Great Harvest Maeta Holdings Limited
榮 豐 億 控 股 有 限 公 司

(incorporated in the Cayman Islands with limited liability)
Stock code: 3683

Annual Report
2026




CONTENTS

GLOSSARY

"2011 Share Option Scheme"	the share option scheme of the Company approved and adopted by an ordinary resolution of the shareholders at the annual general meeting of the Company held on 19 August 2011 and expired on 18 August 2021
"2021 Share Option Scheme"	the share option scheme of the Company approved and adopted by an ordinary resolution of the shareholders at the annual general meeting of the Company held on 18 August 2021
"Ablaze Rich"	Ablaze Rich Investments Limited（耀豐投資有限公司）, a company incorporated in the BVI on 1 July 2008 and was owned as to 51% by Mr. Yan and 49% by Ms. Lam, and is the controlling shareholder of the Company (as defined under the Listing Rules)
"AGM"	the forthcoming annual general meeting of the Company
"All Ages"	All Ages Holdings Limited（萬年控股有限公司）, a company incorporated in the BVI on 1 November 2011 and was 100% owned by Mr. Yan Yui Ham, the chairperson of the Board, a non-executive Director and the son of Mr. Yan and Ms. Lam
"Articles"	the articles of association of the Company
"Audit Committee"	the audit committee of the Board
"Baltic Dry Index" or "BDI"	an index of the daily average of international shipping prices of various dry bulk cargoes made up of 20 key dry bulk routes published by the Baltic Exchange in London
"Baltic Panamax Index" or "BPI"	an index of the shipping prices of panamax vessels made up of four daily panamax vessel assessments of time charter rates published by the Baltic Exchange in London
"Board"	the board of Directors
"BVI"	the British Virgin Islands
"CG Code"	Corporate Governance Code contained in Part 2 of Appendix C1 to the Listing Rules
"Company"	Great Harvest Maeta Holdings Limited（榮豐億控股有限公司）, an exempted company incorporated in the Cayman Islands on 21 April 2010 under the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands with limited liability
"Director(s)"	director(s) of the Company
"dwt"	an acronym for deadweight tonnage, a measure expressed in metric tons or long tons of a ship's carrying capacity, including cargo, bunkers, fresh water, crew and provisions

GLOSSARY

"EBITDA"	earnings before interest, tax, depreciation and amortisation, computed to exclude impairment loss on property, plant and equipment or reversal of impairment losses on property, plant and equipment
"Group"	the Company and its subsidiaries
"Hainan Land"	two parcels of land located at Meidian Slope, Hongqi Town, Qiongshan District, Haikou, Hainan Province, the PRC
"HK$" and "HK cents"	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock market operated by the Stock Exchange, which excludes the GEM of the Stock Exchange and the options market
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Mr. Yan"	Mr. YAN Kim Po（殷劍波先生）
"Ms. Lam"	Ms. LAM Kwan（林群女士）, the chief executive officer of the Company
"Nomination Committee"	the nomination committee of the Board
"PRC" or "China"	the People's Republic of China which, for the purposes of this annual report only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Remuneration Committee"	the remuneration committee of the Board
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Sfund"	Sfund International Investment Fund Management Limited（廣州基金國際股權投資基金管理有限公司）, a company incorporated in Hong Kong on 11 August 2015, which is the holder of the Top Build Convertible Bonds

GLOSSARY

"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Top Build"	Top Build Group Ltd. (高建集團有限公司), a company incorporated in the BVI on 24 October 2014 and a wholly-owned subsidiary of the Company
"Top Build Convertible Bonds"	the convertible bonds in the total original principal amount of US$54,000,000 due on 10 May 2021 issued by the Company initially to Mr. Yan, Ms. Lam and Mr. Yin Hai and subsequently transferred to Sfund
"treasury shares"	has the meaning as defined under the Listing Rules
"United States" and "US"	United States of America
"US$" and "US cents"	United States dollars and cents, respectively, the lawful currency of the United States

CORPORATE INFORMATION

Board of Directors

Executive Directors
Mr. PAN Zhongshan (潘忠善)
Mr. SZE Wing Kin Pierre (施永健)
(appointed on 19 September 2025)
Ms. LAM Kwan (林群)
(resigned as executive Director and chairperson on 19 September 2025 and remain as chief executive officer)

Non-executive Director
Mr. YAN Yui Ham (殷睿涵) *(Chairperson)*
(appointed on 19 September 2025)

Independent non-executive Directors
Mr. CHEUNG Kwan Hung (張鈞鴻)
Ms. WONG Tsui Yue Lucy (黃翠瑜)
Mr. LIU Yongshun (劉永順)

Audit Committee

Mr. CHEUNG Kwan Hung (張鈞鴻)
(Chairperson of Audit Committee)
Ms. WONG Tsui Yue Lucy (黃翠瑜)
Mr. LIU Yongshun (劉永順)

Remuneration Committee

Mr. LIU Yongshun (劉永順)
(Chairperson of Remuneration Committee)
Mr. CHEUNG Kwan Hung (張鈞鴻)
Mr. YAN Yui Ham (殷睿涵)
(appointed on 19 September 2025)
Ms. LAM Kwan (林群)
(resigned on 19 September 2025)

Nomination Committee

Mr. YAN Yui Ham (殷睿涵)
(Chairperson of Nomination Committee)
(appointed on 19 September 2025)
Ms. WONG Tsui Yue Lucy (黃翠瑜)
Mr. LIU Yongshun (劉永順)
Ms. LAM Kwan (林群)
(resigned on 19 September 2025)

Company secretary

Mr. SZE Wing Kin Pierre (施永健)

Authorised representatives

Mr. PAN Zhongshan (潘忠善)
(appointed on 19 September 2025)
Mr. SZE Wing Kin Pierre (施永健)
Ms. LAM Kwan (林群)
(resigned on 19 September 2025)

Registered office

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

Headquarters and principal place of business in Hong Kong

12th Floor
200 Gloucester Road
Wanchai
Hong Kong

Principal share registrar and transfer office in the Cayman Islands

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Hong Kong share registrar and transfer office

Union Registrars Limited
Suites 3301-04, 33/F
Two Chinachem Exchange Square
338 King's Road
North Point, Hong Kong

Independent auditor

Rongcheng (Hong Kong) CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor

Legal adviser as to Hong Kong law

Chiu & Partners

Principal bankers

DBS Bank (Hong Kong) Limited
The Hong Kong and Shanghai Banking Corporation Limited

Stock code

3683

Website address

www.greatharvestmg.com

The English and Chinese version of this annual report can be downloaded from the Company's website and can be obtained from the Hong Kong share registrar, Union Registrars Limited. In the event of any difference, the English version prevails.

FIVE-YEAR FINANCIAL SUMMARY

	2026 US$'000	2025 US$'000	2024 US$'000	2023 US$'000	2022 US$'000
Revenue	**3,806**	14,038	13,452	18,233	21,562
Gross profit/(loss)	**390**	(1,096)	510	2,046	10,574
(Loss)/profit attributable to owners of the Company	**(6,047)**	(10,375)	(7,126)	(17,093)	24,722
EBITDA	**(370)**	7,912	3,118	8,775	12,314
(Loss)/earnings per share attributable to owners of the Company					
– Basic	**(US0.63 cents)**	(US1.09 cents)	(US0.75 cents)	(US1.79 cents)	US2.60 cents
– Diluted	**(US0.63 cents)**	(US1.09 cents)	(US0.75 cents)	(US1.79 cents)	US1.92 cents
Assets and liabilities					
Total assets	**94,896**	92,739	115,213	132,992	153,731
Total liabilities	**(87,036)**	(81,922)	(92,745)	(102,255)	(101,995)
Net assets	**7,860**	10,817	22,468	30,737	51,736

CHAIRPERSON'S STATEMENT

Dear Shareholders,

During the financial year, the global economy pressed forward through multiple headwinds including lingering geopolitical conflicts, divergent monetary policies among major economies and the rise of trade protectionism. Against this backdrop, the international dry bulk shipping market exhibited a pattern of moderate demand recovery, slowing supply growth and fluctuating yet stabilising freight rates. Whilst the global economy demonstrated resilience, the pace of growth moderated compared with previous levels, with global economic growth rate standing at approximately 3.4% in 2025. Weighed down by disturbances in the Middle East, the growth forecast was slightly revised down to 3.1% in early 2026. In this context, global dry bulk shipping volume reached 5.944 billion tons, representing a year-on-year increase of 4.5%. As at March 2026, the total shipping capacity of the global dry bulk vessels reached 1.078 billion dwt, representing a year-on-year increase of 4.2%. The pace of capacity expansion has decelerated notably due to the subdued newbuilding orders, accelerated scrapping of aged vessels, and the tightening energy efficiency regulation by the International Maritime Organization (IMO).

The Group continued to adhere to its core strategy of prudent operations with controlled risk exposure throughout the financial year, actively navigating market volatility. As at the end of the reporting period, the age of the Group's vessel, with shipping capacity of 74,973 dwt, was 16 years—well-suited to the prevailing market demand for mainstream cargo transportation. On the operational front, the Group accurately gauged the market timing to achieve an annual vessel charter-out percentage of approximately 94%, with daily charter hire income amounting to approximately US$8,870, and to maintain a 100% charter hire recovery rate. Confronted with pressures from volatile fuel costs and rising port charges, the Group implemented a series of measures including optimised route scheduling, enhanced vessel management and operational efficiency, and adoption of energy-saving technologies, thereby effectively controlling operating costs and outperforming industry benchmarks across core operational indicators.

Looking ahead to the next financial year, the global economy is expected to sustain its moderate recovery trajectory, with emerging markets remaining the primary engine of growth. China's high-quality economic development, together with the accelerated industrialisation of Southeast Asia and India, will provide underlying support for dry bulk shipping demand. On the demand side, iron ore trade is set to benefit from the Simandou Project's commencement of operation in Guinea, and demand for long-haul transport is set to rise significantly. Steady growth in grain and bauxite trade volumes will emerge as bright spots in the market. While coal trade remains constrained by the energy transition, winter restocking demand and regional supply shortfalls will still generate phase-specific demands. On the supply side, newbuilding orders in 2025 hit a five-year low, with limited new capacity deliveries scheduled for 2026-2027. Coupled with the accelerated retirement of aged vessels driven by increasingly stringent environmental regulations, the supply-demand balance is expected to improve progressively. To sum up, the international dry bulk market is poised to take on a gently positive trend in the next financial year, with the average freight rates shifting modestly upward, and the medium- to long-term market outlook turning increasingly optimistic.

CHAIRPERSON'S STATEMENT

Based on the foregoing market assessment, the Group will continue to pursue its operating policy of prudent expansion with quality and efficiency enhancement in the next financial year. First, we will optimise our fleet structure by selectively disposing of underperforming and ageing vessels and exploring investments in low-carbon, eco-friendly vessels, aligning with the industry's green development trajectory. Second, we will deepen customer partnerships by stabilising our relationship with core time-charter clientele, expanding our access to high-quality spot cargoes, and enhancing the resilience of our business against market risks. Third, we will strengthen cost discipline by leveraging digital operational tools to further improve vessel turnaround times and operational efficiency. Fourth, we will exercise rigorous control over operational risks through close monitoring of geopolitical developments, macroeconomic policies, and market fluctuations, ensuring the Group's sustainable and sound development and delivering steady value for our Shareholders.

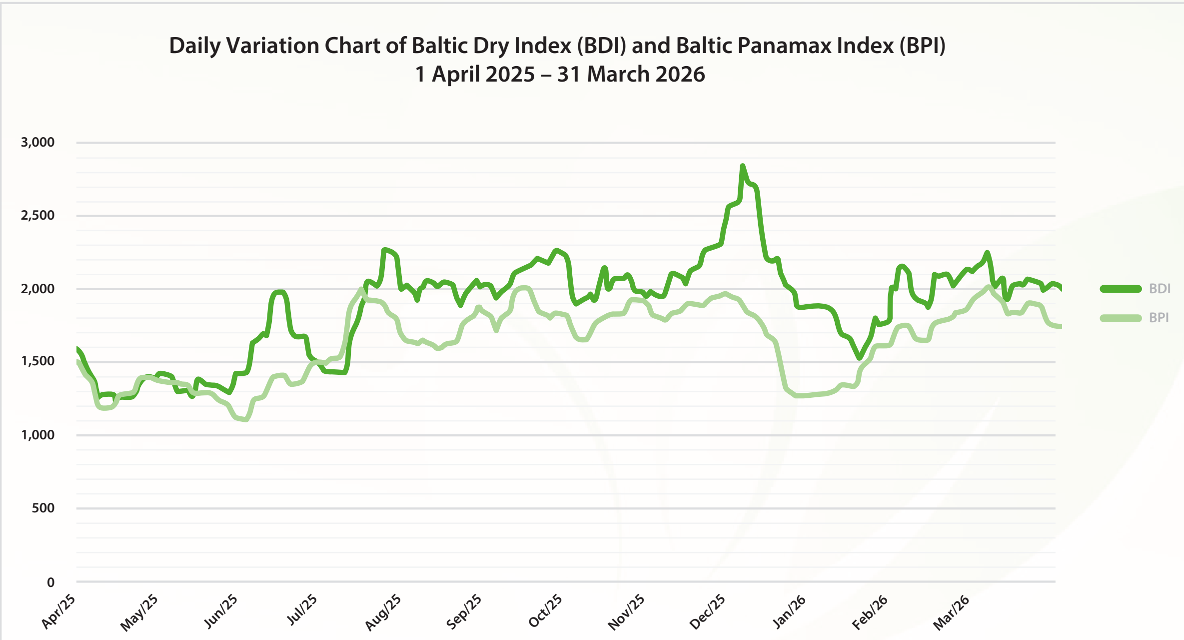
Financially, the Group would continue its efforts in implementing the plans and measures described in the section headed "Management Discussion and Analysis – Liquidity, financial resources, capital structure and gearing ratio" for the purposes of obtaining additional financing and extension of the settlement as well as restructuring of the Bonds so that the Group will have sufficient working capital to meet its cash flow requirements in the next twelve months.

YAN Yui Ham
Chairperson

25 June 2026

MANAGEMENT DISCUSSION AND ANALYSIS

Market Review



I. Market Overview

During the financial year, the international dry bulk shipping market exhibited a trajectory characterised by an initial downturn followed by a rebound, fluctuating yet picking up. The annual average BDI stood at around 1,780 points, representing a year-on-year increase of approximately 11.2% as compared to the preceding financial year. Looking back at the rhythm of market movements, the overall cycle can be divided into two distinct phases:

Sluggish Period (April to September 2025): Against the backdrop of the slowing global economic recovery, the continuous downturn in China's real estate sector and the contracting coal demand, the BDI oscillated downwards from 1,282 points at the beginning of the period, plunging to 1,145 points in July, the lowest level for the year.

Recovery Period (October 2025 to March 2026): As China's pro-growth policies took effect and the manufacturing sector regained momentum, coupled with the rising demand for long-haul transport boosted by the peak grain export season in South America and the Simandou iron mine's commencement of operation in Guinea, the BDI gradually recovered, closing at 2,178 points in March 2026—a rebound of approximately 90% from the lowest level for the year.

By vessel type, the Baltic Capesize Index (BCI) delivered an outstanding performance with an annual average of 2,908 points, surging 22.6% year-on-year, benefiting from the growth in long-haul iron ore trades and China's steel exports. The Baltic Panamax Index (BPI) averaged 1,717 points, up by 15.5% year-on-year, with evident support from grain and bauxite transportation. The Baltic Supramax Index (BSI) remained relatively resilient, averaging 1,340 points, mainly because the rigid demand for transportation of minor bulks, such as fertilisers and construction materials, brought the market with considerable resilience.

II. Supply and Demand Analysis of Transport Capacity

Supply Side

Moderating capacity growth: As at March 2026, the total shipping capacity of the global dry bulk vessels reached 1.078 billion dwt, representing a year-on-year increase of 4.2%.

Subdued newbuilding deliveries: New vessel deliveries during the period from April 2025 to March 2026 amounted to 38.50 million dwt, representing a year-on-year increase of 13.8%. In 2025, newbuilding orders hit a five-year low, and production capacity of global shipyards continued to tilt towards container vessels and Liquefied Natural Gas (LNG) carriers.

Accelerated dismantling of aged vessels: During the reporting period, global dry bulk vessel dismantling totalled 6.80 million dwt, representing a year-on-year increase of 81.3%, with an average dismantling age of 27.8 years.

Intensifying environmental regulations: Policies such as the International Maritime Organization's Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicator (CII) prompted 15% of the aged vessels to operate at reduced speeds, curtailing effective capacity on the market by approximately 4%.

Varying performance across vessel types: Capacity of Capesize vessels grew at 1.5%, the slowest pace among mainstream vessel types; capacity of Panamax and Supramax vessels grew at 3.7% and 4.3% respectively, indicating relatively pronounced supply pressure among the small- and medium-sized vessel types.

Demand Side

Global dry bulk shipping volume has maintained a low yet steady growth rate: During the reporting period, global dry bulk shipping volume reached 5.944 billion tons, representing a year-on-year increase of 4.5%; tonne-mile demand grew by 1.8%, with the lengthening of voyage distances contributing significantly.

Performance by Cargo Type

Iron ores: Global shipping volume reached 1.615 billion tons, growing by 1.6% year-on-year. China's imports amounted to 1.245 billion tons, up by 4.7%. With the commencement of shipment of the Simandou iron mine in December 2025, the voyage distance from Guinea to China is 2.1 times that of the Australia-China route, bolstering overall tonne-mile demand.

Coal: Global shipping volume stood at 1.316 billion tons, decreasing by 4.0% year-on-year. Traditional fuel coal demand was constrained by the accelerated energy transition in Europe and the implementation of dual-carbon policy in China; meanwhile, winter stockpile replenishment in India and Southeast Asia provided phase-specific support to the market.

Grain: Shipping volume reached 532 million tons, growing by 1.2% year-on-year. Riding on bumper soybean and corn harvests in South America, China's seaborne grain imports increased steadily, with annual imports amounting to 112 million tons, representing a year-on-year increase of 5.8%.

Minor bulks: Shipping volume of bauxite, manganese ore and fertilisers totalled 1.487 billion tons, growing by 3.7% year-on-year. China's bauxite imports surged 12.3% to 162 million tons, while minor bulk exports from Indonesia and Guinea also trended upwards.

III. Regional Market Performance

China, as the core pillar market for global dry bulk shipping demand, saw its pro-growth macro policies drive a recovery in steel consumption for infrastructure and manufacturing, with steel exports reaching 105 million tons, representing a year-on-year increase of 18.3%. Imports of iron ores and grain remained at elevated levels; however, demand for coastal coal transportation was relatively subdued due to the substitution effect of clean energy.

India stands out as the most pivotal growth engine for global shipping demand. During the year, the continued expansion of steel production capacity propelled iron ore imports to grow by 8.5% year-on-year, while coal imports surged 18.7% to 268 million tons. The normalisation of port congestion along the east coast pushed up regional freight rates.

The European energy transition continued to deepen, with coal imports plummeting 27.5% year-on-year to 59.80 million tons, reflecting a long-term contractionary trend in energy consumption.

In the Atlantic market, robust exports of South American grain and West African ores underpinned its outperformance in Panamax freight rates as compared to the Pacific market.

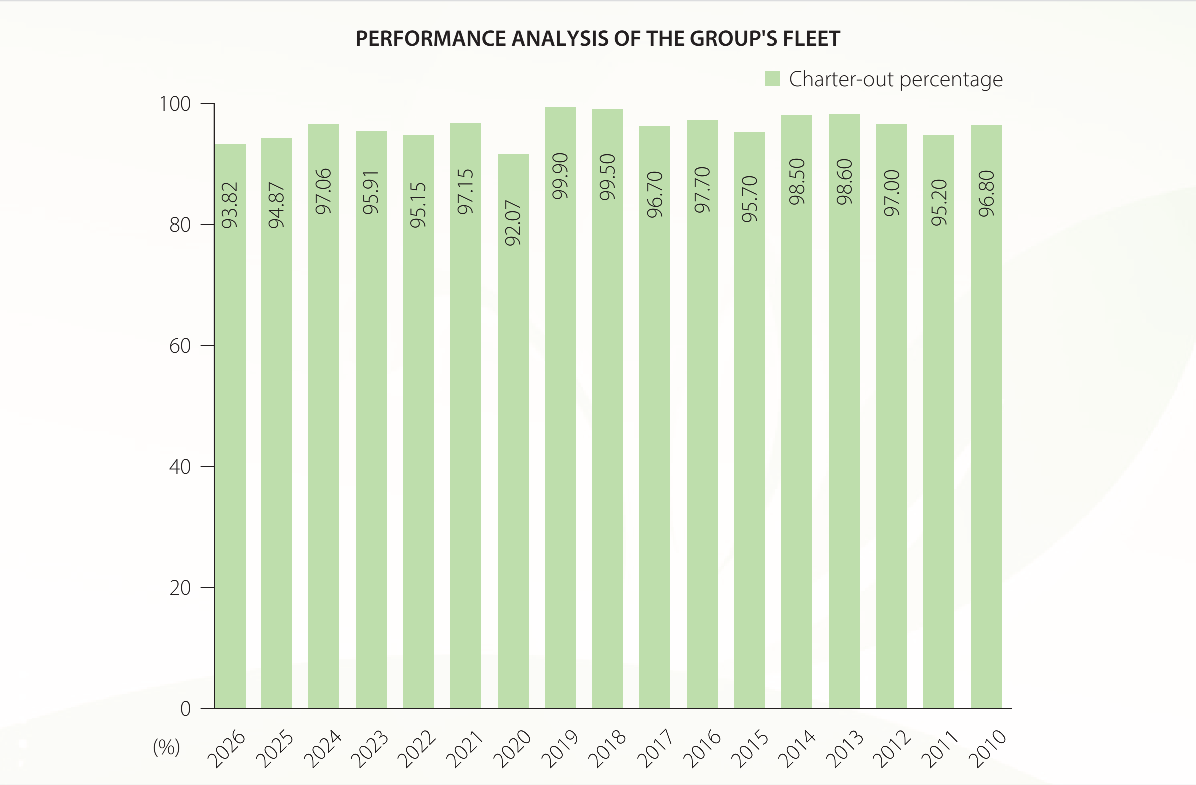
In the Middle East and Red Sea region, geopolitical tensions escalated in early 2026, prompting certain vessels to reroute via the Cape of Good Hope. The resultant 30% increase in voyage distances on Asia-Europe routes provided a short-term boost to Capesize freight rates.

IV. Conclusion and Outlook

In retrospect, the market gradually emerged from the trough during the financial year, despite the weak demand recovery and tight supply constraints, with the average BDI shifting upwards and the performance across vessel types varying notably. In the near term, the South American grain export season and the peak season for China's steel exports in the second quarter of 2026 are expected to support freight rates at elevated, albeit fluctuating, levels.

From a medium to long-term perspective, the shortfall in global newbuilding orders, the accelerated phase-out of aged vessels driven by environmental regulations, and the substantial unleashing of shipping volumes from long-haul bulk shipping projects such as Simandou will continue to optimise and improve the supply-demand dynamics from 2026 to 2027. The international dry bulk shipping industry is poised to enter a robust upward cycle.

Business Review



MANAGEMENT DISCUSSION AND ANALYSIS

The Group's vessel maintained sound operational condition during the period from 1 April 2025 to 31 March 2026. Currently, the capacity of the vessel stands at 74,973 dwt and its age is 16 years. During the year, the Group maintained a relatively high operating rate with a vessel charter-out percentage of 94%.

The global economy pressed forward through multiple headwinds including lingering geopolitical conflicts, divergent monetary policies among major economies and the rise of trade protectionism. Against this backdrop, the international dry bulk shipping market exhibited a pattern of moderate demand recovery, slowing supply growth and fluctuating yet stabilising freight rates. The average daily charter hire income of the vessel was US$8,870, representing a decrease of US$375 or 4.1% as compared to the preceding year.

In terms of safety management, the vessel continued to maintain good performance with no major safety incident during the year and limited downtime, thereby sustaining a relatively high operating rate throughout the period.

With respect to dock repair, the Company duly made plans and arrangements to minimise repair time. The vessel was under dock repair in a shipyard from 18 November to 15 December 2025, with an actual duration of 27 days. The Company made its best endeavours to minimise the actual loss during the year.

Furthermore, all freight rates and charter hires were received in full without any huge amounts of account receivables. In the management of its vessel, the Group exercised prudent control over costs and expenses, strived to minimise voyage expenses of all types, and endeavoured to keep the management expenses of the vessel within budget.

During the year, the Group disposed of a vessel named "GH Fortune" in June 2025. For details, please refer to the announcement of the Company dated 19 June 2025 and the circular of the Company dated 15 August 2025.

In order to lower operational risks and improve operational efficiency, the Group will continue to uphold its proactive and sound operating strategies, seek to charter out its vessel to reputable charterers, and endeavour to offer them high-quality services, to maintain a favourable market image for the vessel.

Market Outlook

I. Market Fundamentals: Tight Supply-Demand Balance to Persist with Intensifying Structural Divergence

Over the coming one to two years, the international dry bulk shipping market is expected to sustain its core dynamics of "moderate demand recovery and structural supply tightening", exhibiting a phased pattern of "stability in 2026, with moderation in 2027". Global economic growth is estimated to reach 3.3% in 2026, representing an upward revision of 0.2%, with the growth rate anticipated to ease slightly to 3.2% in 2027. Fiscal stimulus and technology investment will underpin economic expansion; however, uncertainties including the rise of trade protectionism and divergent monetary policies among major economies will continue to weigh on the elasticity of dry bulk shipping demand. Demand growth is expected to remain within the 2% to 3% range, potentially softening further to 1% to 2% in 2027.

On the supply side, the market will witness a play of opposing forces with moderate new vessel deliveries battling against faster retirement of aged vessels, with structural constraints emerging as the central theme. Global dry bulk newbuilding deliveries are projected to reach 38.49 million dwt in 2026, with Panamax and Supramax vessels accounting for a prominent share. Over a two-year period, deliveries of these vessel types are expected to total 40 million to 46 million dwt, which is the first time such a volume will have been seen since 2020. Newbuilding deliveries will increase further in 2027, lifting the capacity supply growth rate to 3%. Meanwhile, multiple factors are driving a wave of aged vessel dismantling. The dismantling volume is projected to reach 5.25 million dwt in 2026, surging to 7.70 million dwt in 2027, concentrated primarily in Supramax and Panamax vessels which together account for over 70% of the total. Compounded by tighter CII ratings and persistently high bunker costs, approximately 46% of the vessels will subject to corrective plans due to their substandard CII ratings, with some of the aged vessels forced to operate at reduced speeds. The growth rate of available capacity in 2026 may fall below 2.5%. The sustained tight supply-demand balance will continue to support freight rates at relatively elevated levels, with Capesize vessels outperforming other vessel types on the back of increased demand arising from lengthened voyage distances.

II. Regional Markets: Geopolitical Landscape Reshaping Trade Flows with Pronounced Regional Divergence

The Red Sea and the Suez Canal: Currently, the ceasefire agreement for the Gaza Strip remains in effect, with a significant reduction in the frequency of Houthi attacks and a gradual increase in vessel transits through the Suez Canal. The likelihood of vessels returning to Red Sea routes is rising. Should the routes be fully restored, global dry bulk tonne-mile demand would decrease by 2%, exerting short-term pressure on Capesize freight rates. Conversely, should geopolitical conflicts flare up again, prompting vessels to reroute via the Cape of Good Hope, the resultant 30% increase in voyage distances on Asia-Europe routes would continue to boost tonne-mile demand for Capesize vessels and support freight rates at high levels. These uncertainty factors constitute key variables influencing market development.

China and India: As the core demand engine of the global economy, China's pro-growth policies will continue to exert their effect. With demand for steel in the manufacturing sector rising steadily, steel exports are expected to maintain growth, whilst imports of iron ore and grain will remain at high levels. Concurrently, the advancement of green transition initiatives is likely to exert moderate pressure on coal demand, and the domestic coastal dry bulk market will continue to undergo structural adjustments. India's steel production capacity continues to expand, bringing about robust demand for iron ore and coal imports. The dependency on imported coal has risen above 70%, and the normalisation of port congestion on the east coast has driven up regional freight rate volatility. Consequently, India stands as the principal force propelling the growth of global dry bulk shipping demand.

Europe and Southeast Asia: The European Union ("EU")'s energy transition continues to accelerate, with coal imports set to decline further to below 58 million tons. The Baltic Sea coal freight rates will experience phase-specific volatility driven by winter stockpile replenishment demand. Minor bulk transportation demand in Southeast Asia remains buoyant, with shipping volume of bauxite, fertilisers and other cargoes projected to grow by 12%. Coal imports in Vietnam and other countries continue to increase, emerging as a new bright spot in the minor bulk market. Furthermore, routes from the South Atlantic to Asia for iron ore and bauxite are becoming increasingly active. The average voyage distance for global dry bulk shipping is projected to increase by 0.5% to 1.5% annually, supporting tonne-mile demand further.

III. Policies and Technologies: Deepening Green Transformation, Redefining Cost Structure

Environmental Policy: The green transition has entered a deepening phase, becoming a core driver reshaping the industry landscape. The CII rating benchmark will tighten by approximately 11% in 2026 compared to the 2019 baseline. Vessels that attained a C rating in 2024 will be downgraded to D in 2026, exposing such vessels to charter rate discounts of 5% to 15%, with certain charterers already beginning to refuse D or E-rated vessels. Under the EU Emissions Trading System (EU ETS), compliant operation of carbon costs will reach 100% in 2026, significantly increasing the carbon cost burden for conventionally fuelled vessels. For a Panamax vessel consuming 35,000 tons of fuel oil annually, the annual carbon cost would amount to approximately US$11.17 million, further squeezing the survival space of aged vessels.

Trade and Technology Policy: Restructuring of global supply chains is ongoing, and trade protectionism could trigger policy shifts. Measures such as tariff increases by the United States administration could indirectly affect trade flows of core commodities, including iron ore and grain. In terms of technology, digitalised operations and energy-saving technologies are gradually acquiring popularity. Shipowners are mitigating cost pressures by optimising voyage scheduling and enhancing vessel operational efficiency. Technological upgrades, such as green vessel retrofitting and the adoption of new fuels, will play a critical role in enhancing the core competitiveness of shipowners.

IV. Challenges and Risks

Risk of Reversal in Supply-Demand Dynamics: The market supply-demand balance will remain stable in 2026; however, in 2027, demand growth is expected to decelerate to 1% to 2% while capacity growth is expected to rise to 3%. The market may shift from a tight balance towards oversupply, placing downward pressure on freight rates. Furthermore, should the dismantling volumes in 2026 fall short of expectations and effective capacity contraction prove less pronounced than anticipated, supply-demand imbalances could intensify and freight rate volatility could widen during the year.

Geopolitical and Policy Uncertainties: Geopolitical risks, such as renewed volatility in the Red Sea region and political unrest in Guinea, could reshape trade flows and affect capacity deployment. If environmental policies, including the EU ETS and tighter CII ratings, are implemented faster than expected, shipowners could face a substantial increase in operating costs. This could even lead to cash flow disruption for small and medium-sized shipowners.

Increasing Cost Pressures: The average price of Brent crude oil is projected to be US$85 per barrel in 2026, and to remain high at US$80 per barrel in 2027. Currently, fuel costs account for 180% to 190% of shipowners' operating costs, with certain aged vessels unable to cover their fuel expenditure through daily charter hire income alone.

Risk of structural imbalance in vessel types: With a surge in deliveries of Panamax and Supramax vessels over the next two years, an imbalance between supply and demand for these vessel types may arise, leading to their weaker freight rates compared to Capesize vessels and exacerbating structural divergence in the market.

On the whole, the international dry bulk market is expected to remain stable in 2026, with freight rates sustained at relatively elevated levels. In 2027, the freight rates tend to soften amid the shifting supply-demand dynamics, while Capesize vessels will continue to lead the market. The green transition, dismantling of aged vessels, and geopolitical developments are the key factors influencing the market. A tight supply-demand balance remains the underlying logic throughout the period; however, vigilance is warranted against downside risks arising from overcapacity and moderating demand in 2027.

In light of the above market outlook, the Group will adhere to its prudent and stable operating strategies, closely monitor market fluctuations and policy developments, optimise its fleet structure with a focus on Capesize vessel-related business to mitigate the risk of oversupply in small and medium-sized vessels, deepen refined vessel management, advance energy-saving technologies and the application of green fuels, and exercise strict control over operating costs. The Group will also stabilise its relationship with core charterer clientele, expand its access to quality cargoes, enhance the resilience of its business against risks, and strive to achieve stable growth in operating income, thereby creating sustained value for our Shareholders.

Financial Review

Revenue

Revenue of the Group decreased from US$14.0 million for the year ended 31 March 2025 to US$3.8 million for the year ended 31 March 2026, representing a drop of approximately US$10.2 million, or 72.9%.

Following the disposal of vessels GH Power and GH Fortune in July 2024 and June 2025 respectively, the Group's fleet now has only one vessel. Also, the average daily charter hire income of the Group's fleet decreased from US$9,245 for the year ended 31 March 2025 to US$8,870 for the year ended 31 March 2026.

Furthermore, the Group generated over US$6.6 million freight revenue for the year ended 31 March 2025 but there was no such vessel sub-leasing business for the year ended 31 March 2026 which also resulted in the drop in revenue in the current year.

Cost of services

Cost of services of the Group decreased from US$15.1 million for the year ended 31 March 2025 to US$3.4 million for the year ended 31 March 2026, representing a drop of approximately US$11.7 million, or 77.4%.

Following the disposal of vessels GH Power and GH Fortune in July 2024 and June 2025 respectively, the Group's fleet now has only one vessel, which led to the drop in the Group's cost of ship operation, including but not limited to vessel depreciation, crew expenses and other management costs.

Furthermore, the freight cost of US$6.5 million for the year ended 31 March 2025 reduced to zero for the year ended 31 March 2026 due to there was no such vessel sub-leasing business for the year ended 31 March 2026 which also led to the drop in cost of services in the current year.

Gross profit/(loss)

The Group recorded a gross profit of US$0.4 million for the year ended 31 March 2026 as compared to the gross loss of US$1.1 million for the year ended 31 March 2025, representing a turnaround of US$1.5 million. It was due to the smaller drop in revenue of 72.9% as compared to the decrease in cost of services of 77.4% for the year ended 31 March 2026.

General and administrative expenses

General and administrative expenses of the Group decreased from US$2.4 million for the year ended 31 March 2025 to US$2.3 million for the year ended 31 March 2026, representing a decrease of approximately US$0.1 million or 3.5%. The slight decrease in administrative cost was mainly due to the reduction in staff headcount and staff cost under the Group's continued stringent expenditure control for the year ended 31 March 2026.

Reversal of/(Provision for) impairment losses on property, plant and equipment

The Group principally engages in chartering of dry bulk vessel and the Group's fleet has one vessel with carrying capacity of 74,973 dwt and an age of 16 years as at 31 March 2026. The Group maintained a fleet occupancy rate of 94% for the year ended 31 March 2026.

The Group's management regards each individual vessel as a separate identifiable cash-generating unit ("CGU").

As at 31 March 2026, the Group reviewed the carrying amounts of its property, plant and equipment (including the vessel) to determine whether there is any indication that those assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased. The Group estimated the recoverable value, representing the greater of the vessel' s fair value less cost to disposal ("FVLCTD") or its value in use ("VIU") and internal and external sources of information are considered in the estimation assessment.

Impairment Assessment:

VIU: The VIU of the vessels is assessed based on management's assumptions and estimates of vessels' future earnings and appropriate pre-tax discount rates to derive the present value of those earnings. The Group usually enters charter hire contracts for periods of 3 to 12 months in the spot market. The discount rates used for the VIU calculation on owned vessels was 8.3% (31 March 2025: 8.6%), which are based on the industry sector risk premium relevant to the CGUs and the applicable gearing ratio of the CGUs.

FVLCTD: As at 31 March 2026, the FVLCTD of the vessel amounted to US$16.3 million. The fair value is based on valuation performed by a leading international company specialised in vessels valuation.

The fair value of the vessel was an estimate of fair market price based on the price the valuer estimates as its opinion in good faith that the vessel would obtain in a hypothetical transaction between a willing buyer and a willing seller on the basis of prompt charter free delivery at an acceptable worldwide delivery port, for cash payment on standard sale terms.

The fair value of the vessel was primarily determined based on the direct comparison method with reference to recent sales of comparable vessels. In particular, the vessel's market value is estimated using five factors:

– Type: Each vessel type is modelled independently.

– Features: Relative scores are assigned to all features recorded in the vessel database.

– Age and Cargo Capacity: The nonlinear dependences of value on age and cargo capacity are modelled using mathematical functions with adjustable parameters which allow them to assume a variety of shapes. Constraints are imposed on these parameters by application of economic principles and broking expertise.

– Freight Earnings: Time charters, spot freight rates and forward freight agreements are used to create indicators of freight market sentiment for each vessel type. Signal processing techniques are applied to these indicators to maximise their correlation with vessel values.

The market approach was consistently adopted for the year ended 31 March 2026 and 2025. The market approach was adopted as the Company considered it to be the most suitable valuation method as it is universally considered as the most accepted valuation approach for valuing a vessel because it is based on publicly available data on comparable transactions. In the marketplace, buyers and sellers often have different perceptions of the value of the asset in disposal. The market approach, which valuation is based on and with reference to actual transaction prices by direct comparison to recent actual sales of comparable vessels, needs fewer subjective assumptions as compared to the other alternative approaches and provides a concrete method that eliminates ambiguity or uncertainty for determining the value of the vessel's worth. There were no subsequent changes in the valuation method used.

As at 31 March 2026, the recoverable amount of vessel amounted to US$16.3 million, which was determined by FVLCTD. Since the recoverable amount of the vessel was higher than its carrying amount, reversal of impairment losses of US$2.1 million was recognised in the consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 March 2026. Such reversal of impairment loss is non-cash in nature and does not have impact on the operating cash flows of the Group.

Finance costs

Net finance costs of the Group increased from US$4.0 million for the year ended 31 March 2025 to US$5.5 million for the year ended 31 March 2026, representing an increase of US$1.5 million or 39.2%. The increase in net finance costs was mainly due to the interest expenses arising from the amortisation of the Top Build Convertible Bonds increased by US$1.7 million as compared to the last year.

Loss for the year

The Group incurred a loss of US$10.4 million for the year ended 31 March 2025 and a loss of US$6.1 million for the year ended 31 March 2026, representing a decrease of US$4.3 million or 41.7%. The significant decrease in loss for the year ended 31 March 2026 was mainly attributable to the following factors:

(i) the Group recorded a gross profit of approximately US$0.4 million in the current year as compared to the gross loss of approximately US$1.1 million in the last year, representing a turnaround of approximately US$1.5 million;

(ii) decrease in loss on disposal of property, plant and equipment of approximately US$2.4 million;

(iii) recognition of reversal of impairment losses on property, plant and equipment of approximately US$2.1 million in the current year as compared to provision for impairment losses on property, plant and equipment of approximately US$6.9 million in the last year; and

(iv) the absence of non-recurring gain on modification of convertible bonds of US$3.2 million and reversal of expected penalty interest for convertible bonds of US$4.0 million in the current year which was recognised in the last year.

EBITDA

The Group's EBITDA dropped from US$7.9 million for the year ended 31 March 2025 to US$(0.4) million for the year ended 31 March 2026. It was mainly due to the non-recurring gain on modification of convertible bonds of US$3.2 million and reversal of expected penalty interest for convertible bonds of US$4.0 million recognised for the year ended 31 March 2025.

Liquidity, financial resources, capital structure and gearing ratio

As at 31 March 2026, the Group's cash and cash equivalents amounted to US$1.4 million (31 March 2025: US$0.2 million), of which 93.7% were denominated in US$ and 6.3% were denominated in HK$. Outstanding bank borrowings amounted to US$0.3 million (31 March 2025: US$0.4 million) and other loans (including convertible bonds) amounted to US$60.2 million (31 March 2025: US$56.6 million), of which 99.5% were denominated in US$ and 0.5% were denominated in HK$.

As at 31 March 2026 and 31 March 2025, the Group had a gearing ratio (being bank borrowings and other borrowings (including convertible bonds) of the Group divided by the total assets of the Group) of 63.8% and 61.5% respectively. The slight increase in gearing ratio as at 31 March 2026 was mainly due to (1) decrease in assets arising from disposal of vessel GH Fortune in June 2025 offset by reversal of impairment losses on vessel and unrealised exchange gain on the investment properties owned by the Group as at 31 March 2026; and (2) increase in amount recognised under convertible bonds due to accrual of interest partially offset by the repayment of the principal during the year ended 31 March 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group recorded net current liabilities of about US$66.5 million as at 31 March 2026 and approximately US$8.6 million as at 31 March 2025. The significant increase was mainly due to the reclassification of the Top Build Convertible Bonds of US$60.2 million as at 31 March 2026 as current liabilities.

The Group monitors the current and expected liquidity requirements regularly to mitigate the effects of fluctuations in cash flows. The Company has entered into six loan facility agreements with Ablaze Rich, a controlling shareholder of the Company (as defined in the Listing Rules), on 19 January 2017, 12 April 2017, 15 January 2018, 17 April 2019, 28 February 2020 and 23 June 2020 for six loan facilities (collectively, the "Facilities") in the amounts of US$3.0 million (the "First Facility"), US$3.0 million (the "Second Facility"), US$1.5 million (the "Third Facility"), US$2.0 million (the "Fourth Facility"), US$2.0 million (the "Fifth Facility") and US$3.0 million (the "Sixth Facility") respectively. The First Facility, the Second Facility and the Sixth Facility were extended on 30 March 2023.

The full loan amount had been drawn down by the Company under the First Facility, the Second Facility, the Third Facility, the Fourth Facility and the Fifth Facility. As at 31 March 2025, US$2.0 million of the loan amount had been drawn down by the Company under the Sixth Facility.

The First Facility will be repayable on an extended repayment date which is on or before 30 June 2026, the Second Facility will be repayable on an extended repayment date which is on or before 30 June 2026 and the Sixth Facility will be repayable on or before 30 June 2026. These loan facilities are unsecured and carry an interest of 4% per annum. As at the date of this annual report, the drawn amount under the First Facility, the Second Facility, the Third Facility, the Fourth Facility, the Fifth Facility and the Sixth Facility have been repaid in full. The disinterested members of the Board (including the independent non-executive Directors) consider that as each of the Facilities is on normal commercial terms or better and is not secured by assets of the Group, the receipt of financial assistance by the Group thereunder are fully exempt under Rule 14A.90 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

On 30 September 2025, the Company entered into a deed of funding undertakings. Ablaze Rich, Mr. Yan and Ms. Lam have undertaken to provide funding to the Group when funding notice shall be issued by the Company within twenty four months of the date of the deed. The undertakings shall cease to have effect after twenty four months from the date of the deed or upon the Company or any member of the Group having obtained long-term external bank borrowings or other sources of long-term financing with a principal amount of not less than US$30 million, whichever is the earlier. The deed of funding undertakings entered on 30 September 2024 was superseded by this deed, and had ceased to be effective from 30 September 2025. As at the date of this annual report, no loan was obtained under the terms of the deed.

As the financial resources available to the Group as at 31 March 2026 and up to the date of approval of these consolidated financial statements for issuance may not be sufficient to satisfy operating and financing requirements together with the payment of capital expenditure when they fall due, the Group is actively pursuing additional financing including, but not limited to, debt financing and bank borrowings.

In view of such circumstances, certain plans and measures have been taken by the Group to improve their liquidity position, which include:

(i) Various settlement proposals and extension of the settlement of the Bonds

The Group has been actively negotiating with the Bondholder for various alternative settlement proposals for the Settlement Plan (as defined in Note 24 to the consolidated financial statements), including but not limited to restructuring of the Bonds and partial settlement by assets, as well as extension of the settlement of the Bonds. Negotiation with the Bondholder is ongoing and no agreement has been reached as at the date of this annual report.

(ii) Financing through shareholders

On 30 September 2025, the Company entered into a deed of funding undertakings that Ablaze Rich, Mr. Yan and Ms. Lam have undertaken to provide funding of up to US$30,000,000 to the Group when funding notice issue by the Company within twenty four months of the date of the deed. The undertakings shall cease to have effect after twenty four months from the date of the deed or upon the Company or any member of the Group having obtained long-term external bank borrowings or other sources of long-term financing with a principal amount of not less than US$30 million, whichever is the earlier. As at 31 March 2026 and 2025, there was no loan obtained under the terms of deed and the aforesaid undertaking is still effective.

(iii) Financing through capital market and banks

The Group has been conducting feasibility study on, and has been negotiating with potential investors in connection with, fundraising opportunities through the capital market, such as placement or issue of corporate bonds and/or other sources. Additionally, the Group has been actively negotiating with banks and other financial institutions with a view of seeking for other alternative financing and bank borrowings to refinance its existing financial obligations (including but not limited to the redemption amount of the Top Build Convertible Bonds) and to fund the Group's future operating and capital expenditures. Negotiation with potential investor(s), banks and other financial institutions is ongoing as at the date of this annual report.

(iv) Enhancement of operation of chartering business

The Group continues its efforts to enhance its operation of chartering of dry bulk vessels to improve its cash flow from operations, and further control capital and operating expenditures to strengthen its working capital and mitigate the potential market fluctuation.

The directors of the Company have reviewed the Group's cash flow projection for a period covering not less than twelve months from 31 March 2026. Assuming that the above plans and measures would be successful in obtaining additional financing and extension of the settlement as well as restructuring of the Bonds, the directors of the Company accordingly consider it is appropriate that the Group will have sufficient working capital to meet its cash flow requirements in the next twelve months. The directors of the Company are satisfied that it is appropriate to prepare these consolidated financial statements on a going concern basis.

Convertible Bonds

As announced by the Company on 10 May 2016, completion of the acquisition of the entire issued share capital of Top Build Group Ltd. took place on 10 May 2016 and a convertible bond with principal amount of US$54,000,000 ("Top Build Convertible Bonds") was issued in May 2016.

As announced by the Company on 14 May 2021, 24 June 2021, 24 November 2021, 31 December 2021 and 25 February 2022, the Top Build Convertible Bonds matured on 10 May 2021 and the Company defaulted in the redemption of the Top Build Convertible Bonds in full in accordance with the terms and conditions thereof (the "Default"). On 24 November 2021, the Company and the holder of the Top Build Convertible Bonds (the "Bondholder"),among others, entered into a settlement agreement (the "Settlement Agreement"), pursuant to which the Bondholder has agreed to withhold taking any further litigation or claims against the Company in respect of the Default, provided that the Company settled the outstanding redemption amount in the Top Build Convertible Bonds by, among others, repaying the Bondholder US$25 million in cash within two months from the date of the Settlement Agreement (i.e. 24 January 2022). On 31 December 2021, the Company entered into a subscription agreement with an independent investor in Hong Kong, pursuant to which the Company has agreed to issue, and the investor has agreed to subscribe for, corporate bond in the principal amount of US$50 million, but the completion of such subscription did not take place. As a result, the Company did not pay in full the US$25 million which was due and payable on 24 January 2022 pursuant to the terms of the Settlement Agreement. On 24 February 2022, the Bondholder filed a winding-up petition (the "Petition") with the Court of First Instance of the High Court of the Hong Kong Special Administrative Region (the "High Court of Hong Kong") for the winding-up of the Company in relation to the outstanding redemption amount in the Top Build Convertible Bonds, which amounted to US$51,230,000 as at the date of the Petition.

On 29 June 2022, the Company and the Bondholder, among others, entered into a supplemental agreement to the Settlement Agreement (the "Supplemental Settlement Agreement"), pursuant to which the Bondholder has agreed, among others, to conditionally withdraw the Petition and withhold taking any further litigation or claims against the Company in respect of the Default. Pursuant to the Supplemental Settlement Agreement, the Company will settle the outstanding redemption amount of the Top Build Convertible Bonds (which amounted to US$51,230,000 as at the date of the Supplemental Settlement Agreement) by repaying the Bondholder (i) US$5,000,000 in cash in 10 quarterly instalments of US$500,000 with the first instalment to be paid within 7 business days from the date the High Court of Hong Kong grant an order for the withdrawal of the Petition; and (ii) the remaining balance of US$46,230,000 and all accumulated interest (calculated at an interest rate of 8% per annum), both to be paid in cash in one lump sum on 31 December 2024. The withdrawal of the Petition is further conditional upon, among others, the Company having delivered security documents for the pledge/mortgage over certain assets of the Group in favour of the Bondholder as security for the Company's performance of its repayment obligations under the Settlement Agreement (as supplemented by the Supplemental Settlement Agreement). Please refer to the announcement of the Company dated 29 June 2022 for further details.

As disclosed in the announcement of the Company dated 15 July 2022, pursuant to the Supplemental Settlement Agreement, the Petitioner and the Company have executed and filed a consent summons to the High Court of Hong Kong for the withdrawal of the Petition. On 15 July 2022, the Company received the order of the High Court of Hong Kong dated 14 July 2022 which ordered, among other things, that the Petition be withdrawn.

As disclosed in the insider information announcement dated 31 March 2023, the Company has not repaid to the Bondholder the fourth quarterly instalment of US$500,000 due on 31 March 2023. The Company and the Bondholder have made further arrangements in relation to the settlement of the unpaid instalment and the US$500,000 was fully repaid in 3 instalments on or before 15 June 2023.

On 30 June 2023, the Company has made repayment of US$100,000 to the Bondholder for partial payment of the fifth quarterly instalment due on 30 June 2023.

On 22 November 2023, the Bondholder confirmed to the Company that the Company shall repay (i) the remaining balance of US$400,000 of the fifth quarterly instalment due on 30 June 2023; and (ii) the sixth quarterly instalment of US$500,000 (due on 30 September 2023) on or before 31 December 2023.

On 7 February 2024, the Company has made repayment of US$200,000 to the Bondholder for partial payment of the fifth quarterly instalment.

On 7 May 2024, the Bondholder confirmed to the Company that the Company shall repay (i) the remaining balance of US$200,000 of the fifth quarterly instalment; (ii) the sixth quarterly instalment of US$500,000; (iii) the seventh quarterly instalment of US$500,000 (due on 31 December 2023); (iv) the eighth quarterly instalment of US$500,000 (due on 31 March 2024); and (v) the ninth quarterly instalment of US$500,000 (due on 30 June 2024) on or before 31 December 2024.

On 13 September 2024, the Company has made repayment to the Bondholder for (i) the remaining balance of US$200,000 of the fifth quarterly instalment; (ii) the sixth quarterly instalment of US$500,000; and (iii) partial payment of US$300,000 of the seventh quarterly instalment.

On 21 January 2025, the Company, Mr. Yan, Ms. Lam, Ablaze Rich (Ablaze Rich, collectively with Mr. Yan and Ms. Lam (the "Guarantors")) and the Bondholder, entered into the Second Supplemental Settlement Agreement, in which the Bondholder has agreed, among others, to adjust the repayment schedule of the outstanding redemption amount of the Top Build Convertible Bonds and the interests accrued therefrom.

Pursuant to the Second Supplemental Settlement Agreement, the Company will settle:

(i) the outstanding principal of the redemption amount of the Top Build Convertible Bonds (which amounted to US$47,930,000 as at the date of the Second Supplemental Settlement Agreement) by repaying the Bondholder in cash of (a) not less than US$300,000 within each of the second and third quarter of 2025; (b) not less than US$1,400,000 within the fourth quarter of 2025; (c) not less than US$500,000 within each of the first, second and third quarter of 2026; and (d) the remaining balance within the fourth quarter of 2026 and on or before 31 December 2026;

(ii) the outstanding accrued interest on the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 July 2022 and 31 December 2024 of US$9,893,162 in cash on or before 31 December 2026;

(iii) interest over the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 January 2025 and 31 December 2026, calculated at an interest rate of 8% per annum, in cash on or before 31 December 2026; and

(iv) liquidated damages in respect of the default of US$87,405 in cash on or before 31 December 2026.

Under the Second Supplemental Settlement Agreement, the Company will provide or procure to be provided the following pledge/mortgage over the Group's assets in favour of the Bondholder as additional security (the "Additional Security") for the Company's performance of its repayment obligations under the Settlement Agreement (as supplemented by the Supplemental Settlement Agreement and the Second Supplemental Settlement Agreement):

(i) the mortgage over the land use right of a parcel of land of approximately 103.4 mu located at Haikou, Hainan Province, the PRC held by the PRC Subsidiary; and

(ii) the pledge over 41% of the equity interests in the PRC Subsidiary held by the Hong Kong Subsidiary.

All existing security documents as provided under the Supplemental Settlement Agreement remained as security for the Settlement Agreement. Pursuant to the Second Supplemental Settlement Agreement, the Bondholder agrees to release the existing mortgage over a vessel (the "Subject Vessel") owned by the Group upon completion of the requisite registration procedures in respect of the Additional Security. Pursuant to the Second Supplemental Settlement Agreement, the Group has undertaken to the Bondholder that, after the release of the existing mortgage over the Subject Vessel, if the Group disposes of the Subject Vessel, 50% of such sale proceeds shall be applied towards settlement of the amount due under the Supplemental Agreement (as supplemented) and shall be paid to the Bondholder within 15 days after receipt by the Group of the sale proceeds.

The Group is planning to raise funds through the capital market, such as placement or issue of corporate bonds and/or other sources, to finance the settlement of the outstanding redemption amount of the Top Build Convertible Bonds, negotiation with potential investor(s) on which is ongoing as at the date of this annual report. Further announcement(s) in relation to, inter alia, any other material developments in connection with the redemption arrangement of the Top Build Convertible Bonds will be made as and when appropriate.

On 27 June 2025, 3 September 2025 and 19 December 2025, the Company has made repayment of US$300,000, US$400,000 and US$200,000 respectively to the Bondholder, pursuant to the Second Supplemental Settlement Agreement.

Exposure to fluctuations in exchange rate risk and related hedges

The Group's transactions and monetary assets were primarily denominated in US$. Operating expenses of the Group's Hong Kong subsidiaries were primarily denominated in HK$ and that of the Group's PRC subsidiary was primarily denominated in RMB and the borrowings and loans of the Group were denominated in US$ and HK$. As the Group does not have significant foreign currency transactions or balances, the Directors consider that the level of foreign currency exposure for the Group is relatively minimal.

The Group has not entered into any arrangements to hedge for the future fluctuations of Hong Kong Dollars Best Lending Rate or cost of fund arising from the Group's variable-rate borrowings.

Charges on assets

As at 31 March 2026, the Group had pledged the following assets to the Bondholder as securities against the convertible bonds to the Group:

	31 March 2026 US$'000	31 March 2025 US$'000
Investment properties	**76,272**	71,629

Contingent liabilities

There were no material contingent liabilities for the Group as at 31 March 2026.

Employees' remuneration and retirement scheme arrangements

As at 31 March 2026, the Group had a total of 35 employees (as at 31 March 2025: 54 employees). For the year ended 31 March 2026, the total salaries and related costs (including Directors' fees) amounted to approximately US$2.4 million (2025: US$3.6 million). It is the Group's policy to remunerate its employees with reference to the relevant market situation, and accordingly the remuneration level of the Group's employees remains at a competitive level and is adjusted in accordance with the employees' performance. Other benefits offered by the Group include mandatory provident fund scheme and medical insurance.

The Group operates defined contribution plans by paying contributions to pension insurance plans. The Group's contributions to such defined contribution plans vest fully and immediately with the employees. Accordingly, there are no forfeited contributions under such plans which may be used by the Group as employer to reduce its existing level of contributions for the year ended 31 March 2026.

Material acquisitions and disposals

Except for the disposal of vessel GH Fortune in June 2025, the Group had no other material acquisitions or disposals during the year ended 31 March 2026.

Significant investment

The Group did not have any significant investment which accounted for more than 5% of the Group's total assets as at 31 March 2026.

Investment properties

Particulars of property interests held by the Group as at 31 March 2026 are as follows:

Location	Existing use	Tenure	Attributable interest of the Group
Investment properties			
Two parcels of land located at Meidian Slope, Hongqi Town, Qiongshan District, Haikou, Hainan Province, the PRC	Vacant	Medium	91%

Future plans for material investments or capital assets

The Group did not have any future plans for material investments or capital assets as at the date of this annual report.

Prospects

Against a backdrop of lingering geopolitical tensions and the implementation of multiple new international maritime environmental regulations driving industry-wide transformation, the industry's supply-demand landscape is undergoing fundamental shifts: while global trade demand recovers moderately, the supply side is experiencing a structural contraction due to the accelerated phasing out of ageing vessels and a slowdown in deliveries of newly built vessels.

Looking ahead to 2026, the international shipping market is expected to be characterised by pronounced divergence across market segments, with the dry bulk and oil tanker sectors performing relatively better, whilst the container shipping sector lacking sufficient momentum for recovery. The overall market trend is likely to hover within a narrow range, and the disparity in profitability across different sectors is set to widen further.

The Group will closely monitor market developments and remain prudent in exploring any potential investment or business opportunities to diversify its revenue streams. Meanwhile, we will strengthen safety management, strictly abide by carbon emission reduction regulations, and consistently optimise operating costs. The Group will update the Shareholders on the latest business developments in due course.

Financially, the Group would continue its efforts in implementing the plans and measures described in the section headed "Management Discussion and Analysis – Liquidity, financial resources, capital structure and gearing ratio" for the purposes of obtaining additional financing and extension of the settlement as well as restructuring of the Bonds so that the Group will have sufficient working capital to meet its cash flow requirements in the next twelve months.

Disclaimer of Opinion

Rongcheng (Hong Kong) CPA Limited, the auditor ("Auditor") of the Company has issued a disclaimer of audit opinion (the "Disclaimer of Opinion") on the Company's consolidated financial statements for the year ended 31 March 2026. For details of the Disclaimer of Opinion, please refer to the Independent Auditor's Report on pages 122 to 124 of this annual report.

Management's View on the Disclaimer of Opinion

The fundamental reason for the Disclaimer of Opinion made by the external Auditor for the year ended 31 March 2026 is due to the fact that the Group reported a net loss of approximately US$6,050,000 for the year ended 31 March 2026. As at 31 March 2026, the Group's current liabilities exceeded its current assets by approximately US$66,501,000, which included borrowings and loans of approximately US$113,000 and convertible bonds of approximately US$60,230,000, that are repayable within one year, while the Group's cash and cash equivalents balances was approximately US$1,394,000. In addition, the Group has entered into agreements which will involve capital commitments of approximately US$259,000 in respect of investment properties project as at 31 March 2026.

On 21 January 2025, the Company, the Guarantors and the Bondholder entered into the Second Supplemental Settlement Agreement, in which the Bondholder has agreed, among others, to adjust the repayment schedule of the outstanding redemption amount of the Top Build Convertible Bonds and the interests accrued therefrom. Please refer to the section headed "Management Discussion and Analysis – Convertible Bonds" in this annual report for further details of the Second Supplemental Settlement Agreement and the settlement terms contained therein.

The management of the Group (the "Management") has taken various measures and plans as mentioned in Note 2.1.1 to the consolidated financial statements of the Group, in particular the shareholders will be able to provide further funding to the Group under the deed of funding undertakings, as and when needed, to meet the Group's working capital and scheduled loan repayments, and extension of the settlement, as well as restructuring of the Bonds, to resolve the current liquidity situation. Taken into account those measures and plans the Directors have prepared a cash flow forecast of the Group covering a period of not less than twelve months from 31 March 2026. The validity of the going concern assumption is dependent on the successful and favourable outcomes of these plans and measures.

The Management also highlights the Group's net equity position and the Group's investment properties, being commercial properties in the Hainan province, the PRC, are presently vacant which current fair value exceeds the amount of convertible bonds together with the ongoing negotiation with the Bondholder for various alternative settlement proposals for the Settlement Plan, including but not limited to restructuring of the Bonds and partial settlement by assets. As such, the Management believes the Group has adequate available assets to discharge its redemption obligation should the Bondholder call for it, either by way of asset realization or asset offer in lieu of payment to finance the settlement of the outstanding redemption amount of the Top Build Convertible Bonds, all accumulated interest and liquidated damages, without causing too much disruption to the Group's current business activities and operations.

As set out in the Independent Auditor's Report, the Auditor has not been able to obtain sufficient appropriate audit evidence to satisfy themselves that the events or conditions underpinning the cash flow forecast of the Group for going concern assessment are reasonable and supportable because of the lack of sufficient appropriate audit evidence from the Management on its success and feasibility, except for the deed of shareholders' undertaking to provide financing for up to US$30,000,000 entered into on 30 September 2025. Furthermore, there were no other satisfactory audit procedures that the Auditor could adopt to conclude whether it is appropriate to use the going concern assumption to prepare the consolidated financial statements of the Group for the year ended 31 March 2026. Therefore, the Auditor was unable to form an audit opinion on the consolidated financial statements of the Group for the year ended 31 March 2026 and expressed the Disclaimer of Opinion. Please refer to the Independent Auditor's Report for details.

Audit Committee's View on the Disclaimer of Opinion

The audit committee of the Board ("Audit Committee") has reviewed the Disclaimer of Opinion for the year ended 31 March 2026, and understood the Management's position and basis as set out in the section headed "Management's View on the Disclaimer of Opinion" above. Having considered the current circumstances, Management's commitment to implement and realise the measures and plans referred to in Note 2.1.1 to the consolidated financial statements of the Group, and the support previously provided by the Bondholder to the Company, and bearing in mind that it is in the common commercial interests of the Company, its shareholders, and the Bondholder (which its ultimate shareholder indirectly controls approximately 7.8% of the Company's issued Shares) to extend the settlement schedule of the Convertible Bonds so as to allow additional time for the Company to implement its plans and measures to improve and address its current liquidity position, including through obtaining financing from the capital markets (such as placement to investors or issue of corporate bonds) and/or other sources to finance the Settlement Plan with the Bondholder, together with the ongoing negotiation with the Bondholder to explore various alternative settlement proposals (including, but not limited to, restructuring of the Convertible Bonds and partial settlement by assets), the Audit Committee agrees with the Management's position and basis.

To arrive at a decision Audit Committee members have considered the current circumstances; management's pledge to strive to implement and materialize those measures and plans and the support bestowed on the Company by the Bondholder in the past. In addition Audit Committee members have also weighted the consequences, possible implications and benefits of available options to decide which one would be more beneficial to our shareholders.

After weighing all those factors the Audit Committee decided to agree with the Management's position and basis and that the adoption of a going concern basis for the preparation of the consolidated financial statements for the year ended 31 March 2026 would work to the best interest of the shareholders.

The Audit Committee reminds Management of its responsibility to address the underlying issues giving rise to the Disclaimer of Opinion and to take resolute steps to resolve such issues, and any further progress and/or development should be announced as and when appropriate.

The plans and measures of the Group to address the Disclaimer of Opinion, as at the date of this annual report, are set out in Note 2.1.1 to the consolidated financial statements of the Group.

Audit Committee would however like to stress that materialization of those measures and plans is subject to uncertainty. Should those measures and plans fail to materialize, adjustments would have to be made to reduce the carrying values of the Group's assets to their realisable values, to provide for financial liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The updated biographies of the Directors and senior management of the Company are set out as below:

Board of Directors

Executive Directors

Mr. PAN Zhongshan (潘忠善), aged 61, has been serving as an executive Director of the Company since 28 April 2023. Mr. PAN joined as the general manager of Union Apex Mega Shipping Limited, a direct wholly-owned subsidiary of the Company and is responsible for the operation management of the Group's shipping business since January 2022. Mr. PAN has 39 years of experience in the maritime industry. Mr. PAN graduated from Dalian Maritime University* (大連海事大學) with a bachelor degree of ocean-going ship navigation* (航海系遠洋船舶駕駛專業). Before joining the Group, he had worked for China COSCO Shipping Corporation Limited in Qingdao Branch as third mate, second mate, chief mate and a captain of ocean-going vessels from 1986 to 2002. Mr. PAN had joined the Hong Kong Lihai International Shipping Limited as deputy general manager since 2002 and he had been appointed as managing director from 2006 to 2019. Mr. PAN is not interested in any Shares within the meaning of Part XV of the SFO as at the date of this annual report.

Mr. SZE Wing Kin Pierre (施永健), aged 49, has been the chief financial officer and company secretary of the Company since 30 December 2022 and was appointed as an executive Director on 19 September 2025. Mr. SZE is responsible for the corporate finance, investor relations, financial management and company secretarial matters of the Company. Mr. SZE graduated from The Hong Kong University of Science and Technology with a Bachelor of Business Administration (Hons) in Professional Accounting in 1998. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. SZE has extensive experience in corporate finance, investor relations, company secretarial, financial management, auditing, accounting, taxation, internal control, treasury and business advisory in Hong Kong and the PRC.

Prior to joining the Company, Mr. SZE has been the group chief financial officer of Great Harvest (Holdings) Limited, a conglomerate with investments in mining and steel industry, minerals trading, real estate development and big health industry since February 2022. Mr. SZE has also been appointed as a director of Adex Mining Inc. (TSXV stock code: ADE), a company listed on the TSX Venture Exchange in Canada since December 2022. Before then, Mr. SZE was the chief financial officer of a leading woodworking machinery manufacturer in the PRC from April 2019 to January 2022. Mr. SZE had also served as the corporate finance and investor relations director as well as company secretary and authorised representative of DreamEast Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 593) from January 2016 to January 2019. Mr. SZE had been the chief financial officer, board secretary and company secretary of a pure play integrated gold company in the PRC focusing on exploration, mining, processing and smelting of gold from September 2011 to August 2015. Mr. SZE was the chief financial officer, qualified accountant and company secretary of SSY Group Limited, a company listed on the Main Board of the Stock Exchange (stock code: 2005) from June 2008 to August 2011. Mr. SZE had worked for several international and local audit firms including KPMG, PricewaterhouseCoopers and Deloitte Touche Tohmatsu from September 1998 to June 2008. Mr. SZE is not interested in any Shares within the meaning of Part XV of the SFO as at the date of this annual report.

* For identification purposes only

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Non-executive Director

Mr. YAN Yui Ham (殷睿涵), aged 33, has been serving as the Chairperson and a non-executive Director of the Company since 19 September 2025. Mr. YAN Yui Ham is responsible for the Group's overall strategic planning. Mr. YAN Yui Ham obtained a Bachelor of Science degree in Electrical Engineering from Boston University in September 2016. Prior to joining the Group, Mr. YAN Yui Ham has experience in corporate finance and asset management in Hong Kong. He has been the licensed representative of Type 9 (asset management) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) at, and an investment executive of, High Nine Asset Management Limited, a company that mainly engages in asset management from January 2020 to October 2024, an analyst of corporate finance of VMS Securities Limited from February 2018 to May 2019 and a technical manager of CRRC Sifang Hong Kong Company Limited, a company then mainly engages in manufacture of rail transit equipment, from November 2016 to December 2017. Mr. YAN Yui Ham is the son of Ms. LAM, the chief executive officer of the Company. Mr. YAN Yui Ham is currently a director of All Ages, and along with his spouse has an interest in such number of Shares under Part XV of the SFO as disclosed in the section headed "Directors' Report - Directors' and Chief Executive's interests and short positions in Shares, underlying Shares and debentures of the Company and its associated corporation" of this annual report.

Independent non-executive Directors

Mr. CHEUNG Kwan Hung (張鈞鴻), aged 74, has been serving as an independent non-executive Director of the Company since September 2010. Mr. CHEUNG graduated from Hong Kong Polytechnic with a Higher Diploma in Accountancy in 1978 and is a member of the Hong Kong Institute of Certified Public Accountants. Mr. CHEUNG has extensive experience in accounting, finance, corporate management and investment banking, specialising in equity/debt fund raising, mergers and acquisitions and corporate and debt restructuring, as well as private financial consultancy work. Mr. CHEUNG is not interested in any Shares within the meaning of Part XV of the SFO as at the date of this annual report.

Ms. WONG Tsui Yue, Lucy (黃翠瑜), aged 65, has been serving as an independent non-executive Director of the Company since 30 September 2022. Ms. WONG has extensive experience in commerce and accounting. Ms. WONG graduated with a Bachelor of Commerce and Administration from Victoria University of Wellington in New Zealand in May 1984 and further obtained a Master of Arts in Anthropology from the Chinese University of Hong Kong in November 2013. Ms. WONG has been a director of Advance Caterers Limited (formerly known as Hong Kong Catering Management Ltd.) since November 2009 and has been appointed as an independent non-executive director of Classified Group (Holdings) Limited, a company listed on GEM of the Stock Exchange (stock code: 8232), from 23 December 2024 to 30 September 2025. She is a fellow member of the Hong Kong Institute of Certified Public Accountants and was formerly an associate member of the Institute of Chartered Accountants in Australia. Ms. WONG has over 20 years' experience working with companies listed on the Main Board of the Stock Exchange, including over 15 years as company secretary and over 10 years as finance director. Ms. WONG has also dedicated her time on women empowerment through her voluntary work for Zonta since 2003. Ms. WONG is not interested in any Shares within the meaning of Part XV of the SFO as at the date of this annual report.

Mr. LIU Yongshun (劉永順), aged 65, has been serving as an independent non-executive Director of the Company since 18 March 2025. Mr. LIU graduated from Anhui University of Technology (formerly known as Maanshan Institute of Iron Steel and East China University of Metallurgy) with a bachelor's degree in iron making in 1983. He subsequently obtained an Executive Master of Business Administration degree from China Europe International Business School in 2005. Mr. LIU has extensive experience in raw material supply management for iron and steel making, mineral resource development and raw material trading. He was the president of the Mineral Business Division, Shanghai Baosteel Group International Economic and Trading Co., Ltd. from November 2001 to May 2005. He was appointed as the deputy general manager of the Purchase Centre of Baosteel Corporation from May 2005 to April 2006. He acted as the deputy general manager of Baosteel Trading Co., Ltd. from May 2006 to April 2007. In May 2007, Mr. LIU was appointed as a non-executive director of APAC Resources Limited ("APAC Resources"), a company listed on the Main Board of the Stock Exchange (stock code: 1104), and was re-designated as an executive director and chief executive officer of APAC Resources in July 2007. Mr. LIU resigned as a chief executive officer of APAC Resources in December 2009 and has been re-designated as a non-executive director of APAC Resources from April 2010 until he resigned in March 2012.

Mr. LIU was appointed as a non-executive director of Up Energy Development Group Limited, a company which was previously listed on the Main Board of the Stock Exchange (stock code: 307) and was delisted on 5 January 2022, on 18 December 2015 and was re-designated as an independent non-executive director from 20 April 2016 to 5 January 2022. Mr. LIU was appointed as an executive director of Prosperity International Holdings (H.K.) Ltd, a company which was previously listed on the Main Board of the Stock Exchange (stock code: 803) and was delisted on 9 February 2023, on 19 September 2011 and was re-designated as an non-executive director from 1 February 2014 to 8 July 2019. Mr. LIU is not interested in any Shares within the meaning of Part XV of the SFO as at the date of this annual report.

Senior management

Ms. LAM Kwan (林群), aged 58, is the chief executive officer of the Company. She is one of the co-founders of the Group. Ms. LAM is responsible for the business development strategizing, daily operational management and administrative affairs of the Group. She is also a director of each of the subsidiaries of the Company. Ms. LAM has extensive experience in the marine transportation industry. Ms. LAM is currently a director of Adex Mining Inc. (TSXV stock code: ADE), a company listed on the TSX Venture Exchange in Canada. Ms. LAM has been appointed as Chairman of Pok Oi Hospital from April 2022 to March 2023 and she has been appointed as permanent adviser of Pok Oi Hospital since 1 April 2023. She is currently a director of the Hong Kong Energy, Mining and Commodities Association, an honorary director of Hong Kong Baptist University Foundation, and a fellow of the Hong Kong Institute of Directors. She graduated from Dongbei University of Finance & Economics in 1990 with a bachelor's degree in English for Finance in the Department of Foreign Language for Finance. Ms. LAM is the mother of Mr. YAN Yui Ham, a Director of the Company. Ms. LAM is currently a director of Ablaze Rich, which along with Ms. LAM herself has an interest in such number of Shares under Part XV of the SFO as disclosed in the section headed "Directors' Report – Directors' and Chief Executive's interests and short positions in Shares, underlying Shares and debentures of the Company and its associated corporation" of this annual report.

CORPORATE GOVERNANCE REPORT

The Board and the management of the Company are committed to a high standard of corporate governance. The Company considers that such commitment is essential for effective management, healthy corporate culture, successful business growth, balance of business risk and enhancement of Shareholders' value.

The CG Code

The Company has adopted the principles and code provisions set out in the CG Code contained in Part 2 of Appendix C1 to the Listing Rules as the Company's code on corporate governance practices throughout the year ended 31 March 2026 except for the deviations as stated below.

Code provision C.2.1 of the CG Code stipulates that the roles of chairperson and chief executive should be separate and should not be performed by the same individual. Ms. Lam has resigned from the positions of chairperson and executive Director of the Company with effect from 19 September 2025, whilst remaining as chief executive officer. Mr. Yan Yui Ham has been appointed as chairperson of the Company with effect from 19 September 2025. The Board considers that the separation of the roles of chairperson and chief executive officer will enhance the balance of power and responsibilities, improve oversight function, and further strengthen the corporate governance of the Group. The Company has fully complied with Code provision C.2.1 of the CG Code from 19 September 2025 to 31 March 2026.

Save as disclosed above, the Company had complied with all the other code provisions set out in the CG Code during the year ended 31 March 2026.

Note: The amendments to the CG Code effective on 1 July 2025 will apply to corporate governance reports and annual reports of the Company for financial years commencing on or after 1 July 2025. For this annual report, the Company shall refer to the then effective CG Code.

The Board

The Board assumes responsibility for leadership and control of the Company, and is responsible and has general powers for management and conduct of the business of the Company. The Directors, individually and collectively, are committed to acting in good faith in the best interests of the Company and its shareholders. To assist in the discharge of their duties, the Directors have free and direct access to the Company's external auditors and procedures are in place to allow the Directors to obtain independent professional advice at the Company's expense.

Board composition

As at the date of this annual report, the Board comprised two executive Directors, one non-executive Director and three independent non-executive Directors:

Executive Directors

Mr. PAN Zhongshan (潘忠善)
Mr. SZE Wing Kin Pierre (施永健) (appointed on 19 September 2025)
Ms. LAM Kwan (林群) (resigned as executive Director and chairperson on 19 September 2025 and remain as chief executive officer)

Non-executive Director

Mr. YAN Yui Ham (殷睿涵) *(Chairperson)* (appointed on 19 September 2025)

Independent non-executive Directors

Mr. CHEUNG Kwan Hung (張鈞鴻)
Ms. WONG Tsui Yue Lucy (黃翠瑜)
Mr. LIU Yongshun (劉永順)

The biographies of the Directors are set out under the section headed "Board of Directors and Senior Management" of this annual report.

There is no family, financial, business or other material or relevant relationships among the members of the Board.

Roles and responsibilities of the Board

Members of the Board are individually and collectively responsible for the leadership and control, the promotion of success of the Group and the creation of value for Shareholders by discharging their duties in a dedicated, diligent and prudent manner on the principle of good faith. The Board has reserved for its decision or consideration matters covering mainly the Group's overall strategy, investment plans, annual and interim results, recommendations on Directors' appointment or reappointment, material contracts and transactions as well as other significant policies and financial matters. The Board has delegated the execution of business strategies and directions, and the day-to-day responsibilities and operations to the senior management under the supervision of the Board.

The experience and views of our independent non-executive Directors are held in high regard and contribute to the effective direction of the Group.

Appointment and election of Directors

The Board is empowered under the Articles to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. The Board has delegated to the Nomination Committee the duty to identify and recommend individuals suitably qualified to become Board members when necessary. The Nomination Committee is also responsible for reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and to assess the independence of the independent non-executive Directors, having regard to the requirements under the Listing Rules.

Each of the executive Directors has entered into a service contract with the Company for an initial fixed term of two years commencing on their respective effective date of appointment. Upon expiry of the initial two-year term, each service contract will be automatically renewed for successive one-year terms, unless terminated in accordance with the relevant termination provisions of the service contract. The non-executive Director has entered into a letter of appointment with the Company for an initial fixed term of two years commencing on his effective date of appointment. Upon expiry of the initial two-year term, the letter of appointment will be automatically renewed for successive one-year terms, unless terminated in accordance with the relevant termination provisions of the letter of appointment. Also, each of the independent non-executive Directors has entered into a letter of appointment with the Company for an initial fixed term of two years commencing on their respective effective date of appointment. Upon expiry of the initial two-year term, each letter of appointment will be automatically renewed for successive one-year terms, unless terminated in accordance with the relevant termination provisions of the letter of appointment. Each of the Directors is subject to retirement by rotation in accordance with the Articles.

According to Article 83(3), 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 until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election. Since Mr. YAN Yui Ham and Mr. SZE Wing Kin Pierre were appointed on 19 September 2025 as additions to the existing Board by the Directors, Mr. YAN Yui Ham and Mr. SZE Wing Kin Pierre will retire as Directors and, being eligible, offer themselves for re-election as Directors at the AGM.

According to Article 84, not less than one-third of the Directors shall retire from office by rotation at each annual general meeting of the Company provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Any Director who retires under this article shall then be eligible for re-election as Director.

In addition, pursuant to code provision B.2.3 of the CG Code, if an independent non-executive director has served more than nine years, his further appointment should be subject to a separate resolution to be approved by shareholders of the listed issuer. The papers to shareholders accompanying that resolution should state why the board (or the nomination committee) believes that the director is still independent and should be re-elected, including the factors considered, the process and the discussion of the board (or the nomination committee) in arriving at such determination. Mr. CHEUNG Kwan Hung was appointed as an independent non-executive Director on 13 September 2010 and has served as an independent non-executive Director for more than nine years.

Accordingly, Mr. CHEUNG Kwan Hung and Ms. WONG Tsui Yue Lucy will retire as Directors at the AGM. Mr. CHEUNG Kwan Hung and Ms. WONG Tsui Yue Lucy, being eligible, offer themselves for re-election as Directors at the AGM.

Corporate Culture

The Board has established the Group's purpose, values and strategy and ensures that aligned with the Group's culture. The Group is committed to adopt its proactive and prudent operating strategies and seek to charter out its vessels to stable charterers and offer them the best services. Also, the Group will continuously adopt a cautious approach for exploring any potential investment or business opportunities in order to delivering attractive and sustainable returns to the shareholders. The Group places strong emphasis on employee relations and the culture of ethical conduct and integrity. The Group has established the anti-corruption and bribery policy (the "Anti-Corruption Policy") and the whistleblowing policy (the "Whistleblowing Policy") on handling employee reporting on any suspected fraud, malpractice and irregularity and upholding high standards of business integrity and transparency in all its business dealings at all times. A healthy corporate culture is important to good corporate governance which is crucial for achieving sustainable long-term success of the Group.

Anti-Corruption Policy

The Company is committed to observing and upholding high standards of business integrity, honesty, fairness, impartiality and transparency in all its business dealings at all times.

With such commitment in mind, the Company has established and adopted the Anti-Corruption Policy to strengthen the standards of conduct of its employees and ensure that our employees are in line with our high standard of business ethics and comply with the applicable laws in Hong Kong. The overall Anti-Corruption Policy framework is jointly supervised by the Board, its designated board committees and the senior management. The Company conducts regular anti-bribery and corruption risk assessment to evaluate the effectiveness of the framework and ensure it is properly and adequately managed and implemented.

Whistleblowing Policy

The Company has adopted the Whistleblowing Policy to facilitate the achieving of high possible standards of openness, probity and accountability. The Whistleblowing Policy is in place to create a system for an employee or a third party such as customers, suppliers, subcontractors and who deal with the Group decides to report a serious concern about any suspected fraud, malpractice, misconduct or irregularity. Any employee or third party who has legitimate concern can report to the Company by mail or email. The Group will endeavour to protect the whistleblower from detriment and all reports will be kept in confidence and anonymity.

During the year under review, no incident of fraud or misconduct was reported from employees and other third party that has material effect on the Group's financial statements and overall operations. The Company would regularly review the Whistleblowing Policy to ensure its effectiveness.

Dividend Policy

The Board has adopted a dividend policy which sets out the principles and guidelines of the Company in relation to the distribution of dividend to its Shareholders. Under the dividend policy, the declaration and payment of dividends shall be in accordance with the applicable laws and the relevant provisions of the Articles effective from time to time.

The Board's dividend policy sets out that, in recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth of the Company.

The Board shall consider the following factors before declaring or recommending dividends:–

- the Group's actual and expected financial conditions;
- the Group's working capital requirement, business plan, future operations and earnings;
- the interest of Shareholders; and
- any restrictions on payment of dividends that may be imposed by the Group's lenders, the general market sentiment and circumstances and any other factors the Board deems appropriate.

The dividend payout ratio will vary from year to year. There is no assurance that dividends will be paid in any particular amount for any given period.

Communication with Shareholders and Investor Relations

The Company has adopted a shareholders' communication policy in order to maintain effective communications with Shareholders and investors to ensure that the Group's information is disseminated to the Shareholders and potential investors in a timely manner and enable them to have a clear assessment of the enterprise performance.

The Company has established several channels to communicate with its Shareholders as follows:

(i) Corporate communications such as annual reports, interim reports and circulars are issued in printed form and are available on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.greatharvestmg.com.

(ii) The Company will communicate with Shareholders from time to time by way of other communications including but not limited to announcement, circular and other notices.

(iii) The annual general meeting and various general meetings are valuable forums for the Board to communicate directly with the Shareholders.

(iv) The Shareholders may direct their enquiries to the Hong Kong branch share registrar and transfer office and/or by post to the Company's principal place of business in Hong Kong.

The Company has reviewed the implementation and effectiveness of the shareholders' communication policy and is satisfied that it is effective for the Company to understand the views and opinion of the shareholders through the available channels. Enquiries to the Board or the Company may be sent by post to the Company's principal place of business in Hong Kong.

Board Diversity Policy

The Board has adopted a board diversity policy since August 2013. The policy sets out the approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board. The Company considered that diversity of board members can be achieved through consideration of a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service.

Based on the business needs of the Group, the Nomination Committee has recommended and the Board has adopted the following measurable objectives:

(i) a prescribed proportion of Board members shall be non-executive Directors or independent non-executive Directors;

(ii) a prescribed proportion of Board members shall have obtained accounting or other professional qualifications; and

(iii) a prescribed proportion of Board members shall have more than seven years of experience in the industry he is specialised in.

The Nomination Committee shall monitor the implementation and effectiveness of the board diversity policy on an annual basis, and review the progress of its measurable objectives from time to time. Based on its review, the Nomination Committee considers that the current Board is well-balanced and of a diverse mix appropriate for the business development of the Company.

Gender diversity

In terms of Board gender diversity, there have already been one female Director on the Board as at 31 March 2026, being 16.7% of the Board. The Group recognises the importance of gender diversity and will continue to consider gender as a factor in future Board appointments to enhance gender balance. As for gender ratio in the workforce of the Group, including senior management of the Group, please refer to the section headed "Environmental, Social and Governance Report – Performance Data Summary – Employee Profile" on page 111 of this annual report. Given the current composition of the Board and the workforce of the Group, the Board is of the view that gender diversity is achieved and shall focus primarily on maintaining the gender balance. The Board will periodically monitor the gender composition of the Board and workforce and set targets if and as needed based on the Group's business needs and development plans.

Director Nomination Policy

The Company has adopted a director nomination policy (the "Director Nomination Policy") since December 2018 which sets out the selection criteria and process and the Board succession planning considerations in relation to nomination and appointment of Directors and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The Director Nomination Policy sets out the factors for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to the following:

- character and integrity;
- qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- diversity in all aspects, including but not limited to gender, age (18 years or above), cultural and educational, background, ethnicity, professional experience, skills, knowledge and length of service;
- requirements of independent non-executive Directors on the Board and independence of the proposed independent non-executive Directors in accordance with the Listing Rules; and
- commitment in respect of available time and relevant interest to discharge duties as a member of the Board and/or Board committee(s) of the Company.

The Director Nomination Policy also sets out the procedures and process for the selection and appointment of new Directors and re-election of Directors at general meetings. During the year ended 31 March 2026, the Nomination Committee adhered to the following nomination procedures and the process set out in the Director Nomination Policy to select and recommend candidates for directorship:

(a) Appointment of new Director

i. Upon receipt of the proposal on appointment of new Director and the biographical information (or relevant details) of the candidate, the Nomination Committee should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

ii. If the process yields one or more desirable candidates, the Nomination Committee should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).

iii. The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable.

iv. For any person that is nominated by a Shareholder for election as a Director at the general meeting of the Company, the Nomination Committee should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

Where appropriate, the Nomination Committee and/or the Board should make recommendation to Shareholders in respect of the proposed election of Director at the general meeting.

(b) Re-election of Director at General Meeting

i. The Nomination Committee should review the overall contribution and service to the Company of the retiring Director and the level of participation and performance on the Board.

ii. The Nomination Committee should also review and determine whether the retiring Director continues to meet the criteria as set out above.

iii. The Nomination Committee and/or the Board should then make recommendation to Shareholders in respect of the proposed re-election of Director at the general meeting.

The Nomination Committee will review the Director Nomination Policy, as appropriate, to ensure its effectiveness.

Term of appointment of non-executive Director

For details of the term of appointment of the non-executive Director, please refer to the section headed "Appointment and election of Directors" in this Corporate Governance Report.

Independent views and input to the Board

To ensure independent views and input are made available to the Board, the Board (or through its Board committees) ensures the following mechanisms are in place and reviews the implementation and effectiveness of such mechanisms annually:

(i) all Directors should have the required character, integrity, perspectives, skills, expertise and experience to fulfill their roles and are encouraged to express their independent views through Board meetings;

(ii) all Directors are required to declare conflicts of interest (if any) in their roles as Directors and Directors who have material interests shall not vote or be counted in the quorum for the relevant Board resolutions;

(iii) the chairperson of the Board meets with independent non-executive Directors annually without the presence of other Directors; and

(iv) all independent non-executive Directors are required to confirm in writing on an annual basis their compliance of independence requirements pursuant to Rule 3.13 of the Listing Rules.

Independent non-executive Directors

In compliance with Rule 3.10(1) of the Listing Rules, there are three independent non-executive Directors on the Board. Among the three independent non-executive Directors, Mr. CHEUNG Kwan Hung and Ms. WONG Tsui Yue Lucy have appropriate professional qualification in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules. The Company has received annual confirmations of independence from its independent non-executive Directors with reference to Rule 3.13 of the Listing Rules. The Company, based on such confirmation, considers all three independent non-executive Directors, namely Mr. CHEUNG Kwan Hung, Ms. WONG Tsui Yue Lucy and Mr. LIU Yongshun to be independent.

According to code provision C.2.7 of the CG Code, the chairperson should at least annually hold meetings with the independent non-executive directors without the presence of other directors. During the year ended 31 March 2026, the chairperson had met the independent non-executive Directors collectively and individually without the presence of other Directors.

Induction, development and training of Directors

Every Board member has received a director's handbook upon joining the Group, which lays down the guidelines on conduct for the Board and Board committee members and other key governance issues, including but not limited to Board procedures and all applicable laws, rules and regulations that they are required to observe during their service in the Board. The director's handbook will be updated from time to time as and when appropriate.

A formal and tailored induction programme will be arranged for each new Director, which includes a briefing on the Group's structure, businesses and governance practices by the senior management. To seek continuous improvement, the Directors are encouraged to attend relevant training sessions, particularly on corporate ethics and integrity matters, risk management, and relevant new laws and regulations, from time to time.

To ensure the Directors' contribution to the Board remains informed and relevant and in compliance with code provision C.1.4 of the CG Code, the Company shall arrange and fund suitable training for Directors to develop and refresh their knowledge and skills. During the year ended 31 March 2026, the Directors participated in the kinds of training as follows:

Name of Director	**Kind of Training**
Executive Directors	
Mr. PAN Zhongshan	A, B
Mr. SZE Wing Kin Pierre (appointed on 19 September 2025)	A, B
Ms. Lam (resigned on 19 September 2025)	A, B
Non-executive Director	
Mr. YAN Yui Ham (appointed on 19 September 2025)	A, B
Independent non-executive Directors	
Mr. CHEUNG Kwan Hung	A, B
Ms. WONG Tsui Yue Lucy	A, B
Mr. LIU Yongshun	A, B

A: Reading materials on legal and regulatory updates

B: Attending seminar, training and/or conference relevant to the Group's business or Directors' duties

Mr. SZE Wing Kin Pierre and Mr. YAN Yui Ham were appointed as Directors on 19 September 2025, and each of them has obtained the necessary legal advice as referred to in Rule 3.09D of the Listing Rules on 19 September 2025 and confirmed that they understood their obligations as a director of a listed issuer.

Corporate governance functions

The Board is responsible for performing the corporate governance duties and has adopted a written guideline on corporate governance functions in compliance with the CG Code.

The duties of the Board in respect of corporate governance functions are summarised as follows:

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

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

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

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

(v) to review the Company's compliance with the code provisions as set out in the CG Code and its disclosure requirements in the Corporate Governance Report.

During the year ended 31 March 2026, the Board reviewed and monitored the training of the Directors, and the Company's policies and practices on compliance with legal and regulatory requirements.

Board committees

The Board has established the following Board committees with defined terms of reference, which are on no less exacting terms than those set out in the CG Code:

- Audit Committee
- Nomination Committee
- Remuneration Committee

Each committee has authority to engage outside consultants or experts as it considers necessary to discharge the committee's responsibilities. The Board and each Director also have separate and independent access to the management whenever necessary. The company secretary of the Company is responsible to take and keep minutes of all Board and Board committee meetings. Minutes of all Board and Board committee meetings are circulated to all Board members. The Board committees' member list is set out in the section headed "Corporate Information" of this annual report.

Audit Committee

The Audit Committee was established to review the Group's financial and other reporting, risk management, internal control systems, external and internal audits and such other matters as the Board determines and as required by the Listing Rules as amended from time to time. The Audit Committee shall assist the Board in fulfilling its responsibilities by providing independent review and supervision of financial reporting, and by satisfying themselves as to the effectiveness of the risk management and internal control systems of the Group. The written terms of reference of the Audit Committee were adopted by the Board on 13 September 2010 and revised on 30 March 2016, 31 December 2018 and 23 September 2024 and have been posted on the websites of the Stock Exchange and the Company.

The Audit Committee currently consists of three independent non-executive Directors, namely Mr. CHEUNG Kwan Hung, Ms. WONG Tsui Yue Lucy and Mr. LIU Yongshun. Mr. CHEUNG Kwan Hung is the chairperson of the Audit Committee. Meetings of the Audit Committee shall be held at least two times a year.

The Audit Committee held four meetings during the year ended 31 March 2026 to discuss the re-appointment of the auditor of the Company and its remuneration, and to review, with the management and the Company's external auditors, the financial results and reports, financial reporting (including cash flow forecast), the Group's significant internal control, risk management and financial matters as set out in the Audit Committee's written terms of reference and make relevant recommendations to the Board. The Company's annual results for the year ended 31 March 2026 have been reviewed by the Audit Committee.

Nomination Committee

The Nomination Committee was established to recommend to the Board on the appointment of Directors, evaluate the structure, size, composition and diversity (including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service) of the Board at least annually, agree on measurable objectives for achieving diversity on the Board, assess the independence of the independent non-executive Directors and the management of board succession, having regard to the requirements under the Listing Rules. The written terms of reference of the Nomination Committee were adopted by the Board on 13 September 2010 and revised on 30 August 2013 and 30 June 2025 and have been posted on the websites of the Stock Exchange and the Company.

The Nomination Committee has adopted written nomination procedures for selection of candidates for directorship of the Company. The Nomination Committee shall, based on criteria such as skills, experience, professional knowledge, personal integrity and time commitments of such individuals, the Company's needs and other relevant statutory requirements and regulations, identify and recommend the proposed candidate to the Board for approval of appointment. Please refer to the section headed "Director Nomination Policy" above for further details.

With effective from 19 September 2025, Ms. Lam has resigned as the chairperson of Nomination Committee, and Mr. YAN Yui Ham has been appointed as the chairperson of Nomination Committee.

The Nomination Committee currently consists of a non-executive Director and two independent non-executive Directors, namely Mr. YAN Yui Ham, Ms. WONG Tsui Yue Lucy and Mr. LIU Yongshun. Mr. YAN Yui Ham is the chairperson of the Nomination Committee. Meetings of the Nomination Committee shall be held at least once a year and as and when required or as requested by the responsible Director or the chairperson.

The Nomination Committee held four meetings during the year ended 31 March 2026 to revise the Nomination Committee's written term of reference, to identify suitable individual and discuss the appointment of new executive Director, non-executive Director and chairperson, and to review the structure, size, composition and diversity of the Board, the independence of the independent non-executive Directors and the measurable objectives of the board diversity policy and to consider the qualifications of the retiring Directors standing for election at the annual general meeting of the Company and make recommendation to the Board. Director's time commitment and contribution to the Board during the year were reviewed and assessed, based on such, the Nomination Committee is of the view that the Directors were able to devote sufficient time and attention to the affairs of the Group and discharge their responsibilities effectively during the year ended 31 March 2026.

Remuneration Committee

The Remuneration Committee was established to recommend to the Board from time to time on the Company's remuneration policy and structure for all remuneration of the Directors and the senior management of the Company, and to ensure that the Directors and the senior management of the Company are fairly rewarded in light of their contribution to the Company and their performance and that they receive appropriate incentives to maintain high standards of performance and to improve their performance and the Company's performance. The written terms of reference of the Remuneration Committee were adopted by the Board on 13 September 2010 and revised on 29 March 2012 and 23 December 2022 and have been posted on the websites of the Stock Exchange and the Company.

Ms. Lam has resigned as a member of Remuneration Committee with effect from 19 September 2025 and Mr. YAN Yui Ham has been appointed as a member of Remuneration Committee with effect from 19 September 2025.

The Remuneration Committee currently consists of a non-executive Director and two independent non-executive Directors, namely Mr. YAN Yui Ham, Mr. CHEUNG Kwan Hung and Mr. LIU Yongshun. Mr. LIU Yongshun is the chairperson of the Remuneration Committee. Meetings of the Remuneration Committee shall be held not less than once a year.

The Remuneration Committee held three meetings during the year ended 31 March 2026 to review and make recommendation to the Board on the remuneration policy and structure of the Company, the remuneration packages of the Directors and senior management, assess performance of executive Directors, approve terms of executive Director's service contract and non-executive Director's letter of appointment and other related matters.

Pursuant to code provision E.1.5 of the CG Code, the annual remuneration of the members of the senior management by band for the year ended 31 March 2026 is set out below:

Remuneration band (HK$)	Number of individuals
1,500,000 – 2,000,000	1

Remuneration of Directors

The remuneration of the Directors is determined by the Remuneration Committee with reference to the qualifications, experience, duties, responsibilities, performance of the Directors and the results of the Group.

Board and Board committee meetings

The Board aims to meet in person or by means of electronic communication as appropriate. With respect to regular meetings of the Board and the Board committees, the Directors usually receive at least 14 days prior written notice of the meeting. Meeting agenda with relevant supporting documents are sent to all Directors before each Board meeting or Board committee meeting.

Senior management is invited to join all Board meetings to enhance communication between the Board and management.

The individual attendance record of each Director at the meetings of the Board and the Board committees during the year ended 31 March 2026 is set out below.

Name of Directors	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting
Mr. PAN Zhongshan	10/10	–	–	–
Mr. CHEUNG Kwan Hung	10/10	4/4	3/3	–
Ms. WONG Tsui Yue Lucy	10/10	4/4	–	4/4
Mr. LIU Yongshun	10/10	4/4	3/3	4/4
Mr. YAN Yui Ham (appointed on 19 September 2025)	4/4	–	2/2	2/2
Mr. SZE Wing Kin Pierre (appointed on 19 September 2025)	4/4	–	–	–
Ms. Lam (resigned on 19 September 2025)	6/6	–	1/1	2/2

Auditor's remuneration

During the year ended 31 March 2026, the remuneration payable/paid to the external auditor of the Company is set out as follows:

Services rendered	Year ended 31 March 2026 US$'000
Audit services	53
Non-audit services *(Note)*	46

Note: Represents review of interim results of the Group for the six months ended 30 September 2025, as well as services provided in connection with major transaction in relation to disposal of vessel of the Group.

The Model Code

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors' securities transactions.

2025 Dealings

In around second half of July 2025, the Board was informed by Ms. Lam, the former executive Director and chairperson, and currently the chief executive officer, that an aggregate of 17,412,500 Shares beneficially owned by Ablaze Rich and placed in a securities account with margin facilities, representing approximately 1.83% of the total number of issued Shares as at the date of the announcement of the Company dated 21 November 2025, were sold on the market as a result of forced sale (the "2025 Dealings") between 21 April 2023 and 28 July 2025 due to failure to meet the margin call issued by the stockbroker. Ablaze Rich is a company owned as to 49% by Ms. Lam. Out of the 17,412,500 Shares involved in the 2025 Dealings, 662,500 Shares were sold on the market as a result of forced sales by the stockbroker during the (i) black-out period relating to the annual results of the Company for the year ended 31 March 2025 (i.e. from 27 April 2025 to 26 June 2025); and (ii) time when the Board initially discussed the terms of the disposal of GH Fortune and date of publication of the major transaction announcement relating to the disposal of GH Fortune (i.e. from 28 May 2025 to 19 June 2025) (collectively, the "2025 Dealing Restriction Period"). Upon enquiring with Ms. Lam and after considering the abovementioned situation of Ms. Lam, the Board acknowledged and was satisfied that the circumstances leading to the 2025 Dealings during the 2025 Dealing Restriction Period were under exceptional circumstances within the meaning of Rule C.14 of the Model Code and that the 2025 Dealings by way of forced sales by the stockbroker were the only reasonable course of action available to Ablaze Rich and Ms. Lam, for the reasons as set out in the announcement of the Company dated 21 November 2025. The Board is of the view that Ms. Lam has failed to comply with Rules A.1 and A.3(a)(i) of the Model Code by virtue of some of the 2025 Dealings during the 2025 Dealing Restriction Period. Furthermore, Ms. Lam had failed to notify the Board or its designated director for the purpose of the Model Code about the 2025 Dealings and received a dated written acknowledgement therefrom before the 2025 Dealings taking place. Therefore, Ms. Lam had failed to comply with the notification and clearance requirements under Rule B.8 of the Model Code in relation to the 2025 Dealings. Besides, despite that Ms. Lam considered the circumstances leading to the 2025 Dealings during the 2025 Dealing Restriction Period fell within the exceptional circumstances under Rules A.3(a)(i) and C.14 of the Model Code, she had failed to notify the Board or its designated director about such 2025 Dealings in accordance with Rule B.8 of the Model Code so as to allow the Board to assess and decide on whether such 2025 Dealings had occurred under exceptional circumstances within the meaning of Rule C.14 of the Model Code, to give the requisite written notice to the Stock Exchange and to publish an announcement immediately after the 2025 Dealings in accordance with Rule C.14 of the Model Code. As Ms. Lam has failed to notify the Board in writing to obtain clearance for the 2025 Dealings during the 2025 Dealing Restriction Period, the Company was not in a position to issue the relevant clearance or take the necessary steps to fulfil the requirements under Rule C.14 of the Model Code to give written notice to the Stock Exchange and to publish an announcement. As such, the Company has breached Rules B.8, B.9 and C.14 of the Model Code.

The Company has taken remedial actions to improve its internal control system to ensure compliance of the Model Code by the Company, its Directors and the Group's core management to which the Model Code applies. Such remedial actions are set out in the announcement of the Company dated 21 November 2025.

2026 Dealings

In May 2026, the Board was informed by Ms. Lam, that an aggregate of 2,272,500 Shares beneficially owned by Ablaze Rich and placed in a securities account with margin facilities, representing approximately 0.24% of the total number of issued Shares as at the date of the announcement of the Company dated 18 May 2026, were sold on the market as a result of forced sale (the "2026 Dealings") between 13 May 2026 and 18 May 2026 due to failure to repay the margin facility in full. All of the Shares involved in the 2026 Dealings were sold on the market as a result of forced sales by the stockbroker during the black-out period relating to the annual results of the Company for the year ended 31 March 2026 (i.e. from 26 April 2026 to 25 June 2026) (the "2026 Dealing Restriction Period"). Upon enquiring with Ms. Lam and after considering the abovementioned situation of Ms. Lam, the Board acknowledged and was satisfied that the circumstances leading to the 2026 Dealings during the 2026 Dealing Restriction Period were under exceptional circumstances within the meaning of Rule C.14 of the Model Code and that the 2026 Dealings by way of forced sales by the stockbroker were the only reasonable course of action available to Ablaze Rich and Ms. Lam, for the reasons as set out in the announcements of the Company dated 13, 14 and 18 May 2026.

Save as disclosed above, the Directors and Ms. Lam have confirmed that, following specific enquiry by the Company, they have complied with the required standards as set out in the Model Code throughout the year ended 31 March 2026 and up to the date of this annual report.

Company secretary

Mr. SZE Wing Kin Pierre has been appointed as the company secretary with effect from 30 December 2022. Mr. SZE is also an executive Director and the Chief Financial Officer of the Company, a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. SZE has complied with Rule 3.29 of the Listing Rules by taking not less than 15 hours of relevant professional training during the year ended 31 March 2026.

Risk management and internal control

The Group recognised that risks are inherent in the business and markets in which it operates. The challenge is to identify and manage these risks so that they can be understood, minimised, avoided or transferred. This demands a proactive approach to risk management and an effective group-wide risk management framework.

The Board acknowledges that it is responsible for the risk management and internal control systems of the Group on an ongoing basis and reviewing their effectiveness at least annually. Risk management is effected by people at every level within the Group. The Group integrates its risk management into its business processes including strategy development, business planning, capital allocation, investment decisions, internal control and day-to-day operations.

During the year ended 31 March 2026, the Board, through the Audit Committee, conducted a review of the effectiveness of the risk management and internal control systems of the Group, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions. The Group considers its risk management and internal control systems effective and adequate. The Group's systems are designed to manage rather than eliminate the risk of failure to achieve corporate objectives and aim to provide reasonable and not absolute assurance against material misstatement, loss or fraud. The Board delegates to the management to design, implement and conduct ongoing assessment on the Group's internal control systems, while the Board through its Audit Committee oversees and reviews the effectiveness of the risk management and internal control systems of the Group, and resolves, if any, material internal control defects. Qualified professionals within the business maintain and monitor these systems of control on an ongoing basis.

Described below are the main characteristics of the Group's risk management and internal control framework.

Control Environment

The scope of internal control relates to three major areas:

– effectiveness and efficiency of operations;

– reliability of financial reporting; and

– compliance with Listing Rules and other applicable laws and regulations.

The Group operates within an established control environment, which is consistent with the principles outlined in Internal Control and Risk Management – A Basic Framework issued by the Hong Kong Institute of Certified Public Accountants.

Risk Governance Structure

The Group's risk governance structure facilitates risk identification and escalation whilst providing assurance to the Board. The Board assigns clear roles and responsibilities and facilitate the implementation of policies and guidelines. The Group's risk governance structure consists of three layers of roles and responsibilities to manage risk and internal control as below:

Role	Accountability	Responsibilities
Oversight	Audit Committee of the Board	– Oversee of material risks, corporate governance, financial reporting, risk management and internal control systems
Risk reporting and communication	Chief financial officer (the "CFO") and supporting team	– communicate and assess the Group's risk profile and material risks – identify areas for improvement of risk management and internal control systems – track progress of mitigation plans and activities of material risks and report to the Board
Risk and control ownership	Business units, support functions and individuals	– Day-to-day monitoring and execution of internal control systems – Reporting to the CFO according to the risk management framework

Risk Management Process

The Group's risk management process is embedded in its strategy development, business planning, capital allocation, investment decisions, internal controls and day-to-day operations. This includes risk identification, exposure evaluation, risk level, control gaps and priorities evaluation, control development and execution and mitigation planning. There is also a continual process with periodic monitoring, review and reporting in place.

Quarterly risk review process at group level	– Business units are required to report quarterly their material risks identification through their risk management process to the CFO. – The CFO reviews the risks identification reports, scrutinises the material risks and ensures the controls and mitigation measures are in place or in progress. – For material and having a longer term effect's emerging risks, the CFO will discuss with the Directors for the monitoring measures and mitigation plans.
Risk review process for investment decisions	– All new investments must be reviewed on the risk of the investment by the CFO. The CFO and his supporting team will provide suggestions to the Board regarding the risks of the new investment, and any actions that can be done to control and mitigate the risks.
Risk management integrated with internal control systems	– Risk management is closely linked to the Group's internal control framework. Key controls are subject to testing in order to assess their effectiveness.
Risk management in the business planning process	– Business units are required to identify all material risks that may impact their achievement of business objectives. The business units are also required to develop plans to mitigate the identified risks and for implementation and budget purpose.

Risk Management Monitoring

The CFO and his supporting team regularly monitor and update the Group's risk profile and exposure and review the effectiveness of the internal control systems in mitigating risks.

Inside Information

The Group regulates the handling and dissemination of inside information as set out in the Group's corporate governance policy and various subsidiary procedures to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made.

Internal and External Audit Function

Internal Audit Function

The internal audit function is carried out by the internal auditor. Under the supervision of the Audit Committee, it independently reviews compliance with Group's policies and guidelines, legal and regulatory requirements, risk management and internal control systems and evaluates their adequacy and effectiveness.

The internal audit team reports all major findings and recommendations to the Audit Committee on a regular basis. The internal audit plan is linked to the Group's day-to-day operation and is reviewed and endorsed by the Audit Committee.

The principal tasks of the internal audit team include:

– Preparation of an internal audit plan using a risk-based assessment methodology that covers all the Group's operations

– Review of all operations, controls and compliance with the Group's policies, procedures, rules and regulations. The audit scope covers significant controls including financial, operational and compliance controls, and risk management policies and procedures

– Review of special areas of concerns or risks as raised by the Audit Committee and senior management

Major audit findings and recommendations from the internal audit team, and management's response to these findings and recommendations, are presented to the Audit Committee. The implementation of all recommendations is followed up on an annual basis and the status is reported to the Audit Committee at its meetings.

External Audit Function

With effect from 17 October 2023, SHINEWING (HK) CPA Limited ("SHINEWING") resigned as the external auditor of the Company. To facilitate the audit, the external auditor attended all meetings of the Audit Committee during the year ended 31 March 2023 and up to 17 October 2023. SHINEWING noted that there was no significant internal control weakness discovered during the aforesaid period.

On 17 October 2023, the Group appointed the new external auditor, Rongcheng (Hong Kong) CPA Limited ("RCHK") (formerly known as CL Partners CPA Limited), which had performed independent statutory audits of the Group's financial statements. RCHK noted that there is no significant internal control weakness discovered in its audit for the years ended 31 March 2024, 2025 and 2026.

Risk Management and Internal Control Measures

1. Overview of Current Challenges and Going Concern Assessment

During the year ended 31 March 2026, the Group operated under a challenging macroeconomic climate and highly competitive market. A combination of these external factors, coupled with the Group's upcoming financial obligations and the ongoing realignment of its operational scale, has given rise to conditions that may indicate uncertainties regarding the Group's ability to continue as a going concern. In response, the Board has enhanced its internal monitoring mechanisms to strictly manage the Group's liquidity and financial position.

The Board and the Audit Committee remain vigilant and have enhanced regular monitoring mechanisms to oversee the Group's financial position, cash flow forecasts, and regulatory compliance.

2. Strategic Priorities and Mitigation Actions

To proactively address these material uncertainties and ensure business continuity, management has established three immediate strategic priorities:

Priority 1: Extension of Convertible Bonds and Capital Restructuring

- **Current Situation:** The Group is actively managing the settlement schedule and restructuring of the Convertible Bonds.

- **Mitigation Actions:** Management is actively communicating with the Bondholder to explore feasible options for the extension of the Convertible Bonds. Concurrently, the Board is exploring various refinancing opportunities and alternative financing channels, including debt or equity fundings and strategic capital injections, to optimize the Group's capital structure and alleviate immediate liquidity pressures.

Priority 2: Robust Liquidity Management and Cash Flow Forecast

- **Current Situation:** The Group has prepared a detailed working capital forecast. Subject to the fulfillment of the underlying assumptions, the Group expects to have sufficient working capital to meet its operational and financial requirements for at least the next twelve months from 31 March 2026.

- **Mitigation Actions:** In addition to ongoing cost-containment initiatives, the Group entered into a deed of funding undertaking with its shareholders on 30 September 2025 that the shareholders have undertaken to provide funding of up to US$30 million to the Group when funding notice issue by the Company within twenty four months of the date of the deed, i.e. till 30 September 2027. Under this deed, the shareholders will provide continuous financial assistance to cover any potential funding shortfalls, ensuring the Group maintains sufficient working capital to sustain core operations and to fulfill its financial obligations as and when they fall due.

Priority 3: Fleet Management and Chartering Strategy

- **Current Situation:** In response to volatile market conditions and strategic resource reallocation, the Group's fleet size has been streamlined. Management is closely monitoring this transition to maintain the operational efficiency of our primary operating assets.

- **Mitigation Actions:** To better safeguard cash flow stability and enhance financial resilience, the Group's current chartering strategy strongly favors securing long-term lease agreements, thereby locking in stable and predictable revenue streams. The Board and management remain committed to assessing market trends diligently, and retain the flexibility to recalibrate the Group's business scale at the appropriate juncture to safeguard the Group's long-term interests and ensure sustainable growth.

3. Board's Conclusion on Corporate Governance Requirement

In line with corporate governance principles, the Board maintains oversight over these risk mitigation pillars. While the current financial and operational environment remains challenging, the Group's ability to mitigate going concern risks and sustain long-term shareholder value depends on the successful securing of strategic capital injections, execution of extension of the Convertible Bonds, restructuring, or other settlement solutions, continuous financial assistance from the shareholders, continuous cost controls, and business realignment.

Management function

The management team of the Company meets regularly to review and discuss with the executive Directors on day-to-day operational issues, financial and operating performance as well as to monitor and ensure that the management is carrying out the directions and strategies set by the Board properly.

Responsibilities in respect of the consolidated financial statements

The Board is responsible for presenting a balanced, clear and comprehensible assessment of the Group's annual and interim reports, inside information announcements and other disclosures required under the Listing Rules and other regulatory requirements. To discharge this responsibility, the Board regularly reviews the reports prepared by the management on the Group's financial and operational performance as well as the development of major initiatives.

The Directors acknowledge their responsibilities for preparing the consolidated financial statements of the Group for the year ended 31 March 2026.

The statements of the external auditor of the Company about their reporting responsibilities on the consolidated financial statements is set out in the "Independent Auditor's Report" on page 124.

The external auditor of the Company draws attention to Note 2.1.1 to the consolidated financial statements, which states that the Group reported a net loss of approximately US$6,050,000 for the year ended 31 March 2026. As at 31 March 2026, the Group's current liabilities exceeded its current assets by approximately US$66,501,000, which included borrowings and loans of approximately US$113,000 and convertible bonds of approximately US$60,230,000, that are repayable within one year, while the Group's cash and cash equivalents balances was approximately US$1,394,000. In addition, the Group has entered into agreements which will involve capital commitments of approximately US$259,000 in respect of investment properties project as at 31 March 2026.

On 21 January 2025, the Company, the Guarantors and the Bondholder have entered into the Second Supplemental Settlement Agreement to adjust the repayment schedule of the outstanding principal of the redemption amount of the Top Build Convertible Bonds (which amounted to US$47,930,000 as at the date of the Second Supplemental Settlement Agreement). Pursuant to the Second Supplemental Settlement Agreement, the Company will settle the outstanding principal of the redemption amount of the Top Build Convertible Bonds by repaying the Bondholder in cash of (i) not less than US$300,000 within each of the second and third quarter of 2025; (ii) not less than US$1,400,000 within the fourth quarter of 2025; (iii) not less than US$500,000 within each of the first, second and third quarter of 2026; (iv) the remaining balance within the fourth quarter of 2026 and on or before 31 December 2026; (v) the outstanding accrued interest on the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 July 2022 and 31 December 2024 of US$9,893,162 on or before 31 December 2026; (vi) interest over the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 January 2025 and 31 December 2026 (calculated at an interest rate of 8% per annum) on or before 31 December 2026; and (vii) liquidated damages in respect of the default of US$87,405 on or before 31 December 2026.

The above conditions, along with other matters as set forth in Note 2.1.1 to the consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern, and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

As detailed in Note 2.1.1 to the consolidated financial statements, in view of the above circumstances, the directors of the Company have prepared a cash flow forecast of the Group which takes into account certain plans and measures covering a period of not less than twelve months from 31 March 2026. The validity of the going concern assumption is dependent on the successful and favourable outcomes of these plans and measures, as mentioned in Note 2.1.1 to the consolidated financial statements, being undertaken by the management of the Group. The directors of the Company are of the opinion that, assuming the materialisation of those plans and measures described in Note 2.1.1 which improve the liquidity and financial position of the Group, the Group would have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 March 2026 and would be able to continue as a going concern. Accordingly, the directors of the Company prepare the consolidated financial statements on a going concern basis. However, the external auditor made disclaimer of audit opinion for the year ended 31 March 2026. Please refer to the section headed "Management Discussion and Analysis - Disclaimer of Opinion" of this annual report and Note 2.1.1 to the consolidated financial statements for further details.

The Directors acknowledge their responsibilities for preparing the consolidated financial statements of the Company on a going concern basis.

Shareholders' communication and rights

The aforementioned shareholders' communication policy was established by the Company to promote effective communication with the Shareholders and encourage effective participation by the Shareholders at general meetings of the Company.

During the year ended 31 March 2026, one general meeting of the Company was held, i.e. the annual general meeting of the Company held on 27 August 2025, and the attendance of each Director at the annual general meeting of the Company is set out as follows:

Name of Directors	**General meeting of the Company**
Mr. PAN Zhongshan	1
Mr. CHEUNG Kwan Hung	1
Ms. WONG Tsui Yue Lucy	1
Mr. LIU Yongshun	1
Mr. YAN Yui Ham (appointed on 19 September 2025) *(Note 1)*	N/A
Mr. SZE Wing Kin Pierre (appointed on 19 September 2025) *(Note 1)*	N/A
Ms. Lam (resigned on 19 September 2025)	1

Note:

(1) Mr. YAN Yui Ham and Mr. SZE Wing Kin Pierre were appointed Directors on 19 September 2025, subsequent to the AGM held on 27 August 2025, hence their attendance is marked N/A.

The rights of Shareholders are contained in the Articles. A resolution put to the vote of a general meeting of the Company shall be decided by way of a poll. Poll results are published on the websites of the Stock Exchange and the Company within specified time following the meeting in accordance with the Listing Rules.

The general meetings of the Company provide an opportunity for communication between the Shareholders and the Board. Any enquiries by Shareholders requiring the Board's attention can be sent in writing to the company secretary at the Company's principal place of business in Hong Kong. Shareholders are also welcome to discuss matters of business substance with the Board and the management and to give the Company valuable advice on both operational and governance matters.

The external auditor of the Company will be invited to attend the AGM to answer any questions from the Shareholders on the audit of the Company.

In accordance with article 58 of the Articles, any one or more members of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, on a one vote per share basis, shall at all times have the right, by written requisition to the Board or the company 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 place of the meeting, 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.

If a Shareholder wishes to make proposals at a Shareholders' meeting, the requisition must state the purpose of the meeting, and must be signed by the requisitionist(s) and deposited at the Company's principal place of business in Hong Kong attention to the company secretary of the Company. In compliance with Rule 13.51D of the Listing Rules, the Company has also published the procedures for Shareholders to propose a person for election as a Director on the Company's website.

Investor relations

The Company maintains a website at www.greatharvestmg.com where information and updates on the list of Directors and their roles and functions, constitutional documents, terms of reference of the Board committees, procedure for Shareholders to propose candidate(s) for election as Directors, and other corporate communications of the Company are posted. Information on the Company's website will be updated from time to time.

Constitutional documents

The latest versions of the constitutional documents are available on the websites of the Company and the Stock Exchange. There was no change to the Company's constitutional documents during the year ended 31 March 2026.

AUDIT COMMITTEE REPORT

For the year ended 31 March 2026, the Audit Committee's review covered the audit plans and findings of the external auditor and internal auditor, external auditor's independence and performance, the Group's accounting principles and practices, Listing Rules and statutory compliance, connected transactions, internal control systems, risk management, treasury, financial reporting matters (including the interim and annual reports for the Board's approval) and the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function as well as their training programmes and budget.

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and the audited consolidated financial statements for the year ended 31 March 2026 and discussed auditing, internal control and financial reporting matters with the Group's external auditors. In carrying out this review, the Audit Committee has relied on the audit conducted by the Group's external auditor in accordance with the Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Based on this review and discussions with the management and the Group's external auditors, the Audit Committee is satisfied that the consolidated financial statements have been prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the year ended 31 March 2026. There were no disagreements from the Group's external auditors or the Audit Committee in respect of the accounting policies adopted by the Company. The Audit Committee therefore recommended the consolidated financial statements for the year ended 31 March 2026 to be approved by the Board.

The Audit Committee has also reviewed the internal control systems to ensure compliance with relevant legislations and regulations. An internal audit review has been conducted which covered the Group's internal control systems, risk management, adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function as well as their training programmes and budget.

The consolidated financial statements of the Group for the year ended 31 March 2026 have been audited by Rongcheng (Hong Kong) CPA Limited.

Members of the Audit Committee
Mr. CHEUNG Kwan Hung *(Chairperson of Audit Committee)*
Ms. WONG Tsui Yue Lucy
Mr. LIU Yongshun

Hong Kong, 25 June 2026

DIRECTORS' REPORT

The Directors are pleased to present this annual report together with the audited consolidated financial statements for the year ended 31 March 2026.

Principal activities

The principal activity of the Company is investment holding. The principal business of the Group is chartering out of the Group's own dry bulk vessels and property investment and development.

The principal activities and other particulars of the subsidiaries of the Company are set out in Note 16 to the consolidated financial statements.

Business review

Further discussion and review on the business activities of the Group as required by Schedule 5 to the Hong Kong Companies Ordinance (Cap. 622), including a description of the principal risks and uncertainties facing the Group and an indication of likely future development in the Group's business are contained in the section headed "Management Discussion and Analysis" of this annual report. This discussion forms part of this Directors' Report. In addition, details of the Group's financial risk management are disclosed in Note 3 to the consolidated financial statements.

Results and dividends

The results of the Group for the year are set out in the consolidated statement of profit or loss and other comprehensive income on page 125. The Directors did not recommend payment of any final dividend for the year ended 31 March 2026 (2025: Nil).

Environmental, social and governance matters

The Group is determined to become a responsible enterprise, and is committed to perfecting its business. At the same time, the Group has been actively improving the local community environment and taking part in community activities. The Group seeks to perform corporate citizenship, including the commitment of attaining the highest ethical standards, the provision of a safe and healthy workplace, and pay attention to the environment, resources utilisation and emissions in every aspect of its business as well as the contribution of resources to facilitate staff development training and the active involvement in charity. The Board is of the opinion that a good environmental, social and governance framework is of great importance to the development of the Group. Apart from the pursuit of business growth, the Group is also constantly perfecting in sectors such as environmental protection, social responsibilities and corporate governance. Meanwhile, the Group also hopes to achieve and improve its social responsibilities by enhancing corporate transparency. The Environmental, Social and Governance Report is set out on pages 73 to 121 of this annual report.

As far as the Board and management are aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the year ended 31 March 2026, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

The Group understands the importance of maintaining a good relationship with its employees, customers and suppliers to meet its immediate and long-term business goals. During the year ended 31 March 2026, there was no material and significant dispute between the Group and its employees, customers and suppliers.

Reserves

Movements in the reserves of the Group and of the Company during the year are set out in Note 21 and Note 31 to the consolidated financial statements respectively.

Property, plant and equipment

Details of the movements in property, plant and equipment of the Group are set out in Note 14 to the consolidated financial statements.

Distributable reserves

As at 31 March 2026, the Company has no distributable reserves (31 March 2025: Nil).

Pre-emptive rights

There are no provisions for pre-emptive rights under the Articles 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.

Tax relief and exemption

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's securities.

Five-year financial summary

A summary of the Group's results and assets and liabilities for the preceding five financial years is set out on page 6 of this annual report.

Share capital

Details of the movements in the share capital of the Company during the year ended 31 March 2026 are set out in Note 19 to the consolidated financial statements.

Equity-linked agreements

Save for the Top Build Convertible Bonds and (i) the exercise of the outstanding options under the 2011 Share Option Scheme and/or (ii) the grant of options under the 2021 Share Option Scheme of the Company as referred to in the paragraph headed "Share Option Scheme" below, no equity-linked agreements (as defined under the Companies (Directors' Report) Regulation, Chapter 622D of the Laws of Hong Kong) that will or may result in the Company issuing Shares or that require the Company to enter into any such agreement that will or may result in the Company issuing shares were entered into by the Company during the year or subsisting at the end of the year. Please refer to the section headed "Share Option Scheme" below and Note 20 to the consolidated financial statements for further information about the 2011 Share Option Scheme and the 2021 Share Option Scheme; and the section headed "Management Discussion and Analysis – Financial Review – Convertible Bonds" and Note 24 to the consolidated financial statements for further information about the Top Build Convertible Bonds.

Charitable contributions

No charitable contributions were made by the Group during the year ended 31 March 2026.

Purchase, sale or redemption of listed securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Shares for the year ended 31 March 2026. The Company did not hold any treasury shares during the year ended 31 March 2026.

Directors

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

Executive Directors

Mr. PAN Zhongshan (潘忠善)
Mr. SZE Wing Kin Pierre (施永健) (appointed on 19 September 2025)
Ms. LAM Kwan (林群) (resigned as executive Director and chairperson on 19 September 2025 and remain as chief executive officer)

Non-executive Director

Mr. YAN Yui Ham (殷睿涵) *(Chairperson)* (appointed on 19 September 2025)

Independent non-executive Directors

Mr. CHEUNG Kwan Hung (張鈞鴻)
Ms. WONG Tsui Yue Lucy (黃翠瑜)
Mr. LIU Yongshun (劉永順)

According to Articles 83(3), 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 until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election. Since Mr. YAN Yui Ham and Mr. SZE Wing Kin Pierre were appointed on 19 September 2025 as additions to the existing Board by the Directors, Mr. YAN Yui Ham and Mr. SZE Wing Kin Pierre will retire as Directors and, being eligible, offer themselves for re-election as Directors at the AGM.

According to Article 84, not less than one-third of the Directors shall retire from office by rotation at each annual general meeting of the Company provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Any Director who retires under this article shall then be eligible for re-election as Director. Accordingly, Mr. CHEUNG Kwan Hung and Ms. WONG Tsui Yue Lucy will retire as Directors at the AGM. Mr. CHEUNG Kwan Hung and Ms. WONG Tsui Yue Lucy, being eligible, offer themselves for re-election as Directors at the AGM.

Biographical details of Directors and senior management

The biographical details of the Directors and the senior management of the Group are set out in the section headed "Board of Directors and Senior Management" of this annual report.

Directors' service contracts

Each of the executive Directors has entered into a service contract with the Company. No Director or senior management of the Company has entered into any service contract with the Company, which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

Permitted indemnity provisions

The Articles, which are currently in force and were in force during the year ended 31 March 2026, contain indemnity provisions which are permitted indemnity provisions under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) subject to the limitations specified in sections 468 and 469 thereof, for the benefit of the Directors. Pursuant to such provisions, the Company shall indemnify and hold harmless out of its assets and profits any Directors from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty in their offices provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of them. The Company has also taken out and maintained appropriate insurance cover to indemnify the Directors for liabilities that may arise out of corporate activities. The insurance coverage is reviewed on an annual basis. During the year ended 31 March 2026, no claims were made against the Directors.

Directors' and Chief Executive interests and Short Position in Shares, underlying Shares and debentures of the Company and its associated corporation

As at 31 March 2026, the interests and short positions of the Directors and/or the chief executives 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 SFO) which were 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 or she was taken or deemed to have under such provisions of the SFO); or (ii) recorded in the register required to be kept by the Company under section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Interests and Short Position in Shares, underlying Shares and debentures of the Company:

Name of Director and chief executive	Capacity/Nature of interest	Number of Shares held *(Note 1)*	Number of underlying Shares held *(Note 1)*	Approximate percentage of interest (%) *(Note 7)*
Ms. Lam	Interest of controlled corporation *(Note 4)*	591,707,500 (L)	–	62.11%
	Beneficial owner *(Note 2)*	11,370,000 (L)	–	1.19%
	Beneficial owner *(Note 3)*	–	187,103,101 (S)	19.64%
Mr. YAN Yui Ham	Interest of controlled corporation *(Note 5)*	30,192,500 (L)	–	3.17%
	Interest of spouse *(Note 6)*	24,287,500 (L)	–	2.55%

Notes:

(1) The letter "L" denotes the person's long position and "S" denotes the person's short position in the Shares and underlying Shares of the Company.

(2) These 11,370,000 Shares were held by Ms. Lam.

(3) These 187,103,101 Shares represented the total number of Shares which may be allotted and issued to Sfund upon the exercise of the conversion rights attaching to the Top Build Convertible Bonds for the aggregate principal amount of US$54,000,000 at the initial conversion price of HK$1.096 per Share and the exchange rate of HK$7.75 to US$1.00. Ms. Lam has granted the put option in favour of Sfund pursuant to which Sfund may request Ms. Lam to purchase the Top Build Convertible Bonds. On 15 July 2020, Sfund has exercised the put option. As at the date of this annual report, the completion of the put option has not taken place. The exercise of the conversion rights attaching to the Top Build Convertible Bonds is subject to the terms and conditions thereof, including the restriction against conversion which would cause the Company to be in breach of the minimum public float requirement under the Listing Rules.

(4) These 591,707,500 Shares were held by Ablaze Rich. The entire issued share capital of Ablaze Rich was owned as to 49% by Ms. Lam, who was also a director of Ablaze Rich. As such, Ms. Lam was deemed to be interested in the Shares held by Ablaze Rich by virtue of the SFO.

(5) These 30,192,500 Shares were held by All Ages. The entire issued share capital of All Ages was 100% owned by Mr. YAN Yui Ham, who was also a director of All Ages. As such, Mr. YAN Yui Ham was deemed to be interested in the Shares held by All Ages by virtue of the SFO.

(6) These 24,287,500 Shares were held by Ms. TSOI Ka Lam. As Mr. YAN Yui Ham and Ms. TSOI Ka Lam have a spousal relationship, Mr. YAN Yui Ham was deemed to be interested in the Shares in which Ms. TSOI Ka Lam was interested by virtue of the SFO.

(7) The percentage is calculated on the basis of 952,613,513 Shares in issue as at 31 March 2026.

Interest in shares and underlying shares of an associated corporation:

Name of Director and chief executive	Name of associated corporation	Capacity/Nature of interest	Number of shares held *(Note)*	Approximate percentage of interest (%)
Ms. Lam	Ablaze Rich	Beneficial owner	9,800 (L)	49.00%
Mr. Yan Yui Ham	All Ages	Beneficial owner	10,000 (L)	100.00%

Note: The letter "L" denotes the person's long position in the shares and underlying shares of an associated corporation.

Save as disclosed above, as at 31 March 2026, none of the Directors and chief executives of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

Substantial shareholders' interests and Short Position in Shares and underlying Shares of the Company

As at 31 March 2026, the interests and short positions of each person, other than a Director or chief executive of the Company, in the Shares or underlying Shares of the Company as recorded in the register kept by the Company under Section 336 of the SFO were as follows:

Name of shareholder	Capacity/Nature of interest	Number of Shares held *(Note 1)*	Number of underlying Shares held *(Note 1)*	Approximate percentage of interest (%) *(Note 6)*
Ablaze Rich	Beneficial owner	591,707,500 (L)	–	62.11%
Mr. Yan	Interest of controlled corporation *(Note 2)*	591,707,500 (L)	–	62.11%
	Beneficial owner *(Note 3)*	–	194,739,963 (S)	20.44%
廣州匯垠發展投資合夥企業(有限合夥) (Guangzhou Huiyin Development Investment Partnership Enterprise (Limited Partnership))* ("Guangzhou Huiyin Development")	Beneficial owner *(Note 4)*	74,265,000 (L)	–	7.80%
Sfund	Beneficial owner *(Note 5)*	–	381,843,064 (S)	40.08%

Notes:

(1) The letter "L" denotes the person's long position and "S" denotes the person's short position in the Shares and underlying Shares of the Company.

(2) These 591,707,500 Shares were held by Ablaze Rich. The entire issued share capital of Ablaze Rich was owned as to 51% by Mr. Yan, who was also a director of Ablaze Rich. As such, Mr. Yan was deemed to be interested in the Shares held by Ablaze Rich by virtue of the SFO.

(3) These 194,739,963 Shares represented the total number of Shares which may be allotted and issued to Sfund upon the exercise of the conversion rights attaching to the Top Build Convertible Bonds for the aggregate principal amount of US$54,000,000 at the initial conversion price of HK$1.096 per Share and the exchange rate of HK$7.75 to US$1.00. Mr. Yan has granted the put option in favour of Sfund pursuant to which Sfund may request Mr. Yan to purchase the Top Build Convertible Bonds. On 15 July 2020, Sfund has exercised the put option. As at the date of this annual report, the completion of the put option has not taken place. The exercise of the conversion rights attaching to the Top Build Convertible Bonds is subject to the terms and conditions thereof, including the restriction against conversion which would cause the Company to be in breach of the minimum public float requirement under the Listing Rules.

(4) These 74,265,000 Shares were held by Guangzhou Huiyin Development, which was controlled by 北京匯垠天然投資基金管理有限公司 (Beijing Huiyin Tianran Investment Fund Management Co., Ltd.*) ("Beijing Huiyin") as its general partner and 廣州匯垠天粵股權投資基金管理有限公司 (Guangzhou Huiyin Tianyue Equity Investment Fund Management Co., Ltd.*) ("Guangzhou Huiyin Tianyue") held 100% of the partnership interest in Guangzhou Huiyin Development as its limited partner.

Guangzhou Huiyin Tianyue was wholly owned by 廣州科技金融創新投資控股有限公司 (Guangzhou Technology Financial Innovation Investment Holdings Limited*) ("Guangzhou Technology Financial Holdings"). Guangzhou Technology Financial Holdings was wholly owned by 廣州產業投資基金管理有限公司 (Guangzhou Industry Investment Fund Management Co., Ltd.*) ("Guangzhou Industry Investment"), which was wholly owned by 廣州市城市建設投資集團有限公司 (Guangzhou City Construction Investment Group Company Limited*) ("Guangzhou City Construction Investment").

Each of Guangzhou Huiyin Tianyue, Guangzhou Technology Financial Holdings, Beijing Huiyin, Guangzhou Industry Investment and Guangzhou City Construction Investment was deemed to be interested in all the Shares in which Guangzhou Huiyin Development is interested by virtue of the SFO.

(5) The exercise of the conversion rights attaching to the Top Build Convertible Bonds is subject to the terms and conditions thereof, including the restriction against conversion which would cause the Company to be in breach of the minimum public float requirement under the Listing Rules.

The Top Build Convertible Bonds to which these 381,843,064 underlying Shares relate were held by Sfund, which was wholly owned by Guangzhou Huiyin Tianyue. Please refer to note 4 above in respect of the relationship between Guangzhou Huiyin Tianyue and its controlling companies. By virtue of the SFO, each of Guangzhou Huiyin Tianyue, Guangzhou Technology Financial Holdings, Guangzhou Industry Investment and Guangzhou City Construction Investment was deemed to be interested in all the Shares in which Sfund is interested.

(6) The percentage is calculated on the basis of 952,613,513 Shares in issue as at 31 March 2026.

Save as disclosed above, as at 31 March 2026, no person (other than a Director or chief executive of the Company) had an interest or short position in the Shares or the underlying Shares of the Company that were recorded in the register kept by the Company under Section 336 of the SFO.

* For identification purpose only

Directors' rights to acquire Shares or debentures

Save as disclosed in the section headed "Share Option Scheme" below and the put options granted in favour of Sfund pursuant to which Sfund may request Mr. Yan and Ms. Lam to purchase the Top Build Convertible Bonds, at no time during the year ended 31 March 2026 were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any of the Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company, its holding companies, or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

Share Option Scheme

The Company has previously adopted the 2011 Share Option Scheme on 19 August 2011, which has expired on 18 August 2021, being ten years from its commencement date. Accordingly, no further share options to subscribe for Shares may be granted or made under the 2011 Share Option Scheme from that date onwards. For further details of the terms of the 2011 Share Option Scheme, please refer to the annual report of the Company for the year ended 31 March 2021.

The Company has adopted the 2021 Share Option Scheme on 18 August 2021 to enable the Group to grant share options to eligible participants as incentives or rewards for their contribution to the Group. A summary of the 2021 Share Option Scheme is set forth below.

Eligible participants of the 2021 Share Option Scheme includes: (a) any employee (whether full time or part time, including any executive Director but excluding any non-executive Director) of the Company, any subsidiary of the Company or any entity in which any member of the Group holds any equity interests ("Invested Entity"); (b) any non-executive Directors (including independent non-executive Directors) of the Company, any subsidiary of the Company or any Invested Entity; (c) any supplier of goods or services to any member of the Group or any Invested Entity; (d) any customer of any member of the Group or any Invested Entity; (e) any person or entity that provides design, research, development or other technological support to any member of the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group; (i) any person seconded or nominated by the Group to represent the Group's interest in any of the Invested Entity or any other company or organisation; and (j) any company wholly owned by one or more eligible participants as referred to in (a) to (i) above.

The terms of the 2021 Share Option Scheme are subject to the provisions of Chapter 17 of the Listing Rules. Subject to the early termination of the 2021 Share Option Scheme in accordance with the rules thereof, the 2021 Share Option Scheme shall remain in force for a period of ten years commencing on 18 August 2021. As at the date of this annual report, the remaining life of the 2021 Share Option Scheme is approximately 5 years.

The maximum number of Shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the 2021 Share Option Scheme and any other share option scheme of the Group shall not exceed 30% of the Shares in issue from time to time (the "Overriding Limit"). No share options may be granted under the 2021 Share Option Scheme or any other share option scheme adopted by the Group if the grant of such share options will result in the Overriding Limit being exceeded.

The total number of Shares which may be allotted and issued upon exercise of all options (excluding for this purpose options which have lapsed in accordance with the terms of the 2021 Share Option Scheme and any other share option scheme of the Group) to be granted under the 2021 Share Option Scheme and any share option scheme of the Group must not in aggregate exceed 95,261,351 Shares, representing 10% of the Shares in issue as at 18 August 2021 (i.e. the date on which the 2021 Share Option Scheme was adopted by the Company) and approximately 10% of the Shares in issue as at the date of this annual report (the "General Scheme Limit"). The General Scheme Limit is also subject to the Overriding Limit, the refreshment of the General Scheme Limit (as described below) and the grant of share options beyond the General Scheme Limit (as described below).

Subject to the Overriding Limit and the grant of share options beyond the General Scheme Limit (as described below), the Company may refresh the General Scheme Limit at any time subject to shareholders' approval by ordinary resolution at a general meeting, and the General Scheme Limit as "refreshed" must not exceed 10% of the Shares in issue as at the date of the aforesaid shareholders' approval and for the purpose of calculating the "refreshed" limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with the 2021 Share Option Scheme and any other share option scheme of the Group) previously granted under the 2021 Share Option Scheme and any other share option scheme of the Group will not be counted.

Subject to the Overriding Limit, the Company may also seek Shareholders' approval by ordinary resolution at a general meeting to grant share options under the 2021 Share Option Scheme beyond the General Scheme Limit, or, if applicable, the General Scheme Limit as "refreshed", to eligible participants specifically identified by the Company before such approval is sought.

If the Company conducts a share consolidation or subdivision, the maximum number of Shares that may be issued upon exercise of all share options to be granted under the 2021 Share Option Scheme and any other share option scheme of the Group under the General Scheme Limit as a percentage of the total number of issued Shares as at the date immediately before and after such consolidation or subdivision (i.e. 10% of the Shares in issue) shall be the same.

The total number of Shares issued and which may fall to be issued upon the exercise of options granted under the 2021 Share Option Scheme and any other share option scheme adopted by the Group (including both exercised and outstanding options) to each grantee within any 12-month period shall not exceed 1% of the Shares in issue for the time being. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting. Share options granted to a Director, chief executive or substantial Shareholder of the Company, or to any of their associates (as defined under the Listing Rules), are subject to approval in advance by the independent non–executive Directors of the Company.

In addition, where any grant of share options to a substantial Shareholder or an independent non-executive Director of the Company or any of their respective associates (as defined under the Listing Rules) would result in the Shares issued or to be issued upon exercise of all share options already granted and to be granted (including share options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant (a) representing in aggregate over 0.1% of the Shares in issue and (b) having an aggregate value (based on the closing price of the Shares at the date of the grant) in excess of HK$5 million, such further grant of share options must be approved by Shareholders in general meeting. The proposed grantee, his associates and all core connected persons (as defined in the Listing Rules) of the Company must abstain from voting in favour at such general meeting.

The offer of a grant of share options may be accepted within 21 days from the date of offer, upon payment of a nominal consideration of HK$1 in total by the grantee. The exercise period of the share options granted is determinable by the Directors, which period may commence from the date of the offer of the share options, and ends on a date which is not later than ten years from the date of grant of the share options subject to the provisions for early termination thereof. The Directors will determine the minimum period, if any, for which share options must be held before such share options can be exercised (i.e. the vesting period).

The exercise price of the share options is determinable by the Directors, but shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the date of the offer for the grant, which must be a business day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of offer; and (iii) the nominal value of a Share. Share options do not confer rights on the holders to dividends or to vote at Shareholders' meetings of the Company.

No share option has been granted under the 2021 Share Option Scheme since its commencement date (i.e. 18 August 2021) and up to 31 March 2026. As at 31 March 2026 and the date of this annual report, the total number of Shares available for issue under the 2021 Share Option Scheme is 95,261,351 Shares, representing approximately 10% of the Shares in issue. As at 1 April 2025 and 31 March 2026, the number of options available for grant under the General Scheme Limit is 95,261,351 Shares.

The Company is aware that under the new rule 17.03A of the Listing Rules which came into effect on 1 January 2023, participants of share schemes shall only comprise of employee participants, related entity participants and service providers (as defined in the Listing Rules). The Company will only grant the share options under the 2021 Share Option Scheme to eligible participants in compliance with the new rule 17.03A and pursuant to the transitional arrangements for share schemes existing as at 1 January 2023 as specified by the Stock Exchange.

During the year ended 31 March 2026, movements of the share options granted under the 2011 Share Option Scheme are summarised as follows:

					Number of share options					
List of grantees	Date of grant *(Note 1)*	Exercisable period	Closing price per Share immediately before the date of grant HK$	Exercisable price per share HK$	Outstanding as at 1 April 2025	Granted during the year	Exercised during the year	Lapsed during the year	Cancelled during the year	Outstanding as at 31 March 2026
Director										
Mr. CHEUNG Kwan Hung *(Note 2)*	30 April 2015	30 April 2015 – 29 April 2025	$1.15	$1.20	800,000	–	–	800,000	–	–

Notes:

(1) The share options granted were vested on the date of grant.

(2) All remaining share options of Mr. CHEUNG Kwan Hung lapsed on 29 April 2025 under the terms of the 2011 Share Option Scheme.

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, there is sufficient public float of more than 25% of the Company's issued Shares as required under the Listing Rules.

Contracts of significance

Save for the loan facility agreements entered into between Ablaze Rich and the Company dated 19 January 2017, 12 April 2017 and 23 June 2020 and the deeds of funding undertakings entered into between Ablaze Rich, Mr. Yan and Ms. Lam and the Company dated 30 September 2024 and 30 September 2025, no transaction, arrangement or contract of significance in relation to the Group's business to which the Company or its subsidiaries was a party and in which a Director or an entity connected with a Director (as defined under the Companies Ordinance) or a controlling shareholder of the Company (as defined under the Listing Rules) or any of its subsidiaries is or was materially interested, whether directly or indirectly, subsisted during the year ended, or at, 31 March 2026. Please refer to the section headed "Management Discussion and Analysis – Financial Review – Liquidity, financial resources, capital structure and gearing ratio" of this annual report for further information about the loan facility agreements and the deeds of funding undertakings.

No contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder of the Company or any of its subsidiaries was entered into during the year ended 31 March 2026.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company which were not contracts of service with any Director or any person engaged in full time employment of the Company were entered into or subsisted during the year ended 31 March 2026.

Related party transactions

Details of significant related party transactions of the Group for the year ended 31 March 2026 are set out in note 30 to the consolidated financial statements. All of such transactions fall under definition of "connected transaction" in Chapter 14A of the Listing Rules. In respect of each of such transactions, the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules (where applicable).

Major customers and suppliers

For the year ended 31 March 2026, the Group's five largest customers together accounted for about 100% of the Group's total chartering revenue and the largest customer accounted for about 69.7% of the Group's total chartering revenue. The relatively high concentration of revenue attributable to a few customers during the year was due to the relatively small fleet size of the Group. Each of the five largest customers had established 1 to 3 years of business relationship with the Group.

For the year ended 31 March 2026, the Group's five largest suppliers together accounted for about 91.1% of the Group's costs of services, and the largest supplier accounted for about 49.9% of the Group's total costs of services. The Group's key suppliers include insurance underwriters, ship managers, shipbrokers, bunker fuel providers and shipyards. Each of the five largest suppliers had established 1 to 14 years of business relationship with the Group.

None of the Directors or their respective close associates, and none of the existing Shareholders who to the knowledge of the Directors owns more than 5% of the number of issued shares (excluding treasury shares) of the Company, had any interest in any of the five largest customers or suppliers of the Group during the year.

Directors and controlling Shareholders' interests in competing business

For the year ended 31 March 2026 and up to the date of this annual report, none of the Directors and controlling Shareholders of the Company (i.e. Mr. Yan, Ms. Lam and Ablaze Rich) (the "Controlling Shareholders") was interested in any business which competes or is likely to compete with the businesses of the Group.

The Company has received annual written confirmation from the Controlling Shareholders in respect of the compliance with the provisions of the deed of non-competition (the "Deed of Non-competition") entered into between the Company and the Controlling Shareholders as set out in the section headed "Relationship with the Controlling Shareholders – Deed of Non-competition" of the prospectus of the Company dated 27 September 2010.

The independent non-executive Directors had reviewed the compliance with the Deed of Non-competition during the year ended 31 March 2026 and up to the date of this annual report based on information and confirmation provided by the Controlling Shareholders, and they were satisfied that the Controlling Shareholders have duly complied with the Deed of Non-competition.

Change in information of Directors and chief executives

In accordance with Rule 13.51B(1) of the Listing Rules, changes of the information of the Directors and chief executives required to be disclosed are set out below:

1. Ms. Lam resigned as an executive Director, the chairperson, an authorised representative under the Listing Rules, an authorised representative under the Companies Ordinance, the chairperson of the Nomination Committee and a member of the Remuneration Committee, with effect from 19 September 2025. Ms. Lam remained as the chief executive officer.

2. Mr. YAN Yui Ham was appointed as a non-executive Director, the chairperson, the chairperson of the Nomination Committee and a member of the Remuneration Committee, with effect from 19 September 2025.

3. Mr. SZE Wing Kin Pierre was appointed as an executive Director and an authorised representative under the Companies Ordinance, with effect from 19 September 2025.

4. Mr. PAN Zhongshan was appointed as an authorised representative under the Listing Rules, with effect from 19 September 2025.

5. Ms. WONG Tsui Yue Lucy ceased to be an independent non-executive director of Classified Group (Holdings) Limited (stock code: 8232) with effective from 30 September 2025.

Save as disclosed above, there is no other change in information regarding the Directors or chief executives of the Company that is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

Closure of register of members

The register of members of the Company will be closed from Friday, 21 August 2026 to Wednesday, 26 August 2026 (both days inclusive) for the purpose of determining the right to attend and vote at the AGM. The record date for determining the entitlement of the Shareholders to attend and vote at the AGM will be Wednesday, 26 August 2026. In order to be qualified for attending and voting at the AGM, unregistered holders of Shares should ensure that all share transfer documents accompanied by the corresponding share certificates are lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, for registration not later than 4:00 p.m. on Thursday, 20 August 2026.

Events after the reporting period

There were no events causing material impact on the Group from 31 March 2026, being the end of the reporting period to the date of this annual report.

Corporate governance

The Company's principal corporate governance practices are set out in the Corporate Governance Report and Audit Committee Report of this annual report.

Auditor

The consolidated financial statements of the Group for the year ended 31 March 2026 have been audited by Rongcheng (Hong Kong) CPA Limited. Rongcheng (Hong Kong) CPA Limited will retire at the conclusion of the AGM and, being eligible, offer themselves for re-appointment.

On behalf of the Board

YAN Yui Ham
Chairperson

Hong Kong, 25 June 2026

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

About the Report

Great Harvest Maeta Holdings Limited (the "Company") and its subsidiaries (collectively the "Group" or "we") are pleased to present our annual Environmental, Social and Governance ("ESG") Report (the "Report"). The report provides an overview of the Group's policies, management strategies, and initiatives to showcase our unwavering dedication to sustainable development. Our aim is to ensure that all our business operations are conducted in a responsible manner that takes into account economic, social, and environmental considerations. For the information regarding the Group's corporate governance, please refer to the section of the corporate governance report from page 34 to page 56 of our annual report.

Reporting Scope

The scope of the Report covers the environmental and social performances of the Group's core businesses during the period from 1 April 2025 to 31 March 2026 (the "Year" or "2025/26"). The Report focuses mainly on the operation of the business of dry bulk vessel chartering business worldwide. During the Year, one vessel was sold due to the Company's strategic decision to enhance the Group's working capital position and further strengthen its liquidity and overall financial position in light of the complex external operating environment and the market challenges.

Reporting Standard

The Report has been prepared in accordance with the second version of the "Environmental, Social and Governance Reporting Code" (the "ESG Reporting Code") which is set out in Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange"), as well as the following reporting principles:

Materiality

- The Group identified the material ESG topics through stakeholder engagement and materiality assessment and focused on such topics for reporting disclosure.

Quantitative

- The Group disclosed the information on the standards, methodologies and source of conversion factors used for the reporting of emissions and energy consumption. Please refer to the relevant section in the Report for details.

Balance

- The ESG Report presented the Group's environmental and social performance on an impartial basis and provided an objective reporting disclosure for readers.

Consistency

- The methods of data calculation for environmental and social key performance indicators are followed with the previous reporting year for data consistency, unless otherwise stated. The methodology of the data calculation is then described in the corresponding section.

The ESG Report has been reviewed and approved by the board of directors of the Group (the "Board") on 25 June 2026.

ENVIRONMENTAL, SOCIAL AND
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Contact and Feedback

We value input and suggestions from our stakeholders which enable us to enhance our ESG management and performance. If you have any feedback or thoughts about this ESG Report or our sustainability initiatives, please feel free to share them with us via email at info@greatharvestmg.com.

Governance Structure

A comprehensive ESG governance structure is crucial to sustaining the Group's long-term development. The Board is responsible for 1) overseeing the Group's ESG strategies, 2) reviewing progress against ESG-related goals and targets, and 3) formulating a long-term sustainability direction across our entire business chain. As such, it provides strategic guidance on ESG-related issues.

Our ESG Task Force, chaired by our Chief Executive Officer, includes senior management such as the Chief Financial Officer, Company Secretary, and representatives from core business segments. The ESG Task Force is responsible for reviewing key international trends in legislation, regulation, and mandatory disclosure requirements relating to ESG, and ethical standards of corporate behaviour. Based on the determined ESG strategies, the Task Force recommends anticipatory measures and action plans. Furthermore, our ESG Task Force oversees stakeholder communication related to ESG issues by identifying, evaluating, and managing material ESG-related issues, and preparing for ESG reporting disclosure.

The operational departments are responsible for executing the ESG-related action plans proposed by the ESG Task Force in their daily operations. They also support stakeholder engagement activities and track performance progress and achievements in terms of the determined ESG objectives and initiatives, as well as reporting the relevant progress to the Board.

Stakeholder Engagement

At Great Harvest, we uphold open and transparent communication with stakeholders to understand their needs and expectations toward our business operations. Through active engagement, we identify key concerns, exchange views, and improve our ESG management. We maintain regular communication with clients, employees, regulators, shareholders, investors, business partners, industry associations, bankers, and communities via various channels to promptly address their concerns and take corresponding actions. The table below sets out our stakeholder engagement channels and how we meet their expectations.

Stakeholders	Expectations and concerns	Communication channels
Clients	• Comprehensive operation control • Laws and regulations compliance • Safety of service provision	• Company website • Regular meetings • Customer feedback and complaints • Customer satisfaction surveys
Employees	• Employee benefits • Employee-management relationship • Labour rights • Occupational health and safety ("OHS") • Training and career development opportunities	• Emails and suggestion box • Regular meetings • Annual staff performance review • Employee training • Employee activities
Government and regulators	• Laws and regulations compliance	• Regular document submission • Regular communication with regulatory authorities • Compliance inspections and assessment • Forum, seminar and conference • Regular license renewal
Shareholders and investors	• Investment return • Business growth and development • Corporate governance • Risk management and mitigation	• Company website • Annual general meetings • Corporate announcements • Annual and interim reports
Business partners (Suppliers, service providers and contractors)	• Long-term business partnership • Business ethics and integrity • Supplier assessment and performance	• On-going direct engagement • Supplier selection and performance assessment • Procurement and tendering • Inspection on site

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Stakeholders	Expectations and concerns	Communication channels
Industry associations	• Industry position enhancement • Legitimate rights protection • Economic and trade exchange and collaboration • Striving for more support and welfare from the government	• Regular meetings • Emails and phones • Forums, seminars and conferences • Circulars, press and publication • National and international fora
Bankers	• Financing • Banking solutions	• Emails and phone calls • Meetings
Community	• Understanding of community interest • Social and Economic development • Environmental conservation	• Company website • Community activities • Emails and phones • Charitable activities and voluntary services

Materiality Assessment

The Group adopted a structured and ongoing approach to identifying and assessing material ESG issues, ensuring alignment with our business strategy and stakeholder expectations. During the Year, with the support of an independent consultant, a comprehensive review of material ESG topics was conducted to confirm their continued relevance in light of evolving regulatory requirements, market expectations, and industry developments.

This review incorporated an assessment of sustainability megatrends, peer benchmarking and applicable reporting standards, ensuring alignment with both local and international best practices. The insights derived have strengthened decision-making, enhanced accountability, and supported the ongoing refinement of the Group's ESG strategy and priorities.

Our materiality assessment followed a four-step process, which is outlined below:

Process of materiality assessment

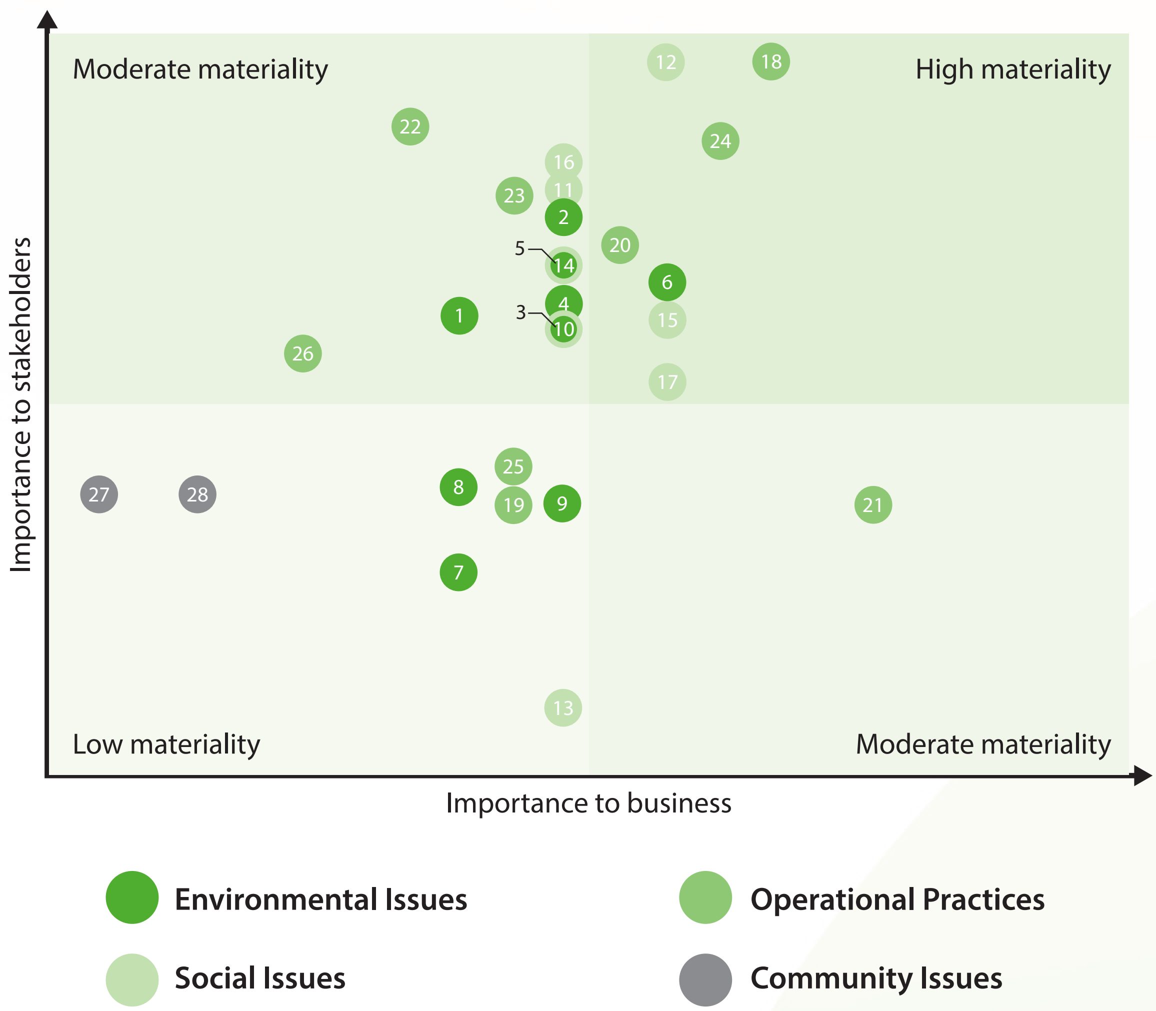
1	**Identification**	A comprehensive review of ESG topics was conducted in alignment with the established ESG management approach. This process also considered global sustainability megatrends, industry practices, peer benchmarking, and the reporting requirements of the Stock Exchange and other relevant international standards.
2	**Engagement**	Feedback from internal and external stakeholders was collected through prior engagement exercises, including online surveys. Our key stakeholders included, but were not limited to, the Board, shareholders and investors, employees, clients, government and regulators, business partners, industry associations, bankers, and communities. For our materiality assessment, a double materiality approach was deployed, incorporating both qualitative and quantitative inputs to assess ESG topics from the perspectives of stakeholder importance and business impact.
3	**Prioritisation**	Material ESG topics were prioritised based on stakeholder feedback, together with considerations of business operations, industry trends, and relevant ESG standards. A materiality matrix was developed to identify the most significant ESG issues. During the Year, the results were further reviewed through peer benchmarking to ensure continued relevance and alignment with industry best practices.
4	**Validation**	The identified material ESG topics were reviewed and validated by senior management and the Board to ensure their accuracy and alignment with the Group's strategic priorities. The materiality matrix continues to serve as a key tool in guiding our ESG strategy and decision-making, enabling us to focus resources on the issues most important to our stakeholders while supporting our business objectives.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In line with the commitment to responsible business practices, consideration has been given to prevailing market trends alongside insights from prior stakeholder engagement. Based on this review, the existing materiality matrix continues to reflect the most significant ESG issues relevant to the Group's operations and industry context.

Following the analysis, Water and Wastewater Management, Employee Communication, Occupational Health and Safety, Elimination of Child and Forced Labour, Corporate Governance, Service Quality, and Critical Incident Risk Management have been reaffirmed as the Group's material ESG topics and key areas for ESG management.

By focusing on these areas, the Group aims to drive progress towards its sustainability objectives while delivering long-term value to stakeholders. Commitment to transparency and accountability is maintained through ongoing monitoring and reporting of performance across these key ESG areas.



Environmental Issues

1. Air emissions
2. Energy efficiency
3. Greenhouse gas emissions
4. Climate change and response
5. Waste disposal and recycling
6. Water and wastewater management
7. Green office
8. Green procurement
9. Ecological impacts

Social Issues

10. Employment rights and benefits
11. Employee recruitment and retention
12. Employee communication
13. Diversity and equal opportunities
14. Employee engagement
15. Occupational health and safety
16. Employee training and career development
17. Elimination of child and forced labour

Operating Practice

18. Corporate governance
19. Anti-corruption
20. Service quality
21. Customer health and safety
22. Customer privacy protection
23. Customer complaint handling
24. Critical incident risk management
25. Supply chain management
26. Innovation and digitalization

Community Issues

27. Community engagement and investment
28. Industry engagement

Business Ethics and Compliance

As a premier service provider in dry bulk vessel chartering, the Group supplies global customers with maritime shipping solutions by arranging vessel charters for the carriage of dry bulk cargoes. It is crucial that our vessels comply with the laws and regulations of the countries in which they operate, as well as adhere to international conventions governing vessel operations. These regulatory provisions govern a wide range of vessel operations, including legal requirements, technical standards, and Health-Safety-Environmental ("HSE") procedures. The Group is committed to upholding full adherence to these regulations to sustain safe, responsible and sustainable vessel operations. Below are the key regulations that govern our operations:

- **International Convention for the Prevention of Pollution from Ships ("MARPOL")**

  MARPOL is a global agreement that regulates the discharge of harmful substances and pollutants from ships. It aims to protect the marine environment and human health by promoting sustainable shipping practices and reducing pollution from vessels. It covers various types of pollutants, including oil, noxious liquid substances, sewage, garbage, and emissions from ship exhausts.

- **International Convention on Standards of Training, Certification and Watchkeeping for Seafarers ("STCW Convention")**

  STCW Convention sets out standards for training, certification and watchkeeping for seafarers working onboard, especially for the vessels which operate on international voyages. It aims to ensure that seafarers have the necessary skills and knowledge to perform their duties safely and efficiently, leading to increased safety and security at sea. In accordance with this convention, vessels owned by the Group are required to be manned by sufficient officers and crew possessing sufficient sea time. Each of them must be trained and qualified accordingly to perform their respective duties on board.

- **Convention on the International Regulations for Preventing Collisions at Sea ("COLREGS")**

  COLREGS establishes rules to prevent collisions between vessels at sea. It covers various aspects of navigation, such as the use of lights and signals, the right of way, and sound signals. It also aims to promote uniformity in the application of these rules to ensure that all vessels, regardless of their flag state or nationality, operate under the same standards, reducing confusion and enhancing safety in international waters.

- **International Convention on Load Lines ("ICLL")**

  ICLL provides regulations for the design and construction of ships, focusing on their safety and seaworthiness. The convention sets standards for the maximum load a ship can carry in different conditions, such as temperature and sea state, to ensure its stability and safety. It aims to prevent accidents and improve the safety of ships and their crews.

- **International Safety Management Code for Safe Operation of Ships and for Pollution Prevention ("ISM Code")**

  ISM Code provides a framework for the safe and environmentally responsible operation of ships. The code requires ship owners and managers to establish and maintain a safety management system that includes policies and procedures for the safe operation of ships and the prevention of pollution. It also aims to improve safety at sea and reduce the environmental impact of shipping.

- **Merchant Shipping (Safety) Ordinance (CAP.369) of Hong Kong Special Administrative Region ("HKSAR")**

  It sets out safety requirements for ships operating in HKSAR waters, such as safety equipment, crew competency, and vessel construction and maintenance. The ordinance also establishes regulations for the prevention of pollution and the investigation of marine accidents, promoting the safety and protection of the marine environment in HKSAR.

The Group is dedicated to upholding the established standards of environmental sustainability in marine transportation. We have ensured compliance with the relevant requirements of the ISM Code and the MARPOL by maintaining the necessary certificates issued by reputable classification societies such as the American Bureau of Shipping and Lloyd's Register of Shipping for each of the Group's vessels. These certifications serve as evidence of our unwavering commitment to controlling air, oil, and other forms of marine pollution.

During the Year, we have not encountered any significant breaches of laws and regulations relating to environmental protection and health and safety management in our vessel operations. We remain firmly committed to maintaining high standards of environmental and safety performance across all our activities. We consistently monitor and improve our practices in these fields to achieve continuous progress. With a firm and enduring dedication to environmental protection and operational safety, we will continue to place these priorities at the core of its business operations.

Our Employees

The Group is committed to fostering a safe and supportive workplace that promotes employee well-being and continuous development. During the Year, we focused on providing competitive remuneration, comprehensive benefits, and professional training programs for our employees. We firmly believe that strengthening employee welfare enables us to retain talented personnel and sustain high staff morale, which are vital to the long-term success of our marine transportation business.

In alignment with our human resources management policies, we strictly adhere to all relevant labour laws and regulations in both Hong Kong and the People's Republic of China ("PRC"). These include the Employment Ordinance (Cap.57) of HKSAR, Employees' Compensation Ordinance (Cap.282) of HKSAR, Mandatory Provident Fund Schemes Ordinance (Cap.485) of HKSAR, Minimum Wage Ordinance (Cap.608) of HKSAR, as well as the Labour Law of the PRC, the Labour Contract Law of the PRC, Law of the PRC on Protection of Minors and Regulations on Prohibiting Use of Child Labour, etc..

Employment and Labour Standard

The Group offers competitive remuneration and benefits to its full-time employees in Hong Kong and the PRC. In addition to basic monthly salary, full-time staff enjoy a comprehensive range of benefits including fixed working hours, allowances, medical insurance, discretionary bonuses, and coverage under the Mandatory Provident Fund schemes or social insurance. Employees are eligible for various leave entitlements such as annual leave, statutory leave, marriage leave, maternity leave, paternity leave, sick leave and compassionate leave. Social insurance benefits cover pension, medical, unemployment, maternity, work-related injury, and housing for qualified employees. Furthermore, eligible employees may be rewarded with share options.

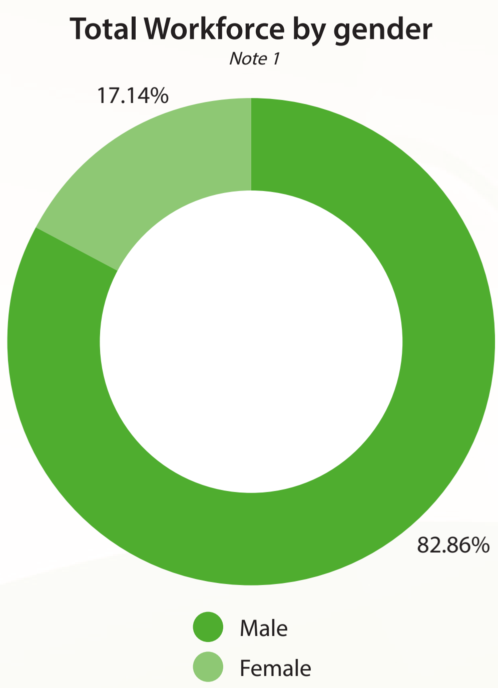
The Group regularly reviews our remuneration and benefits package to safeguard that it aligns with latest market practices and conditions, and that employees are fairly rewarded for their contributions and receive competitive compensation.

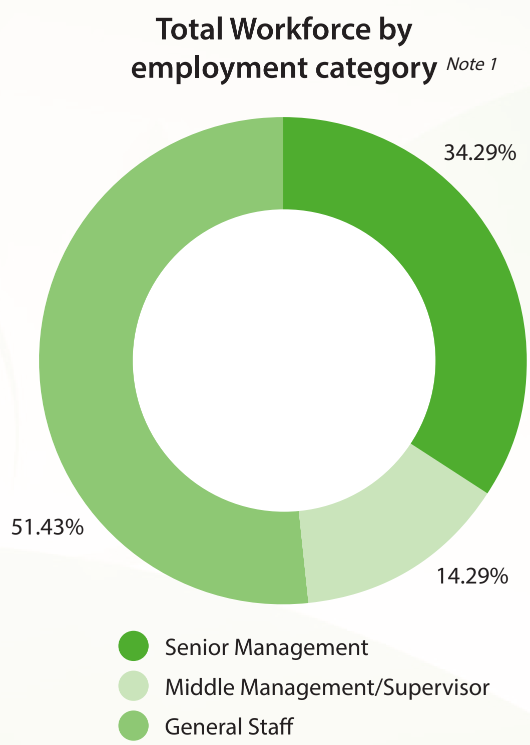
The Group has implemented human resource management policies that promote workplace diversity, inclusion and equal treatment. These policies govern the full employment lifecycle, including recruitment, transfer, promotion, training, performance appraisal and termination to ensure fair treatment and eliminate discrimination based on gender, age, family status, sexual orientation, disability, race or religion. The Group maintains a strict zero-tolerance approach toward all forms of unlawful workplace harassment. We actively embrace the individuality and diversity of our employees, as their unique insights and experiences foster innovation and enhance operational effectiveness. This belief is fundamental to strengthening our long-term competitive advantage.

The Group is committed to safeguarding human rights and complies with all relevant laws prohibiting child labour and forced labour. We apply strict screening procedures during recruitment to confirm the eligibility of candidates and employees, requiring them to submit accurate personal details, academic qualifications, and employment references. We also conduct regular reviews of the employment practices adopted by our supply chain partners. Any supplier or contractor found to be adopting child or forced labour will have their commercial relationship with the Group terminated.

Employment Profile

As of 31 March 2026, the Group had 35 full-time employees. The breakdown of the total workforce regarding gender, employee category, age group and geographical region are shown below.





Note 1: The figures covered both onshore and offshore staff.

ENVIRONMENTAL, SOCIAL AND
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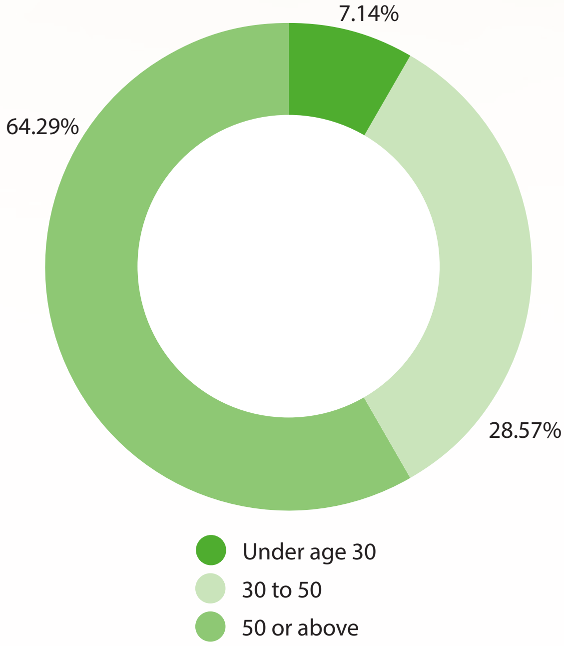
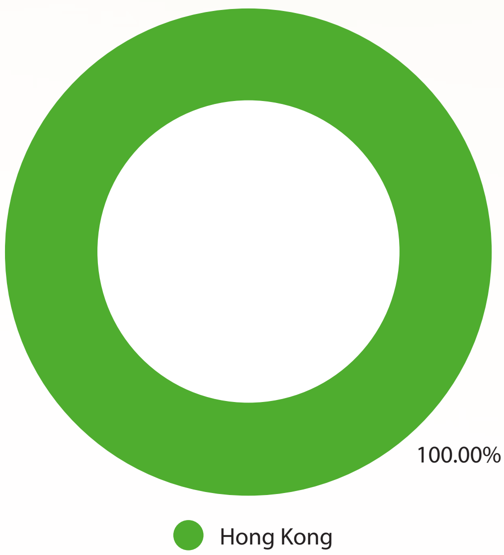
Total Workforce by age group *Note 2*



Total Workforce by geographical region *Note 2*



Note 2: The figures covered only onshore staff.

Turnover rate (%) *Note 3*	2024/25	2025/26
By Gender		
Male	18	11
Female	27	0
By Age Group		
Under age 30	0	0
30 to 50	33	0
Over age 50	11	10
By Geographical Region		
Hong Kong	7	7
Mainland China	0	0

Note 3: The figures cover only onshore staff.

Employee Engagement

Our employees are among our most valuable assets, and we are committed to promoting their well-being and job satisfaction through a positive and supportive workplace. During the Year, we have enhanced employee engagement via various activities, including departmental events, Chinese New Year celebration lunches, and monthly birthday afternoon tea sessions. We are convinced that prioritising employee welfare and satisfaction enables us to develop a motivated and high-performing team, thereby supporting the overall development and success of the Group.

Health and Safety

Ensuring a safe and healthy working environment is fundamental to enabling our employees to perform at their best across all operational settings. From our onshore offices to our fleet of vessels, we place occupational health and safety at the core of our operations to support the well-being of every team member. Clear safety protocols and guidelines are outlined in our employee handbook to safeguard staff health and mitigate risks. During the Year, the Group has fully complied with the Occupational Safety and Health Ordinance (Cap.509) of the HKSAR, the Work Safety Law of the PRC, and the Law of the PRC on the Prevention and Control of Occupational Diseases. We are pleased to announce that there were no work-related fatalities or lost days due to work injuries during the Year.

Crew Safety

To improve crew occupational health and safety, the Group continues to work with an experienced maritime services contractor. This partnership supports crew and cargo management, and monitors shipboard operations to ensure safety. Jointly, we have established a full suite of safety policies and management processes designed to identify and reduce potential safety hazards, including:

- Safety and environmental protection policy;
- Instructions and procedures to ensure safe operations of ships and protection of the environment in compliance with relevant international and relevant flag states' legislation;
- Procedures for reporting accidents and non-conformities with the provisions of the ISM Code; and
- Procedures for emergency preparedness and response.

All crew members receive sufficient training and obtain the necessary qualifications prior to taking up their posts, ensuring that each vessel's operations fully comply with the requirements of the ISM Code.

Office Safety

Although onshore offices present relatively fewer safety risks, the Group remains committed to minimising health hazards and enhancing workplace health and safety awareness to prevent accidents, occupational injuries, and infection transmission. Key health and safety measures implemented at the offices include:

- Smoking, alcohol consumption, and drug abuse are strictly prohibited within the workplace;
- Notices regarding proper working postures and safe lifting techniques are displayed across the office to guide employees during manual handling tasks;
- Adjustable chairs and monitors are provided for eye protection;
- A dedicated reporting system is established for addressing workplace hygiene issues;
- Air purifiers are installed in high-occupancy areas including conference and meeting rooms; and
- Regular and thorough tidying and cleaning are maintained in work areas, corridors, pantries, and other office facilities.

Fire Safety and Security

To ensure employees can respond swiftly during fire emergencies, we regularly arrange fire and emergency evacuation drills conducted by the property management company. We have also established a dedicated task force to supervise key areas of office safety, such as general office security, fire safety, and electrical safety.

	2023/24	2024/25	2025/26
Number of work-related fatalities	0	0	0
Rate of work-related fatalities	0	0	0
Number of injuries at Work	0	0	0
Lost days due to injury at work	0	0	0

We conduct regular reviews of our health and safety protocols to ensure they remain consistent with current industry best practices and evolving social requirements.

Development and Training

The Group is committed to delivering strong business growth and performance through its team of professional and skilled employees. We place high priority on staff development by offering extensive training and development opportunities, enabling employees to acquire the capabilities required to respond to evolving industry needs. Through performance appraisals, we discern the training needs of our employees and devise tailored programs to address those needs. We strongly believe that investing in staff training and development equips employees with the necessary knowledge and skills to perform their duties effectively, which in turn supports the attainment of the Group's business goals.

To facilitate the onboarding process and role clarity for new hires, we provide tailored mentorship and orientation programmes. This approach highlights our commitment to supporting our employees and fostering a positive and efficient work environment. Meanwhile, our directors and senior management attend specialised training courses and seminars covering core governance and management subjects, including corporate governance, ethics and integrity, risk management, and legal and regulatory compliance. These trainings enhance the expertise and leadership capacity of our corporate leader, enabling them to effectively steer and manage teams in a manner that maximises value for the Group.

To ensure our employees retain essential professional credentials and skills, the Group offers training programs through external organizations. These programs enable staff to remain up-to-date and competent in their respective fields. Eligible employees also receive subsidies to support lifelong learning, allowing them to continuously strengthen their knowledge and capabilities throughout their careers.

In addition to office employees, the Group supports our seafarers in obtaining relevant certifications and completing maritime training, which equips them with the essential technical and professional skills for daily operations in line with the STCW Convention. We place strong emphasis on safety training for vessel operators, maintaining the highest safety standards to safeguard crew well-being and ensure operational security.

Development and Training Profile *Note 4*

	2024/25	2025/26
Total hours of employee training	175.5	176.0
Percentage of employees who received training (%)	67	86
Average hours of employee training	14.6	14.7

	2024/25		2025/26	
	Percentage of employees trained (%)	Average training hours (hours/employee)	Percentage of employees trained (%)	Average training hours (hours/employee)
By gender				
– Male	57	22.1	88	19.4
– Female	80	4.0	83	8.0
By employment category				
– Senior Management	75	37.1	88	19.4
– Middle Management/Supervisor	100	4.0	100	8.0
– General Staff	57	3.3	80	8.0

Note 4: The figures have covered only onshore staff.

Operating Practices

We are committed to integrating sustainability into our core business values as part of our corporate responsibility. We endeavour to implement sustainable practices and policies across all operational areas and urge our business partners to adopt the same principles, to build a shared culture of sustainability.

Supply Chain Management

The Group prioritizes stable partnerships and close collaboration with business partners to safeguard business continuity and enhance service quality. We have implemented a dedicated supplier management system to assess the operational capacity, material supply, and service standards of key suppliers, including vessel asset and technical management contractors as well as office equipment suppliers. During the selection process, our system evaluates suppliers based on their qualifications, regulatory compliance, safety management, corporate background, and reputation, rather than focusing exclusively on pricing. The Group may also carry out inspections and assessments when necessary. We are obliged to terminate the cooperation contract with suppliers that may cause or have caused severe environmental or social accidents.

The Group encourages our business partners to promote environmentally and socially responsible practices, including employment standards, human rights protection, and environmental, health and safety (EHS) management. We recognize and commend suppliers and service contractors that demonstrate outstanding performance and thought leadership in sustainability.

During the Year, the Group engaged a total of 19 suppliers which were mainly located in Hong Kong.

Supplier Profile

Country/City	2025/26
Hong Kong	15
Mainland China	2
Germany	1
US	1

Product Responsibility

The Group maintains consistent communication with clients to fully understand and satisfy their needs and expectations. During the Year, there were no confirmed incidents of non-compliance with relevant laws or regulations that significantly impacted the Company. We are committed to upholding the highest quality of our products and services through robust product quality management.

Chartering out of dry bulk vessels

The Group charters out all its dry bulk vessels on a time charter basis and is responsible for their technical and maintenance management to ensure operational safety and performance. Vessel repairs and regular maintenance are performed by qualified contractors in line with applicable international conventions, laws, regulations and manufacturer requirements, which guarantees vessel safety and reliability.

Feedback management

We provide customers with multiple communication channels, including telephone hotlines, email and our corporate website to share feedback and concerns about our service quality openly. All customer inquiries and complaints are addressed sincerely to support continuous service improvement. Throughout the Year, there had been no complaints regarding the quality of services obtained.

Protection of Data Privacy and Security

The Group is committed to protecting the data privacy of its employees and clients, and fully complies with applicable laws and regulations, including the Personal Data (Privacy) Ordinance (Cap. 486) of HKSAR. All employees are required to abide by the confidentiality obligations stipulated in the Employee Handbook and employment contracts, and properly manage confidential information such as trade secrets, employee personal data, client information and financial budgets. Without the Company's prior approval, employees are prohibited from using or disclosing such confidential information to external parties. In addition, all data is securely encrypted and managed within internal systems to prevent unauthorised disclosure, access, processing, deletion or misuse. During the Year, the Group did not identify any material non-compliance with the laws and regulations related to data privacy.

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Anti-corruption

The Group highly values business integrity and maintains a rigorous code of ethical conduct across all operations. We have adopted a zero-tolerance policy against all forms of bribery and corruption and have established a series of anti-fraud and anti-bribery measures to ensure that all business activities are carried out fairly and honestly in accordance with our corporate values. Our employees are required to comply with applicable laws and regulations, including the Prevention of Bribery Ordinance (CAP.201) of HKSAR. For instance, engaging in any form of bribery or corruption, such as soliciting, accepting, or providing bribes from clients or business associates, or abusing authority positions for personal gain in commercial dealings, is strictly prohibited.

To reinforce our anti-corruption culture and deepen employees' understanding of regulatory requirements and ethical risks, the Group organised a visit to the Independent Commission Against Corruption (ICAC) during the Year. The visit provided our team with first-hand insights into the ICAC's anti-corruption initiatives, real-life case studies of commercial bribery, and best practices for maintaining integrity in business dealings. This initiative underscores our commitment to equipping employees with the knowledge and awareness to identify and prevent corruption risks, and to embed ethical decision-making into daily operations.

To avoid any misconduct, malpractice, improper, unethical, or unfair treatment, our employees are advised to report any suspected issues through our established communication channels. We take all reported incidents seriously, and the Audit Committee attaches great importance to these reports. The Audit Committee carries out detailed investigations and verifications for each case to ensure irregularities are dealt with promptly and appropriately. Our commitment to transparency and accountability underpins all our operations. The Group strictly maintains the confidentiality of case information and whistleblower identities to protect against retaliation and victimisation. Depending on the seriousness of the case, the Audit Committee will determine whether to refer the matter to judicial authorities for further investigation and action.

During the Year, the Group was not aware of any breaches of relevant laws and regulations relating to bribery, extortion, fraud and money laundering in our areas of operation. Additionally, there were no concluded legal cases regarding corruption practices brought against the Group or our employees.

Our Environmental Stewardship

We acknowledge the critical importance of environmental sustainability to our long-term development. We are committed to adopting sustainable business practices that embed environmental considerations into our day-to-day operations. Through full compliance with applicable environmental laws, regulations and standards, as well as ongoing improvements to our environmental management systems, we strive to enhance our environmental performance and support the development of a more sustainable future.

We have conducted a comprehensive review of the impact arising from the latest international conventions and environmental protection laws and regulations on our dry bulk vessel operations, with the aim of minimising compliance risks. The regulations evaluated include MARPOL, the ISM Code, and the Waste Disposal Ordinance (CAP 354) of HKSAR. To lower emissions and reduce consumption of natural resources, we have incorporated relevant requirements concerning energy use, waste management, air and greenhouse gas ("GHG") emissions, and other material utilisation into our management system.

During the year, the Group has remained in compliance with all relevant legal and regulatory requirements and has not identified any violations regarding environmental concerns, including air and GHG emissions, discharge into water and land, or the creation of hazardous and non-hazardous waste. We are committed to upholding high environmental performance and compliance standards across our operations and will continue to monitor and enhance our performance in these areas.

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Air Emissions

Fuel combustion during the chartering of vessels for dry bulk cargo transportation can generate substantial air pollutants, such as Nitrogen Oxides ("NOx") and Sulphur Oxides ("SOx"). Accordingly, we have placed strong emphasis on ensuring our vessels meet the air emission requirements set out in international conventions and applicable laws and regulations in the operating regions.

We recognise that NOx and SOx emissions presents significant environmental risks. Hence, we have proactively ensured that all engines installed on our dry bulk vessels, including main and auxiliary engines, comply with the emissions limits set by the updated NOx Technical Code 2008. We routinely monitor and record vessel rated power and speed to ensure NOx emissions stay within prescribed limits and carry out timely vessel maintenance as needed to maintain effective emission control.

Global air emission standards for vessel operations continue to grow increasingly stringent, and we maintain a firm commitment to complying with all regulatory requirements applicable to our industry. For example, when operating outside of an Emission Control Area, we exclusively use low-sulfur fuel oil with a sulfur content less than 3.50% m/m (prior to 1 January 2020) or 0.50% m/m. According to regulation 14.3 of Annex VI to the MARPOL Convention, operations within an Emission Control Area are restricted to 1% m/m (prior to January 1, 2015) or 0.10% m/m. During the Year, the Group did not record any incidents related to air emissions.

Against the backdrop of challenging and uncertain shipping demand brought by macroeconomic changes, we maintain a firm commitment to ongoing monitoring and reduction of air emissions from our dry bulk shipping operations. Although we did not establish specific quantitative targets for the reporting year, we remain fully aware of our environmental responsibilities and are dedicated to enhancing our environmental performance and advancing sustainable shipping practices.

The below table summarized the Group's air emissions during the Year:

	Unit	2024/25	2025/26
Nitrogen oxides (NOx)	kg	673,634.8	343,074.9
Sulphur oxides (SOx)	kg	96,760.1	49,151.9
Particulate matter (PM)	kg	50,317.8	25,560.8

Waste Management

Hazardous Waste

As our operations involve fuel and oil storage and transfer, machinery repairs, and cargo handling, hazardous waste including oil rags and waste engine oil is inevitably generated during vessel operation and maintenance. To prevent environmental pollution from hazardous waste, we enforce proper sorting and safe storage of such waste in dedicated containers to avoid leakage and mixing with incompatible waste. Nonetheless, the responsibility for the disposal and shipment of this hazardous waste to authorized waste collectors for proper management and treatment lies with our vessel operator contractor.

The Group places top priority on ensuring all seafarers undergo thorough training on hazardous waste safety protocols. We maintain close collaboration with our contractors to verify that they have implemented robust emergency response plans to handle any potential incidents effectively.

We recognise the importance of effective waste management and are committed to integrating industry best practices across all aspects of our business operations. Our office activities produce a small volume of hazardous waste, including toner cartridges, which is handled via recycling arrangements with our designated service providers. This effort supports our goal of reducing our environmental footprint. Through such measures, we seek to improve the quality of terrestrial and marine ecosystems, while advancing environmental health and cleanliness.

	Unit	2024/25	2025/26
Toners	piece	12	12

Non-hazardous Waste

Domestic waste is generated across our business operations, mainly comprising recyclable materials including paper, plastic and glass bottles. To promote proper waste management and achieve our waste reduction goals, we have implemented several initiatives. For instance, we encourage our employees to use e-fax, reuse single-sided paper, and minimize printing. We have also set up a dedicated waste sorting system, with sorted recyclables delivered to the property management company for formal recycling. In addition, we have restricted the provision of single-use disposable products to cut down on avoidable material waste.

Our dedication to waste reduction extends beyond mere adherence to applicable laws and regulatory requirements. We proactively pursue and implement best-in-class waste management practices across all operational activities, in support of a cleaner and more sustainable environment.

	Unit	2024/25	2025/26
Domestic waste	kg	5,880.4	3,054.4

Use of Resources

We are dedicated to minimising waste production and adopting responsible waste management practices. To achieve this goal, we support green office practices that adhere to the 4R principles: "Reduce", "Reuse", "Replace", and "Recycle".

By adhering to these principles, we seek to minimise waste at its source and support sustainable operational practices. We also recognize the importance of imparting resource optimization knowledge to our partners and staff. Through cultivating environmental awareness and accountability, we aim to jointly reduce negative environmental impacts across our entire value chain.

Energy Use Management

Fuel oil and electricity represent the Group's primary energy consumption sources. To reduce GHG emissions from our operations, we have implemented various energy-saving strategies. These include placing reminder signs and posters near office equipment and work areas to boost staff environmental awareness and highlight the importance of saving energy.

We implement various actions to conserve energy, including but not limited to:

- Keeping an energy-efficient indoor temperature range of 24-26 degrees Celsius;
- Developing operational schedules with on-off and zoning control for lighting and ventilation systems;
- Educating employees to switch off machinery and equipment when not in use or left unattended
- Purchasing electrical appliances with Grade 1 energy labels;
- Reducing business travel through the use of video conferencing;
- Placing "Green Message" reminders on office equipment and work areas to enhance staff environmental awareness;
- Replacing old, inefficient lighting with energy-saving LED fixtures in our offices; and
- Upgrading old, high-energy-consumption air handling units and other office equipment with high-efficiency alternatives to reduce electricity consumption.

The below table summarized the Group's energy use during the Year:

Energy Consumption	Unit	2024/25	2025/26
Electricity	Kilowatt hour ("kWh")	58,885	54,354
Fuel Oil	Metric Tonne ("MT")	9,658.8	4,903.4
	Megawatt hour ("MWh")	114,108.1	57,928.6
Marine Gas Oil	MT	86.0	58.8
	MWh	1,081.6	739.8
Total	MT	9,744.8	4,962.2
	MWh	115,189.7	58,668.4
Intensity *Note 5*	MWh/miles	1.0	1.2

Note 5: The intensity metric only accounts for fuel oil and marine gas oil consumption to accurately reflect energy intensity per mile travelled.

Water Consumption

The Group is dedicated to water conservation and promotes responsible water usage among all employees. To support this goal, we have implemented several initiatives to raise awareness among our colleagues about the importance of water conservation:

- Attach water-saving signage in pantries and washrooms;
- Educate employees to tighten taps to avoid dripping;
- Conduct inspections of water facilities on a regular basis to spot and fix leaks in a prompt manner; and
- Report any water pipeline leaks to the property management company as soon as possible to ensure timely repairs.

During the Year, the Group did not face any issues with water access in our offices, as it is directly supplied by local water authorities. Furthermore, since the landlord is responsible for water charges at our Hong Kong office, we are unable to obtain water consumption data for disclosure.

Paper Consumption

The Group is committed to advancing paperless operations across our offices, with the aim of cutting down paper consumption and lessening our environmental footprint. To realise this goal, we have adopted a number of practical measures, including double-sided printing, adopting electronic communication and document flow, as well as reusing single-sided paper for drafting and printing. These practices help decrease paper usage and reinforce our commitment to sustainability.

	Unit	2024/25	2025/26
Paper	kg	137.7	137.7

The Environment and Natural Resources

Vessel shipping activities exert considerable impacts on marine ecosystems and may result in various adverse consequences. These include the release of ballast water containing invasive aquatic species, pollution from the consumption of antifoulants, chemical and oil spills, and the risk of ship sinking or grounding. The Group stresses the importance of proper vessel maintenance and operation to minimise the environmental footprint of shipping operations. Our contracted vendors are required to set up a comprehensive maintenance system that includes planning, execution, and documentation of vessel maintenance at regular intervals. This system safeguards vessel safety and reliability and reduces potential environmental and safety risks by ensuring all maintenance activities comply with classification society and manufacturer standards.

The Group maintains strict compliance with all international regulations, as well as the safety and environmental requirements set out in the ISM Code, in line with our commitment to environmental sustainability. We mandate that our contractors undergo compulsory demonstrations of their environmental and safety management systems to further mitigate the environmental risks associated with our operations. Through this proactive approach, we uphold high standards of environmental accountability and minimise the adverse effects of our activities on the marine ecosystem.

As a testament to these ongoing efforts, the Group was honoured with the BOCHK Corporate Low-Carbon Environmental Leadership Awards 2024 – EcoPartner Recognition, organised by the Federation of Hong Kong Industries and supported by Bank of China (Hong Kong). This prestigious accolade formally recognises the Group's robust commitment to environmental stewardship, low-carbon operations, and the successful integration of sustainability into core shipping practices. It underscores our progress in reducing operational emissions, prioritising resource efficiency, and aligning our business model with Hong Kong's transition to a low-carbon economy.

In addition, we place significant emphasis on the quality and safety of our vessels by securing oil pollution prevention certificates for all our fleet. Prior to chartering vessels to business partners, these certificates verify the structural integrity, equipment, fittings, layout and materials of the vessels, ensuring they comply with the highest safety and quality standards.

Our awarded certificates are summarized below:

Certificate	Vessel
International Oil Pollution Prevention Certificate under the provisions of the International Convention for the Prevention of Pollution from Ships ("IOPPC")	GH Glory

Furthermore, we deliver comprehensive training to our employees and conduct regular reviews of our pollution control measures, so as to uphold vessel reliability and operational safety. This approach helps us minimize the risk of safety and environmental issues.

Climate Change

Governance

Board Oversight

The Board of Directors holds ultimate responsibility and accountability for the governance of ESG and climate-related risks and opportunities. The Board recognises that effective oversight of climate-related matters is fundamental to achieve its strategic objectives and to maintain long-term resilience.

In accordance with the Group's Climate Policy, the Board provides strategic direction and oversight on the identification, assessment and management of climate-related risks and opportunities, and ensures that such considerations are integrated into the Group's long-term strategy, major investment decisions and risk management framework.

ESG and climate-related matters are included as a standing agenda item at regular Board meetings to facilitate ongoing oversight, informed discussion and timely decision-making. The Board reviews and approves key ESG and climate-related policies, strategies, targets and initiatives, and considers the associated trade-offs, costs and benefits where relevant. It also evaluates the effectiveness of the Group's risk management and internal control systems covering material ESG and climate-related risks at least annually.

To support effective oversight, the Board ensures that directors maintain appropriate competence in ESG and climate-related matters through periodic assessments, targeted training and, where necessary, engagement of external professional expertise. The Board receives regular updates on material ESG and climate issues, performance against approved objectives, and emerging regulatory or market developments. The Board also reviews and approves climate-related disclosures, including the annual ESG Report, to ensure their accuracy, balance and consistency with the Group's governance framework and strategic direction.

ESG Task Force

The Group has established an ESG Task Force to support the management and coordination of ESG and climate-related matters. The ESG Task Force is chaired by Chief Executive Officer and comprises senior management such as the Chief Financial Officer, Company Secretary, and representatives from core business segments, facilitating cross-functional coordination and the integration of ESG and climate-related considerations into the Group's day-to-day operations and management processes.

The ESG Task Force is responsible for supporting the implementation of the Group's ESG and climate-related strategies, policies and action plans as approved by the Board. It assists management in identifying, assessing and monitoring material ESG and climate-related risks and opportunities. Where appropriate, the ESG Task Force monitors performance against established objectives and highlights potential areas for enhancement.

The ESG Task Force also monitors relevant international regulatory developments, industry practices and stakeholder expectations, and supports the coordination of stakeholder engagement activities and the materiality assessment process. The ESG Task Force reports to the Board on a regular basis, providing updates on identified ESG and climate-related matters, management actions and key observations, to support the Board's ongoing oversight and decision-making.

Operational Departments

The operational departments are responsible for executing the ESG and climate-related action plans proposed by the ESG Task Force in their daily operations. They also support stakeholder engagement activities and monitor performance progress and achievements against ESG and climate-related objectives. Progress updates, implementation outcomes and identified issues are reported to the ESG Task Force for consolidation and further review by the Board.

Strategy

During the reporting Year, the Group engaged an independent third-party consultant to perform a climate risk scenario analysis as part of its efforts to better understand climate-related risks and opportunities affecting its business operations.

The analysis examined how physical and transition climate risks may influence the Group's operational environment, asset exposure and financial performance, and to inform management's understanding of the potential implications of climate-related factors on the overall business strategy.

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The assessment evaluated transition risks as well as physical risks arising from environmental hazards, including wind, precipitation, heat, hail, flooding, fire, drought and cold, under different climate scenarios over short-, medium- and long-term time horizons from 2020 to 2100. Two climate scenarios were chosen to assess the potential consequences of varying climate pathways and Shared Socioeconomic Pathways (SSP). Details are summarized in the table below.

Scenario	Turquoise Scenario	Brown Scenario
Pathway	SSP 1-2.6 Intermediate pathways	SSP 5-8.5 High emissions pathway
Timeframe	Short-term: till 2030/Medium-term: till 2050/Long-term: till 2100	
Global Mean Temperature Increase	About 1.7°C by 2060 and 1.8°C by 2100	About 2.4°C by 2060, reaching 4.4°C by 2100
Scenario Description	Represents a future where strong actions are taken to address climate change. Governments introduce stronger climate policies and corporate climate initiatives become more widespread. These actions support a gradual transition towards a lower-carbon economy, resulting in lower physical climate risks but higher transition risks due to policy and market changes.	Represents a future where climate action is limited and existing business practices largely continue. Climate policies remain relatively weak and awareness of climate risks is low. Over time, this leads to higher physical climate risks, while transition risks remain comparatively low.

The table below presents an overview of the results from the climate scenario analysis –

Physical Risk

Risk Type	Hazard	Timeframe	Current and Anticipated Financial Implications
Acute Risk	Heavy precipitation and flooding	Short-term	• Increased repair and maintenance costs arising from water ingress, corrosion and physical damage to vessels, onboard equipment, port-side facilities and offices • Potential voyage delays, port congestion or temporary suspension of operations due to adverse weather conditions, resulting in potential loss of charter revenue and increased operating expenses • Higher insurance premiums and deductibles driven by increased frequency and severity of weather-related claims
Acute Risk	High wind speed	Short-term	• Navigational difficulties arising from altered wave patterns and rough sea conditions, increasing the risk of incidents and voyage delays • Physical damage to vessels, hulls, superstructures and onboard equipment, leading to higher repair and maintenance costs • Operational disruptions, increased fuel consumption due to rerouting or speed adjustments, and potential loss of charter income • Higher insurance premiums and claims resulting from wind-related incidents

Risk Type	Hazard	Timeframe	Current and Anticipated Financial Implications
Chronic Risk	Sea level rise	Medium to Long-term	• Increased operating costs due to disruptions at ports, terminals and shipyards prone to flooding and extreme rainfall • Higher port charges, demurrage and rerouting costs associated with reduced port accessibility and congestion • Capital expenditure ("CAPEX") required to adapt operations, revise voyage planning or enhance vessels' resilience to changing port conditions
Chronic Risk	Rising temperatures and heat stress	Medium- to Long-term	• Higher operating and maintenance costs due to reduced efficiency and accelerated wear of engines, auxiliary systems and onboard equipment under high-temperature conditions • Increased fuel consumption and cooling requirements to maintain safe and reliable vessel operations • Additional expenditure to safeguard crew health, safety and welfare, including enhanced ventilation, rest measures and compliance with occupational health requirements

Transition Risk

Risk Type	Hazard	Timeframe	Financial Implications
Policy & Regulatory Risk	Stricter emissions regulation and disclosure requirements	Short- to Medium-term	• Increased operating costs due to expanded emissions monitoring, data management, verification and audit requirements • Higher compliance and administrative expenses associated with enhanced climate-related disclosure obligations (e.g. emissions reporting) and other regulatory disclosure expectations • Potential regulatory sanctions or reputational consequences if reporting requirements are not met • CAPEX required to retrofit vessels or upgrade equipment to meet regulatory requirements
Market Risk	Changing Consumer Preferences	Medium Term	• Reduced competitiveness and potential loss of charter opportunities if vessels do not meet sustainability or emissions expectations • Downward pressure on charter rates and vessel utilisation for less efficient or higher-emitting vessels • Additional investment required to improve vessel efficiency and decarbonisation performance

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Risk Type	Hazard	Timeframe	Financial Implications
Market Risk	Increased cost of raw materials and operation	Short- to Medium-term	• Higher voyage and operating costs driven by increases in fuel prices, port charges and other transition-related operating expenses • Increased capital and maintenance costs due to rising prices of raw materials and components used in vessel construction, retrofitting and repairs (e.g. steel, mechanical parts and equipment) • Additional expenditure on operational efficiency measures, route optimisation and fuel-efficient technologies to manage cost pressures
Technology Risk	Transition to lower-emission vessel technologies	Medium- to Long-term	• Significant upfront CAPEX for vessel retrofits, alternative fuel systems and energy-efficient technologies • Increased operating costs for system integration, maintenance and crew training • Risk of technology obsolescence as decarbonisation pathways and maritime technologies continue to evolve
Reputation Risk	Increased scrutiny of climate and ESG performance	Short Term	• Potential adverse impact on investor confidence and access to financing if climate performance lags market expectations • Reduced demand for services if the Group is perceived as insufficiently aligned with decarbonisation pathways • Increased costs associated with enhanced ESG disclosure, stakeholder engagement and third-party assurance

Opportunities

Type of Opportunities	Opportunities	Timeframe	Current and Anticipated Financial Implications
Markets	Growing demand for low-carbon and energy-efficient vessels	Medium- term	• Increased competitiveness and access to charter opportunities as charterers increasingly prefer vessels with lower emissions and higher energy efficiency • Potential to command higher charter rates or achieve higher utilisation for vessels meeting sustainability and decarbonisation expectations • Strengthened long-term client relationships and expanded market access in regions with stricter climate and environmental requirements
Resource Efficiency	Fuel efficiency improvements and operational optimisation	Short-term	• Reduced fuel consumption and operating costs through energy-efficient vessel upgrades, route optimisation and improved voyage planning • Lower exposure to fuel price volatility over time • Improved asset performance and extended vessel lifespan, supporting cost efficiency and operational resilience

The analysis focuses mainly on the Group's core business of chartering out dry bulk vessels in HKSAR, together with its key operating ports in the People's Republic of China, Indonesia and Australia. The analysis also took into account key sources of uncertainty, including the frequency and severity of extreme weather events, the pace and scope of emissions-related regulatory developments, fuel price volatility, and the availability and commercial readiness of alternative marine fuels and technologies.

At this stage, the Group assessed the financial implications of climate-related risks and opportunities on a qualitative basis only. The methodologies, data availability and internal resources required to produce robust quantitative assessments are still under development, and comprehensive quantification would require advanced scenario modelling and extensive data collection across operations and the value chain. The Group remains committed to progressively enhancing its climate-related disclosure practices and will continue to assess the feasibility of incorporating quantitative elements into its disclosures.

Climate Resilience and Strategic Response

The Group recognises that climate change presents both risks and opportunities that may affect its vessel operations, cost structure and long-term competitiveness. Informed by the outcomes of its climate-related scenario analysis, climate considerations have been incorporated into the Group's strategic discussions, operational planning and decision-making processes, with the objective of supporting resilience and managing potential impacts associated with the climate transition.

In response to identified physical and transition risks, the Group has adopted a progressive and adaptive approach to its business model and resource allocation. From an operational perspective, safety management guidelines for vessel operations during adverse weather conditions have been integrated into existing practices, together with contingency arrangements aimed at reducing potential disruptions arising from extreme weather events. These measures seek to limit physical damage to vessels, protect crew safety and manage additional operating and maintenance costs.

To address transition-related considerations and evolving regulatory and market expectations, the Group continues to review opportunities to enhance the energy efficiency of its fleet. This includes examining operational optimisation measures, voyage planning practices and the feasibility of adopting lower-carbon or alternative marine fuels, such as methanol and ammonia, where technically and commercially practicable. In parallel, the Group routinely monitors local and international regulatory developments, industry standards and market trends related to sustainable shipping to remain informed of relevant changes and emerging practices. Financial resources for climate-related actions are also considered as part of the Group's overall capital and operational planning, with due regard to cost effectiveness and long-term value preservation.

Risk Management

In line with the Group's Climate Policy, climate-related risks and opportunities are fully integrated into the Group's overall risk management to enhance resilience and preparedness to climate change. The approach covers the identification, assessment, prioritisation and ongoing monitoring of both physical and transition climate-related risks, ensuring that climate considerations are addressed consistently alongside other business risks. During the reporting year, external consultants were engaged to provide specialised climate risk insights and support climate scenario analysis to enhance the robustness of the assessment process.

Climate Risk Integration

Step 1	**Risk Identification** Climate-related risks and opportunities are identified through systematic desktop research using climate risk analytics tools and publicly available climate data. Both physical (acute and chronic) and transition risks (policy, regulatory, market, technology and reputation) are considered. External consultants may be engaged to provide specialised insights and support scenario-based analysis.
Step 2	**Risk Assessment** Identified risks are assessed using a structured approach that considers qualitative and, where applicable, quantitative factors. Scenario analysis is applied to evaluate likelihood and potential impact under different climate scenarios. Physical risks are assessed based on asset exposure and vulnerability, while transition risks consider potential impacts on operations, costs and revenue.
Step 3	**Risk Prioritisation** Climate-related risks are prioritised using a risk matrix that assesses both the likelihood of occurrence and the magnitude of potential impact on operations and financial performance. Priority is given to higher-severity risks that could materially affect vessel operations, asset integrity or business continuity, with such risks subject to enhanced monitoring and escalation to senior management where appropriate.
Step 4	**Risk Management** Where material climate-related risks are identified, the ESG Task Force formulates and reviews corresponding risk mitigation plans. These plans are submitted to the Audit Committee for review and approval prior to implementation. The ESG Task Force monitors the implementation of approved mitigation plans and their effectiveness. Regular updates on progress and performance are provided to the Audit Committee in accordance with the reporting frequency specified in each plan.

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Metrics and Targets

Great Harvest recognises that GHG emissions are a key contributor to climate change and can present both environmental and operational implications for its business. The Group is committed to managing its GHG emissions in a transparent and responsible manner, and to progressively identifying opportunities to reduce its carbon footprint where practicable.

The table below provides an overview of the Group's GHG emissions:

GHG Emissions [Note 6]	Unit	2024/25	2025/26
Scope 1 Direct emissions	Tonnes of carbon dioxide equivalent ("tCO_2e")	N/A	N/A
Scope 2 Energy indirect emissions (location-based)	tCO_2e	35.3	32.1
Scope 3 Other indirect emissions	tCO_2e	30,842.2	15,709.5
Total GHG emissions	tCO_2e	30,877.5	15,741.6
Intensity	tCO_2e/miles	0.28	0.33

Note 6:

- Scope 1 direct emissions data for FY2024/25 have been reclassified as Scope 3 emissions. Such emissions derive from dry bulk vessel charter-out activities, which are not directly associated with the Company's principal activities. This adjustment ensures accurate boundary definition of GHG reporting.

- The calculation of Scope 1 and Scope 2 GHG emissions is defined and calculated in accordance with the GHG Protocol, ISO14064 standard and "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" published by the Stock Exchange.

- During the Year, the Group expanded its data collection scope and made efforts to track electricity consumption for FY2024/25 and FY2025/26, resulting in available Scope 2 emissions data for FY2024/25 and FY2025/26.

During the Year, the Group established its first set of intensity-based climate-related GHG emissions targets. The Group has selected FY2022/23 as the baseline year, with the target boundary encompassing Scope 1, Scope 2 and Scope 3 emissions. The Group has confirmed its GHG emissions targets:

- Short-to-medium-term target: Attain a 25% reduction in GHG intensity (tCO_2e per mile) over a 10-year period ending FY2034/35, with the reduction trajectory commencing in FY2025/26.

- Long-term target: Attain a 40% reduction in GHG intensity (tCO_2e per mile) by FY2050/51.

These targets apply to gross GHG emissions and cover the Group's global operation of dry bulk vessel chartering business worldwide.

This initial target represents an important milestone in the Group's climate journey and reflects its core objective of greenhouse gas mitigation by progressively addressing climate-related impacts arising from its operations. By formalising its first GHG reduction target, the Group demonstrates its commitment to climate action and to responding to increasing stakeholder expectations, establishing a foundation for longer-term sustainability and contributing to broader efforts to mitigate climate change.

The progress against the climate-related targets is monitored on an ongoing basis by the ESG Task Force with reference to relevant trends and changes, and regular updates are reported to the Board of Directors to support oversight and informed decision-making.

At this stage, the Group does not apply internal carbon pricing, climate-linked remuneration mechanisms or the use of carbon credits in its decision-making or target-setting processes. Nevertheless, the Group remains committed to progressively enhancing its climate-related management and disclosure practices. As internal capabilities, data availability and industry practices continue to mature, the Group will keep under review the feasibility of incorporating additional quantitative elements into its climate-related targets and management approach, where appropriate.

Our Community

The Group is committed to actively backing a diverse range of community-focused initiatives, with the aim of enhancing the well-being of the local community. The Group consistently evaluates a broad spectrum of impact-driven community programmes, with a view to rolling out purposeful initiatives that deliver tangible benefits to vulnerable populations and strengthen the overall social support infrastructure within our operating community.

By upholding our corporate social responsibility principles, we endeavour to cultivate a fairer and more inclusive future for Hong Kong, while strengthening meaningful bonds with the underprivileged groups we serve and support.

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Performance Data Summary

Environmental Performance[1]

	Unit	2024/25	2025/26
Emissions[2]			
Nitrogen oxides (NOx)	kg	673,634.8	343,074.9
Sulphur oxides (SOx)	kg	96,760.1	49,151.9
Particulate matter (PM)	kg	50,317.8	25,560.8
Total GHG emissions[3]	tCO_2e	30,877.5	15,741.6
– Scope 1 emissions[4,5]	tCO_2e	N/A	N/A
– Scope 2 emissions[5,6]	tCO_2e	35.3	32.1
– Scope 3 emissions	tCO_2e	30,842.2	15,709.5
Waste			
Hazardous waste (Toner)[7]	piece	12	12
Hazardous waste (Electrical appliances)	m3	0.36	0.08
Non-hazardous waste (Domestic waste)[8]	kg	5,880.4	3,054.4
Resource use[9]			
Energy			
– Electricity	kWh	58,885	54,534
– Fuel oil	MWh	114,108.1	57,928.6
– Marine gas oil	MWh	1,081.6	739.8
Total Energy Consumption	MWh	115,189.7	58,668.4
Energy Intensity[10]	MWh/miles	1.0	1.2
Paper[11]	kg	137.7	137.7

Social Performance

***Employee Profile*[12]**

	Unit	2024/25	2025/26
Employee profile			
Total workforce	Number	54	35
Employees by gender			
Male	Number	49	29
Female	Number	5	6
Employees by employment type			
Full-time	Number	54	35
Part-time	Number	0	0
Employees by employee category			
Senior	Number	12	12
Middle	Number	9	5
General staff	Number	33	18
Employees by age[13]			
Under 30	Number	1	1
Age 30-50	Number	4	4
Over age 50	Number	7	9
Employees by geographical region[14]			
Hong Kong		12	14
Mainland China		0	0
Employee turnover[15]			
Male	%	18	11
Female	%	27	0
By age			
Under 30	%	0	0
Age 30-50	%	33	0
Over age 50	%	11	10
By geographical region			
Hong Kong	%	7	7
Mainland China	%	0	0

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Occupational Health and Safety Profile

	2023/24	2024/25	2025/26
Work-related fatalities	0	0	0
Work-related accidents	0	0	0
Lost days of work-related injury	0	0	0

Development and Training Profile[15]

Employee Training	2024/25	2025/26
Total hours of employee training	175.5	176.0
Percentage of employees who received training (%)	67	86
Average hours of employee training	14.6	14.7

	2024/25		2025/26	
	Percentage of employees trained (%)	Average training hours (hours/ employee)	Percentage of employees trained (%)	Average training hours (hours/ employee)
By employment category				
Male	57	22.1	88	19.4
Female	80	4.0	83	8.0
By employment category				
Senior Management	75	37.1	88	19.4
Middle Management/Supervisor	100	4.0	100	8.0
General Staff	57	3.3	80	8.0

Supplier Profile

Country/City	2024/25	2025/26
Hong Kong	15	15
Mainland China	2	2
Germany	1	1
US	1	1

Note:

1. During the Year, one vessel was sold due to the Company's strategic decision, the data of sold vessel are not included in this table.

2. The figure is calculated with reference to 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the section of International maritime and inland navigation, national navigation, national fishing, recreational boats of EMEP/EEA air pollutant emission inventory guidebook 2019 published by European Environment Agency.

3. The figure is calculated with reference to 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

4. Scope 1 direct emissions data for FY2024/25 have been reclassified as Scope 3 emissions. Such emissions derive from dry bulk vessel charter-out activities, which are not directly associated with the Group's core business operations. This adjustment ensures accurate boundary definition of GHG reporting.

5. The calculation of Scope 1 and Scope 2 GHG emissions is defined and calculated in accordance with the GHG Protocol, ISO14064 standard and "How to prepare an ESG Report – Appendix 2: Reporting Guidance on Environmental KPIs" published by the Stock Exchange.

6. During the Year, the Group expanded its data collection scope and made efforts to track electricity consumption for 2024/25 and 2025/26, resulting in available Scope 2 emissions data for 2024/25 and 2025/26

7. The figure only covers the office operation of the business of chartering out of dry bulk vessels in Hong Kong.

8. The figure only covers the office operation of the business of chartering out of dry bulk vessels in Hong Kong and it is estimated based on the following information -

   - The amount of daily waste generation: 20kg; and

   - The number of working days for 2024/25 and 2025/2026: around 260.

9. The water charges of our Hong Kong offices are borne by the landlord. The water consumption data are not available. Due to the Group's business nature, no package materials are consumed during our business activities and hence there is no available data for information disclosure.

10. The intensity metric only accounts for fuel oil and marine gas oil consumption to accurately reflect energy intensity per mile travelled.

11. The figure only covers the office operation of the business of chartering out of dry bulk vessels in Hong Kong.

12. During the Year, one vessel was sold due to the Company's strategic decision, the data of sold vessel are not included in this table.

13. The figure of employee number is calculated based on the number of headcounts at Hong Kong headquarter.

14. The figure only covers the office operation of the business of chartering out of dry bulk vessels in Hong Kong. Due to the worldwide marine transportation services of the chartered dry bulk vessels, the crews of the vessels fleet do not base in specific regions or countries and thus there is no available data for disclosure.

15. The figure only covers the office operation of the business of chartering out of dry bulk vessels in Hong Kong.

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The Stock Exchange ESG Reporting Code Index

ESG Reporting Code		Section/Explanation
Mandatory Disclosure Requirements		
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Governance Structure
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: **Materiality:** The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. **Quantitative:** Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. **Consistency:** The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	Reporting Standard
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	Reporting Scope

ESG Reporting Code		Section/Explanation
A. Environment		
A1 Emissions		
A1	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Our Environmental Stewardship – Air Emissions Our Environmental Stewardship – Waste Management Our Environmental Stewardship – Use of Resources
KPI A1.1	The types of emissions and respective emissions data.	Performance Data Summary
KPI A1.2	[Repealed 1 January 2025]	
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Performance Data Summary
KPI A1.4	Total non-hazardous waste produced (in tonnes and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Performance Data Summary
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Our Environmental Stewardship – Air Emissions Our Environmental Stewardship – Use of Resources
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Our Environmental Stewardship – Waste Management

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Reporting Code		Section/Explanation
A2 Use of Resources		
A2	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Our Environmental Stewardship – Use of Resources
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Performance Data Summary
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Performance Data Summary
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Our Environmental Stewardship – Use of Resources
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Our Environmental Stewardship – Use of Resources
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Due to the business nature, no packaging materials are used in the Group's operations.
A3 The Environment and Natural Resources		
A3	General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources.	Our Environmental Stewardship – The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Our Environmental Stewardship – The Environment and Natural Resources
A4 Climate Change		
A4	[Repealed 1 January 2025]	
KPI A4.1	[Repealed 1 January 2025]	

ESG Reporting Code		Section/Explanation
B. Social		
B1 Employment		
B1	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Our Employees – Employment and Labour Standard
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Our Employees – Employment Profile Performance Data Summary
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Performance Data Summary
B2 Health and Safety		
B2	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Our Employees – Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Performance Data Summary
KPI B2.2	Lost days due to work injury.	Performance Data Summary
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Our Employees – Health and Safety

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Reporting Code		Section/Explanation
B3 Development and Training		
B3	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Our Employees – Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Performance Data Summary
KPI B3.2	The average training hours completed per employee by gender and employee category.	Performance Data Summary
B4 Labour Standards		
B4	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Our Employees – Employment and Labour Standard
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Our Employees – Employment and Labour Standard
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Our Employees – Employment and Labour Standard

ESG Reporting Code		Section/Explanation
B5 Supply Chain Management		
B5	General Disclosure Policies on managing environmental and social risks of the supply chain.	Operating Practices – Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Performance Data Summary
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Operating Practices – Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply chain management is not one of the Group's material ESG issues. The Group would however continue to explore the feasibility of such practice and consider applying it in the Group's operation.
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply chain management is not one of the Group's material ESG issues. –The Group would however continue to explore the feasibility of such practice and consider applying it in the Group's operation.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Reporting Code		Section/Explanation
B6 Product Responsibility		
B6	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Operating Practices – Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the Group
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	No products and service-related complaints were received during the Year.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Not applicable to the Group, as no intellectual property rights are under registered by the Group
KPI B6.4	Description of quality assurance process and recall procedures.	Operating Practices – Product Responsibility
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Operating Practices – Product Responsibility

ESG Reporting Code		Section/Explanation
B7 Anti-corruption		
B7	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Operating Practices – Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the year and the outcomes of the cases.	Operating Practices – Anti-corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Operating Practices – Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	With our fluid combination of crew members for vessel operation, the Group would consider and look for online training materials or other training channels in the future.
B8 Community Investment		
B8	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Our Community
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Our Community
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Our Community

INDEPENDENT AUDITOR'S REPORT

容诚 | RCHK

TO THE SHAREHOLDERS OF GREAT HARVEST MAETA HOLDINGS LIMITED
(incorporated in Cayman Islands with limited liability)

Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of Great Harvest Maeta Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 125 to 206, which comprise the consolidated statement of financial position as at 31 March 2026 and the consolidated statement of profit or loss and other 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 and other explanatory information.

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

Basis for Disclaimer of Opinion

Scope limitation relating to the going concern basis in the preparation of the consolidated financial statements

As described in Note 2.1.1 to the consolidated financial statements, the Group reported a net loss of approximately US$6,050,000 for the year ended 31 March 2026. As at 31 March 2026, the Group's current liabilities exceeded its current assets by approximately US$66,501,000, which included borrowings and loans of approximately US$113,000 and convertible bonds of approximately US$60,230,000, that are repayable within one year, while the Group's cash and cash equivalents balances was approximately US$1,394,000. In addition, the Group has entered into agreements which will involve capital commitments of approximately US$259,000 in respect of investment properties project as at 31 March 2026.

As set out in Note 24 to the consolidated financial statements, the Company had only repaid US$900,000 for the bond instalment and there was a US$1,600,000 overdue instalment payment as at 31 March 2026. The Company had received confirmation from the Bondholder to extend the repayment date of these overdue outstanding instalment to on or before 31 December 2026. The outstanding instalment and other repayment obligations in relation to the convertible bonds amounted to US$60,230,000 as at 31 March 2026 and are repayable within one year.

Basis for Disclaimer of Opinion (Continued)

As set out in Note 2.1.1 to the consolidated financial statements, the directors have prepared the consolidated financial statements on the going concern basis which is based on a cashflow forecast of the Group that assumed the plans and measures in renegotiating with the Bondholder for alternative settlement proposal, and/or extension of the settlement of the convertible bonds and obtaining additional financing as detailed in Note 2.1.1 to the consolidated financial statements would be successful. However, as at the date of this report, except for the deed of funding undertaking entered into with the shareholders on 30 September 2025 to provide financing for up to US$30,000,000 which remain effective up to 30 September 2027 or upon the Group being able to obtain bank financing of US$30,000,000, there was no definitive outcome of other plans and measures so there are material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern. We have not been able to obtain sufficient appropriate audit evidence to satisfy ourselves that the events or conditions underpinning the cashflow forecast of the Group for going concern assessment are reasonable and supportable because of the lack of sufficient appropriate audit evidence from the management on the success and feasibility of:

(i) Whether the Group can liquidate its assets on time to finance needed funding requirements;

(ii) Whether the shareholders will be able to provide further funding to the Group under deed of funding undertaking, as and when needed, to meet the Group's working capital and scheduled loan repayments;

(iii) Whether the Group can successfully obtain financing through banks, capital market, or agree on alternative sources to finance the Settlement Plan (as defined in Note 24 to the consolidated financial statements) with the Bondholder; and

(iv) Whether the Group can successfully renegotiate the settlement schedule and restructuring of the convertible bonds.

There were no other satisfactory audit procedures that we could adopt to conclude whether it is appropriate to use the going concern assumption to prepare these consolidated financial statements.

Should the Group fail to achieve the plans and measures, as mentioned in Note 2.1.1 to the consolidated financial statements, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effect of these adjustments has not been reflected in these consolidated financial statements.

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors of the Company 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 of the Company 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 of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by HKICPA and to issue an auditor's report. Our report is made, solely to you, as a body, in accordance with our agreed terms of 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. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

Rongcheng (Hong Kong) CPA Limited
Certified Public Accountants
Lee Wai Chi
Practising Certificate Number: P07830

Hong Kong
25 June 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2026

	Notes	2026 US$'000	2025 US$'000
Revenue	5	**3,806**	14,038
Cost of services		**(3,416)**	(15,134)
Gross profit/(loss)		**390**	(1,096)
Other (loss)/gains, net	6	**(776)**	3,972
Other income	7	**106**	86
General and administrative expenses		**(2,320)**	(2,405)
Reversal of/(provision for) impairment losses on property, plant and equipment	14	**2,106**	(6,944)
Operating loss		**(494)**	(6,387)
Finance income	9	**36**	9
Finance costs	9	**(5,584)**	(3,996)
Finance costs – net		**(5,548)**	(3,987)
Loss before income tax	8	**(6,042)**	(10,374)
Income tax expense	11	**(8)**	(9)
Loss for the year		**(6,050)**	(10,383)
Loss attributable to:			
Owners of the Company		**(6,047)**	(10,375)
Non-controlling interest		**(3)**	(8)
		(6,050)	(10,383)
Other comprehensive income/(expense) for the year			
Item that may be reclassified subsequently to profit or loss			
Currency translation differences		**3,093**	(1,268)
Total comprehensive expense for the year		**(2,957)**	(11,651)
Total comprehensive expense attributable to:			
Owners of the Company		**(3,232)**	(11,529)
Non-controlling interest		**275**	(122)
		(2,957)	(11,651)
Loss per share attributable to owners of the Company			
Basic loss per share	12	**(US0.63 cents)**	(US1.09 cents)
Diluted loss per share	12	**(US0.63 cents)**	(US1.09 cents)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 US$'000	2025 US$'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	**16,279**	19,192
Investment properties	15	**76,272**	71,629
Right-of-use assets	26	**228**	82
		92,779	90,903
Current assets			
Trade receivables, deposits, prepayments and other receivables	17	**723**	1,669
Cash and cash equivalents	18	**1,394**	167
		2,117	1,836
Total assets		**94,896**	92,739
EQUITY			
Equity attributable to owners of the Company			
Share capital	19	**1,221**	1,221
Reserves	21	**2,067**	5,299
		3,288	6,520
Non-controlling interest		**4,572**	4,297
Total equity		**7,860**	10,817

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 US$'000	2025 US$'000
LIABILITIES			
Non-current liabilities			
Borrowings and loans	22	192	1,296
Convertible bonds	24	–	53,088
Deferred tax liabilities	23	18,226	17,116
		18,418	71,500
Current liabilities			
Other payables and accruals	25	8,041	7,725
Borrowings and loans	22	113	109
Convertible bonds	24	60,230	2,500
Lease liabilities	26	230	84
Tax payables		4	4
		68,618	10,422
Total liabilities		87,036	81,922
Total equity and liabilities		94,896	92,739

The consolidated financial statements on pages 125 to 206 were approved by the Board of Directors on 25 June 2026 and were signed on its behalf by:

Pan Zhongshan	**Sze Wing Kin Pierre**
Director	*Director*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2026

	Attributable to owners of the Company										
	Share capital US$'000	Share premium US$'000	Convertible bonds reserve US$'000	Share option reserve US$'000	Merger reserve (Note 21(a)) US$'000	Other reserves (Note 21(b)) US$'000	Exchange reserve US$'000	Accumulated losses US$'000	Total US$'000	Non-controlling interest US$'000	Total equity US$'000
Balance at 1 April 2024	1,221	54,684	38,954	101	(63,808)	13,636	(5,547)	(21,192)	18,049	4,419	22,468
Loss for the year	–	–	–	–	–	–	–	(10,375)	(10,375)	(8)	(10,383)
Other comprehensive expense											
Currency translation differences	–	–	–	–	–	–	(1,154)	–	(1,154)	(114)	(1,268)
Total comprehensive expense	–	–	–	–	–	–	(1,154)	(10,375)	(11,529)	(122)	(11,651)
Lapse/forfeit of share options (Note 20(ii))	–	–	–	(51)	–	–	–	51	–	–	–
Balance at 31 March 2025	1,221	54,684	38,954	50	(63,808)	13,636	(6,701)	(31,516)	6,520	4,297	10,817

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2026

	Attributable to owners of the Company										
	Share capital	Share premium	Convertible bonds reserve	Share option reserve	Merger reserve (Note 21(a))	Other reserves (Note 21(b))	Exchange reserve	Accumulated losses	Total	Non-controlling interest	Total equity
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Balance at 1 April 2025	1,221	54,684	38,954	50	(63,808)	13,636	(6,701)	(31,516)	6,520	4,297	10,817
Loss for the year	–	–	–	–	–	–	–	(6,047)	(6,047)	(3)	(6,050)
Other comprehensive income											
Currency translation differences	–	–	–	–	–	–	2,815	–	2,815	278	3,093
Total comprehensive income/ (expense)	–	–	–	–	–	–	2,815	(6,047)	(3,232)	275	(2,957)
Lapse/forfeit of share options (Note 20(ii))	–	–	–	(50)	–	–	–	50	–	–	–
Balance at 31 March 2026	1,221	54,684	38,954	–	(63,808)	13,636	(3,886)	(37,513)	3,288	4,572	7,860

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

	Notes	2026 US$'000	2025 US$'000
Cash flows from operating activities			
Loss before income tax		**(6,042)**	(10,374)
Adjustments for:			
Finance costs	9	**5,584**	3,996
Finance income	9	**(36)**	(9)
Depreciation of property, plant and equipment	14	**1,180**	3,899
Depreciation of right-of-use assets	26	**274**	246
Gain on disposal of subsidiaries	6	**–**	(3)
Gain on modification of convertible bonds	6	**–**	(3,180)
Reversal of expected penalty interest for convertible bonds	6	**–**	(4,002)
Loss on disposal of property, plant and equipment	6	**776**	3,213
(Reversal of)/provision for impairment losses on property, plant and equipment	14	**(2,106)**	6,944
Operating cash flows before movements in working capital		**(370)**	730
Decrease in trade receivables, deposits, prepayments and other receivables		**430**	1,274
Decrease in other payables and accruals		**(149)**	(565)
Cash (used in)/generated from operations		**(89)**	1,439
Income tax paid		**(9)**	(11)
Net cash (used in)/generated from operating activities		**(98)**	1,428
Cash flows from investing activities			
Purchase of property, plant and equipment		**(895)**	(1,470)
Proceeds from disposal of property, plant and equipment		**4,500**	6,000
Proceed from disposal of subsidiaries		**–**	3
Purchase of investment properties		**–**	(55)
Interest received		**36**	9
Net cash generated from investing activities		**3,641**	4,487

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

	Note	2026 US$'000	2025 US$'000
Cash flows from financing activities			
Repayments of bank borrowings		**(109)**	(106)
Interest paid		**(62)**	(522)
Redemption of convertible bonds		**(900)**	(1,000)
Proceeds from loans from ultimate holding company		**–**	70
Repayments of loans from ultimate holding company		**(971)**	(5,000)
Repayments of lease liabilities		**(274)**	(248)
Net cash used in financing activities		**(2,316)**	(6,806)
Net increase/(decrease) in cash and cash equivalents		**1,227**	(891)
Cash and cash equivalents at beginning of year		**167**	1,058
Cash and cash equivalents at end of year	18	**1,394**	167

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

Great Harvest Maeta Holdings Limited (the "Company") and its subsidiaries (together, the "Group") are principally engaged in chartering of dry bulk vessels and property investment and development. The principal activity of the Company is investment holding. Its parent is Ablaze Rich Investments Limited ("Ablaze Rich") (incorporated in British Virgin Islands) and the ultimate controlling parties are Mr. Yan Kim Po ("Mr. Yan") and Ms. Lam Kwan ("Ms. Lam").

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in United States dollars ("US$") which is also the functional currency of the Company and rounded to nearest thousand US$, unless otherwise stated.

2. Material Accounting Policy Information

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

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards issued by Hong Kong Institute of Certified Public Accountants ("HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, except for investment properties that are measured at fair value, at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the material accounting policy information set out below.

2. Material Accounting Policy Information (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Going concern basis

The Group reported a net loss of approximately US$6,050,000 for the year ended 31 March 2026. As at 31 March 2026, the Group's current liabilities exceeded its current assets by approximately US$66,501,000, which included borrowings and loans of approximately US$113,000 and convertible bonds of approximately US$60,230,000 that are repayable within one year, while the Group's cash and cash equivalents balance was approximately US$1,394,000. In addition, the Group has entered into agreements which will involve capital commitments of approximately US$259,000 in respect of investment properties project as at 31 March 2026.

As set out in Note 24, the Company entered into the Second Supplemental Settlement Agreement with the Guarantors and the Bondholder on 21 January 2025 which set out the repayment schedule of the convertible bonds ("Bonds") (the Settlement Plan, refer to Note 24 for details).

During the year ended 31 March 2026, the Company only repaid US$900,000 and there was US$1,600,000 instalments overdue and unpaid as at 31 March 2026 (the "Outstanding Instalment"). Subsequent to 31 March 2026, the Bondholder confirmed to the Company that the Company shall repay the Outstanding Instalment on or before 31 December 2026.

As the financial resources available to the Group as at 31 March 2026 and up to the date of approval of these consolidated financial statements for issuance may not be sufficient to satisfy operating and financing requirements together with the payment of capital expenditure when they fall due, the Group is actively pursuing additional financing including, but not limited to, debt financing and bank borrowings.

In view of such circumstances, certain plans and measures have been taken by the Group to improve their liquidity position, which include:

(i) Various settlement proposals and extension of the settlement of the Bonds

The Group has been actively negotiating with the Bondholder for various alternative settlement proposals for the Settlement Plan (as defined in Note 24), including but not limited to restructuring of the Bonds and partial settlement by assets, as well as extension of the settlement of the Bonds. Negotiation with the Bondholder is ongoing and no agreement has been reached as at the date of this report.

(ii) Financing through shareholders

On 30 September 2025, the Company entered into a deed of funding undertaking that Ablaze Rich, Mr. Yan and Ms. Lam have undertaken to provide funding of up to US$30,000,000 to the Group when funding notice issue by the Company within twenty four months of the date of the deed. The undertaking shall cease to have effect after twenty four months from the date of the deed or upon the Company or any member of the Group having obtained long-term external bank borrowings or other sources of long-term financing with a principal amount of not less than US$30 million, whichever is the earlier. As at 31 March 2026 and 2025, there was no loan obtained under the terms of deed and the aforesaid undertaking is still effective.

2. Material Accounting Policy Information (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Going concern basis (Continued)

(iii) Financing through capital market and banks

The Group has been conducting feasibility study on, and has been negotiating with potential investors in connection with, fundraising opportunities through the capital market, such as placement or issue of corporate bonds and/or other sources. Additionally, the Group has been actively negotiating with banks and other financial institutions with a view of seeking for other alternative financing and bank borrowings to refinance its existing financial obligations (including but not limited to the redemption amount of the Top Build Convertible Bonds) and to fund the Group's future operating and capital expenditures. Negotiation with potential investor(s), banks and other financial institutions is ongoing as at the date of this report.

(iv) Enhancement of operation of vessel chartering business

The Group continues its efforts to enhance its operation of chartering of dry bulk vessels to improve its cash flow from operations, and further control capital and operating expenditures to strengthen its working capital and mitigate the potential market fluctuation.

The directors of the Company have reviewed the Group's cash flow projection for a period covering not less than twelve months from 31 March 2026. Assuming that the above plans and measures would be successful in obtaining additional financing and extension of the settlement as well as restructuring of the Bonds, the directors of the Company accordingly consider it is appropriate that the Group will have sufficient working capital to meet its cash flow requirements in the next twelve months. The directors of the Company are satisfied that it is appropriate to prepare these consolidated financial statements on a going concern basis.

2. Material Accounting Policy Information (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Going concern basis (Continued)

Notwithstanding the above, material uncertainties exist as to whether the Group can achieve the plans and measures described above to generate adequate cash inflow as scheduled. The sufficiency of the Group's working capital to satisfy its present requirements for at least the next twelve months from the date of approval of these consolidated financial statements for issuance is dependent on the followings:

(i) Whether the Group can liquidate its assets on time to finance needed funding requirements;

(ii) Whether the shareholders will be able to provide further funding to the Group under the above-mentioned deed of funding undertaking, as and when needed, to meet the Group's working capital and scheduled loan repayments;

(iii) Whether the Group can successfully obtain financing through banks, capital market, or agree on alternative sources to finance the Settlement Plan (as defined in Note 24) with the Bondholder; and

(iv) Whether the Group can successfully renegotiate the settlement schedule and restructuring of the Bonds.

Should the Group be unable to operate as a going concern, adjustments would have to be made to reduce the carrying values of the Group's assets to their realisable values, to provide for financial liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

2. Material Accounting Policy Information (Continued)

2.1 Basis of preparation (Continued)

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

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

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to an HKFRS Accounting Standard in the current year had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2.1.3 New and amendments to HKFRS Accounting Standards issued but not yet effective

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

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[2]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature – Dependent Electricity[2]
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency[3]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[3]

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

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

2. Material Accounting Policy Information (Continued)

2.1 Basis of preparation (Continued)

2.1.3 New and amendments to HKFRS Accounting Standards issued but not yet effective (Continued)

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS Accounting Standards, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (the title of which will be changed to Basis of Preparation of Financial Statements upon effective of HKFRS 18) and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made. HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

The material accounting policy information are set out below.

2.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and cease when the Group loses control of the subsidiary.

Income and expenses of subsidiaries are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

2. Material Accounting Policy Information (Continued)

2.2 Basis of consolidation (Continued)

Profit or loss and each component of other comprehensive income of subsidiaries are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group are eliminated in full on consolidation.

Non-controlling interest in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interest entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

2.3 Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

2.4 Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. US$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interest as appropriate).

2. Material Accounting Policy Information (Continued)

2.5 Property, plant and equipment

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

Cost includes expenditure that is 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 charged to the profit or loss during the period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Vessels	25 years
Office equipment	3 - 5 years

Vessel component costs include the cost of major components which are usually replaced or renewed at dry dockings. This cost is depreciated over the period to the next dry docking. Costs incurred on subsequent dry docking of vessel are capitalised as part of the cost of vessel and depreciated on a straight-line basis over the estimated period until the next dry docking.

The assets' residual values and estimated useful lives are reviewed, at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposals or retirement of an item of property, plant and equipment are determined by comparing net sales proceeds with carrying amount of the relevant assets and are recognised within "other (loss)/gains, net" in the consolidated statement of profit or loss and other comprehensive income.

2. Material Accounting Policy Information (Continued)

2.6 Investment properties

Investment property, principally comprising leasehold land, is held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group. It also includes properties that are being constructed or developed for future use as investment properties. Land held under operating leases are accounted for as investment properties when the rest of the definition of an investment property is met. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by independent professional external valuer. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in the consolidated statement of profit or loss and other comprehensive income as part of a fair value gain or loss in "other (loss)/gains, net".

2.7 Impairment losses on property, plant and equipment and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit ("CGUs") to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are 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 for which the estimates of future cash flows have not been adjusted.

2. Material Accounting Policy Information (Continued)

2.7 Impairment losses on property, plant and equipment and right-of-use assets (Continued)

If the recoverable amount of an asset (or CGUs) is estimated to be less than its carrying amount, the carrying amount of the asset (or the CGUs) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of CGUs, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of CGUs, with the recoverable amount of the group of CGUs. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of CGUs. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of CGUs. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or the CGUs) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or the CGUs) in prior years. A reversal of an impairment loss is recognised as income immediately.

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 "Revenue from Contracts with Customers". Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair values of the financial assets or financial liabilities, as appropriate, on initial recognition.

(a) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

(i) Financial assets at amortised cost (debt instruments)

The Group measures financial assets subsequently at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment.

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(a) Financial assets (Continued)

(i) Financial assets at amortised cost (debt instruments) (Continued)

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding the expected credit losses ("ECL"), through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired.

Interest income is recognised in profit or loss and is included in the "finance income" line item (note 9).

(ii) Impairment of financial assets

The Group recognises a loss allowance for ECL on financial assets measured at amortised cost. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(a) Financial assets (Continued)

(ii) Impairment of financial assets (Continued)

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date.

Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated individually for customers with significant balances or credit-impaired and/or collectively using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, including other receivables, deposits, other receivables due from related companies and cash and cash equivalents, the Group measures the loss allowance equal to 12m ECL, unless when there has a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(a) Financial assets (Continued)

(ii) Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) credit rating;
- significant deterioration in external market indicators of credit risk for a particular debtor, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(a) Financial assets (Continued)

(ii) Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if (i) the financial instrument has a low risk of default; (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(a) Financial assets (Continued)

(ii) Impairment of financial assets (Continued)

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(a) Financial assets (Continued)

(ii) Impairment of financial assets (Continued)

Write-off policy

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, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. 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.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the ECL is estimated 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, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12m ECL at the current reporting date, except for trade receivables for which simplified approach was used.

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.

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(a) Financial assets (Continued)

(iii) Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

(b) Financial liabilities and equity instruments

(i) Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

(iii) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(b) Financial liabilities and equity instruments (Continued)

(iv) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Modification of financial liabilities

A substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the Group) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The Group considers that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. Accordingly, such exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. The exchange or modification is considered as non-substantial modification when such difference is less than 10 per cent.

Non-substantial modifications of financial liabilities

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

2. Material Accounting Policy Information (Continued)

2.9 Cash and cash equivalents

In the consolidated statement of financial position, cash and cash equivalents comprise cash (i.e. cash on hand and demand deposits) and cash equivalents. Cash equivalents are short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather for investment or other purposes.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

2.10 Borrowings costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in consolidated statement of profit or loss and other comprehensive income in the period in which they are incurred.

2. Material Accounting Policy Information (Continued)

2.11 Convertible bonds

Convertible bonds issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible bonds and the fair value assigned to the liability component, representing the conversion option for the holder to convert the bonds into equity, is included into equity (convertible bonds reserve).

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible bonds reserve until the conversion option is exercised (in which case the balance stated in convertible bonds reserve will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible bonds reserve will be released to the accumulated losses. No gain or loss is recognised in profit or loss upon conversion or expiration of the convertible bonds.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

2. Material Accounting Policy Information (Continued)

2.12 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "loss before income tax" as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except 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 assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of their assets and liabilities.

2. Material Accounting Policy Information (Continued)

2.12 Taxation (Continued)

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment properties are depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties under construction over time, rather than through sale. If the presumption is rebutted, deferred tax liabilities and deferred tax assets for such investment properties under construction are measured in accordance with the general principles above as set out in HKAS 12 "Income Taxes" (i.e. based on the expected manner as to how the property will be recovered).

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle current tax liabilities and assets on a net basis.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 "Income Taxes" requirements to right-of-use assets and lease liabilities separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised and a deferred tax liability for all taxable temporary differences.

Current and deferred tax are recognised in profit or loss.

2. Material Accounting Policy Information (Continued)

2.13 Retirement benefits cost and obligation

The Group operates the defined contribution pension plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as 'employee benefit expense' when they are due. Prepaid contribution are recognise as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Group has offered a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group in funds under the control of trustees. Contributions are made by both the employer and the employees based on a certain percentage of the employees' relevant income. The Group's contributions will be fully and immediately vested in the employees' accounts as their accrued benefits in the scheme.

The employees of the Group's subsidiary which operates in the People's Republic of China (the "PRC") is required to participate in a central pension scheme operated by the local municipal government. The subsidiary is required to contribute to the central pension scheme at a fixed rate of the employees' salary costs. The contributions are charged to the consolidated statement of profit or loss and other comprehensive income as they become payable in accordance with the rules of the central pension scheme.

2.14 Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

2. Material Accounting Policy Information (Continued)

2.15 Share-based payments

(a) Equity-settled share-based payment transactions

Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the date of grant is expensed on a straight-line basis over the vesting period or recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share option reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share option reserve.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated losses.

Share options granted to non-employees

Share options issued in exchange for goods or services are measured at the fair values of the goods or services received, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The fair values of the goods or services received are recognised as expenses, with a corresponding increase in equity (share option reserve), when the Group obtains the goods or when the counterparties render services, unless the goods or services qualify for recognition as assets.

2.16 Provisions

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

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

2. Material Accounting Policy Information (Continued)

2.17 Revenue from contracts with customers

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Group recognised revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to customers.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same. For contracts that contain more than one performance obligation, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

- The Group's performance creates and enhances an asset that the customer controls as the asset is created and enhanced; or

- The Group's performance 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.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods or service.

2. Material Accounting Policy Information (Continued)

2.17 Revenue from contracts with customers (Continued)

Revenue is measured based on the consideration specified in a contract with a customer, excludes amounts collected on behalf of third parties, discounts and sales related taxes.

Contract asset and contract liability

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9 "Financial Instruments". In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

Revenue from chartering of vessels

Revenue is recognised over time when the Group transfers control of the services over time, based on daily hire or freight rate with reference to the voyage details such as cargo quantity, port loading and discharging information. When either party to a contract has performed, the Group presents the contract in the consolidated statement of financial position as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

2. Material Accounting Policy Information (Continued)

2.18 Leasing

(a) *Definition of a lease*

A contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

(b) *The Group as lessee*

For contracts entered into or modified on or after the date of initial application of HKFRS 16 "Leases", the Group assesses whether a contract is or contains a lease, at inception of the contract or modification date, as appropriate. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short term leases (defined as leases with a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense in profit or loss on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

At the commencement date of a lease, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

2. Material Accounting Policy Information (Continued)

2.18 Leasing (Continued)

(b) The Group as lessee (Continued)

Lease liabilities (Continued)

Lease liability is remeasured (and with a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using revised discount rate.

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less lease incentives received. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, provision is recognised and measured under HKAS 37 "Provision, Contingent Liabilities and Contingent Assets". The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. They are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group presents right-of-use assets as a separate line item in the consolidated statement of financial position.

The Group applies HKAS 36 "Impairment of Assets" to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

2. Material Accounting Policy Information (Continued)

2.19 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 related to income 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.

2.20 Fair value measurement

When measuring fair value, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation technique for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation technique for which the lowest level input that is significant to the fair value measurement is unobservable.

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

3. Financial Risk Management

3.1 Categories of financial instruments

	2026 US$'000	2025 US$'000
Financial assets		
Financial assets at amortised cost	**1,912**	1,706
Financial liabilities		
Financial liabilities at amortised cost	**68,442**	64,638

3.2 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(a) Market risk

(i) Foreign exchange risk

Foreign currency risk is the risk that the value of a financial instrument fluctuates because of the changes in foreign exchange rates.

The operation of the Group's vessel chartering business and property investment and development business are primarily in US$ and Renminbi ("RMB") respectively, with small extent in Hong Kong dollars ("HK$"). Foreign exchange risk arises when recognised financial assets and liabilities are denominated in a currency that is not the entity's functional currency.

The financial assets and liabilities of the subsidiaries of the Group in Hong Kong and the PRC are primarily denominated in US$ and RMB, respectively. As the Group does not have significant foreign currency transactions and balances, management believes that the exchange rate risk for translation between HK$ and US$, and RMB and US$ do not have material impact to the Group. Foreign currency sensitivity analysis is not presented.

3. Financial Risk Management (Continued)

3.2 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Cash flow and fair value interest rate risk

The Group is exposed to fair value interest rate risk arising from loans from the ultimate holding company (Note 22), convertible bonds (Note 24) and lease liabilities (Note 26). The Group is also exposed to cash flow interest risk arising from floating rate bank borrowings (Note 22), net-off by bank deposits.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuations of Hong Kong Dollars Best Lending Rate ("Prime Rate") arising from the Group's variable-rate bank borrowings.

Except for the loans from the ultimate holding company bearing a fixed interest rate at 4% per annum, convertible bonds bearing a fixed interest rate at 8% per annum and bank borrowings bearing floating interest rates, the Group has no significant interest-bearing assets and liabilities.

The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. Sensitivity analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. Bank balances are excluded from sensitivity analysis as the management considers that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant.

As at 31 March 2026, if interest rates on bank borrowings had been increased/decreased by 190 (2025: 190) basis points with all other variables held constant, the Group's pre-tax loss for the year would have been increased/decreased by approximately US$1,000 (2025: US$8,000), mainly as a result of fluctuation on interest expense on variable rate bank borrowings.

The management of the Group have not adjusted the sensitivity rate for assessing interest rate risk after considering the impact of the volatile financial market conditions as at 31 March 2026 and 2025.

3. Financial Risk Management (Continued)

3.2 Financial risk factors (Continued)

(b) Credit risk

Credit risk is managed on a group basis. The Group's credit risk mainly arises from cash and cash equivalents, trade receivables, deposits and other receivables including amounts due from related companies. The maximum exposure to credit risk is represented by the carrying amounts of each financial asset in the consolidated statement of financial position. Management has policies in place to monitor the exposures to these credit risks on an on-going basis.

For cash and cash equivalents, they are all deposited or traded with high quality financial institutions without significant credit risk.

Apart from major customers disclosed in Note 5, management considered there is no significant concentration of credit risk. The Group has put in place policies to ensure that services are provided to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers.

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which permits the uses a lifetime expected loss allowance for all trade receivables.

The Group recognised lifetime expected loss provision for all trade receivables carried at amortised cost based on either individually customers who are long overdue with significant amounts or known insolvencies or non-response to collection activities, or collectively assessing them for likelihood of recovery based on ageing of the balances with similar credit risk characteristics taking into account the forward looking information.

3. Financial Risk Management (Continued)

3.2 Financial risk factors (Continued)

(b) Credit risk (Continued)

Management reviews the recoverable amount of each individual trade receivable regularly, if any, to ensure that adequate impairment losses are recognised for irrecoverable amounts. In this regard, the management considers that the Group's credit risk is significantly reduced. The loss allowance provision as at 31 March 2026 and 2025 is illustrated as below:

As at 31 March 2026	Lifetime expected loss rate	Gross carrying amount US$'000	Lifetime expected credit loss US$'000	Net carrying amount US$'000
Collective assessment current				
1 to 30 days past due	0%	–	–	–
31 to 60 days past due	0%	–	–	–
61 to 365 days past due	0%	–	–	–
Past due over 1 year	0%*	12	–	12
		12	–	12

As at 31 March 2025	Lifetime expected loss rate	Gross carrying amount US$'000	Lifetime expected credit loss US$'000	Net carrying amount US$'000
Collective assessment current				
1 to 30 days past due	0%*	1,069	–	1,069
31 to 60 days past due	0%*	1	–	1
61 to 365 days past due	0%	–	–	–
Past due over 1 year	0%	–	–	–
		1,070	–	1,070

* Lifetime expected loss rate below 0.1% with amount less than US$1,000, thus no provision provided.

The credit quality of deposits and other receivables including amounts due from related companies have been assessed with reference to historical information about the counterparties default. Management does not believe the credit risk are significant, considering counterparties do not have defaults in the past and management does not expect any losses from non-performance by these counterparties. No impairment provision has to be recognised during the year based on 12m ECL.

3. Financial Risk Management (Continued)

3.2 Financial risk factors (Continued)

(c) Liquidity risk

The amount of net current liabilities of the Group is approximately US$66,501,000 as at 31 March 2026, which causes the Group in significant liquidity risk. At the end of the reporting period, the Group has taken appropriate measures as set out in Note 2.1.1 to mitigate such liquidity risk.

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of other borrowings and loans from ultimate holding company and ensures compliance with loan covenants, if any.

Liquidity risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which the Group can be required to pay. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates except, as at 31 March 2026, convertible bonds amounted to US$60,230,000 (2025: US$2,500,000) are included in the "on demand or less than 1 year" time band in the maturity analysis below.

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

	On demand or less than 1 year US$'000	Between 1 and 2 years US$'000	Between 2 and 5 years US$'000	Over 5 years US$'000	Total undiscounted cash flows US$'000	Carrying amount US$'000
As at 31 March 2026						
Borrowings and loans	120	120	77	–	317	305
Convertible bonds	64,353	–	–	–	64,353	60,230
Other payables and accruals	7,907	–	–	–	7,907	7,907
	72,380	120	77	–	72,577	68,442
Lease liabilities	233	–	–	–	233	230

3. Financial Risk Management (Continued)

3.2 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

Liquidity risk tables (Continued)

	On demand or less than 1 year US$'000	Between 1 and 2 years US$'000	Between 2 and 5 years US$'000	Over 5 years US$'000	Total undiscounted cash flows US$'000	Carrying amount US$'000
As at 31 March 2025						
Borrowings and loans	120	1,159	197	–	1,476	1,405
Convertible bonds	2,500	62,753	–	–	65,253	55,588
Other payables and accruals	7,645	–	–	–	7,645	7,645
	10,265	63,912	197	–	74,374	64,638
Lease liabilities	85	–	–	–	85	84

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

3. Financial Risk Management (Continued)

3.3 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditure and projected strategic investment opportunities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, repurchase the Company's shares, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total debts divided by total assets. Total debts are calculated as total borrowings, loans and convertible bonds. As at 31 March 2026, the gearing ratio is 63.8% (2025: 61.5%).

3.4 Fair value estimation

The carrying amounts for the Group's financial assets and financial liabilities approximate their fair values.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in Note 2, the directors of the Company are required to make judgements, estimates and assumptions about the amounts of assets, liabilities, equity, income and expenses reported and disclosures made in the consolidated financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

Critical judgements in applying the accounting policies

The followings are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised and disclosures made in the consolidated financial statements.

(a) Going concern consideration

In the process of applying the Group's accounting policies, apart from those involving estimations, management has prepared the consolidated financial statements on the assumption that the Group will be able to operate as a going concern in the coming year, which is a critical judgement that has the most significant effect on the amounts recognised in the consolidated financial statements. The assessment of the going concern assumption involves making a judgement by the directors of the Company, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The directors of the Company consider that the Group has the capability to continue as a going concern and the major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt upon the going concern assumption are set out in Note 2.1.1 to the consolidated financial statements.

(b) Current and deferred taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences would impact the current and deferred tax assets and liabilities in the period in which such determination is made.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

Key sources of estimation uncertainty

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) Impairment of property, plant and equipment

At each period end of financial reporting period, the Group reviews internal and external sources of information to identify indications that the property, plant and equipment may be impaired or an impairment loss previously recognised no longer exists or may have decreased.

If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the consolidated statement of profit or loss and other comprehensive income whenever the carrying amount of an asset exceeds its recoverable amounts. If an indication of impairment is identified, the Group is required to estimate the recoverable value, representing the higher of the asset's fair value less cost to disposal or its value in use. Changes in any of these estimates could result in a material change to the asset carrying amount in the consolidated financial statements.

As at 31 March 2026, the carrying amounts of property, plant and equipment was approximately US$16,279,000 (2025: US$19,192,000). During the year ended 31 March 2026, reversal of impairment losses of approximately US$2,106,000 (2025: provision for impairment losses of approximately US$6,944,000) on property, plant and equipment was recognised in profit or loss. Details of the impairment assessment of property, plant and equipment are disclosed in Note 14.

(b) Fair value of investment properties

The fair values of the investment properties are determined at the end of each reporting period by an independent professional external valuer (the "Valuer") based on a market value assessment. The Valuer has relied on the direct comparison method as the primary method, supported by the residual method. Management also determines fair value based on active market prices and adjusted if necessary for any difference in nature, location or conditions of the specific asset, and uses alternative valuation methods such as recent prices on less active markets.

As at 31 March 2026, the carrying amount of investment properties is approximately US$76,272,000 (2025: US$71,629,000).

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

Key sources of estimation uncertainty (Continued)

(c) Impairment of financial assets – expected credit loss

The loss allowances for financial assets are based on assumptions about risk of default and expected credit loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Changes in these assumptions and estimates could materially affect the result of the assessment and it may be necessary to make additional impairment loss to profit or loss. As at 31 March 2026, the carrying amount of financial assets is approximately US$1,912,000 (2025: US$1,706,000).

5. Revenue and Segment Information

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker ("CODM") (i.e. executive directors), that are used to make strategic decisions and allocate resources.

The operating segments comprise:

– Chartering of vessels

– Property investment and development

HKFRS 8 "Operating Segments" requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by CODM in order to allocate resources to segments and to assess their performance.

The performance of the operating segments was assessed based on their segment profit or loss before income tax expense, which is measured in a manner consistent with that in the consolidated financial statements.

Segment assets are those operating assets that are employed by a segment in its operating activities. Segment assets exclude corporate assets, which are managed on a central basis.

Segment assets reported to the CODM are measured in a manner consistent with that in the consolidated financial statements. No analysis of segment liabilities is presented as it is not regularly provided to the CODM.

5. Revenue and Segment Information (Continued)

(a) Segment revenue, results and other information

	Chartering of vessels US$'000	Property investment and development US$'000	Unallocated US$'000	Total US$'000
Year ended 31 March 2026				
Revenue recognised over time	3,806	–	–	3,806
Depreciation of property, plant and equipment	(1,180)	–	–	(1,180)
Reversal of impairment losses on property, plant and equipment	2,106	–	–	2,106
Loss on disposal of property, plant and equipment	(776)	–	–	(776)
Finance costs	(19)	(5,542)	(23)	(5,584)
Segment loss before income tax	(37)	(5,587)	(418)	(6,042)
Income tax expense				(8)
Loss for the year				(6,050)

5. Revenue and Segment Information (Continued)

(a) Segment revenue, results and other information (Continued)

	Chartering of vessels US$'000	Property investment and development US$'000	Unallocated US$'000	Total US$'000
Year ended 31 March 2025				
Revenue recognised over time	14,038	–	–	14,038
Depreciation of property, plant and equipment	(3,899)	–	–	(3,899)
Provision for impairment losses on property, plant and equipment	(6,944)	–	–	(6,944)
Loss on disposal of property, plant and equipment	(3,213)	–	–	(3,213)
Gain on disposal of subsidiaries	–	–	3	3
Gain on modification of convertible bonds	–	3,180	–	3,180
Reversal of expected penalty interest for convertible bonds	–	4,002	–	4,002
Finance costs	(22)	(3,868)	(106)	(3,996)
Segment (loss)/profit before income tax	(13,098)	3,210	(486)	(10,374)
Income tax expense				(9)
Loss for the year				(10,383)

Segment profit/(loss) represents the profit/(loss) from each segment without allocation of central general and administrative expenses and finance costs. This is the measure reported to CODM for the purposes of resource allocation and performance assessment.

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 2.

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5. Revenue and Segment Information (Continued)

(b) Segment assets

	Chartering of vessels US$'000	Property investment and development US$'000	Unallocated US$'000	Total US$'000
As at 31 March 2026				
Segment assets	**17,950**	**76,792**	**154**	**94,896**
As at 31 March 2025				
Segment assets	20,516	72,118	105	92,739

All assets are allocated to operating segments other than certain deposits, prepayments, other receivables and certain cash and cash equivalents as these assets are managed on group basis.

(c) Revenue from major services

During the years ended 31 March 2026 and 2025, revenue is recognised over time when the Group transfers control of the services over time, based on daily hire or freight rate with reference to the voyage details such as cargo quantity, port loading and discharging information.

All unsatisfied vessel chartering service contracts are for periods of less than one year. As permitted under HKFRS 15 "Revenue from Contracts with Customers", the transaction price allocated to these unsatisfied contracts is not disclosed.

(d) Geographical information

Due to the nature of the provision of vessels chartering services, which are carried out internationally, the directors of the Company consider that it is not meaningful to provide the revenue information by geographical segment. For property investment and development business, the investment properties are still under development. Accordingly, geographical segment revenue is not presented. Information about the Group's non-current assets (other than chartering of vessels) is presented based on the geographical location of the assets.

	2026 US$'000	2025 US$'000
The People's Republic of China (the "PRC")	**76,272**	71,629
Hong Kong	**229**	83
	76,501	71,712

5. Revenue and Segment Information (Continued)

(e) Information about major customers

Revenue arising from the provision of vessels chartering for individual customers during the year contributing over 10% of total revenue of the Group is as follows:

	2026 US$'000	2025 US$'000
Customer A	1,060	–#
Customer B	–*	3,648
Customer C	2,740	3,269

* Revenue arising from the provision of vessels chartering services for Customer B in 2026 contributed less than 10% of total revenue of the Group.

\# Revenue arising from the provision of vessels chartering services for Customer A in 2025 contributed less than 10% of total revenue of the Group.

(f) Contract liabilities related to the contracts with customers

As at 31 March 2026, contract liabilities included in other payables and accruals amounted to approximately US$134,000 (2025: US$80,000) (Note 25).

Revenue recognised for the year ended 31 March 2026 that was included in the contract liabilities as at 1 April 2025 is approximately US$80,000 (2025: US$221,000).

6. Other (Loss)/Gains, Net

	2026 US$'000	2025 US$'000
Gain on modification of convertible bonds (Note 24)	–	3,180
Reversal of expected penalty interest for convertible bonds	–	4,002
Loss on disposal of property, plant and equipment	(776)	(3,213)
Gain on disposal of subsidiaries (Note)	–	3
	(776)	3,972

Note: During the year ended 31 March 2025, the Group disposed of subsidiaries with nil net assets value to an independent third party with approximately US$3,000 cash consideration. A gain on disposal of approximately US$3,000 was recognised.

7. Other Income

	2026 US$'000	2025 US$'000
Sundry income	106	86

8. Loss before income tax

Loss before income tax is stated after charging the following:

	2026 US$'000	2025 US$'000
Depreciation of property, plant and equipment (Note 14)	1,180	3,899
Depreciation of right-of-use assets (Note 26)	274	246
Crew expenses (included in cost of services)	1,111	2,221
Auditor's remuneration – audit services	54	53
Employee benefit expenses (including directors' emoluments) (Note 10)	1,315	1,380

9. Finance Costs – Net

	2026 US$'000	2025 US$'000
Finance income		
Interest income	36	9
Finance costs		
Interest expense on borrowings and loans	33	122
Interest expense on convertible bonds – non-cash (Note 24)	5,542	3,868
Interest expense on lease liabilities (Note 26)	9	6
	5,584	3,996

10. Employee Benefit Expenses

	2026 US$'000	2025 US$'000
Fee, salaries and other benefits	1,291	1,351
Post-employment benefit – defined contribution plans	24	29
	1,315	1,380

Five highest paid individuals

Of the five individuals with the highest remunerations in the Group, three (2025: two) were directors of the Company whose emoluments are reflected in analysis shown in Note 32. The emoluments of the remaining two (2025: three) individuals were as follows:

	2026 US$'000	2025 US$'000
Salaries	309	519
Post-employment benefit – defined contribution plans	5	7
	314	526

There was no discretionary bonuses based on the Group's performance paid to five highest paid individuals during both years.

10. Employee Benefit Expense (Continued)

Five highest paid individuals (Continued)

The emoluments fell within the following bands:

	Number of individuals	
	2026	2025
HK$500,001 to HK$1,000,000 (equivalent to US$64,103 to US$128,205)	**1**	1
HK$1,000,001 to HK$1,500,000 (equivalent to US$128,206 to US$192,308)	**–**	–
HK$1,500,001 to HK$2,000,000 (equivalent to US$192,309 to US$256,410)	**1**	2

No emoluments were paid or payable to the directors of the Company and above highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 March 2026 and 2025.

11. Income Tax Expense

Under the two-tiered profits tax rates regime of Hong Kong profits tax, the first HK$2 million of assessable profits of qualifying corporation under Hong Kong profits tax will be taxed at 8.25%, and assessable profits above HK$2 million will be taxed at 16.5%. For the years ended 31 March 2026 and 2025, Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The assessable profits of other entities of the Group not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the rate of 16.5%. The subsidiaries established in the PRC are subject to corporate income tax rate of 25% for both years.

	2026 US$'000	2025 US$'000
Current income tax		
Hong Kong Profits Tax	**8**	9
Income tax expense	**8**	9

11. Income Tax Expense (Continued)

The income tax expense on the Group's loss before income tax differs from the theoretical amount that would arise using the tax rate of the home country of the Company as follows:

	2026 US$'000	2025 US$'000
Loss before income tax	(6,042)	(10,374)
Calculated at tax rate of 16.5% (2025: 16.5%)	(997)	(1,712)
Effect of different tax rate for the PRC entities	(3)	(8)
Deemed profits tax for assessable profit of a subsidiary	17	19
Effect of different tax rate for a Hong Kong subsidiary	(8)	(9)
Income not subject to tax	(995)	(1,751)
Expenses not deductible for tax purpose	1,985	3,447
Tax losses not recognised	9	23
Income tax expense	8	9

Note:

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profit is probable.

As at 31 March 2026, the Group did not recognise deferred tax assets in respect of tax losses amounting to approximately US$614,000 (2025: US$707,000) due to the unpredictability of future profit streams that will expire in 1 to 5 years.

12. Loss Per Share

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

	2026 **US$'000**	2025 US$'000
Loss		
Loss for the year attributable to owners of the Company for the purposes of basic loss per share	**(6,047)**	(10,375)

	2026 **'000**	2025 '000
Number of shares		
Weighted average number of ordinary shares for the purposes of basic loss per share	**952,614**	952,614

For the years ended 31 March 2026 and 2025, the computation of diluted loss per share does not assume the exercise of the Company's share options and the conversion of the Company's outstanding convertible bonds since their assumed exercise would result in a decrease in loss per share.

13. Dividends

The directors of the Company do not recommend the payment of a final dividend for the years ended 31 March 2026 and 2025.

14. Property, Plant and Equipment

	Vessels	Office equipment	Total
	US$'000	US$'000	US$'000
Cost			
At 1 April 2024	166,867	16	166,883
Additions	1,470	–	1,470
Disposal	(71,705)	–	(71,705)
At 31 March 2025 and 1 April 2025	96,632	16	96,648
Additions	895	–	895
Disposal	(47,987)	–	(47,987)
At 31 March 2026	**49,540**	**16**	**49,556**
Accumulated Depreciation and Impairment			
At 1 April 2024	129,595	15	129,610
Charge for the year	3,899	–	3,899
Provision for impairment losses recognised in profit or loss	6,944	–	6,944
Elimination on disposal	(62,997)	–	(62,997)
At 31 March 2025 and 1 April 2025	77,441	15	77,456
Charge for the year	1,180	–	1,180
Reversal of impairment losses recognised in profit or loss	(2,106)	–	(2,106)
Elimination on disposal	(43,253)	–	(43,253)
At 31 March 2026	**33,262**	**15**	**33,277**
Net Book Values			
At 31 March 2026	**16,278**	**1**	**16,279**
At 31 March 2025	19,191	1	19,192

Depreciation expenses of approximately US$1,180,000 (2025: US$3,899,000) have been charged in 'cost of services'.

Management regards each individual vessel as a separately identifiable CGUs. The Group usually enters charter hire contracts for periods of 3 to 12 months in the spot market.

14. Property, Plant and Equipment (Continued)

In assessing impairment loss, internal and external sources of information are considered in assessing the fair market value and value-in-use. The value-in-use of the vessels is assessed based on assumptions and estimates of vessels' future earnings and appropriate pre-tax discount rates to derive the present value of those earnings. The discount rates used to the value in use calculation on owned vessels was 8.3% (2025: 8.6%), which are based on the industry sector risk premium relevant to the CGUs and the applicable gearing ratio of the CGUs.

The following describes each key assumption on which management has based its cash flow projections to undertake reversal impairment testing of vessels:

Discount rate – The discount rate used is before tax and reflects specific risks in respect of the related vessels.

Growth rate – The growth rate is based on the estimated growth rate taking into account the industry growth rate, past experience and the medium-term or long-term growth target.

The fair value less costs of disposal is based on valuations performed by a leading international company specialised in vessels valuation. The fair value of the vessels were primarily determined based on the direct comparison method with reference to recent sales of comparable vessels.

As of 31 March 2026, the recoverable amount of vessel amounting to approximately US$16,278,000, which was determined by fair value less cost to disposal. Since the recoverable amount of vessel was higher than its carrying amount resulted from the rebound of the dry bulk market, reversal of impairment losses of approximately US$2,106,000 was recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2026.

As of 31 March 2025, the aggregate recoverable amounts of vessels amounting to approximately US$19,191,000, which were determined by fair value less cost to disposal. Since the recoverable amounts of each of the two vessels were lower than their respective carrying amounts, impairment losses of approximately US$6,944,000 was recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2025.

During the year ended 31 March 2026, the Group disposed a vessel with carrying amount of approximately US$4,734,000 together with prepayment of bulker oil of approximately US$542,000 form part of disposal to an independent third party at a cash consideration of US$4,500,000. A loss on disposal of approximately US$776,000 was recognised. The details were set out in the Company's announcement dated 19 June 2025.

During the year ended 31 March 2025, the Group disposed a vessel with carrying amount of approximately US$8,708,000 together with prepayment of bulker oil of approximately US$505,000 form part of disposal to an independent third party at a cash consideration of approximately US$6,000,000. A loss on disposal of approximately US$3,213,000 was recognised. The details were set out in the Company's announcement dated 12 July 2024.

15. Investment Properties

	2026 US$'000	2025 US$'000
At fair value		
At 1 April	71,629	73,474
Additions	–	55
Exchange difference	4,643	(1,900)
At 31 March	76,272	71,629

The above investment properties represented a commercial properties project being vacant in the Hainan province, the PRC.

The Group's investment properties are held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties through use. The Group has measured the deferred tax relating to the temporary differences of these investment properties using the tax rates and the tax bases that are consistent with the expected manner of recovery of these investment properties.

The fair value measurement is categorised in Level 3 fair value hierarchy.

There were no transfers into or out of Level 3 during both years.

Valuation processes of the Group

The Group's investment properties were valued at 31 March 2026 and 2025 by an independent professionally qualified valuer who holds a recognised relevant professional qualification and has recent experience in the locations and segments of the investment properties valued.

Discussions of valuation processes and results are held between the chief financial officer and the valuer at least once every six months, in line with the Group's interim and annual reporting dates. As at 31 March 2026 and 2025, the fair values of the properties have been determined by Vincorn Consulting & Appraisal Limited.

15. Investment Properties (Continued)

Valuation techniques

There has been no change from the valuation technique used in the prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Fair values of investment properties of the Group are generally derived using the direct comparison method. Given the unique nature and lack of recent transaction of certain properties, significant adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration. The significant unobservable inputs include:

Time adjustment:	Based on market trend of similar property between the transaction date of the comparable and the valuation date.
Location adjustment:	Based on the distance to the city centre, the development of the transport network and other community facility service.
Land use right adjustment:	Based on the best use of the property for the highest value in the market.
Size adjustment:	Based on the buildable area of the property.

15. Investment Properties (Continued)

Valuation techniques (Continued)

Unobservable inputs	Range of unobservable input	Relationship of unobservable inputs to fair value
Time adjustment	-4.8% to -0.2% (2025: -5% to 0.2%)	The upward market trend will have positive impact on adjustment and thus increase in fair value.
Location adjustment	-5% to 0% (2025: -5% to -3%)	The better location will have positive impact on adjustment, thus increase in fair value.
Land use right adjustment	5% to 25% (2025: -9.9% to -1%)	The better designated use of the property will have positive impact on adjustment, thus increase in fair value.
Size adjustment	-6.5% to -5.2% (2025: -6.3% to -2.2%)	The increase in buildable area will have positive impact on total adjustment, thus increase fair value. However, this may be partially offset by a negative impact on adjustment per unit.

There were no changes in valuation methodologies during the year.

The Group intends to use the investment properties for the development of villas, low-rise apartments, and office, retail, carparking and other ancillary facilities, which is yet to be approved by the local government and whether additional land premium is required is uncertain.

Should the intended uses be impermissible under the current legal and planning framework or additional land premium needs to be settled for achieving such intended uses, the value of the investment properties may be adjusted.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16. Subsidiaries

(a) Subsidiaries of the Company

The following is a list of principal subsidiaries as at the end of reporting date:

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Particulars of issued share capital/ registered capital	Interest held by the Company		Interest held by the non-controlling interest
				Directly	Indirectly	
Bryance Group Limited	British Virgin Islands	Provision of agency services	10,000 ordinary shares of US$1 each	– (Note) (2025: 100%)	– (2025: –)	– (2025: –)
Joy Ocean Shipping Limited	British Virgin Islands	Inactive	10,000 ordinary shares of US$1 each	100% (2025: 100%)	– (2025: –)	– (2025: –)
Way Ocean Shipping Limited	British Virgin Islands	Provision of international marine transportation services	10,000 ordinary shares of US$1 each	100% (2025: 100%)	– (2025: –)	– (2025: –)
Union Apex Mega Shipping Limited	Hong Kong	Provision of agency services in Hong Kong	50,000 ordinary shares of HK$1 each	100% (2025: 100%)	– (2025: –)	– (2025: –)
海南華儲實業有限公司	PRC, non-wholly foreign-owned enterprise	Property investment and development in the PRC	Registered capital of Renminbi 4,800,000	– (2025: –)	91% (2025: 91%)	9% (2025: 9%)

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

Note: The subsidiary was disposed on 24 July 2025.

16. Subsidiaries (Continued)

(b) Details of non-wholly owned subsidiary that have material non-controlling interest

The summarised consolidated financial information below represents amounts before intragroup elimination.

Details of non-wholly owned subsidiary that have material non-controlling interest:

海南華儲實業有限公司

	2026 US$'000	2025 US$'000
Revenue	–	–
Loss for the year	(34)	(93)
Other comprehensive income/(expense) for the year	3,093	(1,268)
Total comprehensive income/(expense) for the year	3,059	(1,361)
Total comprehensive income/(expense) allocated to non-controlling interest	275	(122)
Dividend paid to non-controlling interest	–	–
As at 31 March		
Current assets	512	482
Non-current assets	76,272	71,629
Non-current liabilities	(18,226)	(17,116)
Current liabilities	(7,759)	(7,255)
Net assets	50,799	47,740
Accumulated non-controlling interest	4,572	4,297

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17. Trade Receivables, Deposits, Prepayments and Other Receivables

	2026 US$'000	2025 US$'000
Trade receivables	12	1,070
Prepayments	132	60
Deposits	59	49
Other receivables	493	464
Other receivables due from related companies (Note 30)	27	26
	723	1,669

As at 31 March 2026 and 2025, the ageing analysis of the trade receivables based on invoice date were as follows:

	2026 US$'000	2025 US$'000
0-30 days	–	1,069
31-60 days	–	1
61-90 days	–	–
91-365 days	–	–
Over 365 days	12	–
	12	1,070

The carrying amounts of trade receivables, deposits and other receivables approximate their fair values and are mainly denominated in US$.

Time charter income is prepaid every 15 days in advance of the time charter hire.

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. As at 31 March 2026 and 2025, no provision of expected credit loss allowance are made on trade receivables. Information about the impairment of trade receivables and the Group's exposure to credit risk can be found in Note 3.2(b).

18. Cash and Cash Equivalents

	2026 US$'000	2025 US$'000
Current		
Cash at banks and on hand	1,394	167

Cash at banks earns interest at floating rates based on daily bank deposit rates.

Cash and cash equivalents are denominated in the following currencies:

	2026 US$'000	2025 US$'000
US$	1,306	89
HK$	88	78
	1,394	167

19. Share Capital

Ordinary shares of HK$0.01 each

	2026		2025	
	Number of shares (thousands)	Amount HK$'000	Number of shares (thousands)	Amount HK$'000
Authorised	4,000,000	40,000	4,000,000	40,000

Issued and fully paid:	**Number of shares** (thousands)	**Share capital** HK$'000	**Share capital** US$'000
At 1 April 2024, 31 March 2025 and 31 March 2026	952,614	9,526	1,221

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20. Share Option Scheme

The Company's former share option scheme ("2011 Share Option Scheme"), was adopted pursuant to a resolution passed on 19 August 2011 and expired on 18 August 2021. Details of 2011 Share Option Scheme are set out in the section headed "Share Option Scheme" in this report. The Company has adopted a new share option scheme (the "2021 Share Option Scheme") on 18 August 2021. Under the 2021 Share Option Scheme, the Board of Directors of the Company may grant options to eligible participants (the "Participants"). Participants of the 2021 Share Option Scheme includes: (a) any employee (whether full time or part time, including any executive director but excluding any non-executive director) of the Company, any subsidiary of the Company or any entity in which any member of the Group holds any equity interests ("Invested Entity"); (b) any non-executive directors (including independent non-executive directors) of the Company, any subsidiary of the Company or any Invested Entity; (c) any supplier of goods or services to any member of the Group or any Invested Entity; (d) any customer of any member of the Group or any Invested Entity; (e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group; and (i) any person seconded or nominated by the Group to represent the Group's interest in any of the Invested Entity or any other company or organisation; and (j) any company wholly-owned by one or more eligible participants as referred to in (a) to (i) above.

No share options have been granted under the 2021 Share Option Scheme since its adoption.

2011 Share Option Scheme

(i) Share options outstanding under 2011 Share Option Scheme at the end of the year have the following expiry date and exercise prices:

Date of grant	Exercise price HK$	Expiry date	Number of shares (thousands) Directors of the Company 2026	2025
30 April 2015 (Note)	1.20	29 April 2025	–	800

Note:

On 30 April 2015, a total of 14,100,000 share options were granted to the Participants and entitled the grantees to subscribe for ordinary shares at an exercise price of HK$1.20 per share. The options were vested immediately and may be exercisable during the period from 30 April 2015 to 29 April 2025.

20. Share Option Scheme (Continued)

(ii) Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	Weighted average exercise price in HK$ per share option		Number of shares (thousands) Directors of the Company	
	2026	2025	**2026**	2025
At 1 April	**1.2**	1.2	**800**	1,600
Lapsed/Forfeited	**1.2**	1.2	**(800)**	(800)
At 31 March	**1.2**	1.2	**–**	800

All options outstanding at 31 March 2025 were vested and exercisable. No options was exercised during the years ended 31 March 2026 and 2025.

21. Reserves

(a) Merger reserve

The merger reserve of the Group was created as a result of: (a) acquisition of the Top Build Group Ltd under common control in 2017; and (b) the difference between the aggregate nominal value of the share capital of the subsidiaries acquired pursuant to a corporate reorganisation, which was completed on 13 September 2010, in preparation for the listing of the Company's shares on The Stock Exchange of Hong Kong Limited, over the nominal value of the share capital of the Company issued in exchange thereof.

(b) Other reserves

Other reserves represent capitalisation of amounts due to certain directors, who are the ultimate controlling shareholders of the Company.

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22. Borrowings and Loans

	2026 US$'000	2025 US$'000
Non-current		
– Bank borrowings (Note i)	192	304
– Loans from the ultimate holding company (Note ii)	–	992
	192	1,296
Current		
– Bank borrowings (Note i)	113	109

Notes:

(i) As at 31 March 2026, the Group's bank borrowings obtained under the SME Financing Guarantee Scheme launched by the Government of HKSAR of approximately US$305,000 (2025: US$413,000). The carrying amounts of these bank borrowings were denominated in Hong Kong dollars ("HK$"). These bank borrowings bear interest at Prime rate minus 2.25% and their fair values approximate the carrying amounts.

(ii) The loans from the ultimate holding company are unsecured and bears interest at 4% per annum. On 30 March 2023, the ultimate holding company extended the maturity of the outstanding balance to 30 June 2026. The carrying amount of the Group's loans from the ultimate holding company are denominated in US$. The amount was fully repaid during the year end 31 March 2026.

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings and loans are as follows:

	2026	2025
Effective interest rate:		
Fixed-rate borrowings	4%	4%
Variable-rate borrowings	2.87% to 3%	3% to 3.63%

22. Borrowings and Loans (Continued)

Carrying amount repayable (based on scheduled repayment dates set out in the loan agreements):

	Bank borrowings		Loans from the ultimate holding company	
	2026 US$'000	2025 US$'000	**2026 US$'000**	2025 US$'000
Within 1 year	**113**	109	**–**	–
Between 1 and 2 years	**116**	112	**–**	992
Between 2 and 5 years	**76**	192	**–**	–
	305	413	**–**	992

23. Deferred Tax Liabilities

The movement in deferred tax liabilities during the year is as follows:

	Investment properties US$'000
At 1 April 2024	17,571
Exchange difference	(455)
At 31 March 2025	17,116
Exchange difference	1,110
At 31 March 2026	**18,226**

24. Convertible Bonds

On 10 May 2016, the Company issued a convertible bond with principal amount of US$54,000,000 ("Top Build Convertible Bonds") that was to be due on 10 May 2021. The Top Build Convertible Bonds is interest-free and may be converted in full or in part (multiples of US$100,000) at the initial conversion price of HK$1.096 per conversion share (subject to anti-dilutive adjustment) any time within five years from the date of issue to 7 business days prior to maturity date. At initial recognition, the Top Build Convertible Bonds comprised two elements and were accounted for as follows:

- The debt element was treated as a financial liability and measured at amortised cost and interest expense was recognised in the consolidated statement of profit or loss and other comprehensive income using the effective interest method.

- The share conversion option element was treated as an equity component and was measured at cost.

The fair value of the liability component of Top Build Convertible Bonds approximates its carrying amount.

During the year ended 31 March 2022, the Company was in default under the terms and conditions of the relevant agreements of the Top Build Convertible Bonds for the aggregate principal amount of US$54,000,000 that were not settled in full on the maturity date of 10 May 2021 and a petition was filed by the holders of the Top Build Convertible Bonds (the "Bondholder") with the Court of First Instance of the High Court of the Hong Kong Special Administrative Region (the "High Court of Hong Kong") for the winding-up of the Company under the provisions of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) on 24 February 2022 (the "Petition").

On 29 June 2022, the Company, Mr. Yan, Ms. Lam, Ablaze Rich (as the Guarantors) and the Bondholder entered into supplemental settlement agreement ("Supplemental Settlement Agreement") in which the Bondholder has agreed, among others, to conditionally withdraw the petition and withhold taking any further litigation or claims against the Company in respect of the default. Pursuant to the Supplemental Settlement Agreement, the Company will settle the outstanding principal of the redemption amount of the Top Build Convertible Bonds by repaying the Bondholder (i) US$5,000,000 in cash in 10 quarterly instalments of US$500,000 each with the first instalment to be paid within 7 business days from the date of the order granted by the High Court of Hong Kong for the withdrawal of the Petition; and (ii) the remaining balance of US$46,230,000 and all accumulated interest (calculated at an interest rate of 8% per annum), both to be paid in cash in one lump sum on 31 December 2024. Pursuant to the Supplemental Settlement Agreement, if payment is not made in full by the schedule due date, additional finance charge will be imposed.

On 15 July 2022, the Company received the order of the High Court of Hong Kong dated 14 July 2022 which ordered, among other things, that the Petition be withdrawn.

24. Convertible Bonds (Continued)

On 21 January 2025, the Company, Mr. Yan, Ms. Lam and Ablaze Rich (as defined in Note 1) (collectively as the "Guarantors") and the Bondholder have entered into the second supplemental agreement to the Settlement Agreement ("Second Supplemental Settlement Agreement") to adjust the repayment schedule of the outstanding principal of the redemption amount of the Top Build Convertible Bonds of US$47,930,000. Pursuant to the Second Supplemental Settlement Agreement, the Company, among others, will settle the outstanding principal of the redemption amount of the Top Build Convertible Bonds (which amounted to US$47,930,000 as at the date of the Second Supplemental Settlement Agreement) by repaying the Bondholder in cash of (i) not less than US$300,000 within each of the second and third quarter of 2025; (ii) not less than US$1,400,000 within the fourth quarter of 2025; (iii) not less than US$500,000 within each of the first, second and third quarter of 2026; (iv) the remaining balance within the fourth quarter of 2026 and on or before 31 December 2026; (v) the outstanding accrued interest on the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 July 2022 and 31 December 2024 of US$9,893,162 on or before 31 December 2026; (vi) interest over the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 January 2025 and 31 December 2026 (calculated at an interest rate of 8% per annum), on or before 31 December 2026; and (vii) liquidated damages in respect of the default of US$87,405 on or before 31 December 2026 (the "Settlement Plan").

During the year ended 31 March 2026, the Company made repayment amounted to US$900,000 (2025: US$1,000,000) and there was Outstanding Instalment of US$1,600,000 as at 31 March 2026. Subsequent to 31 March 2026, the Bondholder confirmed to the Company that the Company shall repay the Outstanding Instalment on or before 31 December 2026.

	2026 US$'000	2025 US$'000
Top Build Convertible Bonds		
– Non-current	–	53,088
– Current	**60,230**	2,500
	60,230	55,588

24. Convertible Bonds (Continued)

The movements of the liability component of Top Build Convertible Bonds for both years are set out below:

	Liability component US$'000
As at 1 April 2024	55,900
Interest expense (Note 9)	3,868
Gain on modification (Note 6)	(3,180)
Redemption	(1,000)
At 31 March 2025 and 1 April 2025	55,588
Interest expense (Note 9)	5,542
Redemption	(900)
At 31 March 2026	**60,230**

Details of the pledged assets are set out in Note 33 to the consolidated financial statements.

25. Other Payables and Accruals

	2026 **US$'000**	2025 US$'000
Other payables and accruals	**7,890**	561
Contract liabilities	**134**	80
Other payables due to related companies (Note 30(b))	**17**	7,084
	8,041	7,725

The carrying amounts of other payables and accruals approximate their fair values.

The carrying amounts of other payables and accruals (excluding contract liabilities) are denominated in the following currencies:

	2026 **US$'000**	2025 US$'000
US$	**226**	355
HK$	**126**	35
RMB	**7,555**	7,255
	7,907	7,645

26. Leases

(i) Right-of-use assets

	2026 US$'000	2025 US$'000
Buildings	228	82

The lease terms are 2 years (2025: 2 years) at fixed rentals with no extension option. In addition, the weighted average lessee's incremental borrowing rates applied to the lease liabilities was 3.63% (2025: 3.63%) per annum as at 31 March 2026.

(ii) Lease liabilities

	2026 US$'000	2025 US$'000
Amounts payable under lease liabilities Within 1 year	230	84
	230	84
Less: Amount due for settlement within 12 months (shown under current liabilities)	(230)	(84)
Amount due for settlement after 12 months	–	–

(iii) Amounts recognised in profit or loss

	2026 US$'000	2025 US$'000
Depreciation expense on right-of-use assets	274	246
Interest expense on lease liabilities	9	6

(iv) Others

During the year ended 31 March 2026, the total cash outflow for leases amount to approximately US$283,000 (2025: US$254,000).

27. Reconciliation of Liabilities Arising from Financing Activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the consolidated statement of cash flows as cash flows from financing activities.

			Non-cash changes		
	1 April 2025 US$'000	Financing cash flows US$'000	Finance costs incurred US$'000	New lease arrangement US$'000	31 March 2026 US$'000
Bank borrowings (Note 22)	413	(118)	10	–	305
Loans from the ultimate holding company (Note 22)	992	(1,015)	23	–	–
Convertible bonds (Note 24)	55,588	(900)	5,542	–	60,230
Lease liabilities (Note 26)	84	(283)	9	420	230
	57,077	(2,316)	5,584	420	60,765

			Non-cash changes		
	1 April 2024 US$'000	Financing cash flows US$'000	Finance costs incurred US$'000	Gain on modification US$'000	31 March 2025 US$'000
Bank borrowings (Note 22)	519	(122)	16	–	413
Loans from the ultimate holding company (Note 22)	6,316	(5,430)	106	–	992
Convertible bonds (Note 24)	55,900	(1,000)	3,868	(3,180)	55,588
Lease liabilities (Note 26)	332	(254)	6	–	84
	63,067	(6,806)	3,996	(3,180)	57,077

28. Contingent Liabilities

Save as disclosed elsewhere in the consolidated financial statements, there were no other significant contingent liabilities of the Group as at 31 March 2026 (2025: same).

29. Commitments

Capital commitments

At 31 March 2026, capital expenditure contracted for but not yet incurred is as follows:

	2026 **US$'000**	2025 US$'000
Investment properties	**259**	243

30. Related Party Disclosures

(a) Significant transactions with related parties

All of the transactions were carried out in the normal course of the Group's business and on terms as agreed between the transacting parties. They were summarised as follows:

	2026 **US$'000**	2025 US$'000
Interest on loans from the ultimate holding company	**23**	106

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

30. Related Party Disclosures (Continued)

(b) Balances with related parties

As at 31 March 2026 and 2025, the Group had the following significant balances with its related companies:

	2026 US$'000	2025 US$'000
Other receivables due from related companies controlled by the ultimate controlling parties (Note 17)	27	26
Loans from the ultimate holding company (Note 22)	–	(992)
Others payables due to related companies controlled by the ultimate controlling parties (Note 25)	(17)	(7,084)

Other receivables due from related companies were unsecured, non-interest bearing, repayable on demand and denominated in US$ and RMB.

Other payables due to related companies were unsecured, non-interest bearing, repayable on demand and denominated in US$ and RMB.

(c) Transactions with key management personnel

Key management includes directors of the Company (executive and non-executive) and senior management. The compensation paid or payable to key management for employee services is shown below:

	2026 US$'000	2025 US$'000
Fees and salaries	1,014	867
Pension costs - defined contribution plans	12	9
	1,026	876

31. Statement of Financial Position and Reserve Movement of the Company

	2026 US$'000	2025 US$'000
Assets		
Non-current asset		
Investments in subsidiaries (Note (i))	**54,446**	54,446
Current assets		
Amounts due from subsidiaries (Note (i))	**11,741**	9,651
Deposits, prepayments and other receivables	**45**	49
Cash and cash equivalents	**105**	49
	11,891	9,749
Total assets	**66,337**	64,195
Equity		
Equity attributable to owners of the company		
Share capital	**1,221**	1,221
Reserves (Note (ii))	**(4,119)**	1,834
Total (deficit)/equity	**(2,898)**	3,055
Liabilities		
Non-current liabilities		
Loans from the ultimate holding company	**–**	992
Convertible bonds	**–**	53,088
	–	54,080
Current liabilities		
Other payables and accruals	**321**	301
Amounts due to subsidiaries	**8,684**	4,259
Convertible bonds	**60,230**	2,500
	69,235	7,060
Total liabilities	**69,235**	61,140
Total equity and liabilities	**66,337**	64,195

The statement of financial position was approved by the Board of Directors on 25 June 2026 and was signed on its behalf by:

Pan Zhongshan
Director

Sze Wing Kin Pierre
Director

31. Statement of Financial Position and Reserve Movement of the Company (Continued)

Notes:

(i) For the years ended 31 March 2026 and 2025, no impairment provision was recognised for the investments in subsidiaries and amounts due from subsidiaries.

(ii) Reserves

	Share premium	Convertible bonds reserve	Share option reserve	Other reserves (Note 21(b))	Accumulated losses	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At 1 April 2024	54,684	38,954	101	77,443	(171,858)	(676)
Profit for the year	–	–	–	–	2,510	2,510
Lapse/forfeit of share options (Note 20(ii))	–	–	(51)	–	51	–
At 31 March 2025 and 1 April 2025	54,684	38,954	50	77,443	(169,297)	1,834
Loss for the year	–	–	–	–	(5,953)	(5,953)
Lapse/forfeit of share options (Note 20(ii))	–	–	(50)	–	50	–
At 31 March 2026	54,684	38,954	–	77,443	(175,200)	(4,119)

32. Benefits and Interests of Directors (Disclosure Required by Section 383 of the Hong Kong Companies Ordinance (Cap. 622), Companies (Disclosure of Information About Benefits of Directors) Regulation (Cap. 622G) and Hong Kong Listing Rules)

(a) Directors' and chief executive's emoluments

The remuneration of every director and the chief executive for the year ended 31 March 2026 is set out below:

	Emoluments paid or payable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:				
Name	Fees US$'000	Salaries US$'000	Estimated money value of other benefits US$'000	Employer's contribution to a retirement benefit scheme US$'000	Total US$'000
Executive directors:					
Ms. Lam (Note i)	–	233	116	2	351
Mr. PAN Zhongshan	–	138	–	2	140
Mr. SZE Wing Kin Pierre (Note iv)	–	219	–	2	221
Non-executive director:					
Mr. YAN Yui Ham (Note v)	41	–	–	–	41
Independent non-executive directors:					
Mr. CHEUNG Kwan Hung	19	–	–	–	19
Ms. WONG Tsui Yue Lucy	19	–	–	–	19
Mr. LIU Yongshun (Note iii)	19	–	–	–	19
	98	590	116	6	810

There was no discretionary bonuses based on the Group's performance paid to directors and the chief executive during the year.

32. Benefits and Interests of Directors (Disclosure Required by Section 383 of the Hong Kong Companies Ordinance (Cap. 622), Companies (Disclosure of Information About Benefits of Directors) Regulation (Cap. 622G) and Hong Kong Listing Rules) (Continued)

(a) Directors' and chief executive's emoluments (Continued)

The remuneration of every director and the chief executive for the year ended 31 March 2025 is set out below:

	Emoluments paid or payable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:				
Name	Fees	Salaries	Estimated money value of other benefits	Employer's contribution to a retirement benefit scheme	Total
	US$'000	US$'000	US$'000	US$'000	US$'000
Executive directors:					
Ms. Lam (Note i)	–	231	114	2	347
Mr. PAN Zhongshan	–	133	–	2	135
Independent non-executive directors:					
Mr. CHEUNG Kwan Hung	19	–	–	–	19
Dr. CHAN Chung Bun Bunny (Note ii)	8	–	–	–	8
Ms. WONG Tsui Yue Lucy	19	–	–	–	19
Mr. LIU Yongshun (Note iii)	1	–	–	–	1
	47	364	114	4	529

None of the directors waived any emoluments during the years ended 31 March 2026 and 2025.

Notes:

(i) Ms. Lam resigned as executive director on 19 September 2025 and remain as chief executive officer of the Company.

(ii) Dr. Chan Chung Bun Bunny retired as independent non-executive director of the Company with effect from 30 August 2024.

(iii) Mr. Liu Yongshun was appointed as independent non-executive director of the Company with effect from 18 March 2025.

(iv) Mr. Sze Wing Kin Pierre was appointed as executive director of the Company with effect from 19 September 2025.

(v) Mr. Yan Yui Ham was appointed as non-executive director of the Company with effect from 19 September 2025.

32. Benefits and Interests of Directors (Disclosure Required by Section 383 of the Hong Kong Companies Ordinance (Cap. 622), Companies (Disclosure of Information About Benefits of Directors) Regulation (Cap. 622G) and Hong Kong Listing Rules) (Continued)

(b) Directors' retirement benefits and termination benefits

None of the directors received or will receive any retirement benefits or termination benefits in respect of their services to the Company and its subsidiaries for the year (2025: same).

(c) Consideration provided to third parties for making available directors' services

During the year, the Company has not paid any consideration to any third parties for making available directors' services to the Company (2025: same).

(d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There were no loans, quasi-loans and other dealings entered into by the Company or subsidiary undertakings of the Company, where applicable, in favour of the directors, or body corporate controlled by or entities connected with any of the directors at the end of the year or at any time during the year (2025: same).

(e) Directors' material interests in transactions, arrangements or contracts

Except for the disclosure in Note 30, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2025: same).

33. Pledge of Assets

As at 31 March 2026, the bank borrowing obtained under the SME Financing Guarantee Scheme is secured fully by guarantees executed by Mr. Yan, Ms. Lam and the Government of HKSAR (2025: same).

On 29 June 2022, the Group entered into the Supplemental Settlement Agreement with its Bondholder and pursuant to which the withdrawal of the petition is conditional upon, among others, the Company having delivered the following security documents for the pledge/mortgage over the following assets of the Group in favour of the Bondholder as security for the Company's performance of its repayment obligations under the settlement agreement (as supplemented by the Supplemental Settlement Agreement).

33. Pledge of Assets (Continued)

On 21 January 2025, the Group entered into the Second Supplemental Settlement Agreement with its Bondholder to adjust the repayment schedule of the outstanding principal of the redemption amount of the Top Build Convertible Bonds and the interests accrued therefrom, pursuant to which the Company will provide or procure to be provided the following additional security documents for the pledge/mortgage over the following assets of the Group in favour of the Bondholder as security for the Company's performance of its repayment obligations under the settlement agreement (as supplemented by the Supplemental Settlement Agreement and the Second Supplemental Settlement Agreement):

(i) the mortgage over the land use right of a parcel of land of approximately 103.4 mu located at Haikou, Hainan Province, the PRC held by the PRC Subsidiary (as defined below); and

(ii) the pledge over 41% of the equity interests in the PRC Subsidiary held by the Hong Kong Subsidiary (as defined below).

As at 31 March 2026, the Top Build Convertible Bonds were secured by the following:

(i) the mortgage over the land use right of two parcels of land of a total of near 200 mu located at Haikou, Hainan Province, the PRC held by a non-wholly owned subsidiary of the Company in the PRC (the "PRC Subsidiary") (2025: same) (Note 15);

(ii) the pledge over the equity interests in the PRC Subsidiary held by a wholly owned subsidiary of the Company in Hong Kong (the "Hong Kong Subsidiary") (2025: same); and

(iii) the corporate guarantees from the PRC Subsidiary and the Hong Kong Subsidiary (2025: same).

34. Major Non-cash Transaction

During the year ended 31 March 2026, the Group entered into a new arrangement in respect of renting a director's quarter and renting an office. Right-of-use assets and lease liabilities of approximately US$420,000 and US$420,000 respectively were recognised at the commencement of the leases.