專業旅運(亞洲)企業有限公司
Travel Expert (Asia) Enterprises Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1235)

Annual Report 2026

專業旅運 Travel Expert®

Pinpoints **YOUR JOURNEY**

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CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Ko Wai Ming, Daniel *(Chairman)*
Ms. Cheng Hang Fan *(Chief Executive Officer)*
Mr. Ko Chun Wang, Kelvin
(appointed with effect from 27 November 2025)

Independent Non-executive Directors

Mr. Chau Kwok Wing, Kelvin
Mr. Mak King Sau
Mr. Tse Kam Tim

AUDIT COMMITTEE

Mr. Mak King Sau *(Chairman)*
Mr. Chau Kwok Wing, Kelvin
Mr. Tse Kam Tim

NOMINATION COMMITTEE

Mr. Chau Kwok Wing, Kelvin *(Chairman)*
Mr. Ko Wai Ming, Daniel
Ms. Cheng Hang Fan
(appointed with effect from 26 June 2025)
Mr. Mak King Sau
Mr. Tse Kam Tim

REMUNERATION COMMITTEE

Mr. Tse Kam Tim *(Chairman)*
Mr. Chau Kwok Wing, Kelvin
Ms. Cheng Hang Fan
Mr. Mak King Sau

COMPANY SECRETARY

Ms. Chan Wing Ting *(resigned on 18 March 2026)*
Ms. Chan Ching Fei Vanissa
(appointed with effect from 18 March 2026)

AUDITOR

BDO Limited
Certified Public Accountants and
Registered Public Interest Entity Auditor

PRINCIPAL BANKER

Hang Seng Bank Limited

REGISTERED OFFICE

Cricket Square
Hutchins Drive
P. O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

5th Floor, Overseas Trust Bank Building
No. 160 Gloucester Road
Wanchai, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

Suntera (Cayman) Limited
Suite 3204, Unit 2A, Block 3, Building D,
P. O. Box 1586, Gardenia Court
Camana Bay, Grand Cayman,
KY1-1100, Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Tricor Investor Services Limited
17/F., Far East Finance Centre
16 Harcourt Road
Hong Kong

COMPANY WEBSITE

www.tegroup.com.hk

STOCK CODE

The Stock Exchange of Hong Kong Limited: 1235

FINANCIAL HIGHLIGHTS

	Notes	2026 HK$'000	2025 HK$'000	Year-on-Year change
Profitability				
Total customer sales proceeds		**664,680**	578,987	+14.8%
Revenue				
Continuing operations				
–Service income from sales of travel related products		**58,565**	54,730	+7%
—Sales of package tours		**300,437**	200,514	+49.8%
		359,002	255,244	+40.7%
Discontinued operation				
Sales of food and beverage		**–**	2,700	-100%
		359,002	257,944	+39.2%
Profit/(loss) attributable to owners of the Company				
– Continuing operations		**6,040**	3,852	
– Discontinued operation		**–**	(478)	
		6,040	3,374	
Earnings/(loss) per share – Basic (HK cents)	*1*			
– Continuing operations		**1.2**	0.8	
– Discontinued operation		**–**	(0.1)	
– Continuing and discontinued operations		**1.2**	0.7	
Financial ratio				
Return on equity (%)	*2*	**9.0%**	5.2%	
Current ratio (time)	*3*	**1.56**	1.53	

Notes:

1. The calculation of the basic earnings/(loss) per share is based on 509,859,000 (2025: 509,859,000) weighted average number of ordinary shares in issue during the year.

2. Return on equity is calculated based on the profit/(loss) for the year attributable to owners of the Company divided by the equity attributable to owners of the Company at the end of the year and multiplied by 100%.

3. Current ratio is calculated based on the total current assets divided by the total current liabilities at the end of the year.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors of Travel Expert (Asia) Enterprises Limited and all of its subsidiaries (collectively, the "Group"), I am pleased to report on the Group's overall operational performance for the financial year ended 31 March 2026.

In review of the financial year, the global supply of flights was ample, and outbound travel products became increasingly diverse, driving sustained robust demand for cross-border travel and a steady rise in the number of outbound trips made by Hong Kong residents. Benefiting from the generally favourable overall travel market environment, the Group maintained stable operations throughout the year.

Nevertheless, the global economic environment remained fraught with uncertainty, and industries across all sectors faced operational challenges. While Hong Kong's tourism industry has entered a stable and mature phase, the sector as a whole continued to bear the pressure of rising operating costs, with persistently high labour expenses. In addition, the Group's restructuring and strengthening of its various new product lines and departmental teams continued to add to the operational burden. At the same time, the Group continued to invest in upgrading its digital systems and cloud storage, as well as enhancing its frontline service infrastructure, with the aim of improving the customer experience and streamlining internal operational processes. Although these forward-looking investments may dilute profits in the short term, we firmly believe that they will lay a solid foundation for the Group's robust long-term development.

During the year, local consumption in Hong Kong exhibited a marked polarisation: demand for travel products catering to the mid-to high-end customer segments continued to increase. Accordingly, the Group has positioned "Premium Holidays" to focus on in-depth, high-end travel, while "Travel Expert" – in addition to providing its consistently diverse range of travel services – will pursue multi-line development to cover the needs of different customer segments.

The Group's flagship high-end travel brand, "Premium Holidays", which boasts a twelve-year history, delivered an outstanding performance, recording considerable growth in business scale. Looking ahead, the Group will allocate more resources to developing more distinctive and in-depth itineraries, encompassing private journeys and cruise holidays tailor-made for high-end customers, in order to fully capture the market opportunities presented by the high-end customer segment that values premium experiences and novel sensations. "Premium Holidays" will actively explore promoting the company and its products to overseas markets, including the Greater Bay Area.

As for "Travel Expert", which was established forty years ago, it will step up the development of its package tour products, customised small-group tours, cruise holidays and student group tours, which are expected to have a positive impact on the Group's cash flow.

Looking ahead, although global political and warfare risks have yet to fully dissipate, we remain cautiously optimistic about the long-term development prospects of Hong Kong's tourism industry. As the series of strategic adjustments and operational optimisations implemented by the Group over the past year are progressively put into effect and bear fruit, we anticipate that they will deliver tangible business returns to the Group, with the creation of sustainable long-term value for shareholders as our core objective.

Finally, on behalf of the Board of Directors, I would like to extend my sincere gratitude to all shareholders, long-standing partners, esteemed customers and all staff for their unreserved support and diligent efforts over the past financial year.

Ko Wai Ming, Daniel
Chairman and Executive Director

Hong Kong, 30 June 2026

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. Ko Wai Ming, Daniel, aged 66, became the Chairman and an Executive Director of the Company on 6 September 2011 and 30 September 2010 respectively. He holds directorship in certain subsidiaries of the Group. Mr. Ko has over 24 years of experience in the travel industry. He is primarily responsible for the strategic business direction and major decision making of the Group. Mr. Ko joined the Group in January 2001. Mr. Ko began his career in 1980 with Midland Holdings Limited group of companies where he worked for 10 years and held various senior management positions, with his last position being managing director. Mr. Ko holds a degree of Master of Business Administration from University of Birmingham, U.K. Mr. Ko is the spouse of Ms. Cheng Hang Fan and the father of Mr. Ko Chun Wang, Kelvin.

Ms. Cheng Hang Fan, aged 67, is one of the co-founders of the Group and became the Chief Executive Officer and an Executive Director of the Company on 6 September 2011 and 30 September 2010 respectively. She holds directorship in certain subsidiaries of the Group. Ms. Cheng has over 40 years of experience in the travel industry. She is primarily responsible for the Group's overall management and operation, business development and strategic planning. Ms. Cheng is the spouse of Mr. Ko Wai Ming, Daniel and the mother of Mr. Ko Chun Wang, Kelvin.

Mr. Ko Chun Wang, Kelvin, aged 35, joined the Group in 2015. Mr. Kelvin Ko is currently the managing director of a Group's subsidiary and director of various subsidiaries. He graduated from the University of Bath, United Kingdom, with a Bachelor's (Honors) Degree in Mathematical Science. He oversees the Group's overall management and operation of sales, online business development and back office departments. Mr. Kelvin Ko is a son of Mr. Ko Wai Ming, Daniel, Chairman of the Company and an executive Director, and a son of Ms. Cheng Hang Fan, Chief Executive Officer of the Company and an executive Director.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chau Kwok Wing, Kelvin, aged 64, was appointed as an Independent Non-executive Director of the Company on 18 August 2021. Mr. Chau is a senior advisor of Harmony Advisors Limited, a family office and investment firm in Hong Kong. Prior to that, he was the chairman of Rothschild & Co Hong Kong Limited until his retirement in 2022. Mr. Chau joined N. M. Rothschild & Sons (Hong Kong) Limited in 1987 and has been a banker with the group throughout his career. He has extensive experience in corporate mergers and acquisitions, capital markets and wealth management. Mr. Chau graduated from University of Buckingham, United Kingdom, with a Bachelor of Laws degree. Currently, he is an independent non-executive director of Allied Group Limited (stock code: 373), APAC Resources Limited (stock code: 1104) and Giordano International Limited (stock code: 709), all of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited. He also serves on the University Council's Finance Committee and Pensions Committee of the City University of Hong Kong.

Mr. Mak King Sau, aged 52, was appointed as an Independent Non-executive Director of the Company on 29 June 2011. Mr. Mak is a member of the American Institute of Certified Public Accountants. He graduated from Boston University with a Bachelor of Science in Business Administration and was awarded a Master of Science in Financial Management from University of London. Mr. Mak served various senior management positions in investment institutions. He has more than 20 years of experience in corporate finance and private equity fund investment. From 2010 to 2012, he worked for Sino-Life (Hong Kong) Limited (a wholly-owned subsidiary of Sino-Life Group Limited (stock code: 8296)) as general manager. From 2007 to 2018, Mr. Mak was an independent non-executive director of Xinjiang Tianye Water Saving Irrigation System Company Limited (stock code: 840), a company listed on the Stock Exchange. Currently, he is also an independent non-executive director of Justine Allen Holdings Limited (stock code: 1425), the securities of which are listed on the Stock Exchange.

Mr. Tse Kam Tim, aged 75, was appointed as an Independent Non-executive Director of the Company on 30 November 2022. Mr. Tse holds a Bachelor of Social Sciences (Honours) and a Master of Business Administration from the University of Hong Kong, a Master of Arts in Management Research from Macquarie University, Australia and a Doctor of Philosophy from University of Birmingham, United Kingdom. Mr. Tse has extensive experience in business development, change management, human resources development, management training and consultancy services. He worked in various multinational groups, including John Swire and Sons (HK) Limited, Citibank N.A., Wilson Learning Corporation (Australia, New Zealand and Asia) and Hong Kong International Container, with senior management positions. He is a former managing director of Yantian International Container Terminals Limited ("YICT"), a joint venture between the Hutchison Group and Yantian Port Group, one of the China major state owned enterprises. During his tenure with YICT from 1993 to 2009, YICT achieved phenomenal results in productivity and profitability. After retirement from business in 2009, Mr. Tse pursued his academic and consulting and research interest in management. Mr. Tse is active in community and academic services. He was a member of the Board of Directors of CUHK Medical Centre. Currently, he is a member of the Management Committee of Education Foundation of Hong Kong University Graduates Association.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The principal activities of the Group comprise sales of travel related products and package tours. The sales of travel related products and mass-market package tours is operated through the brand "Travel Expert". The sales of package tours comprises premium long haul tours operated through the brand "Premium Holidays".

During the Year, the Group's package tour business recorded strong growth, supported by the clear positioning of its two travel brands. Premium Holidays focused on premium products, including premium long-haul tours, luxury cruise experiences and premium rail journeys to destinations such as South America, Africa and the Arctic region, and continued to strengthen its position in the luxury travel segment. The Group also achieved solid growth in South America and Northern Europe through its professional tour operations, while enhancing the attractiveness of its offerings with themed tours such as "Exploring the World with Janis"（貝兒遊世界）, which helped introduce its South America tour products to the market.

Travel Expert focused on the mass-market segment and offered Mainland China and Asia package tours to meet growing travel demand. The Group continued to develop Asia tour products and regular Mainland China route products, supported by marketing campaigns such as "Journey to Well-Being"（養生之旅）. In the second half of the Year, the Group also introduced more seasonal tours to the public market, such as Ski Tour and Blossom Tour, to respond to market trends and broaden its product offering.

The Group expanded its retail network by opening two flagship stores in Causeway Bay and Tsim Sha Tsui under the Premium Holidays brand, and enhanced its call centre operations at head office to improve customer service and strengthen its sales platform.

The revenue of the sales of package tours increased by 49.8% to approximately HK$300.4 million for the Year (2025: HK$200.5 million). Gross profit amounted to approximately HK$40.5 million (2025: HK$31.3 million), representing an increase of 29.4%.

The Group's sales of travel related products remained its core revenue driver during the Year. Revenue from this segment mainly comprised air tickets, hotel accommodations, travel packages, cruise products, public transportation tickets, theme park tickets and travel insurance. Overall revenue from travel products recorded stable growth, despite an initial softening in demand for travel to Japan in the first half of the Year following earthquake-related alerts, which temporarily affected sales of air tickets, hotel accommodations and travel packages. As public sentiment gradually normalized in the second half of the Year, travel demand recovered and the Group achieved steady growth momentum for the remainder of the Year. To better address the highly competitive market environment, the Group continued to increase its focus on higher-margin products, including cruise products and tailor-made private tours, thereby improving its product mix and supporting overall sales growth. The Group also continued to strengthen its online trading platform, www.texpert.com, which served as a key promotion and sales channel for travel related products. In addition, the Group enhanced the use of artificial intelligence in handling initial customer enquiries, which improved operational efficiency, strengthened customer engagement, and enhanced the effectiveness of its outreach efforts.

The revenue of the sales of travel related products amounted to approximately HK$58.6 million (2025: HK$54.7 million), representing an increase of 7.0%.

In addition to the ordinary travel business segment, our investment activities using the Group's surplus funds allocated under the approved investment cap. During the Year, the business recorded a fair value loss on financial assets at fair value through profit or loss of approximately HK$398,000 (2025: approximately HK$62,000). We will continue to closely monitor the market situation and make investment decisions prudently in order to help the Group to better utilize its surplus fund and contributed to its bottom line.

FINANCIAL REVIEW

Revenue and Gross profit

Sales proceeds and gross profit were as follow:

	2026			2025		
	Sales proceeds HK$'000	**Gross profit** HK$'000	**Gross profit margin** %	Sales proceeds HK$'000	Gross profit/(loss) HK$'000	Gross profit/(loss) margin %
Continuing operations						
Travel related products*	**364,243**	**58,565**	**16.1%**	375,773	54,730	14.6%
Package tours	**300,437**	**40,487**	**13.5%**	200,514	31,267	15.6%
	664,680	**99,052**	**14.9%**	576,287	85,997	14.9%
Discontinued operation						
Food and beverage	–	–	–	2,700	(264)	(9.8%)
Total	–	–	–	578,987	85,733	14.8%

The gross sales proceeds from travel related products mainly comprises sales of air tickets, hotel accommodation and other travel related products, decreased by 3.1% from approximately HK$375.8 million for the previous year to approximately HK$364.2 million for the Year. The gross profit margin from travel related products increased by 1.5 percentage point from 14.6% for the previous year to 16.1% for the Year.

* *The gross sales proceeds from these sales, which do not represent revenue, represent the price at which products have been sold inclusive of service fees. The related service income is recorded by the Group on net basis.*

Revenue from package tours primarily comprises tour fees received from customers for outbound package tour. During the Year, an increasing demand for premium long-haul packages to East Africa, Mediterranean Sea, South American and Iceland and etc. has driven sustainable growth. Revenue from package tours increased by 49.8% from approximately HK$200.5 million for the previous year to approximately HK$300.4 million for the Year. The gross profit margin from package tours decreased by 2.1 percentage point from 15.6% for the previous year to 13.5% for the Year.

Other Income and Gains

Total other income and gains from continuing operations increased by approximately HK$0.5 million from approximately HK$7.4 million for the previous year to approximately HK$7.9 million for the Year. Such increase was mainly due to the strengthen on exchange gain from the euro dollars which was partly offset by the decrease of interest income on deposits in banks and financial institutions measured at amortised cost.

Selling and Distribution Costs

For the Year, selling and distribution costs from continuing operations amounted to approximately HK$61.6 million, representing an increase of 18.5% from approximately HK$52.0 million for the previous year.

The increase in selling and distribution costs during the Year was mainly attributable to the strategic expansion of the Group's retail network, including the opening of four new branches in high-traffic retail districts, which resulted in higher rental, renovation and other shop-related expenses, as well as increased frontline headcount leading to higher salary and commission costs. Such expansion enhanced the Group's market presence, customer reach and sales capacity, thereby contributing positively to revenue growth and overall profitability during the Year. The Group will continue to exercise prudent financial management and implement measures to maintain a reasonable cost structure while ensuring the competitiveness and cost-effectiveness of its retail network in line with market conditions.

Administrative and Other Operating Expenses

For the Year, administrative expenses from continuing operations amounted to approximately HK$37.4 million, representing an increase of 4.5% from approximately HK$35.8 million for the last year, which was mainly due to the increase in staff costs (including salaries and bonus).

The Group maintained one back-office location in Hong Kong and one in Shenzhen. During the Year, the Group strategically invested in upgrades to its back-office support systems to improve the efficiency and effectiveness of its support functions. Additional back-office staff were also recruited to facilitate system implementation and to strengthen support for the Group's ongoing expansion. Through prudent cost management and a cash preservation strategy, the Group was able to keep administrative and other operating expenses at a reasonable level while preserving its financial strength. The Group will continue to implement strict cost control measures to contain administrative and other operating expenses.

Finance Cost

Finance cost from continuing operations for the Year was approximately HK$576,000, which was related to the interest on lease liabilities (2025: approximately HK$812,000).

Income Tax Expenses

Income tax expenses from continuing operations for the Year amounted to approximately HK$911,000 (2025: approximately HK$778,000). The change was mainly due to the utilisation of deferred tax asset during the Year.

Profit For The Year

During the Year, the Group recorded a profit attributable to owners of the Company of approximately HK$6.0 million, as compared with the profit attributable to owners of the Company of approximately HK$3.4 million for the previous year. The increase was mainly due to increase in gross profit for both travel related product and package tour, together with the constant increase in selling and distributions costs and administrative and operating expenses, for more detail, please refer to the above sub-section headed.

Earnings per share attributable to owners of the Company for the Year was HK1.2 cents (2025: Earnings per share of HK0.7 cents).

Liquidity, Financial Resources and Capital Resources

The Group generally finances its liquidity requirements through internally generated resources and will only finance with available banking facilities whenever necessary. For the year ended 31 March 2026, the Group had an operating cash inflow of approximately HK$17.1 million (2025: approximately HK$20.2 million) and the net assets value was approximately HK$67.1 million (2025: approximately HK$65.2 million). The Group had total cash and cash equivalents of approximately HK$95.2 million as at 31 March 2026 (as at 31 March 2025: approximately HK$90.7 million). As at 31 March 2025 and 2026, the Group did not have a portfolio of financial assets at fair value through profit or loss.

As at 31 March 2025 and 2026, the Group did not have any outstanding bank borrowing.

As at 31 March 2026, the gearing ratio of the Group was Nil (as at 31 March 2025: Nil). The gearing ratio is calculated by dividing the Group's interest-bearing borrowing by Group's total equity as at the end of the respective financial period and multiplied by 100%. As at 31 March 2025 and 2026, the Group had no interest-bearing bank borrowings.

Significant Investments Held

During the year ended 31 March 2026, there was no significant investment held by the Group.

Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

Save as those disclosed under the section headed "MANAGEMENT DISCUSSION AND ANALYSIS", there was no material acquisition or disposal of subsidiaries, associates or joint ventures of the Group for the year ended 31 March 2026.

Contingent Liabilities

The Group did not have any contingent liabilities as at 31 March 2026.

Capital Commitments

As at 31 March 2026, the Group had no commitments in respect of capital expenditure, which were contracted but not provided for the acquisition of property, plant and equipment (as at 31 March 2025: approximately HK$948,000).

Pledge of Assets

As at 31 March 2026, the Group's bank deposits of approximately HK$17.5 million (as at 31 March 2025: approximately HK$19.2 million) were pledged to banks to secure facilities granted to the Group.

Foreign Exchange Risks and Treasury Policies

The Group has foreign currency exposures that mainly arise from the balance of assets and liabilities in currencies other than in Hong Kong dollar, the Group's functional currency. The Group's policy requires the management to monitor the Group's foreign exchange exposure by closely monitoring the movement of foreign currency rates. The management may purchase foreign currency at spot rate, when and where appropriate for the purpose of meeting the Group's future payment obligation in foreign currency. With the setup of Travel Expert Asset Management together with the extension of investment scope, the Group may use more financial tools such as foreign exchange forward contracts and currency futures etc. to manage the foreign exchange risks. For the year ended 31 March 2026, the Group recorded exchange gain of approximately HK$3.0 million (2025: exchange loss of approximately HK$525,000).

Human Resources and Employee's Remuneration

As at 31 March 2026, the Group had a total workforce of 185 (as at 31 March 2025: 166), of which about 63.8% were frontline staff. The total staff costs from continuing operations are approximately HK$58,031,000 for the Year (2025: approximately HK$52,992,000). Employees' remuneration packages are determined with reference to the market information and individual performance and will be reviewed on a regular basis. Other benefits include contributions to mandatory provident fund and medical insurance coverage. In addition, the Group has adopted a share option scheme (the "Share Option Scheme") on 6 September 2011 to recognize the contributions of our staff and to provide them with incentives to stay with the Group. Share options were granted to certain eligible persons and Directors of the Company. The Share Option Scheme was expired on 29 September 2021 and the options granted prior to the expiration remain valid for exercise. The remuneration policy will be reviewed by the Board from time to time. Emoluments of Directors are determined by the Remuneration Committee after considering the Group's operating results, individual performance and comparing with market conditions.

OUTLOOK

Reviewing the past financial year, ample global flight capacity and increasingly diverse outbound travel products fueled sustained robust demand for cross-border tourism, with outbound travel by Hong Kong residents rising steadily. Benefiting from the favorable broader market environment, the Group maintained stable business performance throughout the year. However, the global economic landscape remains uncertain amid ongoing geopolitical tensions and armed conflicts and volatility in aviation fuel prices, presenting operational challenges across various industries. While Hong Kong's tourism sector has entered a mature phase, the industry continues to face persistent pressure from rising operating costs, particularly elevated manpower expenses. Furthermore, the Group's restructuring and strengthening of new product lines and departmental teams have added to operational burdens. Concurrently, the Group continued to invest in upgrading digital systems, cloud storage, and frontline service support to enhance customer experience and streamline internal processes. Although these forward-looking investments may temporarily dilute short-term profitability, we are confident they will lay a solid foundation for the Group's long-term, steady development. Looking ahead, despite lingering geopolitical and conflict risks, we remain cautiously optimistic about the long-term prospects of Hong Kong's tourism industry. As the series of strategic adjustments and operational optimizations implemented over the past year gradually begin to yield tangible returns, reinforcing our commitment to delivering sustainable, long-term value for our shareholders.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Rules Governing the Listing of Securities (the "Listing Rules") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Board recognises that strong corporate governance is pivotal to the Group's corporate success and long-term sustainable growth. The Company is committed to maintaining a high standard of corporate governance practices that are designed to enhance corporate image, boost Shareholders' confidence, and reduce the risk of fraudulent practices and ultimately serve the long-term interests of our Shareholders. The Company has complied with the applicable code provisions set out in the CG Code during the year ended 31 March 2026 in all other respects.

CORPORATE PURPOSE, VALUE, STRATEGY AND CULTURE

The Board leads and promotes to establish and continually reinforce the desired corporate culture of the Company which is underpinned by our corporate values of committing high standard of business ethics and integrity. Our sound corporate culture reaches all levels of the Group, and aligns with the Company's missions, corporate values and strategies.

Throughout the year, we continued to strengthen and focus on the following areas to achieve our corporate purpose and value: business expansion, customer satisfaction, operational safety and efficiency, environmental protection through various initiatives set out in the Chairman's Statement, Management Discussion and Analysis and Environmental, Social and Governance Report in this annual report.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance duties as set out below:

(a) to develop and review the Company's policies and practices on corporate governance;

(b) to review and monitor the training and continuous professional development of Directors and senior management;

(c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

(d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and

(e) to review the Company's compliance with the code and disclosure in the Corporate Governance Report.

BOARD OF DIRECTORS

The Board is responsible for the leadership and monitoring of the Group's businesses, strategic decisions and overall performance. The day-to-day management responsibility is delegated to the Executive Directors. The Board consists of six members, including three Executive Directors and three Independent Non-executive Directors ("INEDs"). Each Executive Director is suitably qualified for his/her position, and has sufficient experience to hold the position so as to carry out his/her duties effectively and efficiently. One of the INEDs has the professional qualifications or accounting or related financial management expertise required by the Listing Rules. Throughout the year, the Company has three INEDs representing not less than one-third of the Board pursuant to Rule 3.10A of the Listing Rules.

The composition of the Board during the year is as follows:

Executive Directors	Mr. Ko Wai Ming, Daniel *(Chairman)* Ms. Cheng Hang Fan *(Chief Executive Officer)* Mr. Ko Chun Wang, Kelvin
Independent Non-executive Directors	Mr. Chau Kwok Wing, Kelvin Mr. Mak King Sau Mr. Tse Kam Tim

One of our INEDs, Mr. Mak King Sau, has served as our Board members for more than nine years since his appointment on 29 June 2011. Despite the length of service, he provides invaluable expertise, experience, continuity and stability to the Board. We are confident the Company has benefited greatly from his contribution and valuable insights derived from his in-depth knowledge of the Company. The Board and the Nomination Committee consider the individual directors' character and judgement as demonstrated by their commitment and contribution to the Board during their years of service and other relevant factors.

The Company has received from each of the INEDs an annual confirmation of their independence from the Group. The Board is of the view that each of our INEDs meets the independence guidelines set out in Rule 3.13 of the Listing Rules and that they are able to continue to fulfill their roles as requires.

The Board members have no financial, business, family or other material/relevant relationship with each other except those disclosed in the director biographical details. Given the business nature and scope of the Company, the Board has appropriate skill and experience for the requirements of the business of the Company.

The Board schedules at least four regular meetings a year on quarterly basis and also meets as and when required. During the year ended 31 March 2026, the Board held six regular meetings which were in line with the meeting schedule. At least 14 days' notice of a regular Board meeting is given to all Directors pursuant to code provision C.5.3 of the CG Code to ensure them to have an opportunity to attend the meeting and include discussion items in the agenda. The Company Secretary assists the Chairman in establishing the meeting agenda and consolidates the requests from each Director for discussion in the agenda. The agenda and the appropriate information related to the matters for discussion are circulated normally three days in advance of Board meetings to the Directors. All Directors have given sufficient time and attention to the affairs of the Group.

The Board and committee minutes are recorded in appropriate detail and draft minutes are circulated to all Directors and committee members for comments before being approved by the Board and committees and signed by the respective Chairman. All minutes are kept by the Company Secretary and are open for inspection by the Directors. In addition, the Company provides all Board members including INEDs with monthly update pursuant to code provision D.1.2 of the CG Code.

Code Provision B.2.2 of the CG Code stipulates that every director (including those appointed for a specific term) should be subject to retirement by rotation at least every three years.

All the Directors including INEDs have been appointed for specific terms. According to Article 84 of the Articles of Association of the Company (the "Articles"), one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting of the Company at least once every three years. All retiring Directors shall be eligible for re-election.

Article 83(3) of the Articles provides that the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision C.2.1 of the CG Code requires the roles of the chairman and chief executive should not be performed by the same individual. The Chairman of the Company is Mr. Ko Wai Ming, Daniel and the functions of Chief Executive Officer are performed by his spouse, Ms. Cheng Hang Fan. The roles of the Chairman and the Chief Executive Officer are segregated and assumed by two separate individuals. The Chairman of the Board is responsible for the leadership and effective running of the Board, while the Chief Executive Officer is delegated with the authorities to manage the daily business of the Group in all aspects effectively.

Despite of the close relationship between the Chairman and the Chief Executive Officer, the Board believes that this arrangement is able to deliver strong and consistent leadership, facilitating the Group to make decisions promptly and efficiently. The Board also considers that this arrangement will not impair the balance of power and authority because the balance of power and authority is ensured by the effective operation of the Board, which comprises experienced and high caliber individuals who will meet regularly to discuss issues affecting operation of the Group. The Board has full confidence that their appointment to the positions of the Chairman and the Chief Executive Officer is beneficial to the business prospects of the Group.

DIRECTORS' CONTINUOUS PROFESSIONAL DEVELOPMENT

Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company continuously updates the Directors on the Group's business and the latest developments regarding the Listing Rules and other applicable regulatory requirements, to ensure compliance and enhance their awareness of good corporate governance practices.

During the year, the Directors have participated in the following trainings:

	Type of trainings		
Name of Directors	**A**	**B**	**C**
Executive Directors:			
Mr. Ko Wai Ming, Daniel *(Chairman)*	–	✓	✓
Ms. Cheng Hang Fan *(Chief Executive Officer)*	–	✓	✓
Mr. Ko Chun Wang, Kelvin	✓	✓	✓
Independent Non-executive Directors:			
Mr. Chau Kwok Wing, Kelvin	✓	✓	✓
Mr. Mak King Sau	✓	✓	✓
Mr. Tse Kam Tim	–	✓	✓

A: Seminars/conferences relevant to directors' duties and responsibilities
B: Reading materials given by the Company relating to the Company's business and regular updates on Listing Rules and other applicable regulatory requirements relevant to directors' duties and responsibilities
C: Reading newspapers, journals, books and updates relating to the economy, environment and social issues or the directors' duties and responsibilities

BOARD COMMITTEES

The Company has established three committees, i.e. Nomination Committee, Remuneration Committee and Audit Committee, to support the Board's functions. Each of the committees has its specific written terms of reference and currently all the committees are headed by INEDs. The committees are required to make recommendations and report to the Board about their decisions on specific areas. The procedures and arrangements for a Board meeting, as mentioned in the section headed "Board of Directors" of this report, have been adopted for the committee meetings so far as practicable. Copies of minutes of all meetings and resolutions of the committees, which are kept by the Company Secretary, are circulated to all Board members for information.

The attendance records of Directors at the Board meetings and the attendance records of Committee Members at the meetings of Nomination Committee, Remuneration Committee and Audit Committee during the year are set out below:

	Number of meetings attended/held			
Name of Directors	**Board**	**Nomination Committee**	**Remuneration Committee**	**Audit Committee**
Executive Directors:				
Mr. Ko Wai Ming, Daniel *(Chairman)*	6/6	2/2	–	–
Ms. Cheng Hang Fan *(Chief Executive Officer)*	6/6	1/1	1/1	–
Mr. Ko Chun Wang, Kelvin	2/2	–	–	–
Independent Non-executive Directors:				
Mr. Chau Kwok Wing, Kelvin	6/6	2/2	1/1	2/2
Mr. Mak King Sau	6/6	2/2	1/1	2/2
Mr. Tse Kam Tim	6/6	2/2	1/1	2/2

NOMINATION COMMITTEE

The Nomination Committee was established on 20 April 2011 with written terms of reference in line with the provisions of the CG Code. Its updated terms of reference were approved on 26 June 2025 and formally published on the website of the Stock Exchange and the Company. With effect from 26 June 2025, Ms. Cheng Hang Fan has been appointed as a member of the Nomination Committee. This Committee currently consists of five members, including Mr. Chau Kwok Wing, Kelvin (Chairman of the Committee), Mr. Mak King Sau and Mr. Tse Kam Tim, all being INEDs, Mr. Ko Wai Ming, Daniel, being an Executive Director and the Chairman of the Board and Ms. Cheng Hang Fan, being an Executive Director and Chief Executive Officer.

The primary duties of the Nomination Committee are to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy; identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; assess the independence of INEDs; and make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors in particular the Chairman and the Chief Executive.

The Company has adopted a nomination policy (the "Nomination Policy") in 2019. The policy sets out selection criteria and nomination procedures that enable the Company to achieve board diversity in order to enhance the effectiveness of the Board and its corporate governance standard. There are various factors and criteria, including but not limited to relevant skills, experience, professional expertise and qualification, breadth of relevant knowledge, integrity and reputation, willingness to commit and ability to devote sufficient time and to assume the fiduciary duties and responsibilities, the Nomination Committee will consider when evaluating a candidate with due regard to the requirements of Group, board succession planning, and relevant policies adopted by the Group. The ultimate responsibility for selection and appointment of Directors remains vested with the Board.

The Nomination Committee will monitor the implementation of the Nomination Policy and the Board Diversity Policy and review these policies, as appropriate, to ensure their effectiveness.

During the year, the Nomination Committee performed the works as summarized below:

(1) reviewed and recommended the retirement and re-election of Directors for the 2025 annual general meeting; and

(2) reviewed the structure, size and composition of the Board and considered that the composition of the Board was appropriate to the Company and no change to the Board was proposed.

REMUNERATION COMMITTEE

The Remuneration Committee was established on 20 April 2011 with written terms of reference in line with the provisions of the CG Code. This Committee currently consists of four members, including Mr. Tse Kam Tim (Chairman of the Committee), Mr. Chau Kwok Wing, Kelvin, Mr. Mak King Sau, all being INEDs, and Ms. Cheng Hang Fan, being an Executive Director and the Chief Executive Officer of the Company.

The primary duties of the Remuneration Committee are to make recommendations to the Board on the Company's policy and structure for Directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy; to review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives; to make recommendations to the Board on the remuneration packages of individual Executive Directors, Non-executive Directors and senior management; to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Company and its subsidiaries; to review and approve compensation payable to Executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive; to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate; to ensure that no Director or any of his associates is involved in deciding his own remuneration; to review the matters relating to share schemes under Chapter 17 of the Listing Rules, if necessary; and to form a view in respect of service contracts that require shareholders' approval and advise shareholders (other than shareholders who are Directors with a material interest in the service contracts and their associates) as to whether the terms are fair and reasonable, and to advise whether such contracts are in the interests of the Company and its shareholders as a whole, and advise shareholders on how to vote.

During the year, the Remuneration Committee reviewed and recommended the remuneration proposal for Directors and senior management for the financial year of 2026–2027 for the Board's approval.

AUDIT COMMITTEE

The Audit Committee was established on 20 April 2011 with written terms of reference in line with the provisions of the CG Code. This Committee currently consists of three members, including Mr. Mak King Sau (Chairman of the Committee), Mr. Chau Kwok Wing, Kelvin and Mr. Tse Kam Tim, all being INEDs. The Chairman of the Audit Committee, Mr. Mak King Sau, possesses appropriate professional qualifications in finance and accounting and meets the requirements of Rule 3.21 of the Listing Rules.

The Audit Committee acts as the key representative body for overseeing the Company's relations with the external auditor. The primary duties are to make recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal; to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards; to develop and implement policy on engaging an external auditor to supply non-audit services; to monitor integrity of the Company's financial statements and annual report and accounts, half-year report, and to review significant financial reporting judgments contained in them; to review the Company's financial controls, risk management and internal control systems; to discuss the risk management and internal control systems with management to ensure that management has performed its duty to have effective systems and that this discussion should include the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function; to consider major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings; to review the group's financial and accounting policies and practices; to review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of control and management's response; to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter; and to review arrangements by which employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The Audit Committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action.

During the year, the Audit Committee performed the works as summarized below:

(1) reviewed and recommended the unaudited interim results and the audited consolidated annual results of the Group for the Board's approval;

(2) reviewed the Report on Internal Control Review as prepared by an independent internal control consultant; and

(3) reviewed the Group's Risk Register and Risk Management Report.

BOARD DIVERSITY

The Company has a board diversity policy (the "Board Diversity Policy") since 2013. The policy sets out the approach to achieve diversity in the Board. The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance. All Board appointments will be made on merit basis and candidates will be considered against objective criteria. Selection of candidates will be based on the Company's Nomination Policy and the Company will take into account the Board Diversity Policy during the selection process. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board, having due regard to the benefits of diversity on the Board and also needs of the Board without focusing on a single diversity aspect. In designing the Board's composition, the Board diversity has been considered from a wide range of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional, experience, skills, knowledge and length of service and any other factors that the Board may consider relevant and applicable from time to time. The Company will also take into account factors based on its own business model and specific needs from time to time.

As at 31 March 2026, the Board consists of five male members and one female member. Having taken into account the measurable objectives as set out in the Board Diversity Policy, the Nomination Committee considered that the Board had achieved gender diversity and possessed skill and expertise and a diverse mix appropriate for the business of the Company and will review the composition and diversity of the Board on a regular basis to ensure its continued effectiveness. The Board is also characterized by significant diversity, whether considered in terms of gender, age, educational background, professional experience, skills, knowledge and length of service.

As at 31 March 2026, the percentage of male and female in the workforce of the Group in Hong Kong (including the senior management) is approximately 45% and 55%, respectively. The current gender diversity of workforce was appropriate taking into account the business models and operational needs and the Board is satisfied that the Company has achieved gender diversity in its workforce. The Group is mindful of the importance of diversity, including gender diversity, when assessing the candidacy of its employees, and will ensure that the Group shall continue to follow its commitment to diversity.

DIRECTORS' REMUNERATION

The Directors' remuneration and all other emoluments paid or payable to the Directors during the year are set out on an individual and named basis in note 11 to the consolidated financial statements of this annual report.

AUDITOR'S REMUNERATION

The fee charged by the Company's external auditor in respect of the audit and non-audit services to the Group during the year is summarized as below:

Services Type	HK$'000
Audit services – Annual audit	730
Non-audit services - Agreed upon procedures	150
Total	**880**

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE AND INDEMNITY

To indemnify Directors and officers of the Company against all costs, charges, losses, expenses and liabilities incurred by them in the execution of and discharge of their duties or in relation thereto, the Company has arranged insurance cover for this purpose.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board has overall responsibility for maintaining a sound and effective risk management and internal control system of the Group to safeguard shareholders' investment and the Company's assets. During the year, the Company appointed an independent internal control consultant to perform an annual review of the Group's governance structure and reporting system, sales of travel-related products, cost of goods sold & trade payable, contract liability and financial reporting & prepayment & deposit. The report on internal control review listed out the findings in regard to the relevant policies and procedures with recommendations proposed for the Company to further improve the related scopes in respect of entity level and activities level. The overall risk was considered low level.

The Company has adopted a Risk Management Policy (the "RM Policy") since 2016 to define a management framework with appropriate procedures to identify, assess and mitigate risks where possible and to continually monitor risks as other risks or threats emerge. The ultimate objective of the RM Policy is to ensure that the risk and uncertainty of the Group is properly managed on the group level. Further details of the Group's risk management are included under the section headed "Risk Management Report" in this annual report.

The Company has adopted an inside information policy in June 2013 which sets out the guidelines to the employees to ensure inside information of the Group would be handled and disseminated properly in accordance with applicable laws and regulations.

The Company has a formal whistle-blowing policy to encourage staff to raise serious concerns, in confidence, to the Audit Committee about possible improprieties in any matter about the Group. During the year under review, the Audit Committee did not receive any complaints or concerns raised by the staff.

ACCOUNTABILITY AND AUDIT

The Board is responsible for the preparation of the financial statements of the Group according to the statutory requirements and the applicable accounting standards which give true and fair view of the state of affairs, the results of operations and cashflows of the Group. The Board confirms that, to the best of their knowledge, the financial statements for the reporting year have been prepared on a going concern basis and they have no doubt about the Company's ability to continue as a going concern.

The responsibilities of the external auditor of the Company on the financial statements are set out in the section headed "Independent Auditor's Report" in this annual report.

COMPANY SECRETARY

From 1 April 2025 to 13 June 2025, the Company Secretary was Ms. Cheng Yin Wah ("Ms. Cheng"). On 13 June 2025, Ms. Cheng resigned and Ms. Chan Wing Ting ("Ms. Chan") was appointed as the Company Secretary. With effect from 18 March 2026, the Company Secretary changed from Ms. Chan to Ms. Chan Ching Fei Vanissa ("Ms. Vanissa Chan"). Ms. Vanissa Chan is a full-time employee of the Company, with day-to-day knowledge of the Group's affairs. In compliance with Rule 3.29 of the Listing Rules, Ms. Vanissa Chan has completed no less than 15 hours of relevant professional training for the year ended 31 March 2026.

DIRECTORS' SECURITIES TRANSACTIONS

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

SHAREHOLDERS' RIGHTS

Convening an extraordinary general meeting by shareholders

Pursuant to Article 58 of the Company's Articles, any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the voting rights, on a one vote per share basis, in the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may convene a physical meeting at only one location which will be the principal meeting place, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Procedures for Directing Shareholders' Enquiries to the Board

Shareholders should direct their enquiries about their shareholdings to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong.

Other shareholders' enquiries can be directed in writing with contact details (including name, address, telephone number and/or email address) to the Company's Principal Place of Business for the attention of the Company Secretary.

Procedures for Putting Proposals at Shareholders' Meetings

Shareholders are welcome to suggest proposals to be discussed at general meetings. Proposals should be directed in writing with contact details (including name, address, telephone number and/or email address) to the Company's Principal Place of Business for the attention of the Company Secretary.

The procedures for shareholders to propose a person for election as a Director are available on the website of the Company.

The Board may, in its sole discretion, consider if such proposals are appropriate and shall be put forward to the shareholders for approval at the next general meeting to be convened by the Board.

COMMUNICATION WITH SHAREHOLDERS

The Company's shareholders communication policy is to ensure proper communication with the Company's shareholders, both individual and institutional in order to enable them to have timely access to the relevant information about the Company including its financial performance, major business developments, governance and risk profile.

Annual general meeting ("AGM") of the Company is a valuable avenue for the Board to have dialogue directly with shareholders. All the Directors of the Company attended the 2025 AGM and the Chairman of the Board as well as the Chairman of each of the Board Committees made themselves available to answer questions at the 2025 AGM. External auditor was invited and attended the AGM to address shareholders' enquiries.

Under the Listing Rules, all votes of the shareholders at general meetings will be taken by poll.

Shareholders can send in their enquiries in writing to Company Secretary at the Company's principal place of business in Hong Kong at 5/F., Overseas Trust Bank Building, No.160 Gloucester Road, Wanchai, Hong Kong (the "Principal Place of Business"). The Board will seriously consider shareholders' enquiries and address them accordingly. During the year, no shareholders' enquiry was received.

INVESTOR RELATIONS

During the year, there was no change in the Company's constitutional documents. The Company's second amended and restated memorandum of association and amended and restated articles of association are available on the websites of the Company and of the Stock Exchange.

DIVIDEND POLICY

In 2019, the Company has adopted a dividend policy (the "Dividend Policy") which allows the shareholders of the Company to share the profits of the Company whilst retaining adequate reserves for the future growth of the Group. The Company considers stable and sustainable returns to the shareholders to be the goal. The Dividend Policy is to enhance transparency of the Company and facilitating the shareholders and investors to make informed investment decisions relating to the Group. In deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, among other things, the following factors:

(a) the Group's actual and expected financial performance;

(b) the Group's expected working capital requirements, capital expenditure requirements and future development plans;

(c) the Group's retained earnings and distributable reserves;

(d) general business conditions and strategies;

(e) taxation considerations;

(f) the Group's liquidity position;

(g) the debt ratio and possible effects on the credit lines;

(h) the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and

(i) any other factors that the Board deems relevant.

The payment of the dividend by the Company is also subject to any restrictions under the Companies Act of the Cayman Islands and any other applicable laws, rules and regulations and the articles of association of the Company. There can be no assurance that dividends will be proposed or declared in any particular amount for any specific periods.

RISK MANAGEMENT REPORT

INTRODUCTION

Risk is inherent in the Group's business and operations. To ensure successful achievement of the goals and objectives of the Group, risks must be identified and managed properly. The Group formulated the risk management policy (the "RM Policy") to define a risk management framework with appropriate process and procedures to identify, assess and mitigate risks where possible and to continually monitor risks as other risks or threats emerge.

RISK MANAGEMENT FRAMEWORK

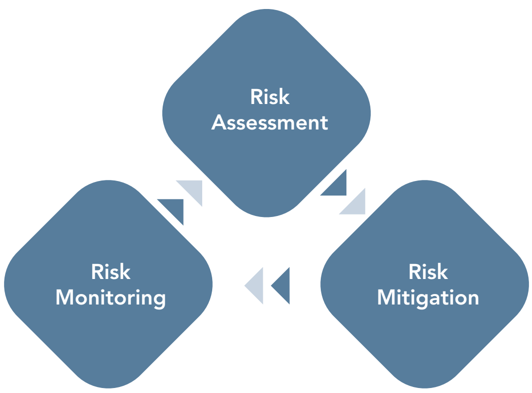
Under the risk management framework (the "RM Framework"), the Group should be able to identify levels of risk and uncertainty and then properly manage such risks in a structured way, so any potential threat to the Group can be appropriately managed to ensure the successful achievement of the Group's strategic objectives.

One of the challenges in the risk management process (the "RM Process") is to ensure that all major risks are clearly identified. To facilitate this process, the Group firstly classifies all the relevant risks by four major categories, i.e. strategic risks, financial risks, compliance risks and operational risks ("Major Risk Categories"). Within each category, the principal risks that could have material impact at the Group level are identified and regularly evaluated based on its potential impact and likelihood of occurrence.

The RM Process is made of three stages: risk assessment, risk mitigation and risk monitoring. Where required, the RM Process and the development of counter measures will involve consultation with the Board, the Audit Committee ("AC") and other relevant stakeholders.

Major Risks Categories

Risk Management Process



ACCOUNTABILITY FOR RISK MANAGEMENT

Board of Directors

The ultimate responsibility for ensuring an appropriate RM Framework and RM Process in place rests with the Board of Directors (the "Board"). The RM Policy and updated status of the identified risks should be provided to the Board with clear statements of the risk management strategies and proposed actions to enable ongoing management regular review. The Board will also be provided with updated details, as required, when additional threats emerge or the likelihood or potential impact of a previously identified risk changes.

The Board will review the key risks on a half-yearly basis via updated information provided by the risk owners through the risk management team ("RMT") and then provide advice and direction to the RMT accordingly. After reviewed by the Board, the updated status of such key risks will be recorded in the Risk Management Report which is incorporated in the annual report of the Company.

The AC supports the Board in monitoring the Group's exposures, operating effectiveness of the risk management and internal control systems. RMT will quarterly update AC the movements on key risks and appropriate mitigation measures and reviews with AC the Group's risk management control status on a half-yearly basis.

The Board is of the view that the Company has maintained adequate and effective risk management and internal control to safeguard shareholders' investments and assets during the year, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting functions.

Risk Management Team

The Group established the RMT which is headed by the Group's Chief Executive Officer ("CEO") and is composed of all business owners and department heads as members and risk owners. The RMT is responsible for the implementation of the Group's RM Policy, risk identification, ongoing monitoring and management of identified risks and providing regular reporting of risks status to the Board. All members of RMT shall also be the risk owners and are responsible for:

(a) Identification, analysis and evaluation of risks and continual monitoring according to the risk management model established by the Group;

(b) Development and implementation of the RM Policy;

(c) Organization of regular review on risk management so that risks can be reviewed and new risks can be identified;

(d) Assessment of identified risks and developing strategies to manage those risks as they are identified;

(e) Ensure that key risks are closely monitored; and

(f) Providing regular update to AC and the Board noting key risks and specifying any changes to the risks identified and the mitigation actions adopted to manage them.

Risk Management Team
- Quarterly update

Audit Committee
- Half-yearly review

The Board
- Half-yearly review

RISK ASSESSMENT

Identification

Risk identification involves determining which risks or threats are likely to affect the achievement of the Group strategic objectives. According to the RM Framework, the risk owners should identify all key risks under the Major Risk Categories.

The identification process should cover a simple two-step approach:

(a) consider what might be a trigger event or threat and several triggers may reveal the same inherent risk; then

(b) use a short and sharp statement to describe the nature of the risk and the impact on the Group.

Use the Risk Register to document the results and for regular updating of new identified risks.

Analysis and Evaluation

Once risks have been identified, they must be analyzed by determining how they might affect the Group. Once analyzed, risks should be evaluated to determine the likelihood of a risk or threat being realized and the seriousness, or impact, should the risk occur.

Likelihood: A qualitative measure of probability that the threat will emerge (generally ranked as Low (L), Medium (M) or High (H)).

Seriousness: A qualitative measure of negative impact to convey the overall loss of the Group if the threat emerges, based on the extent of the damage (generally ranked as Low (L), Medium (M), High (H) or Extreme).

Each identified risk will be graded as A, B, C, D or N according to the following matrix:

		Seriousness			
		Low	Medium	High	Extreme
Likelihood	Low	N	D	C	A
	Medium	D	C	B	A
	High	C	B	A	A

The ratings for likelihood and seriousness determine a current grading for each risk that in turn provides a measure of the risk exposure at the time of the evaluation.

Risk Mitigation

Mitigation of risks involves the identification of actions to reduce the likelihood that a threat will occur (preventative action) and/or reduce the impact of a threat that does occur (corrective action).

Risk mitigation action is to reduce the chance that a risk will be realized and/or reduce the impact of seriousness of a risk if it is realized or have been developed. The following table shows how risks will be treated in terms of preparation and/or deployment of mitigation strategies. Mitigation strategies are usually prepared and/or deployed for Grades A through to C. However, where an existing risk graded at D appears likely to be upgraded, mitigation strategies should be prepared.

Grade A	Mitigation actions, to reduce the likelihood and seriousness, to be identified and implemented as soon as the risk is identified as a priority.
Grade B	Mitigation actions, to reduce the likelihood and seriousness, to be identified and appropriate actions implemented during business operation.
Grade C	Mitigation actions, to reduce the likelihood and seriousness, to be identified and costed for possible action if funds permit.
Grade D	To be noted; no action is needed unless grading increases over time.
Grade N	To be noted; no action is needed unless grading increases over time.

Risk owners are assigned to formulate mitigation action plans and take appropriate actions to address the identified risks. If prevention strategies are being effective, some of the key risks should be able to be downgraded.

Risk Monitoring

Risk Management is an iterative process that should be built into the daily management processes. Under the RM Framework of the Group, it is closely linked with the yearly budget and mid-year forecast planning process.

As risk management is an ongoing process, the Risk Register is considered as a snapshot of relevant risks at one point in time.

- RMT reviews and updates the Risk Register about any change on the likelihood or impact of identified risks quarterly and send the updated Risk Register to AC for information;
- The AC reviews the Risk Register and the status of risk implementation actions half-yearly to ensure that appropriate actions are taken and any emerging risks are appropriately dealt with; and
- The Risk Register is maintained as part of the RM Policy.

MANAGEMENT OF KEY RISKS

The Group operates in a highly competitive industry. Continuous and effective risk management is of vital importance for achieving the Group's success and sustainable growth. Any identified risks graded at A and B are treated as key risks of the Group. Relevant risk owners are required to formulate and implement mitigation action plans and report to AC and the Board about the progress of the risk management. The following sections lists out the identified key risks of the Group during the year and control measures are being undertaken.

Strategic Risk

Competition from Online Travel Agencies ("OTA"), Budget Airlines and Booking Websites

Competition from OTA, budget airlines and booking websites caused great pressure to the Group's business. Their low pricing strategy attracted price sensitive customers and adversely affected our business performance. In addition, keen pricing competition narrowed down the profit margin.

To tackle this risk area, the Group put continuous efforts to enhance the frontline service quality and focus on various trip planning and support services so as to distinguish our business image and model from OTA. We took initiatives to offer customers with value-added services, such as repeated and last minute change of itinerary. We allocated extra resources and manpower to strengthen our private tour and MICE team with an aim to provide customers with professional standard of travel services in the way that consumers are able to enjoy quality service. This team also provided support to the frontline sales in trip planning and management. It organized customized small group tours, study tours and MICE tours. It strengthened our FIT business by catering for the individual needs of customers with more flexible itinerary as well as enabled us to transform our FIT business to trip planning and management for small group tours with personalized services. Furthermore, we restructured our sales management team with a view to enhance operational efficiency. To motivate the frontline staff, we launched various incentive programs to boost sales. We are firmly committed to business diversification to offer a wide variety of travel products and services from the FIT business to corporate travel, cruise holidays and different themes of package tours. We actively cooperate with different tourism boards to promote special products which are exclusively provided for the sale at physical stores. In addition, we also put effort to further enhance the long established relationship with suppliers so as to enjoy special offer for large sales volume.

Financial Risk

Currency Exchange Risk

We purchased travel products from overseas suppliers in foreign currency while selling to customers in Hong Kong dollar. As the purchasing and selling process do not occur at the same time, significant change in foreign exchange rate may affect the business results. Transaction currency exposures with income and loss may occur when doing business with suppliers from different countries.

We established policy and well defined procedures to monitor the Group's foreign exchange exposure by closely monitoring the movement of foreign currency rates. Besides, we enhanced frontline booking system to facilitate and enhance the foreign currency exposure control process.

To minimize the currency exchange risk, we may enter into foreign currency forward contracts or purchase foreign currency at spot rate directly from the market when and where appropriate after taking account of the daily business sales.

Treasury Investment Risk

The Group's treasury investment activities are exposed to the risk of market fluctuation, which may cause significant loss in investments and thus negatively affect the Group's financial result.

We established a clear policy to govern all treasury investment activities. Under the policy, an investment cap is set for the maximum allowed investment amount so as to restrict the investment loss within the approved investment cap. The Board will review and revise the investment cap amount from time to time based on the latest market situation and investment result. Internal monitoring policy and reporting mechanism are strictly implemented to govern the investments activities.

Compliance Risk

The Group is committed to upholding laws and regulations that are relevant to its business and closely monitor the Group's policies relating to maintaining of business ethics. The operation of the Group's business is mainly subject to the jurisdictions of Laws of Hong Kong and relevant applicable rules and regulations, which including Companies Ordinances, Travel Industry Ordinance, Trade Descriptions Ordinance, Personal Data (Privacy) Ordinance, Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and etc.

During the year, no significant areas of concern that may affect the compliance risk management of the Group have been identified.

Operational Risk

IT Security Issue and Loss of Data

Incident Overview

In April 2026, the Group discovered unauthorized access to certain of its internal servers and shared storage systems. The affected data may include customer orders and related operational records; employee files and system data. The Group's credit card-related operations are continuously outsourced to third-party payment processors or banks. There is no risk of credit card information leakage.

Response and Impact

The Group has immediately implemented the following emergency response measures: establishing an internal emergency committee to coordinate the response; appointing independent cybersecurity experts to conduct a comprehensive forensic investigation; reporting to the Hong Kong Police Force and the Office of the Privacy Commissioner for Personal Data, Hong Kong; and activating its business continuity plan, utilising cloud-based collaboration tools to maintain the continuity of new orders and services, and data security.

Based on Data Recovery Technical Report from independent data recovery specialists, Security Infrastructure Enhancement Project from external IT consultant, and Investigation report on Ransomware Attacks from the independent IT security consultant, the Board concluded that sufficient and appropriate procedures had been performed via backup restoration and third-party cross-verification to validate the integrity of the restored data.

Based on the verified evidence presented by the management, the Group's critical business systems and data had been successfully recovered, and the Board is reasonably assured that the restored data remains complete, accurate and intact.

Remedial Measures
To prevent recurrence, the Group has implemented enhanced security controls, including:

- Network Isolation: Immediately physically isolated all affected machines from the internal network.
- Endpoint Protection: Verified the proper installation and latest updates of software across all end-user workstations.
- VPN Security: Performed a mandatory password reset for all VPN accounts.
- Upon the installation of new firewalls, all VPN accounts (except for authorized IT personnel) were deleted for security re-evaluation. The new VPN service requires Two-factor authentication (2FA) before login.
- Email Hardening: Enforced a system-wide reset of email password using high-entropy,system-generated strings, and mandated Multi-Factor Authentication (MFA) for all staff mailboxes.
- Network Infrastructure Overhaul: Purchased two next-generation firewalls to replace legacy hardware. TACT was commissioned to restructure the internal network, ensuring that all traffic is strictly filtered to prevent lateral movement.
- Incident Notification: Issued official notifications regarding the breach to all employees and clients via email.
- Vulnerability Scanning Implementation: We plan to deploy vulnerability scanning (v-scanning) tools to ensure future system vulnerabilities can be identified and remediated in a timely manner.
- Annual Security Audits: We will engage a professional firm annually to conduct a Security Risk Assessment and Audit (SRAA) and provide an independent report.

The Group is committed to protecting its data security and will continuously strengthen its information system security measures to defend against similar incidents in the future.

Social Media Scams
Social media has become a necessary part of operating and promoting the Group's business. Scammers may trick people into sharing sensitive information or transferring money on fraudulent websites or fake social media platforms which will damage the Group's brand reputation and public image.

We continue to list out the way to identify our official channels and we have applied for verification badge for our official social media platforms. We will continue to monitor and alert the public if any suspected fraudulent websites or social media platforms.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THIS REPORT

Travel Expert (Asia) Enterprises Limited (the "Company") and its subsidiaries (collectively, the "Group") are pleased to release this Environmental, Social and Governance Report (the "ESG Report") covering the financial year from 1 April 2025 to 31 March 2026 (the "Reporting Period"). The disclosures presented here describe how the Group manages, monitors and progresses its sustainability agenda across its principal lines of business, namely the distribution of travel related products, and packaged tour operations.

Reporting Framework

This Report has been compiled in line with the Environmental, Social and Governance Reporting Guide (the "ESG Reporting Guide") set out in Appendix C2 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The four reporting principles prescribed by the Stock Exchange – materiality, quantitative, balance and consistency – have been applied throughout. Notably, the structure of this Report is organised by the materiality of each ESG topic to the Group, so as to lead with the matters that have the greatest impact on the Group's business value and on its wider stakeholders.

Reporting Scope and Boundary

Following the operational-control approach, the scope of this Report captures the environmental and social activities of the Group's travel-related businesses carried out from 12 operating sites in Hong Kong during the Reporting Period. Comparative figures for the financial year ended 31 March 2025 (FY2024/25) are provided in the data tables to support trend analysis. Where the scope of measurement has changed materially from the prior period, this is flagged alongside the relevant indicator.

Source of Information and Approval

The data underlying this Report has been drawn from internal records. Quantitative indicators have been compiled in accordance with the calculation methodologies set out in the HKEx ESG Reporting Guide; emission factors are sourced from the IPCC 2006 Guidelines (AR5 GWPs), the Hong Kong Environmental Protection Department, CLP Power Hong Kong Limited, and the Hongkong Electric Co., Ltd. This ESG Report was reviewed and approved by the Board of Directors of the Company (the "Board") prior to publication.

Feedback

Investors, shareholders and the wider public are invited to share comments or suggestions on the content of this Report via the channels published on the corporate website at www.tegroup.com.hk.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE GROUP

The Group is listed on the Main Board of The Stock Exchange of Hong Kong Limited under stock code 1235. As one of the established travel agency groups serving Hong Kong outbound travellers, the Group offers a comprehensive suite of travel-related products and packaged tours, complemented by selected investment activities.

The Value Chain of the Group

UPSTREAM • Inputs & Suppliers

Travel Suppliers	Land Operators	Technology Partners	Marketing & Comms	Office & IT Goods
Airlines, hotels, cruise lines, attractions, restaurants	Inbound DMCs, coach operators, local guides (Service Agreement)	GDS, booking systems, payment processors, cloud platforms	Agencies, KOLs, media partners	Paper, stationery, hardware, utilities, insurance

INTERNAL OPERATIONS • Value Creation

Sourcing & Procurement	Product Design	Brand & Marketing	Sales & Distribution	Service Delivery	Customer Care
Supplier vetting, Service Agreements	Tour design, pricing, packaging	Six brands, EDM, social, website	Branches, hotline, website, EDM	Ticketing, documents, M I.C.E logistics	Complaint management, feedback loop

Enabled by: Governance & Risk Management • People & Training • Information Security & Data Privacy • Compliance & Ethics

DOWNSTREAM • Customers & Value Delivered

Leisure Traveller	M.I.C.E / Corporate	Cruise & Special Interest	Communities
Hong Kong outbound leisure and FIT Travellers	Meetings, incentives, conferences, exhibitions, corporate travel	Cruise, premium and themed itineraries, KOL / fam trips	Education-focused donations & volunteering

Outcomes - Memorable travel experiences • Customer trust • Ethical commercial relationships • Community contribution

Sustainability is firmly embedded in how the Group conducts business. Each subsidiary, every line manager and team member, and any contractor engaged on the Group's behalf is expected to uphold the policy of ethical corporate citizenship and responsible operation that underpins the Group's identity.

ESG GOVERNANCE AND BOARD OVERSIGHT

Strong governance is the foundation of sustainable performance at the Group. Oversight of ESG-related risks and opportunities sits at the highest level of the organisation, with management responsible for translating Board-endorsed direction into day-to-day practice.

The Board, supported by its committees, is collectively responsible for setting the Group's ESG strategy, formulating climate-related strategy, reviewing material ESG matters, monitoring progress against the Group's commitments and ensuring that ESG considerations are factored into business direction. Senior management reports periodically to the Board on emerging risks, impacts brought by climate change, regulatory developments and the Group's response to stakeholder expectations.

The Group has not yet established a dedicated climate-specific governance structure. Climate-related matters are currently overseen by the Board through the broader risk management framework administered by the Audit Committee, with senior management responsible for day-to-day implementation. This approach reflects the Group's office-based service model and modest environmental footprint, rather than a long-term position. As HKEx's climate disclosure requirements develop and the Group's own climate data matures – beginning with the carbon inventory introduced in this Report. The Group will reassess whether a dedicated climate committee or executive owner is appropriate and will report any change in approach.

STAKEHOLDER ENGAGEMENT

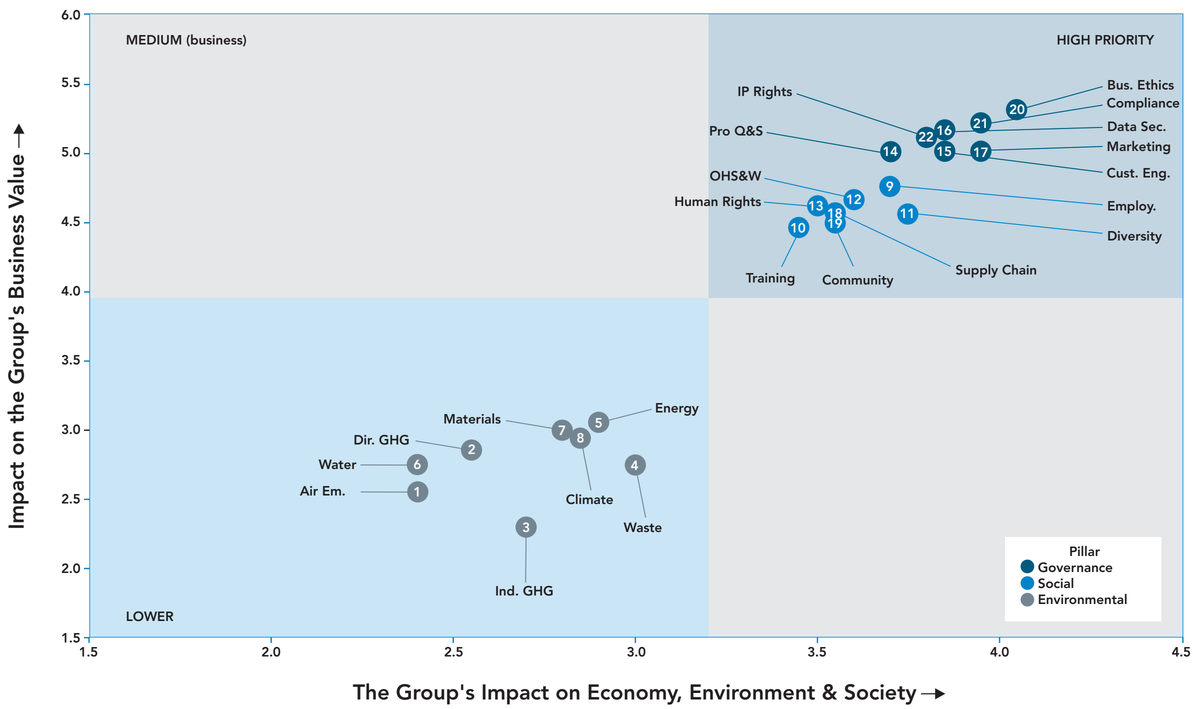
Sustained dialogue with the parties that shape and are shaped by the Group's activities is central to how we plan, deliver and refine our services. Each stakeholder group has dedicated channels through which it can share its expectations, so that the Group can balance competing perspectives and respond constructively.

Stakeholder	Concerns/Expectations	Engagement Channels
Shareholders and Investors	Long-term value, transparent disclosure, sound governance	Annual and interim reports; results announcements; AGM and EGMs; Shareholders Communication Policy
Customers	Service quality, fair pricing, product reliability, data privacy	Corporate (www.tegroup.com.hk) and business (www.texpert.com) websites; Electronic Direct Mail (EDM); Facebook and Instagram; hotline; branches; Service Feedback email
Employees	Career growth, fair remuneration, safe workplace, well-being	Intranet and employee handbook; staff briefings; branch visits by senior management; informal sharing sessions; Annual Dinner and engagement events
Suppliers and Business Partners	Fair tendering, prompt settlement, long-term collaboration	Land Operator Registration Form; Service Agreement; annual document renewal; ongoing dialogue
Government and Regulators	Compliance with laws, timely disclosure	Statutory filings; industry consultations; engagement with the Travel Industry Council of Hong Kong
Community	Responsible corporate citizenship, charitable engagement	Cash donations; participation in community charity events; staff volunteering

MATERIALITY ASSESSMENT

During the Reporting Period the Group carried out a formal materiality assessment to identify the ESG topics that have the greatest bearing on its long-term value creation and on the wider economy, environment and society. The exercise was designed in line with the principle of double materiality. An online questionnaire covering 22 ESG topics – spanning environmental, social and governance pillars – was issued to two complementary respondent groups, the management of the Group and other stakeholders. Each respondent rated every topic on a six-point scale (1 = least material, 6 = most material) along two dimensions: (i) impact on the Group's business value, and (ii) the Group's impact on the wider economy, environment and society ("EES"). A total of 56 valid responses were received, comprising 42 employees of the Group and 14 members of the Board and senior management.

Materiality Matrix - Travel Expert (Asia) Enterprises Limited FY2025/26



1 Air Emissions • 2 Direct GHG • 3 Indirect GHG • 4 Waste • 5 Energy • 6 Water • 7 Materials • 8 Climate
9 Employment • 10 Training • 11 Diversity • 12 OHS & Well-being • 13 Human Rights • 14 Product Quality • 15 Customer Engagement
16 Data Privacy • 17 Marketing • 18 Supply Chain • 19 Community • 20 Business Ethics • 21 Compliance • 22 IP Rights

The matrix above plots each of the 22 ESG topics in two-dimensional space. The vertical axis captures how strongly the topic is perceived to influence the Group's own business value; the horizontal axis captures the perceived magnitude of the Group's impact on the wider economy, environment and society. Each marker is numbered in line with the legend beneath the chart, and is colour-coded by ESG pillar (red = governance, blue = social, green = environmental). The dashed median lines divide the matrix into four quadrants – the top-right (shaded red) representing the highest-priority topics.

- **Top priority – Governance and customer topics.** Business Ethics and Integrity ranks highest, alongside Compliance Management, Privacy and Data Security, and IP Protection. Customer-facing topics – Customer Engagement, Responsible Marketing, and Product Quality and Safety.

- **High priority – People topics.** Employment Practices, Human Rights and Labour Standards, Occupational Health and Well-being, and Diversity and Equal Opportunity reflect the view that talent is the Group's primary asset. Responsible Supply Chain Management sits nearby, while Training and Development and Community Engagement rank slightly lower.

- **Lower priority – Environmental topics.** These cluster in the lower-left, consistent with the Group's office-based operations. Energy and Climate Change rank highest within this group; Air Emissions and Indirect GHG Emissions rank lowest.

OUR SOCIAL & GOVERNANCE PERFORMANCE

Business Ethics and Integrity

Travel Expert holds zero tolerance for bribery, extortion, fraud and money laundering. Acting with integrity in every customer interaction, every supplier relationship and every internal decision is foundational to the trust that customers, business partners and regulators place in the Group.

Policy Framework

The Group's expectations on ethical conduct are codified in the Code of Conduct, with detailed operational guidance in the Gifts and Entertainment Policy, the Whistle-blowing Policy and the Travel Industry Council's Code of Practice. These policies are published on the Group's intranet, communicated during onboarding, and reaffirmed through regular training. Directors and senior management receive continuing professional development covering governance, director duties, regulatory updates and integrity-related controls.

Whistle-blowing and Investigation

Every employee has the right to lodge a complaint regarding discrimination, suspected misconduct or any unlawful act through the Group's established whistle-blowing channels. Each complaint is investigated thoroughly, addressed fairly and treated with strict confidentiality. The Audit Committee independently oversees the arrangements under which staff may raise concerns about possible improprieties in financial reporting, internal control or other matters, and ensures that proper follow-up action is taken.

Performance and Training

Anti-Corruption Training Coverage

Indicator	Unit	FY2025/26
Concluded legal cases on corrupt practices	cases	**0**
Directors trained on anti-corruption	persons	**4**
Employees trained on anti-corruption	persons	**22**
Total anti-corruption training hours	hours	**26**

Anti-corruption awareness was reinforced during the Reporting Period through a focused training programme covering Directors and key compliance personnel. No concluded legal cases regarding corrupt practices were brought against the Group or any of its employees during the Reporting Period.

Compliance Management

As a regulated travel agency operating under the licensing regime administered by the Travel Industry Council of Hong Kong, and as a listed issuer subject to the Listing Rules and the Companies Ordinance, the Group treats regulatory compliance as a non-negotiable baseline. The Audit Committee oversees the Group's compliance framework, supported by a network of internal policies that span employment, occupational safety, trade descriptions, intellectual property, data privacy and information security.

Compliance with key laws and regulations is monitored on a continuous basis. During the Reporting Period the Group was not aware of any material breach of laws or regulations that would have a significant impact on its operations, including those relating to employment, occupational health and safety, environmental matters, anti-corruption, product responsibility, data privacy or the listing rules. No related fines, complaints or warnings have been received.

Privacy and Data Security

Customers place significant volumes of personal information in the Group's care during the booking lifecycle – from passport details and visa references to payment information and travel preferences. The protection of that data is therefore one of the most important duties the Group carries.

Information Security Policy

A formal Information Security Policy governs the protection of electronic information and the underlying network infrastructure. It applies across all subsidiaries and is supported by multi-layered safeguards:

- **Access control** – physical access to server rooms is restricted; network access is governed through firewalls, system encryption and authentication.
- **Data protection** – system backups are stored off-site; anti-virus software is enforced on endpoints; routine password changes are mandated.
- **Incident response** – clear procedures govern the reporting and investigation of any security incident, with employees periodically reminded of their responsibilities in protecting customer data.

Zero customer data privacy or security incidents were recorded during the Reporting Period. The Group's training programme reinforces every employee's role in safeguarding customer information.

Protection of Intellectual Property Rights

The Group's brands – "Travel Expert" and "Premium Travel" – represent significant intangible assets accumulated over decades of operation. The Group complies with the Trademarks Ordinance and relevant intellectual property laws of Hong Kong and the People's Republic of China, registers and maintains protection of its trademarks across the jurisdictions in which it operates, and enforces its rights where infringement is detected. Employees engaged in marketing, product development and design are briefed on the importance of respecting third-party intellectual property and on the procedures for clearing materials prior to publication.

Effective Customer Engagement

Understanding customer needs – and responding to them quickly and consistently – is at the heart of how the Group sustains its competitive position. The Group provides multiple channels through which customers may share comments, recommendations and concerns: a service hotline, branch counters, a dedicated Group-wide Service Feedback email at suggestion@tegroup.com.hk, and, where appropriate, social-networking platforms. A unified guideline ensures that the Service Feedback address is displayed on receipts, advertising materials and the corporate website, and identifies the personnel responsible for handling feedback under each Group brand.

Complaint Management Framework

A formal Complaint Management Policy sets out standardised procedures for handling complaints received through any channel. Initial contact with the customer is made within half a day; resolution or status update is provided within three days for standard cases. Distinct workflows are defined for complaints raised through direct customer contact, the Hong Kong Travel Industry Council, the Consumer Council, the Small Claims Tribunal and media enquiries – ensuring each is handled in line with the relevant regulatory or commercial expectations.

Complaint cases are reviewed regularly and the learnings shared with the front-line, so that systemic issues are addressed at root. A follow-up call is made to the customer within three days of case closure to confirm resolution and gather any further input.

Responsible Marketing and Labelling

Travel consultants are equipped with practical guidance under the Trade Descriptions Ordinance, prohibiting false trade descriptions, misleading or incomplete information and any misstatement made in the course of trade. Marketing and advertising communications are governed by general fair-trading and consumer-protection standards. Employees engaged in customer-facing or marketing roles receive periodic refresher training so they remain current on the compliance requirements applicable to product descriptions, promotional messaging and labelling.

Product and Service Quality and Safety

Customer satisfaction is the foundation of the Group's service ethos. A team of experienced customer-service professionals continually upskills front-line colleagues through regular technical training so that travel consultants can provide accurate, dependable advice across an increasingly complex range of products.

Service Quality Management

Beyond the complaint-handling framework discussed in the above sections, a formal Problem Incident Policy and Procedure governs incidents that result in financial loss or require company compensation. It imposes mandatory reporting within two days, structured investigation, allocation of a case number and final sign-off by the responsible authority. For urgent compensation cases involving air tickets or hotel bookings, a Fast Refund Process – completed within seven days – is in place with defined approval-authority thresholds (below or above HKD 10,000).

Health and Safety in Service Delivery

To safeguard staff members who carry out manual handling and delivery duties, a comprehensive Occupational Safety Guideline mandates safe lifting techniques, the use of auxiliary tools (such as handcarts) for heavy items, and route planning to minimise physical exertion. Seasonal precautions, including hydration breaks and shaded routes during summer, are also embedded.

Performance

During the Reporting Period the Group did not record any product recalled for safety or health reasons, and there were no consumer complaints relating to product safety or health that progressed to regulatory action.

Responsible Supply Chain Management

The customer travel experience depends on a network of upstream service providers. The Group's supply-chain management framework is therefore designed to extend its operational and ethical standards beyond its own offices into the operations of its land operators and their downstream partners.

Policy Framework

A structured procurement process governs supplier engagement. Before engagement, the Group verifies that each prospective supplier is properly registered with the relevant authorities and holds the requisite permits and licences under applicable laws. The Service Agreement entered into with land operators requires full legal compliance and imposes rigorous standards on operational safety – including the condition of vehicles, working hours of drivers, and the qualifications of all subcontracted service providers. Crucially, the policy obliges land operators to ensure that their own counterparties (coach companies, hotels and other service providers) are likewise legally compliant and properly licensed, extending risk-management obligations through the upstream chain.

Engagement and Monitoring

The mandatory Land Operator Registration Form gathers detailed information on each candidate's legal status, financial standing, operational scope and the credentials of any sub-suppliers, together with risk indicators such as the average age of vehicles deployed and driver-rest arrangements. The Service Agreement sets out comprehensive evaluation standards spanning safety, quality and ethical conduct, while contractual provisions establish clear communication and complaint mechanisms – including a requirement for suppliers to report incidents without delay. The Group retains a contractual right to request verification documents at any time, and suppliers must submit updated compliance documentation annually as a condition for contract renewal.

Responsible Procurement

Environmental and social considerations are embedded in the Group's selection criteria. Preference is given to suppliers demonstrating better operational practices – for example, those using newer, well-maintained vehicles and holding all required safety certifications. Cooperation may be suspended where requirements are unmet or the Service Agreement is breached. Detailed checklists embedded in the Registration Form and the Service Agreement provide clear guidance to employees responsible for supplier screening.

Employment Practices

People are the Group's primary asset. The Group's employment system is designed to attract, develop and retain a workforce capable of delivering distinctive customer experiences across each of its brands. Recruitment is conducted on a fair and open basis, with all positions advertised regardless of age, gender, race, nationality, religion, marital status or disability. The Group complies with the Employment Ordinance and other applicable Hong Kong employment legislation.

Workforce Profile

Total Workforce – By Categorisation

Category	Sub-Category	FY2025/26 Headcount
Total	Group total	185
By gender	Male	83
	Female	102
By employment type	Full-time	178
	Part-time	7
By employment level	Senior management	17
	Middle management	33
	General staff	135
By age group	Below 30	23
	Aged 30-50	122
	Aged 51 or above	40
By geographical region	Hong Kong	164
	Mainland China	14
	Other region	7

The Group's workforce expanded by approximately 11% during the Reporting Period, reflecting business growth as outbound travel demand continued to recover and the Group widened its product and brand portfolio. Female colleagues represent 55% of the workforce, and over 65% of staff fall within the 30-50 age band. Roughly 89% of colleagues are based in Hong Kong, with smaller teams supporting the Group's Mainland China and Taiwan operations.

Recruitment and New Hires

Category	Sub-Category	Number of New Hires
Total	Group total	52
By gender	Male/Female	27/25
By employment type	Full-time/Part-time	47/5
By employment level	Senior management/Middle/General	2/10/40
By age group	Below 30/30-50/51 or above	12/27/13
By geographical region	Hong Kong/Mainland China/Taiwan	46/4/2

In addition to the 52 new hires above, the Group rejoined three retired colleagues to its workforce in January 2026, recognising their continued contribution and retaining valuable institutional knowledge in line with the Group's age-inclusion commitment.

Employee Turnover[1]

Category	Sub-Category	Number Leaving	Turnover Rate
Total	Group total	57	30.81%
By gender	Male	25	30.12%
	Female	32	31.37%
By employment type	Full-time	54	30.34%
	Part-time	3	42.86%
By employment level	Senior management	3	17.65%
	Middle management	9	27.27%
	General staff	45	33.33%
By age group	Below 30	14	60.87%
	Aged 30-50	34	27.87%
	Aged 51 or above	9	22.50%
By geographical region	Hong Kong	52	31.71%
	Mainland China/Taiwan	5	23.81%

Turnover continues to be most concentrated in the under-30 cohort, which is consistent with the travel-retail sector and which the Group seeks to manage through enhanced onboarding and clearer career pathways.

Remuneration and Welfare

Alongside a competitive base salary, the Group offers discretionary bonuses, performance-linked incentives and a structured performance-management system. Long-service awards continue to honour staff members who have completed 5, 10, 15, 20, 25 and 30 years of service. Outstanding performers – whether individuals or teams – are recognised through performance awards, branch awards and incentive tours.

[1] Turnover rate calculated as number leaving divided by total headcount in the relevant category (period-end basis).

Human Rights and Labour Standards

The Group is uncompromising on human rights and labour standards. Child labour and forced labour are strictly prohibited under the employment system, which is designed to comply with all relevant local labour standards. Original identification documents are inspected during the recruitment process to verify age and eligibility, and risk-assessment steps are embedded to prevent mis-hiring. Should any violation be identified, remedial procedures are activated immediately.

The Group also maintains policies that ensure all employees and job applicants are treated equally and given fair opportunities – including the Equal Opportunities Policy and Guideline, the Whistle-blowing Policy and the Gifts and Entertainment Policy. Employees may raise concerns of discrimination, suspected misconduct or unlawful conduct through established procedures; every complaint is investigated thoroughly, addressed fairly and handled with strict confidentiality. No cases of child labour or forced labour were identified during the Reporting Period.

Occupational Health, Safety and Well-being

The Group is committed to fostering safety awareness, raising the standard of the occupational environment and reducing exposure to occupational risk across its operations. Practices comply with the Occupational Safety and Health Ordinance enforced by the Labour Department in Hong Kong.

Policy Framework

- Written guidelines apply to the delivery of documents and goods and to general work-safety matters.
- A Guideline on Handling Operations and Prevention of Basic Injuries is issued to office assistants and other employees whose duties involve manual handling.
- Specific guidance on the prevention of musculoskeletal disorders and stress release is published on the intranet, supported by videos and leaflets.
- Employee compensation insurance and related liability insurance policies are maintained in accordance with statutory requirements.

Safety Training

During the Reporting Period the Group conducted two dedicated safety-talk training sessions designed to build staff awareness around hazard identification, accident prevention and emergency response in different operating contexts. These supplemented the standing intranet resources and reinforced the Group's culture of safety in daily practice.

Work-related Injury Performance

Indicator	Unit	FY2025/26	FY2024/25	FY2023/24
Number of work-related fatalities (employees)	**persons**	0	0	0
Rate of work-related fatalities	**per 100 persons**	0	0	0
Number of work-related injuries (employees)	**persons**	0	0	3
Rate of work-related injuries	**per 100 persons**	0	0	—
Lost days due to work injury	**days**	0	0	31
Safety-talk training sessions	**sessions**	2	—	—

No material breaches of laws or regulations affecting the Group in respect of health and safety came to management's attention during the Reporting Period.

Diversity and Equal Opportunity

The Group's workforce reflects a deliberate commitment to diversity. As shown in the figures provided above, female colleagues account for 55% of headcount, and the Group spans a wide age range from below 30 through to staff aged 51 or above. The Board has adopted a Board Diversity Policy whose implementation is monitored annually by the Nomination Committee, which also maintains a Board skills matrix to ensure that nominee selection reflects the diversity targets set out in the Policy.

Recruitment and promotion decisions are made on the basis of ability, qualification and performance, without regard to race, religion, gender, age, marital status or family status. The re-employment of three retired colleagues in January 2026 illustrates the Group's continued commitment to age inclusion, as does the deliberate spread of recruitment across age cohorts (see new-hire data at 6.9).

Two topics fell in the medium-high band of the materiality matrix – Training and Development, and Community Engagement and Investment. While they did not enter the very top quadrant, both received strong stakeholder support, reflecting their role in strengthening the Group's employee value proposition and its social licence to operate.

Training and Development

Investing in our people is, in the Group's view, indispensable to long-term resilience and success. An in-house training programme is led by experienced trainers drawn from customer service and senior sales, with content delivered through internal and external classroom training, on-the-job coaching, e-learning modules and structured workshops.

Programmes Delivered During the Reporting Period

- A structured new-joiner orientation programme covering Group values, operating procedures, customer-service standards and compliance essentials, delivered to both back-office and front-line staff before they begin customer-facing duties.
- Insurance licensing training that equips qualifying front-line consultants with the certifications needed to extend the range of value-added products they can offer customers.
- Tailor-made development programmes for travel consultants to keep them aligned with marketplace changes, including destination updates and product refreshers.
- Continuing professional development for Directors and senior management covering leadership, management, corporate governance and regulatory updates.
- Study sponsorship for colleagues pursuing relevant external qualifications, reinforcing the Group's commitment to continuous and life-long learning.

Training Coverage and Hours

Employees Trained – By Categorisation

Category	Sub-Category	Employees Trained	% of Workforce
Total	Group total	62	33.5%
By gender	Male	19	23.5%
	Female	43	42.2%
By employment level	Senior management	4	23.5%
	Middle management	8	24.2%
	General staff	50	37.0%
By age group	Below 30	5	21.7%
	Aged 30-50	50	41.0%
	Aged 51 or above	7	17.5%

Total Training Hours – By Categorisation

Category	Sub-Category	Average Hours per Trained Employee
Total	Group total	32.43
By gender	Male	22.41
	Female	40.59
By employment level	Senior management	14.12
	Middle management	14.55
	General staff	39.11
By age group	Below 30	20.87
	Aged 30-50	40.33
	Aged 51 or above	15.00

The Reporting Period saw a significant increase in formal training hours – driven by the new-joiner orientation pipeline, insurance-licensing programmes and tailored consultant refresher modules. General-staff training accounted for the bulk of training hours, which is consistent with the Group's strategy of strengthening front-line capability.

Community Engagement and Investment

As a responsible corporate citizen, the Group seeks to contribute meaningfully to the communities in which it operates. Engagement focuses on supporting underprivileged children and education-related initiatives in Hong Kong and the wider Greater Bay Area.

Smile Foundation 23rd Anniversary Charity Hike

During the Reporting Period the Group continued its long-standing support for Smile Foundation Limited (微笑動力) by participating in the Foundation's 23rd anniversary "Heart-to-Heart Mountain Village Education Charity Hike", held on 8 March 2026 along the route from Tiu Keng Leng MTR Station to Yau Tong. The Group made a cash donation of HK$20,000 to the Foundation in support of its work providing education assistance to children in remote mountain communities in the Mainland China. The Group also encourages staff members to support the Foundation's fundraising hike either as participants or through staff-led fundraising activity, reinforcing the values of empathy and community contribution among our colleagues.

Community Contribution Summary (FY2025/26)

Beneficiary	Programme/Focus Area	Cash Donation	Date
Smile Foundation Limited (微笑動力)	Education – Mountain Village Children	HK$20,000	March 2026
Total	—	HK$20,000	—

OUR ENVIRONMENTAL PERFORMANCE

The Group's office-based service model results in a comparatively modest environmental footprint. Even so, The Group recognises the importance of measuring and managing its emissions, energy use and material consumption. This Report covers 12 operating sites in Hong Kong, one company-owned diesel coach, the Group's electric vehicle and staff business travel.

Energy Consumption

Electricity consumed at the Group's 12 operating sites plus charging of the Group's electric vehicle accounts for almost all of the indirect energy use. Direct energy comes from diesel consumed by one company-owned coach that entered service from November 2025.

Energy Consumption

Indicator	Unit	FY2025/26
Indirect energy – purchased electricity	**kWh**	223,533
Direct energy – diesel (kWh equivalent)	**kWh**	14,252
Total energy consumption	**kWh**	237,785
Energy intensity per employee	**kWh/person**	1,534

Energy-Efficiency Measures

- LED lighting deployed across office areas to lower electricity consumption.
- Reminder notices and policy guidance encourage staff to switch off lights and air-conditioning when not in use, particularly after office hours.
- Air-conditioning units rated Grade 1 under the Hong Kong Energy Efficiency Labelling Scheme are selected where replacement is needed.
- Routine maintenance is performed on appliances and air-conditioning systems to maintain operating efficiency.
- Zoning of lighting and air-conditioning at the headquarters, combined with default power-saving settings on computer equipment.

Greenhouse Gas Emissions

The Group's FY2025/26 carbon inventory has been prepared under the operational-control approach, using the IPCC 2006 Guidelines (with AR5 100-year GWPs) and emission factors from CLP Power, HK Electric, the Hong Kong Environmental Protection Department and DEFRA 2023. Scope 1 covers mobile combustion (diesel) from the Group's coach. Scope 2 covers purchased electricity, including charging of the Group's electric vehicle. Scope 3 covers paper sent to landfill and staff business travel by air, rail, ferry and cruise.

GHG Emissions Inventory (FY2025/26)

Indicator	Unit	FY2025/26
Scope 1 – Direct emissions (mobile diesel)	**tCO2e**	3.79
Scope 2 – Indirect energy (electricity)	**tCO2e**	105.56
Scope 3 – Paper to landfill	**tCO2e**	26.76
Scope 3 – Business travel	**tCO2e**	35.96
Total GHG emissions	**tCO2e**	172.07
GHG intensity per employee	**tCO2e/person**	1.11

Scope 2 emissions are the largest single contributor to the Group's footprint (61% of total), reflecting the office-based nature of the business. Business travel contributes a further 21%, driven by familiarisation trips and operational visits used to keep travel consultants up to date on destinations and partners. Paper waste accounts for 16% and the new mobile coach (Scope 1) contributes 2%.

Climate Change and Resilience

Climate change presents profound challenges at a global level, affecting both livelihoods and the conduct of business. The Group remains committed to lowering its greenhouse gas footprint where practicable and to revisiting its energy-saving and resource-utilisation practices on a regular basis.

Below are the climate-relevant risks and opportunities identified based on the Group's business model and the geographic locations of operation points.

Type	Category	Risk/Opportunity	Time Horizon	Business & Financial Impact
Physical	Acute	More frequent and severe extreme weather (typhoons, rainstorms, flooding) in Hong Kong and key Asian destinations.	Short to Medium	Tour disruption, cancellations, office damage. Higher operating costs (refunds, rebookings, overtime), higher insurance premiums, lost tour revenue.
	Chronic	Rising average temperatures and sea-level rise affecting popular coastal and outdoor destinations in Asia.	Long	Reduced appeal of affected destinations; possible loss of heritage sites. Revenue decline from affected packages; capex to refresh products; possible write-downs of pre-paid land-operator commitments.
Transition	Policy & Legal	Carbon taxes, aviation levies or SAF mandates introduced in Hong Kong and destination markets.	Medium	Higher upstream costs from airlines and land operators; pricing and margin pressure. Rising COGS; potential margin compression; compliance/ disclosure costs.
	Market	Customer preferences shifting towards low-carbon travel and sustainable tourism.	Short to Medium	Market share loss if portfolio fails to adapt. Booking revenue loss on carbon-intensive products; capex on product redesign; higher sustainability-marketing spend.
	Reputation	Heightened stakeholder scrutiny of travel-industry climate performance.	Short	Reputational damage if climate disclosures or actions are seen as inadequate. Loss of corporate clients with ESG procurement criteria; reduced access to ESG-linked finance; higher cost of capital.
Opportunity	Products & Services	Develop low-carbon, eco-tourism and nature-based travel products.	Short to Medium	Capture sustainability-conscious traveller demand; competitor differentiation. New revenue lines; potential premium pricing; broader customer base; better retention.
	Resource Efficiency	Digital-first operations, paperless booking and energy-efficient offices.	Short	Lower operating footprint; alignment with HKEx and stakeholder expectations. Lower spend on paper, printing, utilities and energy.
	Markets	Access to green finance, sustainability-linked loans and ESG-focused investors.	Medium	Stronger capital structure and financing flexibility. Lower cost of financing via sustainability-linked instruments; wider investor base.
	Resilience	Stronger business continuity and crisis-response capabilities from managing weather disruption.	Medium to Long	Greater operational resilience; deeper customer trust during disruption. Avoided losses through faster recovery; competitive advantage; lower insurance premiums over time.

Transition Actions

To adapt its operations to a lower-carbon future, the Group continues to invest in environmentally friendly practices. These include digital-platform conferencing in lieu of physical travel where business value is comparable, ongoing employee engagement to reinforce energy-saving behaviours, and the installation of waste-recycling boxes at the headquarters to deepen staff awareness of environmental and climate issues. The introduction of the Group's electric vehicle and the partial replacement of physical mailings with electronic delivery further reduce indirect emissions.

At this stage of its sustainability journey, the Group is not yet able to provide quantitative disclosure on the financial impacts of climate change, climate scenario analysis, a formal transition plan, or a fully developed resilience strategy. The Group has not yet established the data architecture needed for quantitative financial analysis, reliable granular data from third parties is unavailable, and industry methodologies for quantifying climate-related financial impacts in the outbound travel sector remain emerging without widely accepted benchmarks. Given the Group's current size and asset-light business model, commissioning bespoke scenario analysis is not considered proportionate to the incremental value it would generate. The Group is also in the foundational phase of building a complete and verified greenhouse gas inventory across Scope 1, Scope 2 and material Scope 3 emissions; until this baseline is validated, reliable target-setting and transition planning cannot be undertaken. As a formal climate resilience strategy is the output of scenario analysis and transition planning rather than an input to them, this work must necessarily follow.

The Group nevertheless maintains operational resilience measures that contribute to climate resilience in practice, including a business continuity policy, crisis-management protocols for destination disruption, insurance coverage, and a diversified product portfolio across destinations and travel modes. These measures will be formalised into a documented climate resilience strategy as the underlying scenario analysis is developed. The Group will keep stakeholders informed of progress in subsequent annual ESG reports and intends to align its disclosure with the requirements of the new HKEx climate-related disclosure framework.

Materials and Waste

Paper remains the principal material used in the Group's offices.

Paper Consumption

Indicator	Unit	FY2025/26
Paper consumption (mass)	**tonnes**	5.58
Paper to landfill (Scope 3 GHG)	**tCO2e**	26.76
Hazardous waste	**tonnes**	0
Non-hazardous waste – paper disposed[2]	**tonnes**	5.58

Source-Reduction Practices

- **Paper –** introduction of paperless workflows including e-flyers, e-learning (since 2012), e-exams (since 2015), e-filing and e-tickets, with recycled paper and double-sided printing as defaults for any necessary hardcopy output.

- **Computers –** retired computers and monitors continue to be donated to charitable organisations or routed through recycling partners that refurbish and redeploy equipment.

- **Stationery and furniture –** items are reused between offices and branches in preference to new procurement, with regular maintenance extending product lifespan.

- **General waste –** dedicated recycling boxes for paper, plastics and aluminium have been installed at the headquarters to support sorting at source.

[2] Paper consumed is the most significant source of non-hazardous waste during the year.

Water

Water is used at the Group's offices solely for human consumption and sanitation. Water-efficient faucets are installed at headquarters and reminder notices in common areas encourage sparing use. Water charges at the headquarters and most branch sites are included in the building management fee with no separate demand note issued, so per-site water volumes cannot currently be metered. The Group did not encounter any issue in sourcing water fit for purpose during the Reporting Period.

Air Emissions

Air pollutant emissions for FY2025/26 are limited to those arising from the Group's single diesel-powered coach, which entered service in November 2025.

Indicator	Unit	FY2025/26
NOx	**tonnes**	0.0122
SOx	**tonnes**	0.0022
PM (particulate matter)	**tonnes**	0.0039

The Group was not aware of any material non-compliance with applicable environmental laws or regulations relating to air emissions, GHG emissions, water, land discharges and generation of hazardous and non-hazardous waste, or noise nuisance during the Reporting Period. No related fines, complaints or warnings have been received.

LOOKING AHEAD

The Group remains committed to embedding sustainability ever more deeply into the way we serve customers, develop our people and steward the resources entrusted to us. The materiality assessment carried out during the Reporting Period – and the comprehensive carbon inventory introduced for the first time in this Report – provide the foundation for sharper, more targeted action in the year ahead. The Group intends to extend the maturity of its ESG management in a number of practical ways:

- Strengthening climate-related disclosure with reference to internationally recognised frameworks, in step with regulatory expectations.
- Continuing to invest in employee training – including additional safety-talk sessions and licensing programmes – to keep our service excellence and compliance posture strong.
- Expanding community engagement and staff volunteering opportunities and exploring additional education-focused causes.

We thank our shareholders, employees, customers, business partners and community partners for the trust placed in us, and we welcome further dialogue on how the Group can continue to deliver responsibly for all those we serve.

ESG KPI SUMMARY

Indicator		Unit	FY2025/26	FY2024/25
A1.1	Air emissions – NOx	tonnes	**0.0122**	—
	Air emissions – SOx	tonnes	**0.0022**	—
	Air emissions – PM	tonnes	**0.0039**	—
A1.3	Hazardous waste produced	tonnes	**0**	0
A1.4	Non-hazardous waste – paper disposed	tonnes	**5.58**	4
A2.1	Total energy consumption	kWh	**237,785**	—
	– Indirect (electricity)	kWh	**223,533**	76,573
	– Direct (diesel kWh equiv.)	kWh	**14,252**	—
	Energy intensity per employee	kWh/person	**1,534**	—
A2.2	Water consumption (HQ)	m^3	**Not separately metered**	
A2.5	Paper consumption	tonnes	**5.58**	—
B1.1	Total workforce (period-end)	headcount	**185**	166
	– Male/Female	headcount	**83/102**	—
	– Full-time/Part-time	headcount	**178/7**	158/8
B1.2	Total employee turnover	headcount	**57**	—
	Turnover rate	%	**30.8%**	—
	New hires	headcount	**52**	—
B2.1	Work-related fatalities	persons	**0**	0
B2.2	Lost days due to work injury	days	**0**	0
B2.3	Safety-talk training sessions	sessions	**2**	—
B3.1	Employees trained	persons	**62**	—
B3.2	Total training hours	hours	**6,000**	—
B3.2	Average training hours per trained employee	hours/person	**32.43**	—
B5.1	Land operators under Service Agreement framework	%	**100%**	100%
B6.1	Customer data privacy/security incidents	cases	**0**	0
B6.2	Product recalls for safety/health	cases	**0**	0
B7.1	Concluded legal cases on corrupt practices	cases	**0**	0
B7.2	Directors/employees trained on anti-corruption	persons	**26**	—
	Anti-corruption training hours	hours	**26**	—
B8.1	Cash donations	HK$	**20,000**	—
D	Scope 1 – Direct GHG emissions	tCO2e	**3.79**	Negligible
	Scope 2 – Indirect GHG emissions (electricity)	tCO2e	**105.56**	—
	Scope 3 – Paper to landfill	tCO2e	**26.76**	—
	Scope 3 – Business travel	tCO2e	**35.96**	—
	Total GHG emissions	tCO2e	**172.07**	—
	GHG intensity per employee	tCO2e/person	**1.11**	—

REPORT OF THE DIRECTORS

The Directors present their annual report and the audited consolidated financial statements of the Group for the year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are set out in note 29 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2026 and the state of affairs of the Group at that date are set out in the consolidated financial statements on pages 51 to 99.

No interim dividend (six months ended 30 September 2025: Nil) was paid to shareholders during the year.

The Board has resolved to recommend the payment of a final dividend of HK1.0 cents per ordinary share (2025: HK0.8 cents) for the year ended 31 March 2026. The proposed final dividend will be paid out of the share premium account of the Company pursuant to article 134 of the articles of association of the Company and in accordance with the laws of the Cayman Islands.

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on page 100.

BUSINESS REVIEW

A review of the Group's business and operations for the year as well as a discussion on the likely future developments are provided throughout this annual report, particularly in the sections of "Chairman's Statement", "Management Discussion and Analysis" and "Five-Year Financial Summary".

Further discussions on the Group's environmental policies and performance and key relationships with its stakeholders are provided throughout the section "Environmental, Social and Governance Report" section in this annual report.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS

The Group has complied in all material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the Year, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that have a significant impact on the Group's business.

RELATIONSHIP WITH SUPPLIERS, CUSTOMERS AND OTHER STAKEHOLDERS

The Group understands the importance of maintaining a good relationship with its suppliers, customers and other stakeholders in order to meet its immediate and long-term goals. During the Year, there was no material or significant dispute between the Group and its suppliers, customers and/or other stakeholders.

CLOSURE OF REGISTER OF MEMBERS FOR ANNUAL GENERAL MEETING

The register of members of the Company will be closed from 13 August 2026 to 18 August 2026, both days inclusive, for the purpose of determining the entitlement to attend and vote at the annual general meeting ("AGM") scheduled to be held on 18 August 2026. The record date for determining shareholders of the Company entitled to attend the AGM will be 18 August 2026. In order to be eligible to attend and vote at the AGM, all transfer forms accompanied by relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong (the "Branch Share Registrar") not later than 4:30 p.m. on 12 August 2026.

CLOSURE OF REGISTER OF MEMBERS FOR DIVIDEND

The register of members of the Company will be closed from 9 September 2026 to 11 September 2026, both days inclusive, for the purpose of determining the entitlement to the proposed final dividend for the year ended 31 March 2026. The record date for determining shareholders of the Company entitled to receive the proposed final dividend will be 11 September 2026. In order to qualify for the proposed final dividend, all transfer forms accompanied by relevant share certificates must be lodged with the Branch Share Registrar not later than 4:30 p.m. on 8 September 2026.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 12 to the consolidated financial statements.

INVESTMENT PROPERTY

During the year ended 31 March 2026, the Group had not held any investment property.

BANK BORROWING

At 31 March 2026, the Group had no bank borrowing.

CHARITABLE DONATION
Charitable donation made by the Group during the year amounted to HK$20,000 (2025: HK$20,000).

SHARE CAPITAL
There was no movement in the share capital of the Company during the year. Details of the Company's share capital are set out in note 25 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS
There are no provisions for pre-emptive rights under the Company's articles of association (the "Articles of Association") or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders of the Company unless otherwise required by The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES
Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

RESERVES
Details of movements in the reserves of the Company and the Group during the year are set out in note 26 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES
Under the Companies Act (Revised) Chapter 22 of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to Shareholders subject to the provisions of the Memorandum and Articles of Association and provided that immediately following the distribution of dividend, the Company is able to pay its debts as they fall due in the ordinary course of business. As at 31 March 2026, the Company's distributable reserves was HK$15.5 million (2025: HK$17.2 million).

MAJOR CUSTOMERS AND SUPPLIERS
During the year, the percentage of gross sales proceeds derived from corporate customers attributable to the Group's five largest corporate customers combined and the largest corporate customer were 22.3% and 5.1% respectively. The percentage of purchases attributable to the Group's five largest suppliers combined and the largest supplier were 57.4% and 35.2% respectively.

As far as the Directors are aware, none of the Directors of the Company or any of their associates or any shareholders (which to the best knowledge of the Directors owns more than 5% of the Company's issued shares) had any interest in the Group's five largest customers or suppliers.

DIRECTORS
The Directors of the Company during the year and up to the date of this report were:

Executive Directors	Mr. Ko Wai Ming, Daniel *(Chairman)* Ms. Cheng Hang Fan *(Chief Executive Officer)* Mr. Ko Chun Wang, Kelvin
Independent Non-executive Directors ("INEDs")	Mr. Chau Kwok Wing, Kelvin Mr. Mak King Sau Mr. Tse Kam Tim

Pursuant to Article 83(3), Mr. Ko Chun Wang, Kelvin was appointed to fill a casual vacancy shall hold office only until the first annual general meeting of the Company after his appointment on 27 November 2025 and, being eligible, will offer himself for re-election.

Pursuant to Articles 84(1) and 84(2), Mr. Ko Wai Ming, Daniel and Mr. Tse Kam Tim will retire by rotation at the AGM and, being eligible, will offer themselves for re-election.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS
The Company has received from each of its INEDs an annual confirmation of their independence from the Group. The Board and the Nomination Committee consider that all INEDs to be independent from the Group.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES
Biographical details of the Directors and senior management of the Group are set out on page 5 of this annual report.

DIRECTORS' SERVICE CONTRACTS
None of the Directors who are proposed for re-election at the AGM has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION
Directors' remunerations are determined subject to the recommendations of the Remuneration Committee and the Board's approval with reference to Directors' duties, responsibilities and performance and the results of the Group.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Saved as disclosed in this report and the transactions disclosed in note 35 to the consolidated financial statements, no transaction, arrangement or contract of significance to the Group's business to which the Company, or any of its subsidiaries, fellow subsidiaries or its parent company was a party and in which a Director of the Company or his/her connected entity had a material interest, whether directly or indirectly were entered into or subsisting during the year ended 31 March 2026.

EQUITY LINKED AGREEMENT

Save as disclosed above and the share option scheme of the Company disclosed in the section headed "Share Option Scheme" below, there was no other equity linked agreement entered into by the Company during the year or subsisted at the end of the year.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 March 2026, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO")) which are required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have taken under such provisions of the SFO); or (ii) entered in the register kept by the Company pursuant to section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

(a) Long Position in Ordinary Shares of the Company

	Number of shares of HK$0.01 each in the Company (the "Shares")				
Name of Director	**Personal interests** *(Note c)*	**Family interests** *(Note c)*	**Corporate interests**	**Total interests**	**Approximate percentage of the issued share capital**
Mr. Ko Wai Ming, Daniel ("Mr. Ko")	5,300,000	8,870,000 *(Note a)*	356,715,000 *(Note b)*	370,885,000	72.74%
Ms. Cheng Hang Fan ("Mrs. Ko")	8,870,000	5,300,000 *(Note a)*	356,715,000 *(Note b)*	370,885,000	72.74%

Notes:

(a) Mr. Ko and Mrs. Ko are spouses. Pursuant to Part XV of the SFO, Mr. Ko is deemed to be interested in the shares of the Company owned by Mrs. Ko and Mrs. Ko is deemed to be interested in the shares of the Company owned by Mr. Ko.

(b) These shares of the Company are owned by Colvin & Horne Holdings Limited ("CHHL"), which is owned as to 60% and 40% by Mr. Ko and Mrs. Ko respectively. CHHL is incorporated in Hong Kong with limited liability.

(c) Included the 500,000 share options granted to each of Mr. Ko and Mrs. Ko.

(b) Long position in share options of the Company

	Number of share options held			
Name of Director	**Beneficial owner**	**Family interest** *(Note b)*	**Total interests**	**Approximate percentage of the issued share capital**
Mr. Ko	500,000	500,000	1,000,000	0.196%
Mrs. Ko	500,000	500,000	1,000,000	0.196%
Mr. Ko Chun Wang, Kelvin ("Mr. Kelvin Ko")	500,000	–	500,000	0.098%

Notes:

(a) The share options were granted under the share option scheme adopted by the Company on 6 September 2011 (the "Share Option Scheme"), which was expired on 29 September 2021. The options granted prior to the expiration remain valid for exercise.

(b) Each of Mr. Ko and Mrs, Ko was granted options under the Share Option Scheme to subscribe for 500,000 Shares. Mr. Ko and Mrs. Ko are spouses. Pursuant to Part XV of the SFO, Mr. Ko is deemed to be interested in the share options granted to Mrs. Ko and Mrs. Ko is deemed to be interested in the share options granted to Mr. Ko.

(c) Long Position in Shares and Underlying Shares of Associated Corporation

Name of Director	Name of associated corporation	Beneficial owner	Family interest *(Note)*	Total number of shares held	Approximate percentage of the issued share capital
Mr. Ko	CHHL	3	2	5	100%
Mrs. Ko	CHHL	2	3	5	100%

Note: Mr. Ko and Mrs. Ko are spouses. Pursuant to Part XV of the SFO, Mr. Ko is deemed to be interested in the shares of CHHL owned by Mrs. Ko and Mrs. Ko is deemed to be interested in the shares of CHHL owned by Mr. Ko.

Save as disclosed above, as at 31 March 2026, none of the Directors and chief executive of the Company had any interest or short position in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which are required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he/she is taken or deemed to have taken under such provisions of the SFO); or (ii) entered in the register kept by the Company pursuant to section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code.

SHARE OPTION SCHEME

The Company adopted a Share Option Scheme (the "Share Option Scheme") for a period of 10 years commencing from 6 September 2011. The purpose of the Share Option Scheme is to enable the Board to grant options to selected eligible persons as incentives or rewards for their contribution or potential contribution to the Group and/or to recruit and retain high caliber eligible persons and to attract human resources that are valuable to the Group.

The eligible participants shall be any director, employee or proposed employee (whether full time or part time) of the Group or any invested entity; any person or entity that provide research, development or other technological support, any participants who contribute to the development and growth of the Group or any supplier, customer, shareholders of the Group or any invested entity.

The maximum number of shares of the Company which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the Shares in issue on the date of listing of the Company's shares on the Stock Exchange, i.e., 50,000,000 shares. The Company may seek approval from shareholders to refresh such limit. Moreover, the maximum number of shares of the Company which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other option schemes of the Company must not exceed 30% of the Shares in issue from time to time. The maximum entitlement of each eligible person in any 12-month period shall not exceed 1% of the Shares in issue from time to time. Any further grant of options in excess of such limit must be separately approved by shareholders with such eligible person and his associates abstaining from voting.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine but in any event shall not exceed 10 years from the date of grant. Save as determined by the Board and provided in the offer of the grant of the relevant options, there is no minimum holding period before an option is exercisable. The amount payable on acceptance of a share option is HK$1.0.

The exercise price of the share option under the Share Option Scheme shall be determined by the Board provided always that it shall be at least the higher of (a) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the date of offer for the grant of options (which is deemed to be the date of grant if the offer for the grant of the option is accepted by the Eligible Person), which must be a trading day; and (b) the average closing prices of the Shares as stated in the daily quotations sheet issued by the Stock Exchange for the five business days immediately preceding the date of grant, provided that the exercise price shall in no event be less than the nominal amount of a Share.

A summary of terms of the Share Option Scheme has been disclosed in the Prospectus dated 16 September 2011 issued by the Company ("Prospectus").

On 27 September 2021, a total of 31,000,000 share options (the "Share Options") were granted to certain Company's employees (including Directors and their associate) and a consultant of Café Another (the "Consultant") to subscribe for a total of 31,000,000 Shares in accordance with the Share Option Scheme. Prior to the said grant of Share Options, there was no outstanding option. The Share Option Scheme was expired on 29 September 2021. The options granted prior to the expiration remain valid for exercise and no further option under the Share Option Scheme would be granted.

The Share Options are exercisable in accordance with the following vesting schedule:

(i) 30% of the Share Options shall be exercisable from 27 March 2023 to 26 September 2026 (both dates inclusive);

(ii) 30% of the Share Options shall be exercisable from 27 March 2024 to 26 September 2026 (both dates inclusive); and

(iii) 40% of the Share Options shall be exercisable from 27 March 2025 to 26 September 2026 (both dates inclusive).

Details of the Share Options granted under Share Option Scheme during the year ended 31 March 2026 were as follows:

		Number of Share Options						
Grantee	Exercisable period	Balance as at 1 April 2025	Granted during the year	Exercised during the year	Forfeited during the year	Cancelled during the year	Balance as at 31 March 2026	Exercise price per Share (HK$)
Mr. Ko	27/03/2023 to 26/09/2026	150,000	–	–	–	–	150,000	0.194
	27/03/2024 to 26/09/2026	150,000	–	–	–	–	150,000	0.194
	27/03/2025 to 26/09/2026	200,000	–	–	–	–	200,000	0.194
		500,000	–	–	–	–	500,000	
Mrs. Ko	27/03/2023 to 26/09/2026	150,000	–	–	–	–	150,000	0.194
	27/03/2024 to 26/09/2026	150,000	–	–	–	–	150,000	0.194
	27/03/2025 to 26/09/2026	200,000	–	–	–	–	200,000	0.194
		500,000	–	–	–	–	500,000	
Mr. Kelvin Ko	27/03/2023 to 26/09/2026	150,000	–	–	–	–	150,000	0.194
	27/03/2024 to 26/09/2026	150,000	–	–	–	–	150,000	0.194
	27/03/2025 to 26/09/2026	200,000	–	–	–	–	200,000	0.194
		500,000	–	–	–	–	500,000	
Employees (in aggregate)	27/03/2023 to 26/09/2026	4,320,000	–	–	(2,370,000)	–	1,950,000	0.194
	27/03/2024 to 26/09/2026	4,320,000	–	–	(2,370,000)	–	1,950,000	0.194
	27/03/2025 to 26/09/2026	5,760,000	–	–	(3,160,000)	–	2,600,000	0.194
		14,400,000	–	–	(7,900,000)	–	6,500,000	
		15,900,000	–	–	(7,900,000)	–	8,000,000 *(Note)*	

Notes: Representing 1.57% of the issued Shares as at the date of this annual report.

DIRECTORS' RIGHT TO ACQUIRE SHARES AND DEBENTURES

Save as disclosed above, at no time during the year ended 31 March 2026 were rights to subscribe for equity or debt securities of the Company granted to any Director or chief executive of the Company or to their spouse or children under 18 years of age as recorded in the register required to be kept under Part XV of the SFO, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries a party to any arrangement to enable any such persons to acquire any such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2026, the person(s) (not being Directors or chief executive of the Company) who had interests or short position of 5% or more in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO, or otherwise notified to the Company are set out below:

	Nature of interests			
Name of shareholders	**Beneficial owner**	**Family interest**	**Total number of shares held**	**Approximate percentage of the issued share capital**
CHHL *(Note a)*	356,715,000	–	356,715,000	69.96%
Mr. Chu Hung Kwan ("Mr. Chu") *(Note b)*	17,400,000	11,500,000	28,900,000	5.67%
Ms. Tai Kan Yuet ("Mrs. Chu") *(Note b)*	11,500,000	17,400,000	28,900,000	5.67%

Notes:

(a) CHHL is owned as to 60% and 40% by Mr. Ko and Mrs. Ko respectively.

(b) Mr. Chu and Mrs. Chu are spouses. Pursuant to the Part XV of the SFO, Mr. Chu is deemed to be interested in the shares of the Company owned by Mrs. Chu and Mrs. Chu is deemed to be interested in the shares of the Company owned by Mr. Chu.

Save as disclosed above, as at 31 March 2026, the Company had not been notified by any person(s) (other than the Directors and chief executive of the Company, whose interests are set out in the section "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of the Company and its Associated Corporations" above), who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

CONNECTED AND RELATED PARTY TRANSACTIONS

During the year, the Group entered into certain related party transactions, details of which are set out in note 35 to the consolidated financial statements. For those related party transactions constituted continuing connected transactions to the Company under Chapter 14A of the Listing Rules, such transactions are fully exempted from shareholders' approval, annual review and all disclosure requirements pursuant to Rule 14A.76 of the Listing Rules.

MANAGEMENT CONTRACTS

Save as disclosed herein, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company or its subsidiaries were entered into or existed during the year.

PERMITTED INDEMNITY

Pursuant to the Articles of Association of the Company, every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto. The Company has arranged appropriate directors' and officers' liability insurance coverage for the Directors and officers of the Group throughout the year.

INVESTMENT ACTIVITIES

For the year ended 31 March 2026, the Group engaged in certain investment activities. All the funds used in such investment activities were the Group's surplus funds allocated under the investment cap.

During the year, there was no change to the investment cap amount and that remained as HK$45 million, or an amount equivalent to the Group's balance of surplus funds (whichever is lower).

As at 31 March 2025 and 2026, the Group did not have financial assets or liabilities purchased under the investment cap stated at fair value.

With effect from 10 April 2026, and the Investment Policy was established to provide a clear governance framework for the management, approval, and monitoring of surplus funds investments of the Company and its subsidiaries, ensuring that all such activities are conducted in a prudent, transparent, and compliant manner to protect shareholders' interests while optimizing returns.

The maximum aggregate amount of funds available for investment (Investment Cap) shall be determined with reference to the Group's projection of its surplus funds balance which is determined based on the formula set out below:

Source and Calculation of the Surplus Fund

Sum of cash and cash equivalents and time deposits over three months	
Less:	Sum of operating fund reserve
	Remaining IPO proceeds balance
Surplus funds balance	

The Finance and Accounting Department shall prepare a rolling 12-month cash flow and surplus cash forecast on a monthly basis. Based on this forecast, the Investment Manager and any one of the executive Directors shall recommend the new Investment Cap with supporting reasons to the Board of Directors of the Company for approval, if required. In all circumstances, the new Investment Cap will not exceed the projected surplus funds balance for the coming six months. Any significant changes in business conditions, liquidity needs, or financial market volatility shall trigger a reassessment of the Investment Cap.

CHANGE IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, the change in the information of Directors required to be disclosed is as follows:

Mr. Tse Kam Tim resigned as a member of the Board of Directors of CUHK Medical Centre on 31 March 2025.

The amount of the directors' emoluments of the Executive Directors and INEDs has been reviewed by the Remuneration Committee and the Board and the adjusted emoluments will be effective on 1 July 2026.

The updated biographical details of the Directors of the Company are set out in the preceding section headed "Directors' Biographies". Details of the Directors' emoluments are set out in note 11 to the consolidated financial statements.

DEED OF NON-COMPETITION

Each of the controlling shareholders has confirmed to the Company of his/its compliance with the non-competition undertakings provided to the Company under the Deed of Non-competition (as defined in the Prospectus). The INEDs have reviewed the status of compliance and confirmed that all the undertakings under the Deed of Non-competition have been complied with by the controlling shareholders.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, no Director had any interests in any business which competed or were likely to compete, either directly or indirectly, with the Group's business.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this annual report, at least 25% of the Company's total issued share capital was held by public as required under the Listing Rules.

EVENTS AFTER THE YEAR

IT Security Issue and Loss of Data

Incident Overview

In April 2026, the Group discovered unauthorized access to certain of its internal servers and shared storage systems.

The affected data may include customer orders and related operational records; employee files and system data. The Group's credit card-related operations are continuously outsourced to third-party payment processors or banks. There is no risk of credit card information leakage.

Response and Impact

The Group has immediately implemented the following emergency response measures: establishing an internal emergency committee to coordinate the response; appointing independent cybersecurity experts to conduct a comprehensive forensic investigation; reporting to the Hong Kong Police Force and the Office of the Privacy Commissioner for Personal Data, Hong Kong; and activating its business continuity plan, utilising cloud-based collaboration tools to maintain the continuity of new orders and services, and data security.

Based on Data Recovery Technical Report from independent data recovery specialists, Security Infrastructure Enhancement Project from external IT consultant, and Investigation report on Ransomware Attacks from the independent IT security consultant, the Board concluded that sufficient and appropriate procedures had been performed via backup restoration and third-party cross-verification to validate the integrity of the restored data.

Based on the verified evidence presented by the management, the Group's critical business systems and data had been successfully recovered, and the Board is reasonably assured that the restored data remains complete, accurate and intact.

For further details thereof, please refer to the announcement of the Company dated 20 April 2026.

AUDITOR

The consolidated financial statements of the Group for the years ended 31 March 2025 and 2026 were audited by BDO Limited. A resolution will be proposed at the AGM to re-appoint BDO Limited as the auditor of the Company.

On behalf of the Board
Ko Wai Ming, Daniel
Chairman and Executive Director

Hong Kong, 30 June 2026

INDEPENDENT AUDITOR'S REPORT

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TO THE SHAREHOLDERS OF TRAVEL EXPERT (ASIA) ENTERPRISES LIMITED
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Travel Expert (Asia) Enterprises Limited ("the Company") and its subsidiaries (together "the Group") set out on pages 51 to 99, which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the HKICPA's "Code of Ethics for Professional Accountants" (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of non-financial assets

Refer to notes 2.5, 2.6, 2.7, 4(ii), 12, 13 to the consolidated financial statements.

As at 31 March 2026, the Group had property, plant and equipment and intangible assets with carrying amounts of approximately HK$11,535,000 and HK$1,969,000 respectively.

At the end of the reporting period, the Group reviews the carrying amounts of the property, plant and equipment and intangible assets to determine whether there is any indication that an impairment loss previously recognised no longer exists or may have decreased.

For the purpose of assessment of reversal of impairment, assets were tested at cash-generating unit ("CGU") level. The recoverable amount of the CGU in respect of travel related business was determined based on the value in use calculation using discounted cash flow projection and sales forecast prepared by management with major assumptions such as revenue growth, gross profit and discount rate.

Based on the result of the assessment, management concluded that no reversal of impairment loss on plant and equipment and intangible assets was made during the year.

We focused on this area because significant estimations and judgements were involved in determining the recoverable amount of the relevant CGU subject to impairment assessment.

Our responses:

Our procedures in relation to this key audit matter included:

- Obtaining an understanding of the criteria applied by the management in determining the eligibility for the reversal of impairment;
- Assessing the appropriateness of the CGU identified and evaluating the composition of the assets and liabilities allocated to the CGU;
- Assessing the appropriateness of valuation methodology used in respect of the assessment of the recoverable amounts by management;
- Enquiring management for the key assumptions in value in use calculation and evaluating the key assumptions (such as revenue growth, gross profit and discount rate) applied by comparing them to our understanding of latest market information and conditions and historical information, where applicable; and
- Performing procedures to obtain audit evidence regarding the accuracy and completeness of the data used in the impairment assessment process.

OTHER INFORMATION IN THE ANNUAL REPORT

The directors are responsible for the other information. The other information comprises the information included in the Company’s annual report, but does not include the consolidated financial statements and our auditor’s report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

DIRECTORS’ RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are also responsible for overseeing the Group’s financial reporting process. The Audit Committee assists the directors in discharging their responsibility in this regard.

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. This report is made solely to you, as a body, in accordance with the terms of our engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

BDO Limited
Certified Public Accountants

Cheung Or Ping
Practising Certificate Number P05412

Hong Kong, 30 June 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	**2026** **HK$'000**	2025 HK$'000
Continuing operations			
Revenue	*5*	**359,002**	255,244
Cost of sales		**(259,950)**	(169,247)
Gross profit		**99,052**	85,997
Other income and gains	*5*	**7,851**	7,383
Selling and distribution costs		**(61,594)**	(52,031)
Administrative and other operating expenses		**(37,384)**	(35,846)
Fair value loss on financial assets at fair value through profit or loss		**(398)**	(62)
Profit from operations	*6*	**7,527**	5,441
Finance costs	*7*	**(576)**	(812)
Profit before income tax		**6,951**	4,629
Income tax expenses	*8*	**(911)**	(778)
Profit for the year from continuing operations		**6,040**	3,851
Discontinued operation			
Loss for the year from discontinued operation	*31*	**–**	(478)
Profit for the year		**6,040**	3,373
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**(15)**	(1)
Other comprehensive income for the year		**(15)**	(1)
Total comprehensive income for the year		**6,025**	3,372

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

	Note	**2026** **HK$'000**	2025 HK$'000
Profit/(loss) for the year attributable to:			
Owners of the Company			
– Continuing operations		**6,040**	3,852
– Discontinued operation		**–**	(478)
Profit for the year attributable to owners of the Company		**6,040**	3,374
Non-controlling interests			
– Continuing operations		**–**	(1)
– Discontinued operation		**–**	–
Loss for the year attributable to non-controlling interests		**–**	(1)
		6,040	3,373
Total comprehensive income for the year attributable to:			
Owners of the Company		**6,025**	3,373
Non-controlling interests		**–**	(1)
		6,025	3,372
Earnings/(loss) per share attributable to owners of the Company	*10*		
– Basic			
– Continuing operations		**HK1.2 cents**	HK0.8 cents
– Discontinued operation		**–**	HK(0.1) cents
– Continuing and discontinued operations		**HK1.2 cents**	HK0.7 cents
– Diluted			
– Continuing operations		**HK1.2 cents**	HK0.8 cents
– Discontinued operation		**–**	HK(0.1) cents
– Continuing and discontinued operations		**HK1.2 cents**	HK0.7 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Notes	2026 HK$'000	2025 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	12	**11,535**	12,236
Intangible assets	13	**1,969**	1,953
Prepayments and deposits	14	**1,167**	3,592
Deferred tax asset	24	**1,362**	2,287
		16,033	20,068
Current assets			
Inventories	15	**932**	1,040
Trade receivables	16	**7,345**	5,543
Prepayments, deposits and other receivables	14	**27,584**	25,390
Tax recoverable		**7**	–
Pledged deposits	18	**17,478**	19,160
Time deposits with original maturity over three months	19	**624**	–
Cash and cash equivalents	19	**95,215**	90,654
		149,185	141,787
Current liabilities			
Trade payables	20	**21,474**	25,832
Accrued charges and other payables	21	**14,754**	8,402
Contract liabilities	22	**53,357**	50,694
Lease liabilities	17	**5,470**	7,063
Tax payables		**–**	39
Provisions	23	**821**	725
		95,876	92,755
Net current assets		**53,309**	49,032
Total assets less current liabilities		**69,342**	69,100
Non-current liabilities			
Lease liabilities	17	**1,506**	3,660
Provisions	23	**717**	267
		2,223	3,927
Net assets		**67,119**	65,173
EQUITY			
Equity attributable to owners of the Company			
Share capital	25	**5,099**	5,099
Reserves	26	**62,020**	59,904
		67,119	65,003
Non-controlling interests		**–**	170
Total equity		**67,119**	65,173

Ko Wai Ming, Daniel
Director

Cheng Hang Fan
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2026

	Attributable to owners of the Company											
	Share capital HK$'000	Share premium HK$'000 *(note 26(a))*	Share option reserve HK$'000 *(note 26(a))*	Share redemption reserve HK$'000	Merger reserve HK$'000 *(note 26(a))*	Foreign exchange reserve HK $'000	Other reserve HK $'000 *(note 26(a))*	Proposed dividend HK $'000	Retained profits HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
At 1 April 2024	5,099	48,491	1,282	37	(9,000)	(291)	(6,046)	7,138	21,880	68,590	171	68,761
Profit for the year	–	–	–	–	–	–	–	–	3,374	3,374	(1)	3,373
Other comprehensive income for the year	–	–	–	–	–	(1)	–	–	–	(1)	–	(1)
Total comprehensive income for the year	–	–	–	–	–	(1)	–	–	3,374	3,373	(1)	3,372
Final dividend proposed (note 9(a))	–	(4,079)	–	–	–	–	–	4,079	–	–	–	–
Final dividend approved in respect of the previous year (note 9(b))	–	–	–	–	–	–	–	(3,569)	–	(3,569)	–	(3,569)
Special dividend approved in respect of the previous year (note 9(b))	–	–	–	–	–	–	–	(3,569)	–	(3,569)	–	(3,569)
Share-based payments	–	–	178	–	–	–	–	–	–	178	–	178
At 31 March 2025	5,099	44,412	1,460	37	(9,000)	(292)	(6,046)	4,079	25,254	65,003	170	65,173
At 1 April 2025	**5,099**	**44,412**	**1,460**	**37**	**(9,000)**	**(292)**	**(6,046)**	**4,079**	**25,254**	**65,003**	**170**	**65,173**
Profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**6,040**	**6,040**	**–**	**6,040**
Other comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**(15)**	**–**	**–**	**–**	**(15)**	**–**	**(15)**
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**(15)**	**–**	**–**	**6,040**	**6,025**	**–**	**6,025**
Final dividend proposed (note 9(a))	**–**	**(5,099)**	**–**	**–**	**–**	**–**	**–**	**5,099**	**–**	**–**	**–**	**–**
Final dividend approved in respect of the previous year (note 9(b))	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(4,079)**	**–**	**(4,079)**	**–**	**(4,079)**
Release of share option reserve upon the forfeiture of share options (note 28)	**–**	**–**	**(711)**	**–**	**–**	**–**	**–**	**–**	**711**	**–**	**–**	**–**
Transaction with non-controlling interest	**–**	**–**	**–**	**–**	**–**	**–**	**170**	**–**	**–**	**170**	**(170)**	**–**
At 31 March 2026	**5,099**	**39,313**	**749**	**37**	**(9,000)**	**(307)**	**(5,876)**	**5,099**	**32,005**	**67,119**	**–**	**67,119**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	Notes	**2026 HK$'000**	2025 HK$'000
Cash flows from operating activities			
Profit/(loss) before income tax			
– From continuing operations		**6,951**	4,629
– From discontinued operation		**–**	(478)
		6,951	4,151
Adjustments for:			
Interest income	*5*	**(1,686)**	(2,941)
Depreciation of property, plant and equipment	*6*	**9,321**	8,661
Loss on disposal of property, plant and equipment	*6*	**1**	132
Gain on lease modification	*6*	**(40)**	–
Amortisation of intangible assets	*6*	**242**	311
Interest expenses	*7*	**576**	815
Gain on disposal of a subsidiary	*31*	**–**	(30)
Fair value loss on financial assets at fair value through profit or loss		**398**	62
Share-based payments		**–**	178
Operating profit before working capital changes		**15,763**	11,339
Decrease in inventories		**108**	318
Increase in trade receivables		**(1,802)**	(5,527)
Increase in prepayments, deposits and other receivables		**(1,174)**	(2,624)
(Decrease)/increase in trade payables		**(4,358)**	4,894
Increase/(decrease) in accrued charges and other payables		**6,352**	(6,834)
Increase in contract liabilities		**2,663**	18,661
Increase in financial assets at fair value through profit or loss		**(398)**	(62)
Cash generated from operations		**17,154**	20,165
Income tax (paid)/refund		**(32)**	1
Net cash generated from operating activities		**17,122**	20,166
Cash flows from investing activities			
Prepayments for acquisition of property, plant and equipment		**–**	(1,405)
Purchase of property, plant and equipment	*30(b)*	**(2,677)**	(1,156)
Purchase of intangible assets		**(258)**	–
Disposal of a subsidiary, net of cash disposed	*31*	**–**	58
Placement of pledged deposits		**(41,145)**	(21,348)
Withdrawal of pledged deposits		**42,827**	21,763
Placement of deposits with original maturity over three months		**(624)**	(17,500)
Withdrawal of deposits with original maturity over three months		**–**	53,102
Interest received		**1,686**	2,941
Net cash (used in)/generated from investing activities		**(191)**	36,455
Cash flows from financing activities			
Settlement of lease liabilities	*30(a)*	**(7,700)**	(7,586)
Interest paid	*30(a)*	**(576)**	(815)
Dividends paid to owners of the Company	*9(b)*	**(4,079)**	(7,138)
Net cash used in financing activities		**(12,355)**	(15,539)
Net increase in cash and cash equivalents		**4,576**	41,082
Cash and cash equivalents at beginning of year		**90,654**	49,573
Effect of foreign exchange rate changes		**(15)**	(1)
Cash and cash equivalents at end of year	*19*	**95,215**	90,654
Analysis of balances of cash and cash equivalents			
Cash deposits in banks and financial institutions		**91,082**	81,390
Time deposits		**4,133**	9,264
	19	**95,215**	90,654

1. GENERAL INFORMATION

Travel Expert (Asia) Enterprises Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability. The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company and its subsidiaries (the "Group") is located at 5/F., Overseas Trust Bank Building, No.160 Gloucester Road, Wanchai, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The directors of the Company considered that the immediate holding company of the Company and ultimate holding company of the Company are Colvin & Horne Holdings Limited, a company incorporated in Hong Kong with limited liability.

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are set out in note 29 to the consolidated financial statements.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards including Hong Kong Financial Reporting Standards ("HKFRS"), Hong Kong Accounting Standards ("HKAS") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The consolidated financial statements also include the required disclosure of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange.

The material accounting policy information that have been used in the preparation of the consolidated financial statements are summarised below. The adoption of new or amended HKFRS Accounting Standards and the impacts on the consolidated financial statements, if any, are disclosed in note 3.

The consolidated financial statements have been prepared under the historical cost basis except for financial assets at fair value through profit or loss which are measured at fair values. The measurement bases are fully described in the accounting policies below.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 4.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

2.3 Subsidiaries

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: (i) power over the investee, (ii) exposure, or rights, to variable returns from the investee, and (iii) the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

Changes in Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

In the Company's statement of financial position, investments in subsidiaries are stated at cost less impairment loss, if any. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.4 Foreign currency translation

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is the same as the functional currency of the Company.

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from retranslation of monetary assets and liabilities at the end of reporting period are recognised in profit or loss. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined and are reported as part of the fair value gain or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

On consolidation, income and expense items of foreign operations are translated into the presentation currency of the Group (i.e. HK$) at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the rates approximating to those ruling when the transactions took place are used. All assets and liabilities of foreign operations are translated at the rate ruling at the end of reporting period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity as foreign exchange reserve (attributed to non-controlling interests as appropriate). Exchange differences recognised in profit or loss of group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the foreign operation concerned are reclassified to other comprehensive income and accumulated in equity as foreign exchange reserve.

2.5 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as an expense in profit or loss during the financial period in which they are incurred.

Depreciation on property, plant and equipment is provided to write off their cost over their estimated useful lives, using the straight-line basis, at the following rates per annum:

Leasehold improvements	The shorter of the lease terms or 20% – 50%
Office equipment	33.33% – 50%
Furniture and fixtures	20% – 50%
Motor vehicle	33.33%
Properties and office equipment leased for own use	Over the lease terms

The assets' useful lives, depreciation methods and residual values are reviewed, and adjusted if appropriate, at the end of each reporting period.

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.6 Intangible assets

(i) Intangible assets acquired separately

Intangible assets acquired separately are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

The amortisation expense is recognised in profit or loss. The useful lives and amortisation method are reviewed, and adjusted if appropriate, at the end of each reporting period. Amortisation is provided on a straight-line basis over their useful lives as follows:

Software	3 years

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

2.7 Impairment of non-financial assets

Property, plant and equipment, intangible assets, prepayment for acquisition of property, plant and equipment and interests in subsidiaries are subject to an impairment test and are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit ("CGU")). As a result, some assets are tested individually for impairment and some are tested at CGU level.

In testing a CGU for impairment, a portion of the carrying amount of a corporate asset is allocated to an individual CGU if it can be allocated on a reasonable and consistent basis or, otherwise, to the smallest group of CGU.

Impairment loss is charged pro rata to the assets in the CGU, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable), whichever is the higher.

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Value in use is based on the estimated future cash flows expected to be derived from the asset or CGU, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.8 Revenue recognition

Revenue from contracts with customers is recognised when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, excluding those amounts collected on behalf of third parties. Revenue excludes value added taxes or other sales taxes and is after deduction of any trade discounts.

Depending on the terms of the contract and the laws that apply to the contract, control of the good or service may be transferred over time or at a point in time. Control of the good or service is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer;
- creates or enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the goods or services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the good or service.

When another party is involved in providing goods or services to a customer, the Group shall determine whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent). The Group is a principal if it controls the specified goods or service before that goods or service is transferred to a customer. The Group is an agent if its performance obligation is to arrange for the provision of the specified goods or service by another party. The Group recognises revenue on gross basis if the Group is acting as a principal; and on a net basis if the Group is acting as an agent in the relevant transactions.

(i) Provision of services relating to sales of travel related products

Revenue from provision of services relating to sales of travel related products is recognised at a point in time when the booking services or tickets are delivered to and have been accepted by the customers.

For walk-in customers, a sales deposit based on certain proportion of the total product price may be received from customers. A full payment is required before provision of services. For corporate customers, invoices are usually payable upon delivery or within 30 days.

(ii) Sales of package tours

Revenue from sales of package tours is recognised over time as the customer simultaneously receives and consumes all of the benefit provided by the Group's performance as the Group performs. This means that if another travel agent was to take over providing the remaining performance obligation to the customer on a possible termination of the sales contract, it would not have to substantially re-perform the work already completed by the Group.

A full payment is required before provision of services.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.9 Contract liabilities

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays the consideration before the Group transfers goods or services to the customers, a contract liability is recognised when the payment is made or the payment is due (whenever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

2.10 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable and are recognised as other income and gains, rather than reducing the related expense.

2.11 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and costs necessary to make the sale.

2.12 Financial Instruments

(i) Financial assets

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets with embedded derivatives are considered in their entirely when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets at amortised cost are subsequently measured using the effective interest rate method. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain on derecognition is recognised in profit or loss.

(ii) Impairment loss on financial assets

The Group recognises loss allowances for expected credit loss ("ECL") on trade receivables and financial assets measured at amortised cost. The ECLs are measured on either of the following bases: (1) 12-month ECLs: these are the ECLs that result from possible default events within the 12 months after the reporting date; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument. The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.12 Financial Instruments *(Continued)*

(ii) Impairment loss on financial assets *(Continued)*

The Group measured loss allowances for trade receivables using HKFRS 9 simplified approach and has calculated ECLs based on lifetime ECLs. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other debt financial assets, the ECLs are based on the lifetime ECLs except when there has not been a significant increase in credit risk since initial recognition, in which case the allowance will be based on 12-month ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to action such as realising security (if any is held); or the financial asset is more than 90 days past due.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

The Group considers a financial asset to be credit-impaired when:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Interest income on credit-impaired financial assets is calculated based on the amortised cost (i.e. the gross carrying amount less loss allowance) of the financial asset. For non-credit-impaired financial assets, interest income is calculated based on the gross carrying amount.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.12 Financial Instruments *(Continued)*

(iii) Financial liabilities

The Group classifies its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at amortised cost are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including trade and other payables are subsequently measured at amortised cost, using the effective interest method. The related interest expense is recognised in profit or loss.

Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

(iv) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(v) Derecognition

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKFRS 9.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash at banks and cash in hand, demand deposits with banks and short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows presentation, cash and cash equivalents include bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

2.14 Accounting for income taxes

Income tax comprises current and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects any uncertainty related to income tax.

Deferred tax is recognised in respect of temporary differences. Except for goodwill not deductible for tax purposes and initial recognition of assets and liabilities that are not part of the business combination which affect neither accounting nor taxable profits and does not give rise to equal taxable and deductible temporary differences, taxable temporary differences arising on investments in subsidiaries where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future, deferred tax liabilities are recognised for all taxable temporary differences.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.14 Accounting for income taxes *(Continued)*

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised, provided that the deductible temporary differences are not arisen from initial recognition of assets and liabilities in a transaction other than in a business combination that affects neither taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences. Deferred tax is measured at the tax rate appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period, and reflects any uncertainty related to income taxes.

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to items recognised directly in equity in which case the taxes are also recognised directly in equity.

2.15 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account factors pertaining to a contingency such as the risks, uncertainties and time value of money.

Where all or some of the expenditure required to settle a provision is expected to be reimbursed by a third party, the reimbursement is recognised as a separate asset only when it is virtually certain that reimbursement will be received, and the amount of reimbursement recognised does not exceed the carrying amount of the provision.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Where it is improbable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the Group are also disclosed as contingent liabilities unless the probability of outflow of the economic benefits is remote.

2.16 Leasing

Accounting as a lessee

All leases are required to be capitalised in the consolidated statement of financial position as right-of-use assets and lease liabilities, but accounting policy choices exist for an entity to choose not to capitalise leases which are short-term leases. The Group has elected not to recognise right-of-use assets and lease liabilities for leases for which at the commencement date have a lease term of less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

Right-of-use asset

The right-of-use asset is initially recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee; and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-of-use assets at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.16 Leasing *(Continued)*

Lease liability

The lease liability is recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses the lessee's incremental borrowing rate.

The following payments for the right to use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable; (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, the Group measures the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modification, or to reflect revised in-substance fixed lease payments.

Lease modification

When the Group revises its estimate of the term of any lease (because, for example, it re-assesses whether it is reasonably certain to exercise an extension option, or not to exercise a termination option), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases, an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

When the Group renegotiates the contractual terms of a lease with the lessor, where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount. If the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date and the right-of-use asset is adjusted by the same amount.

2.17 Retirement benefit costs and short-term employee benefits

Defined contribution plan

The Group operates a defined contribution retirement benefit plan (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the laws of Hong Kong), for all of its employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme, except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

As at 31 March 2026, there are no forfeited contributions available to offset future retirement benefit obligations of the Group (2025: Nil).

2. MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

2.17 Retirement benefit costs and short-term employee benefits *(Continued)*

Short-term employee benefits

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

Termination benefits

Termination benefits are recognised on the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

2.18 Share-based payments

Where share options are awarded to employees and others providing similar services, the fair value of the services received is measured by reference to the fair value of the options at the date of grant. Such fair value is recognised in profit or loss over the vesting period with a corresponding increase in the share option reserve within equity. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at the end of each reporting period so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. As long as all non-market vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied.

Where the options are forfeited prior to the vesting date due to a failure by the employee to satisfy the service conditions, any expenses previously recognised in relation to such options are reversed on the effective date of the forfeiture. No further adjustments should be made after the vesting date, regardless of whether the options are forfeited later.

2.19 Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major operations.

The measurement policies the Group uses for reporting segment results under HKFRS 8 are the same as those used in its financial statements prepared under HKFRS Accounting Standard, except that:

(a) income tax; and
(b) corporate income and expenses which are not directly attributable to the business activities of any operating segment;

are not included in arriving at the operating results of the operating segment.

Corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment, which primarily applies to the Group's headquarter.

Segment liabilities exclude corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment.

3. ADOPTION OF NEW AND AMENDED HKFRS ACCOUNTING STANDARDS

(a) Adoption of amended HKFRS Accounting Standards – effective 1 April 2025

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

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
Amendments to Illustrative Examples on HKFRS 7, HKFRS 18, HKAS 1, HKAS 8, HKAS 36 and HKAS 37	Disclosure about Uncertainties in the Financial Statements

None of these amended HKFRS Accounting Standards has a material impact on the Group's results and financial position for the current or prior period. The Group has not early applied any new or amended HKFRS Accounting Standards that is not yet effective for the current accounting period.

(b) New and amended HKFRS Accounting Standards that have been issued but are not yet effective

The following new and amended HKFRS Accounting Standards have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

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

1 Effective for annual periods beginning on or after 1 January 2026
2 Effective for annual periods beginning on or after 1 January 2027
3 No mandatory effective date yet determined but available for adoption

The Group is currently assessing the impact of these new and amended HKFRS Accounting Standards. The Group does not expect the new and amended standards issued by the HKICPA, but not yet effective, to have a material impact on the Group's financial position and performance, except for HKFRS 18. HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management-defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. The new requirements are expected to affect the Group's presentation of the consolidated statements of profit or loss and disclosures of the Group's financial performance but are unlikely to have a significant impact on the Group's net profit and financial position in the period of initial application for HKFRS 18.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal to the related actual results. The critical judgement in applying accounting policies and estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Principal versus agent consideration

The Group is considered as an agent for its contracts with customers relating to the provision of services relating to sales of travel related products, the Group did not obtain the control over the provision of services relating to sales of travel related products before passing on to customers taking into consideration indicators such as the Group is not primarily responsible for fulfilling the promise. When the Group satisfies the performance obligation, the Group recognises a fee revenue in the amount it expects to be entitled as specified in the contracts.

During the year ended 31 March 2026, the Group recognised fee revenue relating to the provision of services relating to sales of travel related products amounted to approximately HK$58,565,000 (2025: HK$54,730,000).

(ii) Impairment of non-financial assets

At the end of the reporting period, the Group reviews the carrying amounts of the property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss previously recognised no longer exists or may have decreased. For the purpose of assessment of reversal of impairment, assets were tested at CGU level. The recoverable amount of the CGU was determined based on the value in use calculation using discounted cash flow projection and sales forecast prepared by management with major assumptions such as revenue growth, gross profit and discount rate.

(iii) Loss allowance for financial assets

Management estimates the amount of loss allowance for ECLs on financial assets at amortised cost based on the credit risk of the respective financial instrument. The loss allowance amount is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows with the consideration of expected future credit loss of the respective financial instrument. The assessment of the credit risk of the respective financial instrument involves high degrees of estimation and uncertainty about future economic conditions which have an adverse effect on debtors' business, debtors' creditworthiness, the payment delinquency or default in interest or principal payments. When the actual future cash flows are less than expected or more than expected, a material impairment loss or a material reversal of impairment loss may arise, accordingly. Further information on the impairment assessment on financial assets is set out in note 33(i).

(iv) Deferred tax

Deferred tax asset relating to tax losses are recognised as management considers it is probable that future taxable profit will be available against which the tax losses can be utilised. Where expectation is different from the original estimate, such differences will impact the recognition of deferred tax expense in the periods in which such estimate is changed. The outcome of their actual utilisation may be different.

(v) Provision for contract with a supplier

The Group assesses whether there is an onerous contract with a supplier expiring in December 2032 in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it at the end of each reporting period. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. To assess whether a provision is required, the Group has considered the historical sales record and most recent sales forecasts. Based on this assessment, the directors of the Company have concluded that the expected economic benefits continue to exceed the unavoidable costs of fulfilling the contract. Accordingly, no provision has been recognised as at the end of the reporting period.

5. REVENUE, OTHER INCOME AND GAINS, AND SEGMENT INFORMATION

The Group's principal activities are provision of services relating to sales of travel related products and sales of package tours during the year. An analysis of the Group's revenue from principal activities, other income and gains is as follows:

	2026 HK$'000	2025 HK$'000
Revenue from contracts with customers within the scope of HKFRS 15:		
Continuing operations		
Provision of services relating to sales of travel related products *(note a)*	58,565	54,730
Sales of package tours	300,437	200,514
	359,002	255,244
Discontinued operation		
Sales of food and beverage *(note 31)*	–	2,700
	359,002	257,944
Other income and gains		
Continuing operations		
Interest income on deposits in banks and financial institutions measured at amortised cost	1,686	2,941
Dividend income from listed securities	43	–
Sponsorship and joint advertising income	1,885	1,529
Gain on lease modification	40	–
Government grants *(note b)*	–	298
Exchange gains	3,048	–
Sundry income *(note c)*	1,149	2,615
	7,851	7,383
Discontinued operation *(note 31)*		
Interest income on deposits in banks and financial institutions measured at amortised cost	–	–^
	–	–^
	7,851	7,383

^ The balance represents an amount less than HK$1,000.

Notes:

(a) The Group's gross sales proceeds from provision of services relating to sales of travel related products of approximately HK$364,243,000 (2025: HK$375,773,000), includes the air tickets, hotel accommodation and other travel related products, are considered as cash collected and receivable on behalf of a principal as an agent. The gross sales proceeds from these sales, which do not represent revenue, represent the price at which products have been sold inclusive of service fees. The related service income is recorded by the Group on net basis.

(b) Government grants

During the year ended 31 March 2025, the Group has recognised of approximately HK$228,000 relating to one-off subsidy for the purpose of giving immediate financial support and cash incentives for travel agents and approximately HK$70,000 relating to SME Export Marketing Fund for participation in export promotion activities to expand the Group's markets outside Hong Kong provided by the Hong Kong Special Administration Region Government. There are no unfulfilled conditions of the subsidies and funding support.

(c) Sundry income

Included in sundry income from continuing operations mainly represented gain on derecognition of financial liabilities as the obligation of relevant contracts have been discharged in accordance with the Group's accounting policies of approximately HK$381,000. (2025: HK$1,392,000).

5. REVENUE, OTHER INCOME AND GAINS, AND SEGMENT INFORMATION

(Continued)

The following table provides information about trade receivables and contract liabilities from contracts with customers.

	2026 **HK$'000**	2025 HK$'000
Trade receivables *(note 16)*	**7,345**	5,543
Contract liabilities *(note 22)*	**53,357**	50,694

The Group has applied the practical expedient to its service contracts and therefore it does not disclose about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for provision of services relating to sales of travel related products and sales of package tours that had an original expected duration of one year or less.

Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by geographical markets, major service lines and timing of revenue recognition.

	Continuing operations Travel related business		**Discontinued operation Food and beverage business**		**Total**	
	2026 **HK$'000**	2025 HK$'000	**2026** **HK$'000**	2025 HK$'000	**2026** **HK$'000**	2025 HK$'000
Geographical markets						
Hong Kong	**359,002**	255,244	**–**	2,700	**359,002**	257,944
	359,002	255,244	**–**	2,700	**359,002**	257,944
Major service lines						
Provision of services relating sales of travel related products	**58,565**	54,730	**–**	–	**58,565**	54,730
Sales of package tours	**300,437**	200,514	**–**	–	**300,437**	200,514
Sales of food and beverage	**–**	–	**–**	2,700	**–**	2,700
	359,002	255,244	**–**	2,700	**359,002**	257,944
Timing of revenue recognition						
At a point in time	**58,565**	54,730	**–**	2,700	**58,565**	57,430
Transferred over time	**300,437**	200,514	**–**	–	**300,437**	200,514
	359,002	255,244	**–**	2,700	**359,002**	257,944

5. REVENUE, OTHER INCOME AND GAINS, AND SEGMENT INFORMATION

(Continued)

Segment information

The executive directors of the Company have identified the Group's operating segments as follows. These operating segments are monitored and strategic decisions are made on the basis of adjusted segment operating results.

An operating segment regarding the food and beverage business was discontinued in last financial year, therefore, the related segment information is reported as discontinued operation.

Specifically, the Group's reportable segment represents Travel related business (2025: (i) Travel related business; and (ii) Food and beverage business) for the year ended 31 March 2026.

	Continuing operations Travel related business		Discontinued operation Food and beverage business		Inter-segment elimination		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
Revenue from external customers	**359,002**	255,244	**–**	2,700	**–**	–	**359,002**	257,944
Inter-segment revenue	**–**	–	**–**	148	**–**	(148)	**–**	–
Reportable segment revenue	**359,002**	255,244	**–**	2,848	**–**	(148)	**359,002**	257,944
Reportable segment profit/(loss)	**8,761**	3,561	**–**	(478)	**–**	–	**8,761**	3,083
Interest income	**70**	121	**–**	–^	**–**	–	**70**	121
Finance costs	**(432)**	(570)	**–**	(3)	**–**	–	**(432)**	(573)
Amortisation of intangible assets	**(242)**	(311)	**–**	–	**–**	–	**(242)**	(311)
Depreciation of property, plant and equipment	**(6,906)**	(6,156)	**–**	(125)	**–**	–	**(6,906)**	(6,281)
Reportable segment assets	**93,304**	86,259	**–**	–	**–**	–	**93,304**	86,259
Additions to non-current segment assets during the year	**5,842**	2,510	**–**	–	**–**	–	**5,842**	2,510
Reportable segment liabilities	**94,876**	92,722	**–**	–	**–**	–	**94,876**	92,722

^ The balance represents an amount less than HK$1,000.

5. REVENUE, OTHER INCOME AND GAINS, AND SEGMENT INFORMATION *(Continued)*

Segment information *(Continued)*

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the consolidated financial statements as follows:

	2026 HK$'000	2025 HK$'000
Reportable segment revenue	**359,002**	257,944
Less: segment revenue included in discontinued operation	**–**	(2,700)
Group revenue from continuing operations	**359,002**	255,244
Reportable segment profit	**8,761**	3,083
Segment loss included in discontinued operation	**–**	478
Unallocated interest income	**1,616**	2,820
Other corporate income	**1,319**	–
Corporate expenses	**(4,745)**	(1,752)
Profit before income tax from continuing operations	**6,951**	4,629
Reportable segment assets	**93,304**	86,259
Corporate assets	**70,545**	73,309
Tax recoverable	**7**	–
Deferred tax assets	**1,362**	2,287
Group assets	**165,218**	161,855
Reportable segment liabilities	**94,876**	92,722
Corporate liabilities	**3,223**	3,921
Tax payables	**–**	39
Group liabilities	**98,099**	96,682

The Group's revenues from external customers and its non-current assets (excluded those relating to financial instruments and deferred tax asset) are all divided into the following geographical locations:

	Revenue from external customers						Non-current assets	
	Continuing operations		Discontinued operation		Total			
	2026 HK$'000	2025 HK$'000	**2026 HK$'000**	2025 HK$'000	**2026 HK$'000**	2025 HK$'000	**2026 HK$'000**	2025 HK$'000
Hong Kong (domicile)	**359,002**	255,244	**–**	2,700	**359,002**	257,944	**10,750**	14,189
The People's Republic of China (the "PRC") excluding Hong Kong	**–**	–	**–**	–	**–**	–	**2,754**	1,405
	359,002	255,244	**–**	2,700	**359,002**	257,944	**13,504**	15,594

The geographical location of the non-current assets is based on the physical location of the asset. The place of domicile is determined by referring to the place which the Group regards as its hometown, has the majority of operations and center of management.

Most of the revenue of the Group are derived from Hong Kong. The Group has a large number of customers, and no specific external customers contributing over 10% of the total revenue of the Group for each of the years ended 31 March 2026 and 2025.

6. PROFIT FROM OPERATIONS

	2026 HK$'000	2025 HK$'000
Continuing operations		
Profit from operations is arrived at after charging/(crediting):		
Auditor's remuneration:		
– Annual audit	**730**	598
– Non-audit services	**150**	145
Depreciation of property, plant and equipment: *(note 12)*		
– Owned property, plant and equipment*	**1,448**	1,343
– Properties and office equipment leased for own use**	**7,873**	7,193
	9,321	8,536
Loss on disposal of property, plant and equipment:		
– Owned property, plant and equipment	**1**	132
Amortisation of intangible assets *(note 13)*	**242**	311
Net foreign exchange (gain)/loss	**(3,048)**	525
Short-term leases expenses	**158**	113
Variable lease payments not included in the measurement of lease liabilities	**60**	13
Gain on lease modification	**(40)**	–
Staff costs (excluding directors' remuneration *(note 11)*):		
– Salaries and other benefits	**55,758**	50,699
– Share-based payments	**–**	166
– Retirement scheme contribution	**2,273**	2,127
	58,031	52,992

* Depreciation expenses of owned property, plant and equipment have been included in:
- selling and distribution costs of approximately HK$611,000 (2025: HK$690,000) for the year; and
- administrative and other operating expenses of approximately HK$837,000 (2025: HK$653,000) for the year.

** Depreciation expenses of properties and office equipment leased for own use have been included in:
- selling and distribution costs of approximately HK$6,242,000 (2025: HK$5,463,000) for the year; and
- administrative and other operating expenses of approximately HK$1,631,000 (2025: HK$1,730,000) for the year.

6. PROFIT FROM OPERATIONS *(Continued)*

	2026 **HK$'000**	2025 HK$'000
Discontinued operation *(note 31)*		
Loss from operation is arrived at after charging:		
Depreciation of property, plant and equipment *(note 12)*:		
– Properties leased for own use	–	125
	–	125
Variable lease payments not included in the measurement of lease liabilities	–	68
Staff costs (excluding directors' remuneration *(note 11)*):		
– Salaries and other benefits	–	961
– Retirement scheme contribution	–	39
	–	1,000

7. FINANCE COSTS

	2026 **HK$'000**	2025 HK$'000
Continuing operations		
Interest on lease liabilities	**576**	812
Discontinued operation *(note 31)*		
Interest on lease liabilities	–	3
	576	815

8. INCOME TAX EXPENSES

The amounts of income tax in the consolidated statement of comprehensive income represent:

	2026 HK$'000	2025 HK$'000
Continuing operations		
Current tax – Hong Kong		
– (Over)/under-provision in respect of prior years	**(20)**	12
– Tax for the year	**–**	27
	(20)	39
Current tax – PRC		
– Tax for the year	**6**	–
	6	–
	(14)	39
Deferred tax *(note 24)*	**925**	739
	911	778
Discontinued operation		
Current tax – Hong Kong		
– Tax for the year *(note 31)*	**–**	–
	–	–
Income tax expenses	**911**	778

Reconciliation between income tax expenses and accounting profit/(loss) at the applicable tax rates is as follows:

	2026 HK$'000	2025 HK$'000
Profit/(loss) before income tax		
From continuing operations	**6,951**	4,629
From discontinued operation *(note 31)*	**–**	(478)
Profit before income tax	**6,951**	4,151
Tax calculated at the rates applicable to profit in the tax jurisdictions concerned	**1,198**	599
Tax effect of non-deductible items	**17**	82
Tax effect of non-taxable items	**(404)**	(225)
Unrecognised tax losses utilised for the year	**(871)**	(73)
Tax effect of tax losses not recognised	**862**	704
Tax effect of unrecognised temporary differences	**129**	(319)
(Over)/under-provision in respect of prior years	**(20)**	12
Tax reduction	**–**	(2)
Income tax expenses	**911**	778

8. INCOME TAX EXPENSES *(Continued)*

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the "BVI"), the Group is not subject to any taxation under the jurisdiction of the Cayman Islands and the BVI during the years ended 31 March 2026 and 2025.

Hong Kong profits tax is calculated at 16.5% on the estimated assessable profits for the years ended 31 March 2026 and 2025, except for one subsidiary of the Company which is a qualifying corporation under the two-tiered profits tax rate regime and is calculated at 8.25% on the first HK$2 million of estimated assessable profits and at 16.5% for the portion of the estimated assessable profits above HK$2 million.

Subsidiaries of the Company established in the PRC are subjected to PRC enterprise income tax at 25%. No PRC enterprise income tax has been provided as the Group did not generate any assessable profits in the PRC during the years ended 31 March 2025.

9. DIVIDENDS

(a) Dividends attributable to the year

	2026 **HK$'000**	2025 HK$'000
Proposed final dividend for the year ended 31 March 2026 of HK1.0 cents (2025: HK0.8 cents) per ordinary share	**5,099**	4,079
	5,099	4,079

Subsequent to the end of the reporting period, a final dividend of HK1.0 cents (2025: HK0.8 cents) per ordinary share has been proposed by the directors of the Company and is subject to approval by the shareholders at the forthcoming annual general meeting.

(b) Dividends attributable to the previous year, approved and paid during the year

	2026 **HK$'000**	2025 HK$'000
Final dividend in respect of the previous year, of HK0.8 cents (2025: HK0.7 cents) per ordinary share		
– Approved during the year	**4,079**	3,569
– Paid during the year	**(4,079)**	(3,569)
	–	–
Special dividend in respect of the previous year, of Nil (2025: HK0.7 cents) per ordinary share		
– Approved during the year	**–**	3,569
– Paid during the year	**–**	(3,569)
	–	–

10. EARNINGS/(LOSS) PER SHARE

The calculation of basic earnings/(loss) per share is based on the profit/(loss) for the year attributable to owners of the Company and weighted average number of ordinary shares in issue during the year.

	2026 **'000**	2025 '000
Weighted average number of ordinary shares in issue during the year	**509,859**	509,859

(a) From continuing and discontinued operations

	2026 **HK$'000**	2025 HK$'000
Profit for the year attributable to owners of the Company	**6,040**	3,374

(b) From continuing operations

	2026 **HK$'000**	2025 HK$'000
Profit for the year attributable to owners of the Company	**6,040**	3,374
Less: loss for the year from discontinued operation	**–**	478
Profit for the year attributable to owners of the Company from continuing operations	**6,040**	3,852

(c) From discontinued operation

	2026 **HK$'000**	2025 HK$'000
Loss for the year attributable to owners of the Company	**–**	(478)

The computation of diluted earnings/(loss) per share does not assume the exercise of the Company's share options for the years ended 31 March 2026 and 2025 as the adjusted exercise price of the Company's share options was higher than the average market price for shares during the periods when those options are outstanding.

11. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS

(i) Directors' emoluments

The emoluments paid or payable to the directors, the chief executive and the senior management were as follows:

	Fees HK$'000	Salaries, allowances and other benefits HK$'000	Share-based payments *(note a)* HK$'000	Discretionary bonus HK$'000	Retirement scheme contribution HK$'000	Total HK$'000
2026						
Executive directors						
Mr. Ko Wai Ming, Daniel ("Mr. Ko")	–	360	–	100	–	460
Ms. Cheng Hang Fan ("Mrs. Ko")	–	516	–	43	–	559
Mr. Ko Chun Wang, Kelvin *(note (b))*	–	227	–	19	6	252
	–	1,103	–	162	6	1,271
Independent non-executive directors						
Mr. Mak King Sau	216	–	–	–	–	216
Mr. Chau Kwok Wing, Kelvin	192	–	–	–	–	192
Mr. Tse Kam Tim	192	–	–	–	–	192
	600	–	–	–	–	600
	600	1,103	–	162	6	1,871
2025						
Executive directors						
Mr. Ko Wai Ming, Daniel	–	300	6	100	6	412
Ms. Cheng Hang Fan	–	480	6	40	–	526
	–	780	12	140	6	938
Independent non-executive directors						
Mr. Mak King Sau	204	–	–	–	–	204
Mr. Chau Kwok Wing, Kelvin	180	–	–	–	–	180
Mr. Tse Kam Tim	180	–	–	–	–	180
	564	–	–	–	–	564
	564	780	12	140	6	1,502

Note:

(a) These amounts represent the estimated value of share options granted to the directors under the Company's share option scheme. Further details of the options granted are set out in note 28 to the consolidated financial statements.

(b) Appointed as Executive Director on 27 November 2025.

As at 31 March 2026, there are no forfeited contributions available to offset future retirement benefit obligations of the Group (2025: Nil).

11. DIRECTORS' EMOLUMENTS AND FIVE HIGHEST PAID INDIVIDUALS *(Continued)*

(ii) Five highest paid individuals

For the year ended 31 March 2026, the five individuals included two directors, one of whom was a member of senior management and was appointed as an executive director during the year.

The five highest paid individuals of the Group during the year are analysed as follows:

	2026 Number of individuals	2025 Number of individuals
Directors	**2**	1
Non-director, highest paid individuals	**3**	4
	5	5

Details of the remuneration of the above non-director, highest paid individuals during the year are as follows:

	2026 HK$'000	2025 HK$'000
Salaries, allowances and other benefits	**1,859**	2,634
Retirement scheme contribution	**54**	72
	1,913	2,706

Their emoluments fell within the following emolument band:

	2026 Number of individuals	2025 Number of individuals
Nil – HK$1,000,000	**3**	4

During the year, no emoluments were paid by the Group to any directors or any of the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office. There were no arrangements under which a director waived or agreed to waive any emolument during the year.

The emoluments paid or payable to member of senior management excluding directors were within the following band:

	2026 Number of individual	2025 Number of individual
Nil – HK$1,000,000	**0**	1

12. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements HK$'000	Office equipment HK$'000	Furniture and fixtures HK$'000	Motor vehicle HK$'000	Properties and office equipment leased for own use HK$'000	Total HK$'000
At 1 April 2024						
Cost	4,740	18,816	396	578	25,735	50,265
Accumulated depreciation and impairment	(3,578)	(18,394)	(134)	(112)	(11,951)	(34,169)
Net book amount	1,162	422	262	466	13,784	16,096
Year ended 31 March 2025						
Opening net book amount	1,162	422	262	466	13,784	16,096
Additions	575	536	45	–	968	2,124
Lease modifications	–	–	–	–	2,810	2,810
Disposals	(98)	–	(34)	–	–	(132)
Disposal of a subsidiary *(note 31)*	–	(1)	–	–	–	(1)
Depreciation	(787)	(300)	(63)	(193)	(7,318)	(8,661)
Closing net book amount	852	657	210	273	10,244	12,236
At 31 March 2025						
Cost	2,729	17,840	363	578	21,954	43,464
Accumulated depreciation and impairment	(1,877)	(17,183)	(153)	(305)	(11,710)	(31,228)
Net book amount	852	657	210	273	10,244	12,236
Year ended 31 March 2026						
Opening net book amount	**852**	**657**	**210**	**273**	**10,244**	**12,236**
Additions	**805**	**427**	**25**	**2,825**	**3,326**	**7,408**
Lease modifications	**–**	**–**	**–**	**–**	**1,213**	**1,213**
Disposals	**–**	**(1)**	**–**	**–**	**–**	**(1)**
Depreciation	**(680)**	**(434)**	**(70)**	**(264)**	**(7,873)**	**(9,321)**
Closing net book amount	**977**	**649**	**165**	**2,834**	**6,910**	**11,535**
At 31 March 2026						
Cost	**3,534**	**18,256**	**388**	**3,403**	**22,907**	**48,488**
Accumulated depreciation and impairment	**(2,557)**	**(17,607)**	**(223)**	**(569)**	**(15,997)**	**(36,953)**
Net book amount	**977**	**649**	**165**	**2,834**	**6,910**	**11,535**

Further details for the properties and office equipment leased for own use are set out in note 17 to the consolidated financial statements.

Impairment assessment

For the year ended 31 March 2026, the financial performance in respect of travel related business outperformed its forecasted performance, there is an indication that the impairment loss recognised in prior years for the property, plant and equipment may no longer exist or may have decreased.

For the purposes of assessment of reversal of impairment, the Group estimates the recoverable amount of the CGU of travel related business to which the asset belongs when it is not possible to estimate the recoverable amount individually, including allocation of corporate assets when reasonable and consistent basis can be established. Property, plant and equipment and intangible assets set out in notes 12 and 13 respectively, including allocation of corporate assets, that generate cash flows together have been allocated to the CGU.

The recoverable amount of the CGU was determined based on its value in use calculation. Based on the result of the assessment, no reversal of impairment loss is recognised during the year ended 31 March 2026.

13. INTANGIBLE ASSETS

	Software HK$'000
At 1 April 2024	
Cost	933
Accumulated amortisation	(393)
Net carrying amount	540
Year ended 31 March 2025	
Opening net carrying amount	540
Additions	1,724
Amortisation	(311)
Closing net carrying amount	1,953
At 31 March 2025	
Cost	2,657
Accumulated amortisation	(704)
Net carrying amount	1,953
Year ended 31 March 2026	
Opening net carrying amount	**1,953**
Additions	**258**
Amortisation	**(242)**
Closing net carrying amount	**1,969**
At 31 March 2026	
Cost	**2,915**
Accumulated amortisation	**(946)**
Net carrying amount	**1,969**

Details of the impairment assessment performed are set out in note 12 to the consolidated financial statements.

14. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2026 HK$'000	2025 HK$'000
Prepayments	**23,745**	24,140
Deposits	**3,977**	3,663
Other receivables	**1,029**	1,179
	28,751	28,982
Classified as:		
Non-current assets	**1,167**	3,592
Current assets	**27,584**	25,390
	28,751	28,982

The financial assets included in the above balances relate to receivables for which there was no recent history of default. None of these financial assets is either past due or impaired. Further details on the Group's credit policy and credit risk arising from deposits and other receivables are set out in note 33(i).

As at 31 March 2026, the carrying amount of prepayments mainly included prepayment made to the suppliers of approximately HK$22,105,000 (2025: HK$20,091,000). There were no prepayment for acquisition of property, plant and equipment as at 31 March 2026 (2025: HK$1,405,000).

As at 31 March 2026, the carrying amount of deposits mainly included refundable rental deposits of approximately HK$3,156,000 (2025: HK$2,682,000).

15. INVENTORIES

The inventories are carried at lower of cost and net realisable value and represent principally tickets (2025: tickets) which are to be utilised in the ordinary course of operations.

16. TRADE RECEIVABLES

The directors of the Company consider that the fair values of trade receivables are not materially different from their carrying amounts because these balances have short maturity periods on their inception.

The ageing analysis of trade receivables, based on the invoice dates, as at the end of each of the year, net of impairment, is as follows:

	2026 HK$'000	2025 HK$'000
0 – 30 days	**5,831**	4,352
31 – 90 days	**1,224**	999
Over 90 days	**290**	192
	7,345	5,543

The Group has a policy of allowing customers credit periods within 90 days (2025: 90 days). Overdue balances are reviewed regularly by the Group's management. Further details on the Group's credit policy and credit risk arising from trade receivables are set out in note 33(i).

17. LEASES

As lessee

The Group entered into various lease agreements for shop premises, head office and office equipment with independent third parties as at 31 March 2026 and 2025.

The leases with independent third parties have initial non-cancellable period between 1 and 3 years (2025: between 1 and 3 years) as at 31 March 2026.

Right-of-use assets

The analysis of the net book value of right-of-use assets (note 12) by class of underlying asset is as follows:

	2026 HK$'000	2025 HK$'000
Properties leased for own use, carried at cost	**6,652**	10,168
Office equipment leased for own use, carried at cost	**258**	76
	6,910	10,244

Lease liabilities

At the end of the year, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	2026		2025	
	Present value of the minimum lease payments HK$'000	**Total minimum lease payments HK$'000**	Present value of the minimum lease payments HK$'000	Total minimum lease payments HK$'000
Within 1 year	**5,470**	**5,646**	7,063	7,523
More than 1 year but less than 2 years	**1,307**	**1,365**	3,660	3,733
More than 2 years but less than 5 years	**199**	**200**	–	–
	6,976	**7,211**	10,723	11,256
Less: total future interest expenses	**–**	**(235)**	–	(533)
Present value of lease liabilities	**6,976**	**6,976**	10,723	10,723

The present value of future lease payments are analysed as:

	2026 HK$'000	2025 HK$'000
Current liabilities	**5,470**	7,063
Non-current liabilities	**1,506**	3,660
	6,976	10,723

18. PLEDGED DEPOSITS

As at 31 March 2026 and 2025, the pledged deposits represented deposits pledged to banks as a security for banking facilities (note 27) of the Group. The pledged deposits as at 31 March 2026 carried an interest rate from 2.60% to 3.75% (2025: 0.7% to 4.05%) per annum.

19. TIME DEPOSITS AND CASH AND CASH EQUIVALENTS

	2026 **HK$'000**	2025 HK$'000
Cash deposits in banks and financial institutions	**91,082**	81,390
Time deposits with original maturity of three months or less	**4,133**	9,264
Cash and cash equivalents	**95,215**	90,654
Time deposits with original maturity over three months	**624**	–
	95,839	90,654

Cash at banks and financial institutions earn interest at floating rates based on daily deposit rates. Short-term deposits in banks are made for varying periods between one week and twelve months (2025: one week and twelve months) depending on the immediate cash requirements of the Group, and earn interest at respective short-term deposit rates, ranging from 0.8% to 4.05% (2025: from 1.4% to 5.0%) per annum.

The Group had cash and bank balances denominated in RMB and held in the PRC of approximately RMB1,034,000 (2025: RMB1,550,000) and the remittance of these funds out of the PRC was subject to the exchange control restrictions imposed by the PRC government.

20. TRADE PAYABLES

The Group is granted by its suppliers for credit periods normally within 30 days (2025: 30 days). The ageing analysis of the trade payables, based on the invoice dates, is as follows:

	2026 **HK$'000**	2025 HK$'000
0 – 30 days	**15,573**	20,139
31 – 90 days	**3,981**	3,218
Over 90 days	**1,920**	2,475
	21,474	25,832

The trade payables are short-term and hence the carrying values of the Group's trade payables are considered to be a reasonable approximation of fair value.

21. ACCRUED CHARGES AND OTHER PAYABLES

	2026 HK$'000	2025 HK$'000
Accrued charges	**4,998**	3,252
Other payables	**9,756**	5,150
	14,754	8,402

22. CONTRACT LIABILITIES

	2026 HK$'000	2025 HK$'000
Contract liabilities arising from:		
Travel related business		
– Provision of services relating to sales of travel related products *(note a)*	**1,686**	1,285
– Sales of package tours *(note b)*	**51,671**	49,409
	53,357	50,694

Typical payment terms which impact on the amounts of contract liabilities are as follows:

(a) Provision of services relating to sales of travel related products
The deposit the Group received on sales of travel related products remains as a contract liability until such time as the booking service of travel related products are delivered to and accepted by customers.

(b) Sales of package tours
The deposit the Group received on sales of package tours remains as a contract liability until such time the package tour services are provided.

As at 31 March 2026, the remaining performance obligations of these contracts are expected to be recognised within one year (2025: one year).

	2026 HK$'000	2025 HK$'000
Movement in contract liabilities:		
Balance at beginning of the year	**50,694**	32,033
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	**(50,694)**	(32,033)
Increase in contract liabilities as a result of billing in advance of travel related business	**53,357**	50,694
Balance at end of the year	**53,357**	50,694

23. PROVISIONS

	2026 **HK$'000**	2025 HK$'000
Current	**821**	725
Non-current	**717**	267
	1,538	992

	2026 **HK$'000**	2025 HK$'000
Movement in provisions:		
Balance at beginning of the year	**992**	877
Provisions for the year	**546**	115
Balance at end of the year	**1,538**	992

As at 31 March 2026 and 2025, the provisions for reinstatement costs of properties leased for own use relate to the estimated cost of restoring these properties to their original state at the end of the respective lease terms. The amount has not been discounted for the purpose of measuring the provisions for reinstatement costs as the effect is not significant.

24. DEFERRED TAXATION

The following is the deferred tax asset recognised by the Group.

	Tax losses **HK$'000**	**Total** **HK$'000**
As at 1 April 2024	3,026	3,026
Debit to profit or loss for the year *(note 8)*	(739)	(739)
As at 31 March 2025 and 1 April 2025	2,287	2,287
Debit to profit or loss for the year *(note 8)*	(925)	(925)
As at 31 March 2026	**1,362**	**1,362**

As at 31 March 2026, the Group has unused tax losses of approximately HK$136,383,000 (2025: HK$143,606,000) available to offset against future profit. A deferred tax asset has been recognised in respect of approximately HK$8,253,000 (2025: HK$13,859,000) of such losses as at 31 March 2026. The Group has not recognised the deferred tax assets attributable to the future benefit of remaining tax losses of approximately HK$128,130,000 (2025: HK$129,747,000) sustained in the operations of certain subsidiaries as the availability of future taxable profit stream against which the assets can be utilised is uncertain. The unused tax losses included balances that are subject to agreement by relevant tax authorities. The amount of unrecognised tax losses of approximately HK$127,786,000 (2025: HK$127,218,000) have no expiry date and HK$344,000 (2025: HK$2,529,000) are subject to expiry period of five years.

25. SHARE CAPITAL

	Number of shares '000	Amount HK$'000
Authorised:		
Ordinary shares of HK$0.01 each		
At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026	**2,000,000**	**20,000**

	Number of shares '000	Amount HK$'000
Issued and fully paid:		
Ordinary shares of HK$0.01 each		
At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026	**509,859**	**5,099**

26. RESERVES

(a) Group

Details of the movements on the Group's reserves are as set out in the consolidated statement of changes in equity of the consolidated financial statements.

Share premium
The share premium account of the Group represents the excess of the proceeds received over the nominal value of the Company's shares issued.

Share option reserve
The share option reserve of the Group represents the cumulative expenses recognised on the granting of share options to the directors, employees and others providing similar services over the vesting period.

Merger reserve
The merger reserve of the Group represents the difference between the investment cost in subsidiaries of Travel Expert Enterprises (BVI) Limited and the nominal value of the issued share capital of the Company's subsidiaries.

Other reserve
The other reserve of the Group represents the changes in the Company's interests in subsidiaries that do not result in a loss of control.

26. RESERVES *(Continued)*

(b) Company

	Share premium HK$'000	Contributed surplus *(note)* HK$'000	Share option reserve HK$'000	Share redemption reserve HK$'000	Proposed dividend HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 April 2024	48,491	36,900	1,282	37	7,138	(47,382)	46,466
Profit for the year	–	–	–	–	–	16,068	16,068
Final dividend proposed	(4,079)	–	–	–	4,079	–	–
Final dividend approved in respect of the previous year	–	–	–	–	(3,569)	–	(3,569)
Special dividend approved in respect of the previous year	–	–	–	–	(3,569)	–	(3,569)
Share-based payments	–	–	178	–	–	–	178
At 31 March 2025 and 1 April 2025	**44,412**	**36,900**	**1,460**	**37**	**4,079**	**(31,314)**	**55,574**
Profit for the year	**–**	**–**	**–**	**–**	**–**	**1,710**	**1,710**
Final dividend proposed	**(5,099)**	**–**	**–**	**–**	**5,099**	**–**	**–**
Final dividend approved in respect of the previous year	**–**	**–**	**–**	**–**	**(4,079)**	**–**	**(4,079)**
Release of share option reserve upon the forfeiture of share options	**–**	**–**	**(711)**	**–**	**–**	**711**	**–**
At 31 March 2026	**39,313**	**36,900**	**749**	**37**	**5,099**	**(28,893)**	**53,205**

Note:

The contributed surplus of the Company represented the difference between the net asset value of the subsidiaries acquired and the nominal value of the share capital of the Company issued in exchange thereof pursuant to the reorganisation in 2011.

27. BANKING FACILITIES

As at 31 March 2026, the Group's total banking facilities are approximately HK$49,543,000 (2025: HK$49,528,000) with approximately HK$33,092,000 (2025: HK$31,578,000) in relation to the bank guarantee and credit card limit are available for use. The Group's banking facilities were secured by:

(i) the pledged deposits with carrying amount of approximately HK$17,478,000 as at 31 March 2026 (2025: HK$19,160,000); and/or

(ii) the corporate guarantee or cross-guarantees provided by the Company and/or certain subsidiaries.

28. SHARE OPTION SCHEME

The Company adopted a share option scheme on 6 September 2011 (the "Scheme"). The purpose of the Scheme is to enable the board to grant options to selected eligible persons as incentives or rewards for their contribution or potential contribution to the Group and/or to recruit and retain high calibre eligible persons and to attract human resources that are valuable to the Group.

On 27 September 2021, a total of 31,000,000 share options (the "Options") were granted to certain Group's employees (including Directors and their associate) and others providing similar services to subscribe for a total of 31,000,000 ordinary shares in accordance with the Scheme. The Scheme was expired on 29 September 2021. The options granted prior to the expiration remain valid for exercise and no further option under the Scheme would be granted.

The only vesting condition of the Options is that the individual remains in service to the Group for a 3-year period from the date of grant.

28. SHARE OPTION SCHEME *(Continued)*

The following share options were outstanding under the Scheme during the year:

	2026 Weighted average exercise price HK$	**2026** Number '000	2025 Weighted average exercise price HK$	2025 Number '000
Outstanding at the beginning of the year	**0.194**	**15,900**	0.194	15,900
Granted during the year	**–**	**–**	–	–
Forfeited during the year	**0.194**	**(7,900)**	–	–
Outstanding at the end of the year	**0.194**	**8,000**	0.194	15,900
Exercisable at the end of the year	**0.194**	**8,000**	0.194	15,900

No options have been exercised by the option holders during the years ended 31 March 2026 and 2025.

Share options previously granted of approximately HK$711,000 had been transferred from share option reserve to retained profits upon the forfeiture of share options after the vesting date for the year ended 31 March 2026.

The share-based payments of approximately HK$178,000 is charged to the profit or loss for the year ended 31 March 2025.

The fair value of options granted on 27 September 2021 was approximately HK$2,848,000.

The following information is relevant in the determination of the fair value of options granted on 27 September 2021 under the equity-settled share based remuneration schemes operated by the Group.

Option pricing model used	Binomial Option Pricing Model
Weighted average share price at grant date (HK$)	0.194
Exercise price (HK$)	0.194
Weighted average contractual life (year)	4.998
Expected volatility (%)	64.313%
Expected dividend rate (%)	0.000%
Risk-free interest rate (%)	0.759%
Weighted average fair value per option (HK$)	0.092

The volatility assumption, measured at the standard deviation of expected share price returns, is based on a statistical analysis of daily share prices over the last five years.

29. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Notes	**2026** **HK$'000**	2025 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Investments in subsidiaries		**36,900**	36,900
		36,900	36,900
Current assets			
Prepayments		**611**	365
Amounts due from subsidiaries		**65,091**	61,350
Cash and cash equivalents		**140**	9,879
		65,842	71,594
Current liabilities			
Accrued charges and other payables		**795**	51
Amounts due to subsidiaries		**43,643**	47,770
		44,438	47,821
Net current assets		**21,404**	23,773
Total assets less current liabilities		**58,304**	60,673
Net assets		**58,304**	60,673
EQUITY			
Share capital	*25*	**5,099**	5,099
Reserves	*26(b)*	**53,205**	55,574
Total equity		**58,304**	60,673

Ko Wai Ming, Daniel
Director

Cheng Hang Fan
Director

29. STATEMENT OF FINANCIAL POSITION OF THE COMPANY *(Continued)*

Particulars of the principal subsidiaries as at 31 March 2026 and 2025 which, in the opinion of the directors of the Company, materially affected the results, assets or liabilities of the Group are set out below. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Name	Place and date of incorporation/ place of operation	Particular of issued capital/registered capital	Effective interest held by the Company	Principal activities
Interests held directly				
Travel Expert Enterprises (BVI) Limited	The BVI 2 March 2010	US$0.01 at US$0.01 per share	100%	Investment holding
Interests held indirectly				
Travel Expert Enterprises Limited (專業旅運企業有限公司)	Hong Kong 6 January 2006	HK$1 ordinary share	100%	Investment holding
Travel Expert Limited (專業旅運有限公司)	Hong Kong 20 June 1986	HK$18,000,000 ordinary shares	100%	Travel related business
Travel Expert Business Services Limited (專業旅運商務有限公司)	Hong Kong 24 March 1994	HK$750,000 ordinary shares	100%	Travel related business
Premium Travel Limited (尊賞旅遊有限公司)	Hong Kong 13 October 1999	HK$1,000,000 ordinary shares	100%	Travel related business
Travel Expert (Shenzhen) Limited^* (尊業旅行社(深圳)有限公司)	The PRC 21 December 2011	RMB3,500,000	100%	Travel related business
Premium Holidays Limited (尊賞假期有限公司)	Hong Kong 13 July 2012	HK$1,250,000 ordinary shares	100%	Travel related business
SHARExpert Travel Limited (專享旅遊策劃有限公司)	Hong Kong 6 September 2012	HK$500,000 ordinary shares	100%	Lease management
Sun Pillar Travel Limited (formerly known as "Travel Expert Asset Management Limited") (鼎坤旅程有限公司 (前稱「專業旅運資產管理有限公司」))	Hong Kong 25 October 2012	HK$1 ordinary shares	100%	Investment in treasury activities
Travel Expert Online Limited (專業旅運電子商貿有限公司)	Hong Kong 9 August 2013	HK$500,000 ordinary shares	100%	Travel related business
Travel Expert Tour Limited (formerly known as "Take My Hand Limited") (尊業旅遊有限公司 (前稱「緣動有限公司」))	Hong Kong 11 April 2013	HK$500,000 ordinary shares	100%	Travel related business
Travel Expert Group Management Limited (專業旅運集團管理有限公司)	Hong Kong 23 October 2015	HK$1 ordinary share	100%	Provision of management service
Shenzhen Hanji Software Technology Co. Limited^* (深圳市瀚基軟件科技有限公司)	The PRC 11 October 2023	RMB1,000,000	100%	Provision of IT support service to the Group

^ English name is for identification only.
* The companies are wholly foreign owned enterprises established in the PRC.

30. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Reconciliation of liabilities arising from financing activities

	Lease liabilities *(note 17)* **HK$'000**
At 1 April 2025	**10,723**
Changes from financing cash flows:	
Settlement of lease liabilities	**(7,700)**
Interest paid	**(576)**
Other changes:	
Additions of lease liabilities	**2,780**
Lease modifications	**1,173**
Interest expense recognised	**576**
At 31 March 2026	**6,976**

	Lease liabilities *(note 17)* HK$'000
At 1 April 2024	14,683
Changes from financing cash flows:	
Settlement of lease liabilities	(7,586)
Interest paid	(815)
Other changes:	
Additions of lease liabilities	816
Lease modifications	2,810
Interest expense recognised	815
At 31 March 2025	10,723

(b) Non-cash transactions

During the year ended 31 March 2026, acquisition of property, plant and equipment of approximately HK$1,405,000 was settled through prepayment.

31. DISPOSAL OF A SUBSIDIARY IN PRIOR YEAR

On 30 September 2024, the Group entered into a sale and purchase agreement with Central City International Limited, a related company of the Group (the "Purchaser"), to dispose of its entire equity interest in Another Food & Beverage Limited ("Another Food") which was principally engaged in food and beverage business at cash consideration of HK$400,000, which is the only operation presented as discontinued operation during the year. In addition, the Group has sold and assigned the amount due to a subsidiary of the Company of approximately HK$16,690,000 (the "Loan") to the Purchaser. The disposal was completed on 30 September 2024 and Another Food ceased to be a subsidiary of the Company on the same date.

The net liabilities of Another Food at the date of disposal were as follows:

	As at 30 September 2024 HK$'000
Property, plant and equipment	1
Inventories	32
Prepayments and deposits	692
Cash and cash equivalents	342
Trade payables	(25)
Accrued charges and other payables	(672)
Amount due to a subsidiary of the Company	(16,690)
Net liabilities of Another Food disposed of	(16,320)
Sales of Loan	16,690
Gain on disposal of a subsidiary	30
Cash consideration	400
Net cash inflow arising on disposal:	
Cash consideration	400
Cash and cash equivalents disposed of	(342)
	58

31. DISPOSAL OF A SUBSIDIARY IN PRIOR YEAR *(Continued)*

The revenue, results and cash flows of Another Food were as follows:

	Notes	1 April to 30 September 2024 HK$'000
Revenue	*5*	2,700
Cost of sales		(2,964)
Gross loss		(264)
Other income and gains	*5*	–^
Administrative and other operating expenses		(241)
Loss from operations	*6*	(505)
Finance costs	*7*	(3)
Loss before income tax		(508)
Income tax expense	*8*	–
Loss after income tax from discontinued operation		(508)
Gain on disposal of a subsidiary		30
Loss for the year from discontinued operation		(478)
Cash flows from discontinued operation:		
Net cash used in operating activities		(9)
Net cash used in investing activities		–^
Net cash used in financing activities		(20)
Net decrease in cash and cash equivalents		(29)

^ The balance represents an amount less than HK$1,000.

32. CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided for are as follows:

	2026 HK$'000	2025 HK$'000
Property, plant and equipment	**–**	948
	–	948

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT

The main risks arising from the Group's financial instruments are market risk (including principally changes in interest rates and currency exchange rates), credit risk and liquidity risk. The board of directors reviews and agrees policies for each of these risks and they are summarised below. Generally, the Group employs conservative strategy regarding its risk management.

(i) Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group.

The Group's credit risk is primarily attributable to trade receivables, deposits, other receivables, cash deposits in banks and financial institutions. The Group's exposure to credit risks arising from cash deposits in banks and financial institutions are limited because these financial assets held by the Group are mainly deposited in banks and reputable financial institutions, for which the Group considers to have low credit risk.

In respect of trade receivables, the Group has no significant concentrations of credit risk arising from its ordinary course of business due to its large customer base and the counterparties are creditworthy which have low risk of default in repayment.

The Group applies the simplified approach to provide for ECLs prescribed by HKFRS 9, which permit the use of lifetime ECLs provision for trade receivables. In measuring the ECLs, trade receivables are grouped based on shared credit risk characteristics and days past due. The expected loss rates are based on the payment profiles of sales over a period and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. On that basis, ECL provision for trade receivables was assessed to be immaterial and no loss allowance was recognised during the year.

The Group adopts general approach for ECLs of deposits and other receivables and consider these financial assets have not significantly increased in credit risk from initial recognition. Thus, these financial assets are classified in stage one and only consider 12-month ECLs. ECL provision for these financial assets was assessed to be immaterial and no loss allowance was recognised during the year.

(ii) Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk mainly arises on deposits in banks and financial institutions (note 19) which are at floating rates. Derivative contracts may be used to hedge the Group's exposure to interest rate risk, when and where appropriate.

Interest rate sensitivity

The following table illustrates the sensitivity of the Group's profit for the year and retained profits to a possible change in the following interest rates with effect from the beginning of the year. The assumed changes have no impact on the Group's other components of equity.

	Effect on profit for the year and retained profits			
	Possible change in interest rates	Increase in profit and increase in retained profits HK$'000	Possible change in interest rates	Decrease in profit and decrease in retained profits HK$'000
31 March 2026	**+1%**	**911**	**-1%**	**(911)**
31 March 2025	+1%	814	-1%	(814)

The assumed changes in interest rates represent management's assessment of a reasonably possible change in interest rates over the periods until the next annual reporting date.

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT *(Continued)*

(iii) Foreign currency risk

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group has foreign currency exposures. Such exposures arise from the balance of assets and liabilities in currencies other than the functional currency of the Group's entities. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date that are considered significant by the directors of the Company are stated as follows:

	2026 HK$'000	2025 HK$'000
Assets:		
Japanese Yen ("JPY")	**1,119**	297
United States dollars ("US$")	**36,372**	10,324
EURO ("EUR")	**10,209**	17,953
Australian dollar ("AUD")	**2,095**	1,148
Singapore dollar ("SGD")	**2**	3
RMB	**18,454**	6,086
New Zealand dollar ("NZD")	**11**	63
Canadian dollar ("CAD")	**1**	4
Swiss franc ("CHF")	**3,866**	1,088
	72,129	36,966
Liabilities:		
JPY	**(634)**	(618)
US$	**(1,643)**	(3,158)
EUR	**(5,271)**	(3,576)
AUD	**(16)**	–
RMB	**(3,824)**	(2,953)
NZD	**(1)**	–
CHF	**(10)**	(4)
	(11,399)	(10,309)
Net exposure to foreign currency risk	**60,730**	26,657

The Group's policy requires the management monitors foreign exchange exposure by closely monitoring the movement of foreign currency rate and may enter into foreign currency options or forward contracts, when and where appropriate.

As US$ is pegged to HK$, the Group does not expect any significant movements in the US$/HK$ exchange rates. No sensitivity analysis in respect of the Group's financial assets and liabilities denominated in US$ is disclosed as in the opinion of the directors, such sensitivity analysis does not give additional value in view of insignificant movement in the US$/HK$ exchange rates as at the end of reporting period.

The following table illustrates the sensitivity of the Group's profit for the year and retained profits in regard to a 5% appreciation in the functional currencies of the Group's entities against the foreign currencies. These rates are the rates used when reporting foreign currency risk internally to key management personnel and represents management's best assessment of the possible change in foreign exchange rates.

The sensitivity analysis of the Group's exposure to foreign currency risk at the end of the year has been determined based on the assumed percentage changes in foreign currency exchange rates taking place at the beginning of the year and held constant throughout the year.

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT *(Continued)*

(iii) Foreign currency risk *(Continued)*

	Increase/(decrease) in profit 2026 HK$'000	2025 HK$'000
JPY	**(20)**	13
EUR	**(206)**	(600)
AUD	**(87)**	(48)
RMB	**(611)**	(131)
NZD	**–**	(3)
CHF	**(161)**	(45)
	(1,085)	(814)

The same percentage depreciation in the functional currencies of the Group's entities against the respective foreign currencies would have the same magnitude on the Group's profit for the year and retained profits but of opposite effect.

These are the same method and assumption used in preparing the sensitivity analysis included in the consolidated financial statements of the year ended 31 March 2025.

(iv) Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its current financial liabilities. The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations, mitigate the effects of fluctuations in cash flows and compliance with its covenants of the credit and banking facilities. The Group relies on internally generated funding and available banking facilities to the Group as significant sources of liquidity.

The maturity profile of the Group's financial liabilities at the end of the year, based on the contracted undiscounted payments, was as follows:

	Carrying amount HK$'000	Total contractual undiscounted cash flow HK$'000	On demand or within 1 year HK$'000	More than 1 year but less than 2 years HK$'000	More than 2 years but less than 5 years HK$'000
At 31 March 2026					
Trade payables	**21,474**	**21,474**	**21,474**	**–**	**–**
Other payables	**9,756**	**9,756**	**9,756**	**–**	**–**
Lease liabilities	**6,976**	**7,211**	**5,646**	**1,365**	**200**
	38,206	**38,441**	**36,876**	**1,365**	**200**

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENT *(Continued)*

(iv) Liquidity risk *(Continued)*

	Carrying amount HK$'000	Total contractual undiscounted cash flow HK$'000	On demand or within 1 year HK$'000	More than 1 year but less than 2 years HK$'000	More than 2 years but less than 5 years HK$'000
At 31 March 2025					
Trade payables	25,832	25,832	25,832	–	–
Other payables	5,150	5,150	5,150	–	–
Lease liabilities	10,723	11,256	7,523	3,733	–
	41,705	42,238	38,505	3,733	–

(v) Summary of financial assets and liabilities by category

The carrying amounts of the Group's financial assets and liabilities as recognised at the end of the year are analysed into the following categories. See note 2.12 for explanations about how the category of financial instruments affects their subsequent measurement.

	2026 HK$'000	2025 HK$'000
Financial assets		
Financial assets at amortised cost		
– Trade receivables	**7,345**	5,543
– Deposits and other receivables	**5,006**	4,842
– Pledged deposits	**17,478**	19,160
– Time deposits with original maturity over three months	**624**	–
– Cash and cash equivalents	**95,215**	90,654
	125,668	120,199
Financial liabilities		
Financial liabilities at amortised cost		
– Trade payables	**21,474**	25,832
– Other payables	**9,756**	5,150
Lease liabilities	**6,976**	10,723
	38,206	41,705

(vi) Fair value measurements

The hierarchy groups financial assets into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets. The fair value hierarchy has the following levels:

– Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities;
– Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
– Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

All the financial assets at fair value through profit or loss held during the year is classified as level 1. There have been no transfers between different levels during the year.

Changes in fair values of financial assets at fair value through profit or loss are recorded as net gain/loss in the consolidated statement of comprehensive income.

As at 31 March 2026, the Group has disposed of all the financial assets at fair value through profit or loss.

34. CAPITAL MANAGEMENT

The Group's objectives when managing capital include:

(i) To safeguard the Group's ability to continue as a going concern, so that it continues to provide returns for shareholders and benefits for other stakeholders;

(ii) To support the Group's stability and growth; and

(iii) To provide capital for the purpose of strengthening the Group's risk management capability.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristic of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or raise new debts. No changes were made in the objectives, policies or processes for managing capital during the year.

The capital-to-overall financing ratio at the end of the year was as follows:

	2026 **HK$'000**	2025 HK$'000
Capital:		
Total equity	**67,119**	65,173
Overall financing:		
Bank borrowing	**–**	–
Capital-to-overall financing ratio	**N/A**	N/A

35. RELATED PARTY TRANSACTIONS

In addition to those disclosed elsewhere in these consolidated financial statements, the following transactions were carried out by the Group with related party during the years.

Compensation of key management personnel

Total remuneration of the Group's directors and other member of key management personnel during the year was as follows:

	2026 **HK$'000**	2025 HK$'000
Short-term employee benefits	**2,334**	2,160
Share-based payments	**–**	18
Retirement scheme contribution	**18**	24
	2,352	2,202

36. EVENT AFTER REPORTING PERIOD

Save as disclosed elsewhere in the consolidated financial statements, the Group has the following significant events after the reporting period:

In April 2026, the Group discovered unauthorized access to certain of its internal servers and shared storage systems. The affected data may include customer orders and related operational records; employee files and system data. The Group's credit card-related operations are continuously outsourced to third-party payment processors or banks. There is no risk of credit card information leakage.

The Group has immediately implemented the following emergency response measures: establishing an internal emergency committee to coordinate the response; appointing independent cybersecurity experts to conduct a comprehensive forensic investigation; reporting to the Hong Kong Police Force and the Office of the Privacy Commissioner for Personal Data, Hong Kong; and activating its business continuity plan, utilising cloud-based collaboration tools to maintain the continuity of new orders and services, and data security. Based on Data Recovery Technical Report from independent data recovery specialists, Security Infrastructure Enhancement Project from external IT consultant, and Investigation report on Ransomware Attacks from the independent IT security consultant, the Board concluded that sufficient and appropriate procedures had been performed via backup restoration and third-party cross-verification to validate the integrity of the restored data. Based on the verified evidence presented by the management, the Group's critical business systems and data had been successfully recovered, and the Board is reasonably assured that the restored data remains complete, accurate and intact. For further details thereof, please refer to the announcement of the Company dated 20 April 2026.

37. APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 30 June 2026.

FIVE-YEAR FINANCIAL SUMMARY

	2026 HK$'000	2025 HK$'000	2024 HK$'000 (Re-presented)	2023 HK$'000	2022 HK$'000
Continuing operations					
Revenue	**359,002**	255,244	157,085	40,270	10,278
Cost of sales	**(259,950)**	(169,247)	(89,217)	(18,204)	(4,727)
Gross profit	**99,052**	85,997	67,868	22,066	5,551
Other income and gains	**7,851**	7,383	7,846	12,314	7,948
Selling and distribution costs	**(61,594)**	(52,031)	(40,131)	(15,945)	(9,041)
Administrative and other operating expenses	**(37,384)**	(35,846)	(27,953)	(21,465)	(20,894)
Fair value (loss)/gain on financial assets/ liabilities at fair value through profit or loss	**(398)**	(62)	(168)	1,063	(1,307)
Profit/(loss) from operations	**7,527**	5,441	7,462	(1,967)	(17,743)
Finance costs	**(576)**	(812)	(641)	(256)	(394)
Profit/(loss) before income tax	**6,951**	4,629	6,821	(2,223)	(18,137)
Income tax (expense)/credit	**(911)**	(778)	3,026	18	214
Profit/(loss) for the year from continuing operations	**6,040**	3,851	9,847	(2,205)	(17,923)
Discontinued operation					
Loss for the year from discontinued separation	**–**	(478)	(824)	–	–
Profit/(loss) for the year	**6,040**	3,373	9,023	(2,205)	(17,923)
Other comprehensive income for the year, net of tax	**(15)**	(1)	(6)	(37)	17
Total comprehensive income for the year	**6,025**	3,372	9,017	(2,242)	(17,906)
ASSETS AND LIABILITIES					
Non-current assets	**16,033**	20,068	23,212	9,524	4,502
Current assets	**149,185**	141,787	130,013	95,837	85,485
TOTAL ASSETS	**165,218**	161,855	153,225	105,361	89,987
Non-current liabilities	**(2,223)**	(3,927)	(8,710)	(2,309)	(4,042)
Current liabilities	**(95,876)**	(92,755)	(75,754)	(43,457)	(24,787)
TOTAL LIABILITIES	**(98,099)**	(96,682)	(84,464)	(45,766)	(28,829)
	67,119	65,173	68,761	59,595	61,158

Note:

The consolidated results of the Group for each of the years ended 31 March 2025 and 2026 and the consolidated assets and liabilities of the Group as at 31 March 2025 and 2026 are those set out on pages 51 to 52, and page 53 respectively of this annual report. Except for the comparative figures prior to financial year 2024, which are not re-presented for discontinued operation related to food and beverage business, the five-year financial summary has been prepared on a consistent basis.