non-current assets		**738,283**	927,099
Current assets			
Inventories		**10,585**	13,708
Trade receivables	*13*	**4,241**	5,814
Contract assets		**209**	197
Other receivables, deposits and prepayments		**36,965**	21,765
Cash and bank balances		**2,125**	8,404
Total current assets		**54,125**	49,888
Total assets		**792,408**	976,987

	Notes	2026 HK$'000	2025 HK$'000
Current liabilities			
Accounts payable	*14*	**8,186**	5,672
Other payables and accruals		**79,250**	72,877
Contract liabilities		**6,936**	27,841
Loans from shareholders		**11,106**	11,577
Other borrowings		**5,395**	–
Lease liabilities		**3,840**	2,281
Total current liabilities		**114,713**	120,248
Net current liabilities		**(60,588)**	(70,360)
Total assets less current liabilities		**677,695**	856,739
Non-current liabilities			
Deferred tax liabilities		**4,111**	4,002
Lease liabilities		**9,282**	–
Convertible notes		**–**	4,810
Other borrowings		**8,028**	–
Total non-current liabilities		**21,421**	8,812
Total liabilities		**136,134**	129,060
NET ASSETS		**656,274**	847,927
Equity			
Share capital	*15*	**15,848**	9,998
Reserves		**667,498**	862,620
Equity attributable to owners of the Company		**683,346**	872,618
Non-controlling interests		**(27,072)**	(24,691)
TOTAL EQUITY		**656,274**	847,927

1. CORPORATE INFORMATION

The Company was incorporated in Bermuda with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The Company's registered office is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. Its head office and principal place of business are located at 46th Floor, United Asia Finance Centre, 333 Lockhart Road, Wanchai, Hong Kong.

The principal activity of the Company is investment holding. The Group is principally engaged in development and sales of electric vehicles, mining and new energy transport and operations.

2. CHANGES IN ACCOUNTING POLICIES

New standards, interpretation and amendments – effective 1 April 2025

The Group has adopted amendments to HKAS 21 Lack of Exchangeability for the first time for the current year's financial statements.

Amendments to HKAS 21 specify how an entity shall assess whether a currency is exchangeable into another currency and how it shall estimate a spot exchange rate at a measurement date when exchangeability is lacking. The amendments require disclosures of information that enable users of financial statements to understand the impact of a currency not being exchangeable. As the currencies that the Group had transacted in and the functional currencies of overseas subsidiaries, for translation into the Group's presentation currency were exchangeable, the amendments did not have any impact on the Group's financial statements.

The Group has not early applied any new or amendments to HKFRS Accounting Standards that is not yet effective for the current accounting period.

3. BASIS OF PREPARATION

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with all Hong Kong Financial Reporting Standards ("**HKFRS**"), Hong Kong Accounting Standards ("**HKASs**") and Interpretations (hereinafter collectively referred to as the "**HKFRS Accounting Standards**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, these consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

(b) Basis of measurement and going concern assumption

These consolidated financial statements have been prepared under the historical cost basis except for certain financial instruments, which are measured at fair values.

The Group incurred a loss of HK$293,113,000 for the year ended 31 March 2026. As of that date, the Group had net current liabilities of HK$60,588,000. As disclosed in Note 47 to the consolidated financial statements, pursuant to the court judgement dated 16 May 2025, the Group is required to refund the consideration received of RMB34 million in relation to the proposed disposal of the entire equity interests in a group of subsidiaries and pay the relevant liquidation damages of RMB5.5 million to the purchaser. As at 31 March 2026, the remaining outstanding amount was approximately HK$42 million. These conditions may cast significant doubt on the Group's ability to continue as a going concern.

When assessing the appropriateness of the use of the going concern basis for the preparation of the consolidated financial statements, the directors of the Company has prepared a cash flow forecast that covers fifteen months from the end of the reporting period for the purpose of assessing the Group's ability to continue as a going concern. In preparing the cash flow forecast, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing and also have taken account of the following plans and measures:

(i) net proceeds of not less than HK$66 million from placements of new shares and approximately HK$15 million of loan borrowings from corporates which are expected to be completed before the end of October 2026;

(ii) the shareholders of the Company will not demand repayment of the loans owed by the Group to them with aggregate carrying value of approximately HK$11 million as at 31 March 2026 earlier than 31 December 2027; and

(iii) the Group continues to develop its new energy transport and operations segment to improve its cash flow from operations.

Based on the above plans and measures, the directors of the Company are of the view that the Group will have adequate resources to continue in operational existence and meet its financial obligations as and when they fall due over the period of the cash flow forecast. Accordingly, it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, the validity of the going concern assumption depends of the successful outcome of the Group's plans and measures, including:

- the success of obtaining additional new sources of funding from placements and loan borrowings to support its operations and settlement of refunds of the remaining HK$42 million as determined by the court judgement during the year; and

- the shareholders' ability to provide financial support to the Group in terms of not demanding repayment of the loans owed by the Group.

These indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern, and therefore the Group may not be able to realise its assets and discharges its liabilities in the normal course of business.

Should the Group fail to achieve the plans and measures as mentioned above, it might not be able to continue to operate as a going concern, and adjustments would have to be made in the consolidated financial statements to write down the carrying values of the Group's assets to their net realisable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effect of such adjustments has not yet been reflected in the consolidated financial statements.

(c) Functional and presentation currency

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

4. SEGMENT REPORTING

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The Group has the following reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies.

- Development and sales of electric vehicles;
- Mining; and
- New energy transport and operations

During the year ended 31 March 2026, the chief operating decision-maker reviewed the performance of the newly established new energy transport and operations segment, which is identified as a distinct operating segment. This segment comprises the Group's electric heavy-duty truck transportation services and operations, charging station operations, and related vehicle leasing activities.

During the year ended 31 March 2026, the chief operating decision-maker ceased to evaluate the metals and minerals trading segment as a separate reportable segment due to its dormant status over the past years. The results of this segment are now included within unallocated corporate expenses. The comparative information in this note has been represented during the year as if the segment were not a separate reportable segment at the beginning of the comparative period.

Inter-segment transactions are priced with reference to prices charged to external parties for similar orders. Corporate income and expenses are not allocated to the operating segments as they are not included in the measurement of the segments' results that are used by the chief operating decision-maker for assessment of segment performance.

(a) Reportable segments

	Development and sales of electric vehicles		Mining		New energy transport and operations		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* (represented)
Revenue from external customers	**21,720**	3,012	**–**	–	**19,378**	–	**41,098**	3,012
Reportable segment profit/(loss)	**3,962**	(33,754)	**(269,806)**	(285,298)	**(6,825)**	–	**(272,669)**	(319,052)
Interest income	**266**	412	**–**	–	**1**	–	**267**	412
Unallocated interest income							**–**	4
Total interest income							**267**	416
Loss on disposal of subsidiaries	**(1,415)**	(2,674)	**–**	–	**–**	–	**(1,415)**	(2,674)
Loss on dissolution of a subsidiary	**–**	(58)	**–**	–	**–**	–	**–**	(58)
Depreciation	**(2,797)**	(3,005)	**–**	(53)	**(2,539)**	–	**(5,336)**	(3,058)
Unallocated depreciation expenses							**(893)**	(1,725)
Total depreciation							**(6,229)**	(4,783)
Amortisation	**(1,822)**	(1,838)	**–**	–	**–**	–	**(1,822)**	(1,838)
Impairment of trade receivables, net	**(5,628)**	(7,584)	**–**	–	**–**	–	**(5,628)**	(7,584)
Reversal of impairment of contract assets	**–**	516	**–**	–	**–**	–	**–**	516
Write-off construction in progress	**–**	–	**(1,758)**	–	**–**	–	**(1,758)**	–
Write-off of other receivables and prepayments, net	**–**	(16,360)	**–**	–	**(352)**	–	**(352)**	(16,360)
Write-down of inventories	**(2,646)**	(2,055)	**–**	–	**–**	–	**(2,646)**	(2,055)
Impairment of mining assets	**–**	–	**266,981**	(284,752)	**–**	–	**266,981**	(284,752)
Reportable segment assets	**83,188**	101,378	**646,147**	870,273	**60,942**	–	**790,277**	971,651
Additions to non-current assets	**–**	14	**–**	1,730	**40,775**	–	**40,775**	1,744
Reportable segment liabilities	**(72,993)**	(100,207)	**(7,162)**	(6,613)	**(39,543)**	–	**(119,698)**	(106,820)

(b) Reconciliation of segment revenue, profit or loss, assets and liabilities

	2026	2025
	HK$'000	*HK$'000*
		(represented)
Revenue		
Reportable segment revenue and consolidated revenue	**41,098**	3,012
Loss before income tax		
Reportable segment loss	**(272,669)**	(319,052)
Unallocated other income	**9**	409
Change in fair value and realised loss on disposal of financial assets at FVTPL	**–**	(21,895)
Unallocated other corporate expenses	**(19,834)**	(33,094)
Finance costs	**(742)**	(397)
Consolidated loss before income tax	**(293,236)**	(374,029)
Assets		
Reportable segment assets	**790,277**	971,651
Unallocated corporate assets *	**2,131**	5,336
Consolidated total assets	**792,408**	976,987
Liabilities		
Reportable segment liabilities	**119,698**	106,820
Unallocated corporate liabilities	**16,436**	22,240
Consolidated total liabilities	**136,134**	129,060

* Unallocated corporate assets as at 31 March 2026 mainly represent cash and bank balances of HK$58,000 (2025: HK$202,000) held by the Company and unallocated other receivables and prepayments of HK$1,898,000 (2025: HK$2,309,000).

(c) Geographic information

The following is an analysis of the Group's revenue from external customers and non-current assets other than financial instruments, deferred tax assets and post-employment benefit assets ("**Specified non-current assets**") by the geographical areas in which the customers and assets respectively are located:

	Revenue from external customers		Specified non-current assets	
	2026	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
PRC, including Hong Kong	**24,676**	2,618	**738,283**	927,099
Mexico	**16,422**	–	**–**	–
Philippines	**–**	276	**–**	–
Thailand	**–**	118	**–**	–
Total	**41,098**	3,012	**738,283**	927,099

(d) Information about major customers

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

	2026	2025
	HK$'000	*HK$'000*
Customer A#	**16,422**	N/A*
Customer B#	**13,956**	N/A*
Customer C#	**5,298**	N/A*
Customer D#	**N/A***	2,618

* Revenue from the customers did not contribute over 10% of the total revenue of the Group in the respective year.

\# Customers A and D are from development and sales of electric vehicles segment whereas customers B and C are from new energy transportation and operations segment.

5. REVENUE AND OTHER INCOME

(a) Details on revenue of the Group for the year are as follows:

	2026	2025
	HK$'000	*HK$'000*
Revenue from contract with customers:		
Disaggregated by major products or services lines		
Sales of electric vehicles * *(Note)*	**21,719**	3,012
Logistic services by electric vehicles #	**15,632**	–
Charging services *	**24**	–
	37,375	3,012
Revenue from other sources:		
Rental income from lease of electric vehicles #	**3,723**	–
	41,098	3,012

* recognised at point in time

\# recognised over time

Note: During the year ended 31 March 2026, the Group recognised an income of USD2,100,000 (equivalent to approximately HK$16,422,000) relating to the forfeiture of a customer deposit in relation to purchase of electric vehicles.

Disaggregation of revenue from contracts with customers by geographic markets is disclosed in Note 4(c).

(b) Other income

	2026	2025
	HK$'000	*HK$'000*
Gain on disposal of property, plant and equipment	–	93
Gain on lease termination	–	68
Government grants *(Note)*	–	32
Gain on reversal of provision for contractual penalty	**2,897**	–
Exchange gain, net	–	346
Sundry income	**13**	510
Interest income	**267**	416
	3,177	1,465

Note: Government grants were received from local government authority and the entitlements of which were under the discretion of the relevant authorities. There are no unfulfilled conditions or other contingencies attaching to the government grants that have been recognised.

6. FINANCE COSTS

	2026	2025
	HK$'000	*HK$'000*
Interest on bank borrowing	–	29
Interest on convertible notes	**169**	134
Interest on other borrowings	**239**	123
Interest on lease liabilities	**334**	111
	742	397

7. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging/(crediting):

	2026	2025
	HK$'000	*HK$'000*
Auditor's remuneration	**1,150**	920
Amortisation of other intangible assets *(Note 12)*	**1,822**	1,838
Cost of inventories recognised as expenses *(Note)*	**6,070**	4,982
Depreciation of property, plant and equipment	**3,566**	2,786
Depreciation of right-of-use assets	**2,663**	1,997
Exchange loss/(gain), net	**154**	(346)
Loss on write-off of property, plant and equipment	–	18
Impairment of trade receivables, net	**5,628**	7,584
Reversal of impairment of contract assets	–	(516)
Impairment of mining assets *(Note 11)*	**266,981**	284,752
Write-off of other receivables and prepayments	**352**	16,360
Write-off construction in progress	**1,758**	–
Loss on disposal of subsidiaries	**1,415**	2,674
Loss on dissolution of a subsidiary	–	58
Short-term and low-value lease expense	**1,072**	634
Directors' remuneration	**5,311**	6,013
Employee costs (excluding directors' remuneration)		
– Salaries and allowances	**8,779**	7,777
– Other benefits	**813**	186
– Pension contributions	**476**	468
	10,068	8,431

Note: Cost of inventories recognised as expenses for the year ended 31 March 2026 includes HK$nil (2025: HK$595,000) relating to depreciation of property, plant and equipment and HK$2,646,000 (2025: HK$2,055,000) relating to write-down of inventories.

8. INCOME TAX

The amount of income tax credit in the consolidated statement of profit or loss and other comprehensive income represents:

	2026	2025
	HK$'000	*HK$'000*
Current tax		
– Provision for PRC enterprise income tax for the year	**–**	–
Deferred tax		
– Origination and reversal of temporary differences	**(123)**	(121)
Income tax credit	**(123)**	(121)

Overseas taxes on assessable profits of the group companies, if any, are calculated at the rates of tax prevailing in the respective jurisdictions in which they operate, based on the prevailing legislation, interpretations and practices in respect thereof.

9. DIVIDEND

No dividend has been proposed or paid by the Company in respect of the years ended 31 March 2026 and 2025.

10. LOSS PER SHARE

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

	2026	2025
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company	**(291,999)**	(372,028)

	2026	2025
	Number of shares	*Number of shares*
Weighted average number of ordinary shares in issue	**269,510,616**	192,648,401

Basic and diluted loss per share of HK$1.08 per share (2025: HK$1.93 per share) is based on the loss for the year attributable to owners of the Company of HK$291,999,000 (2025: HK$372,028,000) and the weighted average number of ordinary shares in issue detailed above. The basic and diluted loss per share for the year presented are the same (2025: Same) as the potential ordinary shares issuable under the the share options and share award plan are anti-dilutive.

11. MINING ASSETS

	HK$'000
Cost:	
At 1 April 2024	2,437,885
Exchange realignment	(25,874)
At 31 March 2025 and 1 April 2025	2,412,011
Exchange realignment	142,689
At 31 March 2026	**2,554,700**
Accumulated impairment loss:	
At 1 April 2024	1,298,885
Impairment loss	284,752
Exchange realignment	(16,626)
At 31 March 2025 and 1 April 2025	1,567,011
Impairment loss	266,981
Exchange realignment	101,348
At 31 March 2026	**1,935,340**
Carrying amount:	
At 31 March 2026	**619,360**
At 31 March 2025	845,000

Mining assets have not been amortised since acquisition as the mine has not yet commenced operation since then.

In the opinion of management, the mining project is ongoing and is pending for the construction of a processing factory as planned upon adequate land being acquired. The Group acquired a land use right covering 63,118 square meters of land at a cost of RMB7.6 million in prior years (i.e. the Guangxi Land) and another RMB8.6 million has been paid for approximately 100,000 square meters of land for a factory site. However, the land use right of the Guangxi Land was revoked by the local bureau as it remained idle for many years and relevant loss was recognised in profit or loss in the prior year. The Group is working closely with the local government on obtaining land use rights for the approximately 100,000 square meters of land. However, the relevant land use rights have not yet been issued up to the date of this announcement. The mining operation will commence after obtaining the land use rights.

As at 31 March 2026 and 2025, the mining rights with a carrying amount of HK$619,360,000 (2025: HK$845,000,000) were frozen and sealed under a preservation order applied by a contractor ("**Guangxi Contractor**"). Details are set out under the "Business Review". Subsequent to the reporting period, in June 2026, the Group has fully settled the outstanding payables in relation to the litigation and is in process of lifting the preservation order.

Impairment testing of mining assets

The directors determined the recoverable amount of the mining assets at its fair value less costs of disposal based on a valuation performed by an independent firm of professional valuers (the "**Valuers**") using the multi period excess earnings method.

The multi period excess earnings method is based on the projection of future cash flows of the mining business covering a fifteen-year period from 2027 to 2041 to reflect the length of time management is committed to exploit the economic benefits of the mining business of thenardite and the expected useful lives of the processing plant and machinery the Group has invested and will continue to invest. Cash flows covering the first six-year period from 2027 to 2032 are based on financial budgets approved by senior management. Cash flows beyond the six-year period are extrapolated to 2041 using an estimated weighted average income growth rate of 1.92% (2025: 2.34%), which does not exceed the geometric mean of fifteen-year average of China Producer Price Index-non ferrous Metals Mining and Dressing Year over Year. Management considers the six years period from 2027 to 2032 reflects the length of time to incur necessary capital expenditure to exploit the economic benefits of the mining business of thenardite. The projected future cash flows are discounted to its present value by the appropriate discount rate determined from market data.

Below are the key assumptions used for the multi period excess earnings method:

	2026	2025
Thenardite price per ton	**RMB675**	RMB681
Required rate of return for working capital	**3.68%**	3.68%
Required rate of return for fixed assets	**12.32%**	11.92%
Required rate of return for assembled workforce	**18.70%**	17.58%
Post-tax discount rate	**24.20%**	23.08%
Income growth rate within the projected period	**1.92%**	2.34%
Costs growth rate within the projected period	**1.27%**	1.21%

Management determined the thenardite price based on relevant data obtained from third party's quotation and market research report performed by third party organisation pertaining to the mining business in Guangxi. The income growth rate represents the expected inflation rate based on the China Producer Price Index for non-metal minerals from 2011 to 2026 and the costs growth rate represents the China Producer Price Index from 2004 to 2026. Management believes the Group can attain maximum production capacity based on planned resources within seven years of commercial production and sustain such capacity throughout the remaining projected period. The discount rate used reflects the specific risks associated with the mining business of thenardite.

The fair value of the mining assets was estimated using unobservable market data to derive the projected future cash flows of the businesses over its economic useful life and is classified within level 3 of the fair value hierarchy.

As at 31 March 2026, the recoverable amount of the mining assets was approximately HK$619.4 million (2025: HK$845.0 million), which was lower than its carrying value of approximately HK$886.3 million (2025: HK$1,129.8 million), and hence an impairment loss of HK$266,981,000 was recognised in the profit or loss (2025: HK$284,752,000).

The business license of Guangxi Weiri expired on 26 March 2026 due to the failure to complete the necessary amendments to its Articles of Association. The Group has assessed the potential impact of this expiration on the mining assets and is currently executing a remediation plan to renew the license. Based on the legal advice obtained, the management is of the view that there are no legal obstacles to renewing the business license, and the temporary expiration of the business license does not result in any financial impact on the mining assets.

12. OTHER INTANGIBLE ASSETS

	Technical know-how	Industrial proprietary rights	Total
	HK$'000	*HK$'000*	*HK$'000*
Cost:			
At 1 April 2024	32,594	20,527	53,121
Exchange realignment	(402)	(218)	(620)
At 31 March 2025 and 1 April 2025	32,192	20,309	52,501
Exchange realignment	2,216	1,201	3,417
At 31 March 2026	**34,408**	**21,510**	**55,918**
Accumulated amortisation and impairment loss:			
At 1 April 2024	32,594	16,888	49,482
Charge for the year	–	1,838	1,838
Exchange realignment	(402)	(195)	(597)
At 31 March 2025 and 1 April 2025	32,192	18,531	50,723
Charge for the year	–	1,822	1,822
Exchange realignment	2,216	1,157	3,373
At 31 March 2026	34,408	21,510	55,918
Carrying amount:			
At 31 March 2026	**–**	**–**	**–**
At 31 March 2025	–	1,778	1,778

Technical know-how on the use of aluminium body frame for electric bus and industrial proprietary rights

Technical know-how on the use of aluminium body frame for electric bus was acquired as part of the acquisition of Chongqing Suitong New Energy Automotive Manufacturing Co., Ltd. in the prior year and has an estimated useful life of 5 years, over which the asset is amortised. As at the end of the financial year, technical know-how has been fully amortised.

The industrial proprietary rights are related to the exclusive rights in production of specific electric vehicles acquired during the years ended 31 March 2017 and 2016.

Both technical know-how on the use of aluminium body frame and industrial proprietary rights were allocated to the CGU of the development of electric vehicles ("**EV CGU**"). The directors determined the recoverable amount of EV CGU from its fair value less costs of disposal calculation based on a valuation performed by the Valuers.

Below are the key assumptions used for the fair value less costs of disposal calculation as at 31 March 2026:

	2026	2025
Adjusted unit price per square meter for land	**HK$346**	HK$307
Construction cost per square meter for buildings	**HK$1,901 to HK$3,027**	HK$1,814 to HK$2,907

The fair value less costs of disposal of EV CGU as at 31 March 2026 was estimated using unobservable market data to derive the fair value of major non-current assets composing EV CGU using replacement cost approach and direct comparison approach and is a level 3 fair value measurement.

As the recoverable amount of EV CGU exceeded the carrying amount of the EV CGU's non-current assets, which comprises property, plant and equipment of approximately HK$26,133,000 (2025: HK$27,100,000), right-of-use assets of approximately HK$13,206,000 (2025: HK$13,654,000), construction in progress of approximately HK$17,320,000 (2025: HK$16,353,000), other intangible assets of approximately HK$nil (2025: HK$1,778,000) and other non-current assets, the directors are of the opinion that there was no impairment on the assessed non-current assets as at 31 March 2026 (2025: HK$nil).

13. TRADE RECEIVABLES

	2026	2025
	HK$'000	*HK$'000*
Trade receivables	**39,053**	34,519
Less: Impairment losses	**(34,812)**	(28,705)
Trade receivables, net	**4,241**	5,814

The ageing analysis of trade receivables, net at the end of the reporting period, based on the invoice date, was as follows:

	2026	2025
	HK$'000	*HK$'000*
Within one month	**1,437**	–
31-90 days	**1,320**	–
91-180 days	**956**	–
181-365 days	**527**	–
More than 1 year	**1**	5,814
	4,241	5,814

The average credit period of the trade receivables ranged from 15 to 365 days from the invoice date.

14. ACCOUNTS PAYABLE

The ageing analysis of accounts payable at the end of the reporting period, based on the invoice date, was as follows:

	2026	2025
	HK$'000	*HK$'000*
Within one month	**2,272**	65
31-90 days	**155**	1
91-180 days	**–**	–
181-365 days	**69**	–
More than 1 year	**5,690**	5,606
	8,186	5,672

The credit period from the Group's trade creditors ranged from 20 days to 180 days.

15. SHARE CAPITAL

	2026		2025	
	Number of shares	**HK$'000**	Number of shares	HK$'000
Ordinary shares of HK$0.05 each				
Authorised:				
At beginning of the year	**10,000,000,000**	500,000	5,000,000,000	500,000
Capital Reorganisation *(Note (i))*	**–**	–	45,000,000,000	–
Share Consolidation *(Note (iii))*	**–**	–	(40,000,000,000)	–
At end of the year	**10,000,000,000**	500,000	10,000,000,000	500,000
Issued and fully paid:				
At beginning of the year	**199,979,109**	9,998	927,967,897	92,796
Capital Reorganisation *(Note (i))*	**–**	–	–	(83,517)
Issue of rights shares *(Note (ii))*	**–**	–	25,577,651	256
Issue of shares under placing *(Note (ii))*	**–**	–	46,350,000	463
Share Consolidation *(Note (iii))*	**–**	–	(799,916,439)	–
Issue of 27,000,000 shares under placing *(Note (iv))*	**27,000,000**	1,350	–	–
Subscription of shares *(Note (v))*	**60,000,000**	3,000	–	–
Conversion of convertible notes *(Note (vi))*	**10,000,000**	500		
Issue of 20,000,000 shares under placing *(Note (vii))*	**20,000,000**	1,000	–	–
At end of the year	**316,979,109**	15,848	199,979,109	9,998

Notes:

(i) On 19 August 2024, the Company conducted a capital reorganisation (the "**Capital Reorganisation**") that was approved by the shareholders of the Company in the special general meeting held on 15 August 2024. Pursuant to the Capital Reorganisation, (i) the issued share capital of the Company is reduced from HK$0.1 to HK$0.01 per share; and (ii) each of the authorised but unissued existing share of par value of HK$0.1 each is subdivided into ten authorised but unissued adjusted shares of par value of HK$0.01 each. Credit arising from the Capital Reorganisation of approximately HK$83,517,000 be applied towards offsetting accumulated losses of the Company. The number of authorised shares of the Company was adjusted from 5,000,000,000 ordinary shares at HK$0.1 each to 50,000,000,000 ordinary shares at HK$0.01 each immediately after the Capital Reorganisation.

(ii) A rights issue was conducted on the basis of three rights shares for every two ordinary shares of the Company at a subscription price of HK$0.095 per rights share. The Company received for a total of 25,577,651 rights shares application which was valid. For the remaining unissued rights shares, the Company has, pursuant to Rule 7.21(1)(b), made compensatory arrangements by entering into a placing agreement for placees to subscribe for the remaining rights shares. On 30 September 2024, 46,350,000 unsubscribed shares were placed at the price of HK$0.095 per share under the placing agreement. On 9 October 2024, the Company announced that a total of 71,927,651 rights shares were allotted and issued. Gross proceeds raised from the rights issue were approximately HK$6,833,000 and the net proceeds from the rights issue were approximately HK$6,698,000. The Company accounted for increase of share capital by approximately HK$719,000 and share premium of approximately HK$5,979,000 (after deducted directly attributable share issuing expenses).

(iii) On 13 November 2024, the Company underwent a share consolidation for every five issued and unissued ordinary shares of the Company be consolidated into one ordinary share of the Company whereby the par value of all the then issued and unissued consolidated shares increases from HK$0.01 to HK$0.05 each (the "**Share Consolidation**"). The number of then issued ordinary shares of the Company were 999,895,548 ordinary shares at HK$0.01 each were consolidated into 199,979,109 ordinary shares at HK$0.05 each immediately after the Share Consolidation became effective.

(iv) On 9 May 2025, the Company placed an aggregate of 27,000,000 placing shares at HK$0.30 per placing share to not less than six placees. The net proceeds (deducting directly related expenses) from the placing are approximately HK$7,853,000 of which HK$1,350,000 was credited to share capital and the remaining balance of approximately HK$6,503,000 was credited to share premium account.

(v) On 10 September 2025, 60,000,000 subscription shares of the Company were issued at a subscription price of HK$0.45 each to a subscriber. The net proceeds from the subscription was approximately HK$26,824,000 of which HK$3,000,000 was credited to share capital and the remaining balance of approximately HK$23,824,000 (after deduction of professional fees and all relevant expenses) was credited to share premium account.

(vi) On 18 September 2025, the Company's convertible notes in principal amount of HK$5,000,000 were fully converted into 10,000,000 ordinary shares of the Company at the conversion price of HK$0.5 per share, of which HK$500,000 was credited to share capital and the remaining balance of approximately HK$4,663,000 was credited to share premium account.

(vii) On 1 December 2025, the Company completed a placing of 20,000,000 shares at HK0.78 per share to not less than six placees. The net proceeds was HK$15,362,000 of which HK$1,000,000 was credited to share capital and the remaining balance (net of share issue expenses of HK$238,000) of HK$14,362,000 was credited to share premium account.

Subsequent to the end of the financial year:

- on 24 April 2026, the Company completed a subscription of 3,830,000 subscription shares at HK$0.512 per subscription share. The net proceeds (deducting directly related expenses) from the subscription are approximately HK$1.94 million which intends to be used for the repayment of certain indebtedness and general working capital purpose; and

- on 14 May 2026, the Company completed another subscription of 3,840,000 subscription shares at HK$0.52 per subscription share. The net proceeds (deducting directly related expenses) from the subscription are approximately HK$1.98 million for the settlement of a judgement amount and the replenishment of the Group's general working capital.

16. SHARE-BASED PAYMENT TRANSACTIONS

Share option scheme

A share option scheme was adopted by an ordinary resolution of the shareholders at annual general meeting of the Company on 30 August 2013 (the "**2013 Share Option Scheme**"). The 2013 Share Option Scheme is governed by Chapter 17 of the Listing Rules and would remain in force for 10 years from the adoption date on 30 August 2013.

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 29 August 2023 (the "**Adoption Date**"), the Company's new share option scheme (the "**2023 Share Option Scheme**") was adopted. The 2023 Share Option Scheme is governed by Chapter 17 of the Listing Rules and will remain in force for 10 years from the Adoption Date.

The total number of shares in respect of which options may be granted under the 2023 Share Option Scheme was 18,559,357 shares (after the effect on Share Consolidation), representing 10% of the issued share capital of the Company as at the Adoption Date. There is no material change of the terms under the 2023 Share Option Scheme.

No share option was granted during both years.

The movements in the number of share options during the year were as follows:

Date of offer of grant	At 01/04/2024	Forfeited/lapsed during the year	Adjusted during the year	At 31/03/2025	Forfeited/lapsed during the year	At 31/03/2026	Adjusted exercise price after the Share Consolidation and rights issue	Exercise period	Vesting period
11/04/2014	3,400,000	(3,400,000)	–	–	–	–	N/A	12/04/2016 to 10/04/2024	12/04/2014 to 12/04/2020
10/03/2016	26,110,000	–	(21,232,308)	4,877,692	(4,877,692)	–	HK$16.05	10/03/2016 to 09/03/2026	10/03/2016 to 11/03/2020
25/02/2021	25,900,000	(9,000,000)	(13,742,858)	3,157,142	–	3,157,142	HK$6.59	25/02/2021 to 25/02/2031	N/A
20/12/2022	37,000,000	(9,130,769)	(22,769,231)	5,100,000	(504,396)	4,595,604	HK$2.05	20/12/2022 to 19/12/2032	N/A
	92,410,000	(21,530,769)	(57,744,397)	13,134,834	(5,382,088)	7,752,746			

The exercise prices and numbers of share options have been adjusted due to placement of shares under rights issue and the Share Consolidation during the financial year ended 31 March 2025.

The weighted average remaining contractual life of options outstanding at the end of the year was 5.98 years (2025: 4.77 years). The weighted average exercise price of options outstanding at the end of the year was HK$4.05 (2025: HK$8.43 (after adjustments of the Share Consolidation and the rights issue)).

7,752,746 (2025: 13,134,834) share options were exercisable at the end of the year.

There was no exercise of share options during the years ended 31 March 2026 and 2025.

Share award plan

The Company adopted a share award plan (the "**Share Award Plan**") on 8 May 2019.

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 29 August 2023, the Company's Share Award Plan was amended and restated. The amended and restated rules relating to the Share Award Plan is governed by Chapter 17 of the Listing Rules and will remain in force for 10 years from 8 May 2019. There is no material change of the terms under the Share Award Plan.

No share awards were granted by the Company during both years.

17. COMMITMENTS

At the end of the reporting period, the Group had the following commitments contracted but not provided for in these consolidated financial statements:

	2026	2025
	HK$'000	*HK$'000*
Acquisition of property, plant and equipment	**19,043**	17,979
Capital expenditure in respect of the construction of the ores processing plant	**3,675**	3,677
Capital expenditure in respect of the mining operations	**18,177**	17,162
Capital expenditure in respect of the development of electric vehicles	**20**	19
Capital expenditure in respect of an intangible asset	**3,406**	–
	44,321	38,837

18. RELATED PARTY TRANSACTIONS

Members of key management personnel during the year comprised only of the Company's directors whose remuneration is set out in Note 7.

Save for disclosed above and elsewhere in these consolidated financial statements, the Group did not have material transactions with its related parties during both years.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report on the Group's consolidated financial statements for the year ended 31 March 2026:

DISCLAIMER OF OPINION

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matter described in the "Basis for Disclaimer of Opinion" section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

Scope limitation relating to the appropriateness of the going concern assumption

As set out in note 3(b) to the consolidated financial statements, the Group incurred a loss of HK$293,113,000 for the year ended 31 March 2026, and as of that date, the Group had net current liabilities of HK$60,588,000. As disclosed in Note 47 to the consolidated financial statements, pursuant to the court judgement dated 16 May 2025, the Group is required to refund the consideration received of RMB34 million in relation to the proposed disposal of the entire equity interests in a group of subsidiaries and pay the relevant liquidation damages of RMB5.5 million to the purchaser. As at 31 March 2026, the remaining outstanding amount was approximately HK$42 million.

When assessing the appropriateness of the use of the going concern basis for the preparation of the consolidated financial statements, the directors of the Company have prepared a cash flow forecast covering a period of fifteen months from the end of the reporting period. Certain plans and measures have been taken by the Group to improve its liquidity and financial position, as detailed in Note 3(b) to the consolidated financial statements. Based on the directors' assessment, the Group is able to continue as a going concern and it is appropriate to prepare the consolidated financial statements on a going concern basis.

The appropriateness of the consolidated financial statements prepared on a going concern basis largely depends on whether the plans and measures as detailed in Note 3(b) can be successfully implemented as scheduled. In relation to the expected net proceeds from the proposed placement of new shares, management did not provide us with the details regarding the potential investors, the intended placing price and size that enable us to evaluate the reasonableness of the likelihood, timing and amount of the share placements. In addition, there was no sufficient information available from management that enables us to evaluate the financial viability of the lenders and shareholders such that they are able to provide other borrowings of approximately HK$15 million and the undertaking of not demanding the Group to repay HK$11 million due to them earlier than 31 December 2027, respectively.

Due to the limitations on our scope of work as stated above and there are no alternative audit procedures that we can perform to obtain sufficient appropriate audit evidence to support the above plan and measures can be successfully implemented, as a result, we were unable to obtain sufficient appropriate evidence to conclude whether the directors' use of going concern basis of accounting to prepare the consolidated financial statements is appropriate.

Should the Group fail to achieve the above plans and measures as abovementioned, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying values of the Group's assets to their net realisable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

RESULTS

During the year ended 31 March 2026, the Group recorded revenue of approximately HK$41.1 million (2025: approximately HK$3.0 million). The gross profit was approximately HK$15.4 million (2025: gross loss of approximately HK$2.0 million). The increase of the Group's revenue and gross profit during the reporting period was attributed to (i) the new e-Mobility Solutions business commenced during the second half of this financial year; and (ii) forfeiture of a customer deposit for electric vehicles procurement upon termination of a sale contract entered into in prior years.

The Group recorded a loss of approximately HK$293.1 million for the year as compared to a loss of approximately HK$373.9 million for last year. The decrease in loss was mainly attributed to (i) a decrease in impairment loss on mining assets in Guangxi to approximately HK$267.0 million (2025: approximately HK$284.8 million); (ii) a decrease in write-off of other receivables and prepayments to approximately HK$0.4 million (2025: approximately HK$16.4 million) and (iii) absence of loss on change in fair value and realised loss on disposal of financial assets at fair value through profit or loss ("**FVTPL**") (2025: approximately HK$21.9 million).

The loss attributable to the owners of the Company was approximately HK$292.0 million (2025: approximately HK$372.0 million). Basic and diluted loss per share for the year was approximately HK$1.08 per share (2025: approximately HK$1.93 per share).

DIVIDEND

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

BUSINESS REVIEW

Electric Vehicles ("EV") and e-Mobility Solutions

The Group, through its subsidiary Chongqing Suitong New Energy Automotive Manufacturing Co., Ltd. ("**Suitong**"), operates a manufacturing base in Chongqing dedicated to the development and production of EV, including electric buses ("**eBus**") and purpose-build electric vehicles.

Beyond vehicle manufacturing, the Group has expanded into integrated e-Mobility Solutions, offering an integrated ecosystem in the PRC that combine vehicle supply, operations and other value-added services such as charging infrastructure deployment. This approach enables the Group to address specific customer needs in high-utilisation, closed-loop logistics environments, while accelerating the adoption of clean transportation in industrial sectors of the PRC.

Electric Vehicles Business

Hong Kong and the PRC market

The Group maintains its commitment to Hong Kong's electric transport transformation. In Hong Kong, we have successfully commercialized these purpose-built electric vehicles:

1. 12-meter eBus

   During the reporting period, a 12-meter eBus (a model featured by extra low platform which was specifically designed for seniors and those with disabilities) of approximately HK$5.3 million has been delivered to a non-profit organization in Hong Kong. This is a new order with the Hong Kong Productivity Council ("**HKPC**"), following the successful fulfillment of prior eBus orders for the Airport Authority Hong Kong and the Hong Kong Anti-Cancer Society.

   In September 2025, the Group was awarded a contract by another non-profit organisation for the supply of one 56-seater eBus, valued at approximately HK$2 million. Following the award, the Group engaged in comprehensive technical discussions with the client over several months to ensure the vehicle would fully meet their operational requirements and safety standards. After thorough evaluation of the technical specifications and integration requirements, both parties mutually agreed in April 2026 that the project scope and technical requirements had evolved beyond the initial framework. In the best interests of both organisations and to ensure optimal resource allocation, the contract was amicably terminated by mutual consent.

2. Electric Mobile Command Unit

In September 2023, the Group was successfully awarded a contract at approximately HK$9 million to supply the first electric mobile command unit (the "**EMCU**") to the Hong Kong Fire Services Department (the "**FSD**"). This EMCU features a powerful 350kW electric motor and a substantial 422kWh battery capacity. Additionally, it incorporates a high-capacity uninterruptable power supply system to maintain the wireless communication and electronic dispatch system, and it is supported by a generator and a public power connection device, ensuring uninterrupted system operation under all circumstances. As at the reporting date, the chassis, bodywork, battery systems and drivetrain are installed and ready for testing.

In addition to the orders mentioned above, the Group has been actively pursuing strategic collaborations with key industry players. Building on the foundation established from the initial tender submission in December 2024, the Group submitted its comprehensive proposal in February 2026 for the maximum supply of 90 units electric buses to a renowned Hong Kong public transportation operator.

Over the past several months, the Group maintained intensive and productive engagement with the operator, including participating in multiple rounds of technical interviews, due diligence, and in-depth discussions regarding vehicle specifications and service integration frameworks. Although the Group was not selected in this particular tender round, these collaborative exchanges have significantly strengthened mutual understanding and validated the alignment of our solutions with the operator's requirements.

Looking ahead, the management understands that the operator may continue to procure additional electric buses and is expected to submit further tenders in due course. Leveraging our proven technical expertise, established partnership with a leading PRC bus manufacturer, and the valuable insights gained from the extensive engagement process, the Group remains in the right position to compete in future bidding opportunities and is confident in its ability to support the operator's long-term objectives for sustainable public transportation.

In the PRC market, the Group conducted comprehensive analysis on a potential project involving the supply of 30 units of 65-seat buses to a transportation company in Chongqing Wulong District. Following detailed assessment and strategic review, the Group has made the decision to prioritize resources in other more profitable areas, considering the current competitive landscape and operational and evolving requirements in the domestic market.

The Group remains committed to exploring and capitalizing on business opportunities within the Hong Kong and the PRC market. We are confident in our ability to effectively market and sell our vehicles, maintaining a competitive edge in this evolving sector.

Southeast Asian market

Over the past few years, the Group has continued in developing and deploying eco-friendly transportation solutions tailored to emerging markets such as the Philippines and Thailand. In the Philippines, the Group introduced COMET, a fully customized electric city bus designed as a modern replacement for traditional Jeepneys. To date, over 60 units have been delivered and are in operation. However, the collection of the remaining trade receivables has been protracted due to prolonged payment delays and unresolved commercial disputes with the customer. Consequently, the management does not expect to secure further orders from this customer in the foreseeable future. Regarding the outstanding receivables, the Group will assess the viability of initiating legal proceedings to recover the debts.

Separately, the Group also conducted preliminary trials in Thailand involving e-conversion kits for London taxis, three-wheeled "tuk-tuks", and medium-duty trucks, aligning with the local EV policy trend. Despite these efforts, the economic environment remains uncertain, leading customers to adopt a more cautious approach and therefore no sizeable follow-on order has been materialized as at the reporting date. On the other hand, the departure of an executive who was previously responsible for overseeing Southeast Asian operations, have led to a strategic review of resource allocation in the region. Management will continue to monitor market conditions closely and periodically reassess the long-term viability and strategic fit of the Southeast Asian segment.

American and European market

During the year between 2022 and 2023, the Group entered into sales agreement with a bakery company in Mexico for the supply of up to 1,000 units of 6-meter van chassis. An initial batch of 200 units was successfully delivered in early 2023. Subsequently, the Group received further deposits of USD2.1 million from the customer and accordingly placed a corresponding order with an OEM in the PRC, resulting in the production of 250 units. The relevant customer deposits were recognised as contract liabilities as at 31 March 2025.

However, the customer ultimately did not proceed with further progress payment for these units. After extensive discussions, the Group and the customer mutually agreed to terminate the contract in October 2025 and the related non-refundable deposits of USD2.1 million (equivalent to approximately HK$16.4 million) were recognised as revenue during the reporting period. The related OEM supply arrangement was also formally terminated.

e-Mobility Solutions

During the reporting period, the Group officially commenced the "e-Mobility Solutions" business, an expansion of its existing "purpose-built electric transport solutions" business. Moving beyond traditional vehicle supply (notably electric buses for institutional clients), the Group builds and offers an integrated green mobility ecosystem encompassing vehicle procurement, operations management, charging/swapping services, green power supply, and carbon emission route management. The Group aims to provide customers with comprehensive new energy commercial vehicle solutions covering asset investment, energy supply, and daily operations.

The core of this enhanced business lies in precisely targeting the new energy heavy-duty truck application at the national strategic logistics corridor of "Xinjiang Coal Outbound Transport". Xinjiang has abundant natural resources with substantial demand for long distance and large volume transportation. However, traditional diesel heavy trucks face multiple challenges in long distance outbound transport, including surging fuel costs, high carbon emissions, limited operational efficiency, and increasing environmental compliance pressures. These have gradually become long-term challenges in the industry. With China's "dual carbon" goals, the Western Development Strategy, and the continuous infrastructure development of green transportation, the low-carbon transportation, electrification and intelligent transformation of coal and bulk commodity logistics transportation has become a clear trend.

In response to the above market opportunities, the Group's electric heavy truck solutions move beyond vehicle sales to a recurring revenue model centered on "vehicle operations and energy services". In the future, the Group plans to adopt the Transport as a Service model (a model that provides green transport services charged by mileage or ton-kilometer), allowing customers to enjoy zero-emission transportation in a more cost-effective and sustainable manner without bearing the high initial vehicle purchase costs or technological risks. This model also assists the Group in transitioning from one-off vehicle sales revenue to a diversified, sustainable, and replicable revenue structure encompassing fleet operations, energy supply, charging/swapping services, and carbon management services.

To support the implementation of this business model, the Group is committed to building an integrated "Solar-Storage-Charging-Swapping" energy supply network to ensure green power supply, charging/swapping efficiency, and fleet operational stability along the transportation corridors. The Group, through its wholly-owned subsidiaries located in Hangzhou, Lanzhou, Hami, Guazhou, and Xinjiang, is establishing close cooperation with local governments, power grid enterprises, energy suppliers, and vehicle manufacturers to prioritize in securing land use rights, power access, and green power quotas at key logistics nodes, while gradually carrying out the construction of charging and swapping infrastructure and supporting energy systems.

As at the reporting date, the Group has put one charging station into operation in Hangzhou. In the near term, the Group expects three additional charging stations to commence operations, including two more sites in Hangzhou and one site in Gansu Province. These sites are currently under construction or in trial operation stage. As more energy supply nodes are progressively established, the Group will accelerate the deployment of new energy infrastructure along major transportation corridors, laying a solid foundation for the large-scale commercial operation of electric heavy trucks.

During the reporting period, the Group has taken the lead in achieving commercial implementation in the core coal logistics corridor of "Xinjiang Coal Entering Gansu", with the support of two key state-owned enterprise partners in Gansu Province. The Group has entered into several legally binding long-term operational agreements with certain PRC customers (including subsidiaries of a state-owned enterprise), for the supply and operation of electric vehicles for coal transportation. It demonstrates strong partnership's confidence in the project's viability, as well as the market's dual recognition of electric heavy trucks for both economic efficiency and environmental sustainability, underscoring the Group's commitment to building a sustainable zero-emission ecosystem in Northwest China.

To support these initiatives, the Company has completed a subscription and a placing of shares in September and December 2025 respectively, of which approximately HK$27 million in aggregate has been allocated toward to e-Mobility Solutions for vehicle procurement, charging infrastructure setup, and regional operational establishment across Gansu and Xinjiang. As at the reporting date, the Group currently manages and operates a fleet of approximately 100 electric trucks (including owned and leased vehicles), actively serving existing projects. With the continuous expansion of fleet size, charging/swapping network, and customer cooperation projects, the Group believes this business model will gradually develop into a replicable, scalable green logistics platform with long-term cash flow potential.

Looking ahead, the Group believes that the successful implementation of the "Xinjiang Coal Entering Gansu" new energy coal corridor will not only provide a verifiable green transportation model for "Xinjiang Coal Outbound Transport", but will also become a replicable business model for other bulk commodity transportation corridors, including "Xinjiang Coal Entering Cao", "Mongolia Coal Outbound Transport", and other inter-provincial energy, mineral, and raw material transportation. The Group will continue to seize development opportunities in China's new energy commercial vehicles, green logistics, charging/swapping infrastructure, and carbon management services. It will actively seek additional financing and strategic cooperation opportunities to accelerate ecosystem scaling, optimize asset utilization, and promote the commercialization and large-scale development of closed-loop green logistics corridors.

Suitong Disposal and Related Legal Dispute

On 2 June 2023, the Group has entered into a sale and purchase agreement (the "**Disposal Agreement**") for the disposal of the entire equity interests in Chongqing Sinocop New Energy Vehicle Technology Company Limited (the "**Target Company**") and its subsidiaries (the "**Target Group**") to an independent third party (the "**Purchaser**") at a consideration of RMB34 million (the "**Suitong Disposal**"). The intended assets to be disposed of are certain intangible assets including the modified bus enterprise status which is embedded with the entity of Chongqing Suitong New Energy Automotive Manufacturing Co., Ltd. ("**Suitong**"), one of the subsidiaries of the Target Group, where all other major assets and liabilities of the Target Group will be retained in the Group prior to the completion through restructuring. As previously disclosed, the Company's core business operations have not been materially affected by this transaction.

However, the Disposal Agreement was not completed due a series of disagreements on the execution process between the Group and the Purchaser. Despite repeated efforts by the Group and mediation support from local government authorities in Chongqing, the parties were unable to resolve their differences.

On 21 August 2024, the Purchaser initiated arbitration proceedings at the Chongqing Arbitration Commission (the "**CQ Arbitration**"), seeking, among other things, the return of the RMB34 million consideration, contractual penalties, and additional compensation. Subsequently, on 3 September 2024, the Group received an enforcement notice from the Third Intermediate People's Court of Chongqing freezing the equity interests in certain subsidiaries.

Following the hearings, on 27 May 2025, the Chongqing Arbitration Commission issued a judgment (the "**Judgment**") dated 16 May 2025. The Judgment ruled that: (i) the Disposal Agreement shall be terminated with effect from 12 September 2024; (ii) the Group shall return the consideration of RMB34 million and pay liquidated damages of approximately RMB5.5 million to the Purchaser; and (iii) the Purchaser shall pay liquidated damages of RMB760,000 to the Group.

The Group subsequently applied to the Primary People's Court of Chongqing for revocation of the Judgement and the hearing was held on 22 September 2025. On 21 October 2025, the Group was notified that the court has upheld the decision from the Judgement. Following this outcome, the Group has immediately engaged legal counsel to proactively manage the enforcement process.

On 24 December 2025, the Company and its wholly-owned subsidiary, China Dynamics New Energy Technology Company Limited ("**China Dynamics**"), received statutory demands from the creditor's legal adviser. The demands required the Company, as guarantor, and China Dynamics, as primary obligor, to settle an aggregate amount of RMB38,967,200 (comprising the repayment of consideration, penalty, and compensation) within three weeks from the date of service of the statutory demands, failing which the creditor may present a winding-up petition. In response, the Company took immediate action to safeguard the interests of the Company and its shareholders as a whole. On 26 January 2026, the Company engaged its legal advisers to apply to the Court of First Instance in the High Court of Hong Kong for an injunction order against the creditor from presenting a winding-up petition. The first hearing was fixed on 28 January 2026. At the request of the creditor and upon its undertaking through its solicitors not to present a winding up petition on the basis of the statutory demand or the debt stated therein until the final determination of the injunction application filed by the Company or until further order of the Court, the hearing of the injunction application, among other things, has been vacated and adjourned.

Subsequent to the reporting period, on 13 April 2026, the creditor's legal adviser delivered a sealed copy of court order stating that they had ceased to act for the creditor. The creditor subsequently confirmed that it agrees to the signing of all necessary court documents to withdraw the injunction application and to bear all reasonable costs of the Company in respect of the injunction application.

The Company is currently assessing the financial impact of the underlying Judgment and continues to manage the enforcement process through its PRC legal counsel. Crucially, the Group remains committed to safeguarding the interests of the Company and its shareholders. The Group is prioritising the settlement of the Judgment through actively exploring various solutions such as seeking additional financing and fundraising opportunities to ensure the Group's long-term sustainability.

The Board will continue to closely monitor developments and take all necessary measures to safeguard the Company's interests.

Mining and production of mineral products

The Group's wholly-owned subsidiary, Guangxi Weiri Mining Company Limited ("**Guangxi Weiri**"), owns a glauberite mine ("**Glauberite Mine**") located in the Guangxi Zhuang Autonomous Region of the PRC. The product extracted from the Glauberite Mine is thenardite, an important raw material used in chemical and light industrial manufacturing. No exploration, development or production activity related to the Glauberite Mine was conducted during the year ended 31 March 2026.

Mineral resource information

The below table sets out the mineral resource information of the Guangxi Glauberite Mine as of 31 March 2026 in accordance with the JORC Code (2012):

Domain	**Classification**	**Tonnage**	**Na_2SO_4 Grade**	**Na_2SO_4 Material**
		(Mt)	*(%)*	*(Mt)*
Orebody 1	Indicated	983	17.66	174
	Inferred	87	16.98	15
	Subtotal	1,070	17.60	188
Orebody 2	Indicated	57	12.45	7
	Inferred	80	15.88	13
	Subtotal	137	14.44	20
Total	**Indicated**	**1,041**	**17.37**	**181**
	Inferred	**167**	**16.45**	**27**
	Total	**1,207**	**17.25**	**208**

(1) Any differences between totals and sum of components are due to rounding.

(2) The effective date of the mineral resource is 31 March 2025. All tonnages are rounded to the nearest million tonnes to reflect the inherent level of confidence associated with the resources estimation. The mineral resource was estimated within constraining wireframe solids based on geological limits of the mineralized and internal waste units. Nominal cut off for defining the geological unit is 10% Na_2SO_4. No cut-off has been applied to the resource block model of the project. The mineral resource estimate is in accordance with the JORC Code 2012 with an effective date of 31 March 2025.

(3) Competent person statement:

The information in this section that relates to mineral resources is based on work done by Dr. (Tony) Shuangli Tang and Dr. (Gavin) Heung Ngai Chan. Dr. Tony Tang and Dr. Gavin Chan are Member and Fellow of Australian Institute of Geoscientists (AIG), respectively, and full-time consultants employed by SRK. Dr. Tony Tang and Dr. Gavin Chan have sufficient experience, which is relevant to the style of mineralisation, the type of deposits under consideration, the mineral resource estimation under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Dr. Tony Tang and Dr. Gavin Chan consent to the inclusion in this section the matters based on their information in the form and context in which it appears.

This information was prepared and first disclosed under the JORC Code 2004. The resource estimation was an update in compliance with the JORC Code 2012.

The Competent Person's Consent Form from Dr. Gavin Chan obtained by the Company on 23 June 2026.

Fair value assessment

The Group has closely monitored the Glauberite Mine development and has periodically assessed its resources, financial viability, and general condition. The management has conducted regular financial analysis, taking into account its resources, technical parameters and market situation, so as to assess the mining assets' overall situation. The Group has engaged the services of a qualified independent valuer (the "**Valuer**") to assess its fair value annually. The independent valuer adopted the Multi Period Excess Earnings Method to estimate the fair value of the mining assets.

The Multi Period Excess Earnings Method was consistently adopted in the valuation of the mining assets for its impairment assessment since the acquisition of the mining assets by the Group. The valuation in the current year is based on a financial budget covering a 15-year period from 2027 to 2041 and then discounted to its present value by the discount rate. The Group has assessed the key assumptions used for the calculation of the discounted cash flows, including the prevailing market condition of thenardite products, the exploitation volume of the resources and the discount rate adopted. There were no significant changes in the assumptions and basis of value of the inputs used under the Multi Period Excess Earnings Method from those previously adopted for the valuation of the mining assets for the years ended 31 March 2026 and 2025.

The summary of value of inputs under the Multi Period Excess Earnings Method for the valuation of the mining assets for the years ended 31 March 2026 and 2025 as disclosed in Note 11 is as follows:

#	Key assumptions	FY2026	FY2025
1	Thenardite price per ton	**RMB675**	RMB681
2	Required rate of return for working capital	**3.68%**	3.68%
3	Required rate of return for fixed assets	**12.32%**	11.92%
4	Required rate of return for assembled workforce	**18.70%**	17.58%
5	Post-tax discount rate	**24.20%**	23.08%
6	Income growth rate within the projected period	**1.92%**	2.34%
7	Cost growth rate within the projected period	**1.27%**	1.21%

The summary of the basis of value of the inputs used under the Multi Period Excess Earnings Method, which was consistently applied by the Valuer in previous years, is set out as follows:

Key assumptions	Basis of assumptions
1. Thenardite price per ton	Relevant data obtained from third party's quotations pertaining to the mining assets in Guangxi and market research report performed by third party organization.
2. Required rate of return for working capital	(i) Prime rate as quoted by the People's Bank of China; and (ii) Statutory corporate income tax rate of the PRC.
3. Required rate of return for fixed assets	(i) PRC's long-term borrowing rate; (ii) Statutory corporate income tax rate of the PRC; and (iii) the cost of equity.
4. Required rate of return for assembled workforce	Being the weighted average cost of capital
5. Post-tax discount rate	Being the weighted average cost of capital with a premium to reflect the higher risk nature of the mining assets as intangible assets.
6. Income growth rate within the projected period	Expected inflation rate based on the geometric average of the China Producer Price Index-Non-Metals Minerals Mining and Dressing year-over-year from 2011 to 2026.
7. Cost growth rate within the projected period	The geometric average of the China Producer Price Index year-over-year from 2004 to 2026.

As illustrated above, the changes in value of inputs adopted under the Multi Period Excess Earnings Method for the valuation of the mining assets for the years ended 31 March 2026 and 2025 are set out as follows:

1. Thenardite price per ton

The thenardite price per ton adopted in the valuation decreased from RMB681 per ton for the year ended 31 March 2025 to RMB675 per ton for the year ended 31 March 2026 as a result of the dropped in average price in the quotations from third parties in the industry. The products include thenardite (i.e. sodium sulfate), sodium carbonate and ammonium sulfate.

2. Required rate of return for working capital

There is no change in the required rate of return for working capital which maintained at 3.68% for the years ended 31 March 2026 and 2025.

3. Required rate of return for fixed assets

The required rate of return for fixed assets was 12.32% for the year ended 31 March 2026 (2025: 11.92%).

4/5. Required rate of return for assembled workforce/Post-tax discount rate

The required rate of return for assembled workforce increased to 18.70% (2025: 17.58%) and the post-tax discount rate rose to 24.20% (2025: 23.08%) for the year ended 31 March 2026.

6. Income growth rate within the projected period

The income growth rate within the projected period dropped to 1.92% for the year ended 31 March 2026 (2025: 2.34%), being the geometric average of the "China Producer Price Index − Non-Metals Minerals Mining and Dressing".

7. Cost growth rate within the projected period

The cost growth rate within the projected period increased as the geometric average of the "China Producer Price Index" increased from 1.21% for the year ended 31 March 2025 to 1.27% for the year ended 31 March 2026.

The movement of the mining assets of the Group for the year ended 31 March 2026 as disclosed in Note 11 is extracted as follows:

	HK$'000
As at 1 April 2025	845,000
Impairment loss	(266,981)
Exchange realignment	41,341
As at 31 March 2026	**619,360**

The fair value of the mining assets decreased from HK$845.0 million (equivalent to approximately RMB787.8 million) as at 1 April 2025 to approximately HK$619.4 million (equivalent to approximately RMB544.8 million) as at 31 March 2026, which was mainly attributable to the reduction in the present value of the estimated excess income, driven by (i) the decrease in thenardite price; and (ii) an increased in post-tax discount rate.

The impairment loss of approximately HK$267.0 million (2025: HK$284.8 million) is a non-cash item and will not affect the cash flow of the Group. The Group will continue to assess any opportunities and means to minimize risks and to maximize shareholders benefits as a whole. Given the Glauberite Mine's distinct advantage in terms of its immense resources, strategic location and market potential, the Group remains highly confident that it is a unique and valuable asset.

Update of development of the Glauberite Mine

As stated in the previous annual report and the supplemental announcement dated 14 August 2024, the Company is considering the possibility of implementing the Revised Mining Plan, which utilises the latest modern technology to allow the extraction of the minerals in the Glauberite Mine in a more efficient manner as compared to the original mining plan.

In January 2024, China Tianchen Engineering Corporation ("**TCC**") has issued the feasibility studies report on the Revised Mining Plan (the "**Feasibility Report**"), which is intended for an annual production of 100,000 tons of baking soda and 80,000 tons of ammonium sulfate. Based on the opinion of TCC, the Revised Mining Plan which utilises (i) the Guangxi Land, the infrastructure and resources of Guangxi Weiri; and (ii) latest mining technology and extraction solutions provided by the Institute of Process Engineering of Chinese Academy of Sciences ("**CAS**"), is more economically efficient than the original mining plan. It is expected that, upon the implementation of the Revised Mining Plan, the Glauberite Mine will generate positive revenue and net profit annually. Based on the preliminary estimation conducted by TCC, an initial investment and working capital of around RMB350 million is required for the construction of the above infrastructure and the operation of the Revised Mining Plan. It is expected to take around 18 to 24 months to complete the construction work upon commencement of the project.

The Company had been negotiating with a number of potential investors for fundraising opportunities for financing the implementation of the Revised Mining Plan. The Company also considered to collaborate with other mining companies in the PRC, including state-owned mining companies, to jointly develop the Glauberite Mine and implement the Revised Mining Plan. However, given the recent investment sentiment and macroeconomic environment, no fundraising and collaboration opportunities have yet to materialise in this regard.

The implementation of the Revised Mining Plan is subject to, among other things (i) the fundings required for the implementation of the Revised Mining Plan; and (ii) the board approval of the Company after considering factors such as the cashflow of the Company and valuation report of the Glauberite Mine to be further conducted based on the Revised Mining Plan.

Refining the shareholding structure of Guangxi Weiri

As previously disclosed, the Group initiated legal proceedings in the PRC against Mr. Zhou Bo in February 2024 for his failure to transfer 1% registered shares in Guangxi Weiri as stipulated in the deed of assignment dated 20 July 2011 (the "**Deed**").

The initial hearing was held on 20 May 2024, followed by a second hearing in July 2025. On 30 July 2025, the Court ruled in favour of the Group, ordering Mr. Zhou Bo to complete the transfer of the 1% equity interest in Guangxi Weiri to the Group within 30 days from the effective date of the judgment.

Subsequently, in August 2025, the Group was notified that Mr. Zhou Bo had filed an appeal against the first-instance judgment. The appellate hearing was held in January 2026. As at the reporting date, the Court has not yet delivered the written judgment on the appeal.

The Board is closely monitoring the progress of this case. The Group remains confident in its position and will continue to take all necessary legal measures to safeguard the Company's interests and enforce the transfer of the disputed shares.

Renewal of business license and regulatory compliance

The business license of Guangxi Weiri expired on 26 March 2026 due to the failure to complete the necessary amendments to its articles of association within the statutory transitional period of the Foreign Investment Law, primarily resulting from the obstruction by Mr. Zhou Bo. To address this issue, the management has actively formulated and initiated a comprehensive remediation plan. It involves convening a shareholders' meeting to pass the requisite resolutions by virtue of the Group's 99% voting rights, thereafter applying to the local authority for the change of registered address and renewal of the business license. Based on the legal advice obtained, there are clear and direct legal grounds for the Group to legitimately renew the business license under the framework of the new PRC Company Law. Accordingly, the Group expects to complete the renewal process within a reasonable timeframe.

Litigation against Guangxi Weiri

On 9 December 2022, a contractor commenced arbitration proceedings against Guangxi Weiri regarding a construction contract, claiming approximately RMB2.5 million. The People's Court of Qingxiu District Nanning Municipality (the "**Qingxiu Court**") subsequently ordered the judicial preservation of Guangxi Weiri's mining rights for three years from May 2023 ("**Mining Rights Preservation**") and ruled that Guangxi Weiri shall pay approximately RMB0.9 million plus interest. The Company has been advised that the Mining Rights Preservation only restricts the transfer of legal title and does not hinder any business operations or exploration activities.

As at the reporting date, all outstanding judgement amount of approximately RMB1.9 million (covering the judgement amount, interests and charges) has been settled to the Qingxiu Court. The management is currently under process of applying to the Qingxiu Court for the lifting of the Mining Rights Preservation.

Litigation against Wise Goal

On 3 August 2021, the Group was notified by the Intermediate People's Court of Nanning Municipality (the "**Nanning Court**") of a lawsuit filed by Mr. Zhou Bo (the "**Plaintiff**") on 27 July 2021. The Plaintiff sought (i) payment of RMB21.7 million in unpaid share capital by Wise Goal Enterprises Limited ("**Wise Goal**") to Guangxi Weiri; (ii) judicial preservation of Guangxi Weiri's equity interest (the "**Property Preservation**"). The Board is of the view that the action is frivolous, as it contradicted the shareholders' agreed capital contribution arrangement for Guangxi Weiri. Consequently, no impairment of the Group's investment in Wise Goal was recognised. The Group engaged PRC legal counsel to defend its interests, with court hearings held in October and November 2021.

On 13 January 2023, the Group received the decision from the Nanning Court, ordering Wise Goal to complete the non-paid up share capital of RMB21.7 million and to reimburse Mr. Zhou Bo RMB1.5 million (the "**Decision**"). Wise Goal appealed the decision on 3 February 2023, however the Higher People's Court of Guangxi upheld the ruling on 27 June 2023.

In October 2023, an application for re-examination was submitted to the Supreme People's Court of the PRC. This case was consolidated with the ongoing litigation regarding the shareholding structure of Guangxi Weiri (see section "Refining the Shareholding Structure of Guangxi Weiri" above). The first hearing was held on 20 May 2024, and a second hearing was held in July 2025. On 30 July 2025, the Court issued a judgment in favour of the Group, ordering Mr. Zhou Bo to complete the transfer of the 1% equity interest in Guangxi Weiri to the Group within 30 days of the judgment taking effect.

However, in August 2025, the Group was notified that Mr. Zhou Bo had filed an appeal against the judgment. The appellate hearing was subsequently held in January 2026. As at the reporting date, the Group has not yet received the written judgment from the appellate court.

In parallel, enforcement actions (specifically the auction of the 25.1259% equity interest of Guangxi Weiri) related to the reimbursement order of RMB1.5 million remain unchanged pending the outcome of the Appeal. The Group continues to actively engage its PRC legal counsel to defend its position and will closely monitor all developments.

Metals and minerals trading

The metals and minerals trading industry has remained weak with low profit margins. As such the operating segment remained dormant over the past years and the Group did not conduct any metal ore trading operations during the year. To streamline our business structure and optimize resource allocation, the chief operating decision maker ceased to regard this business as an operating segment of the Group during the reporting period, and reallocate the results from this operating segment into unallocated corporate expenditures for the years ended 31 March 2025 and 2026.

FINANCIAL REVIEW

Revenue and cost of sales

During the reporting period, the Group generated revenue of approximately HK$41.1 million (2025: HK$3.0 million). This growth was primarily driven by (i) the additional revenue of approximately HK$19.4 million generated from the e-Mobility Solution business comprising of EV logistics services, charging services and leasing of EV, which commenced in the second half of the financial period; and (ii) significant increase in sales of electric vehicles attributable to a customer deposit of USD2.1 million (equivalent to approximately HK$16.4 million) being forfeited upon termination of a sale contract entered into in prior years.

	2026		2025	
	HK$'000	*%*	*HK$'000*	*%*
Sales of electric vehicles	**21,719**	**52.8**	3,012	100.0
Logistic services by electric vehicles	**15,632**	**38.0**	–	–
Rental income from lease of electric vehicles	**3,723**	**9.1**	–	–
Charging services	**24**	**0.1**	–	–
Total	**41,098**	**100.0**	3,012	100.0

Cost of sales primarily includes (i) logistic solution related costs, which encompass labor cost, vehicle maintenance and depreciation, as well as operational support related expenses such as system management fees; and (ii) the cost of production of the goods sold during the reporting period, which consists direct parts, materials, processing fee, labor cost and manufacturing overhead, including depreciation of assets associated with production and write-down of inventories.

Gross profit/(loss)

During the reporting period, the gross profit of the Group was approximately HK$15.4 million (2025: gross loss of approximately HK$2.0 million). The reason of the significant improvement of gross profit margin was driven by a USD2.1 million (equivalent to approximately HK$16.4 million) revenue from forfeiture of a customer's deposit. Excluding this one-off income, the gross margin of the Group remains negative due to the write-down of inventories amounted to approximately HK$2.6 million (2025: HK$2.1 million) attributed to the dead stocks including the unsold traditional bus and other aging raw materials.

Administrative and other operating expenses

Administrative expenses amounted to approximately HK$34.9 million (2025: HK$39.9 million) for the year, decreasing by 12.5% compared to the previous year. Administrative expenses mainly consist of (i) employee compensation, including salaries and other benefits; (ii) legal and professional fees; and (iii) amortisation and depreciation expenses. The decrease in administrative expenses was mainly attributable to a decrease in legal and professional fees for the year. Details of the items are set out in Note 7.

Impairment of mining assets

In accordance with an independent valuation report on the Glauberite Mine, the fair value of the Glauberite Mine as at 31 March 2026 is RMB544.8 million, which is lower than its carrying value of RMB787.8 million and hence the impairment loss on the mining assets of RMB243.0 million, equivalent to approximately HK$267.0 million (2025: HK$284.8 million), was made in the current year. The decrease in fair value of the mining assets was mainly driven by (i) the decrease in thenardite price; and (ii) an increase in in post-tax discount rate. Details of the items are set out in Notes 11.

Write-off of other receivables and prepayments

The write-off of other receivables and prepayments amounted to approximately HK$0.4 million (2025: HK$16.4 million) for the year. During the year ended 31 March 2025, a prepayment of approximately HK$15.8 million to a supplier was written off to profit or loss as the balance was considered to be irrecoverable.

Change in fair value and realised loss on disposal of financial assets at FVTPL

During the reporting period, (i) no amounts (2025: HK$10.3 million) was recognised as change in fair value on the equity interests in Quantron AG ("**Quantron**"); and (ii) no realised loss (2025: HK$11.6 million) was recognised on the disposal of equity interests in Quantron.

Finance costs

Finance costs amounted to approximately HK$742,000 (2025: HK$397,000) for the year. They mainly consist of interests on lease liabilities, convertible notes and other borrowings.

Other income

The other income amounted to approximately HK$3.2 million (2025: HK$1.5 million) for the year. During the reporting period, there was a gain of approximately HK$2.9 million on reversal of provision of contractual penalty due to the settlement agreement entered with a supplier.

LIQUIDITY AND FINANCIAL RESOURCES

The directors have considered various ways of raising funds. During the year ended 31 March 2026, the Group (i) completed two separate placings of new shares under general mandate in May and December 2025; and (ii) completed a subscription of new shares under specific mandate in September 2025. These fund raising activities serve as significant financial support for enhancing liquidity and future development.

As at 31 March 2026, the net asset value of the Group amounted to approximately HK$656.3 million (2025: HK$847.9 million). The gearing ratio of the Group was 5.51% (2025: 2.14%) and the equity attributable to owners of the Company was approximately HK$683.3 million (2025: HK$872.6 million).

The operating cash flows of the Group are mainly denominated in Hong Kong dollars, Renminbi, US dollars and Euro. Certain bank deposits, receivables and payables of the Group are denominated in Renminbi, US dollars and Euro. As at 31 March 2026, the Group had unrestricted cash and bank balances of approximately HK$2.1 million (2025: HK$8.4 million), of which 6.6% (2025: 12.2%) was denominated in HK dollars and 88.2% (2025: 86.5%) was denominated in Renminbi.

During the reporting period, the exchange rate of the Renminbi appreciated by approximately 5.6% against the Hong Kong dollar. This had a positive impact on the Group's results upon translation of the Group's assets that are denominated in Renminbi. The Group has not entered into any foreign currency exchange forward contracts for hedging purposes for Renminbi during the year. Foreign exchange exposure in respect of US dollars is considered to be minimal as the exchange rate between Hong Kong dollars and US dollars is pegged. Foreign exchange exposure in respect of the Euro is also considered to be minimal in the current year. The Group will closely monitor its currency exposure and, when it considers appropriate, will take the necessary actions to ensure that such exposure is properly hedged.

USE OF PROCEEDS

Placing under general mandate

On 9 May 2025, the Company completed a placing of 27,000,000 new shares to not less than six placees at the placing price of HK$0.30 per placing share under the general mandate granted to the directors on 15 August 2024. The net proceeds from the placing after deducting all relevant expenses were approximately HK$7.86 million which were fully utilised for the general working capital of the Group as intended as at the reporting date.

On 1 December 2025, the Company completed a placing of 20,000,000 new shares to not less than six placees at the placing price of HK$0.78 per placing share under the general mandate granted to the directors on 29 September 2025. As at the reporting date, the net proceeds from the placing after deducting all relevant expenses were approximately HK$15.4 million which were fully utilised as intended: (i) approximately HK$12.0 million for development and expansion of the Group's new energy business, particularly the e-Mobility Solutions business; and (ii) approximately HK$3.4 million for general working capital of the Group.

Subscription under specific mandate

On 10 September 2025, the Company completed a subscription of 60,000,000 new shares to the subscriber at the subscription price of HK$0.45 per subscription share under specific mandate approved by the independent shareholders at the special general meeting held on 29 August 2025. As at the reporting date, the net proceeds from the subscription after deducting all relevant expenses were approximately HK$26.8 million which were fully utilised as intended: (i) approximately HK$2.2 million for working capital for the completion of existing purchase orders; (ii) approximately HK$17.8 million for the initial working capital for the provision of transport solutions business in the PRC; and (iii) approximately HK$6.8 million for general working capital of the Group.

CHARGES ON THE GROUP'S ASSETS AND CONTINGENT LIABILITIES

The Mining Rights were frozen under the Mining Rights Preservation in relation to the Arbitration for a period of three years from 26 May 2023 to 26 May 2026. Details of the Arbitration are set out in the "Business Review" above.

Save as disclosed herein, there was no other charge on the Group's assets and the Group did not have any significant contingent liabilities not accounted for as at 31 March 2026.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2026, the Group employed 59 (2025: 41) full-time managerial and skilled staff principally in Hong Kong and the PRC. The Group remunerates and provides benefits for its employees based on current industry practices. Discretionary bonuses and other individual performance bonuses are awarded to staff based on the financial performance of the Group and performance of individual staff. In the PRC, the Group provides staff welfare for its employees in accordance with prevailing labor legislation. In Hong Kong, the Group provides staff benefits including the mandatory provident fund scheme and medical scheme. In addition, share options and share awards are granted to eligible employees in accordance with the terms of the Company's share schemes.

EVENTS AFTER THE REPORTING DATE

Subsequent to the reporting period, the Company conducted two separate subscriptions of new shares of the Company to an independent third party under the general mandate granted to the directors on 29 September 2025: (i) to issue 3,830,000 new shares at the subscription price of HK$0.512 per subscription share on 24 April 2026; and (ii) to issue 3,840,000 new shares at the subscription price of HK$0.52 per subscription share on 14 May 2026. The aggregated net proceeds from the above subscriptions were approximately HK$3.92 million after deducting the related expenses incurred.

SHARE REPURCHASES

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year ended 31 March 2026.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Corporate Governance Code (the "**Code**") as set out in Appendix C1 of the Listing Rules. The Company has applied the principles in the Code and complied with the code provisions set out in the Code for the year ended 31 March 2026.

CODE OF CONDUCT ON DIRECTORS' 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 of the Listing Rules as the code of conduct regarding directors' securities transactions.

All directors have confirmed, following specific enquiry by the Company, they have complied with the required standards set out in the Model Code during the year ended 31 March 2026.

CHANGE IN DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

Since the publication of the latest interim report and up to the date of this announcement, there is no other change required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

AUDIT COMMITTEE

The Company has an Audit Committee which was established in accordance with the requirements of the Code and comprised of three independent non-executive directors, namely Mr. Chan Francis Ping Kuen, Mr. Chen Zhang Liang and Mr. Gong Dao Jun. The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group, and discussed auditing, internal control, risk management and financial reporting matters including the review of the annual results for the year.

SCOPE OF WORK OF BDO LIMITED

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

PUBLICATION

The Company's 2026 annual report which sets out all the information required to be disclosed under the Listing Rules, will be published on the website of the Company and the Stock Exchange in due course.

On behalf of the Board
Ev Dynamics (Holdings) Limited
Chan Hoi Ying
Chairman and Executive director

Hong Kong, 30 June 2026

As at the date of this announcement, the Board comprises three executive Directors, namely Ms. Chan Hoi Ying, Mr. Zeng Yan and Mr. Yan Zhang Yan and four independent non-executive Directors, namely Mr. Chan Francis Ping Kuen, Mr. Chen Zhang Liang, Mr. Gong Dao Jun and Ms. Chiang Siu Ling, Samantha.