

# AS EASY AS CAN BE



力勁科技集團有限公司  
L.K. Technology Holdings Limited

Incorporated in the Cayman Islands with limited liability  
於開曼群島註冊成立之有限公司

Stock Code 股份代號 : 558



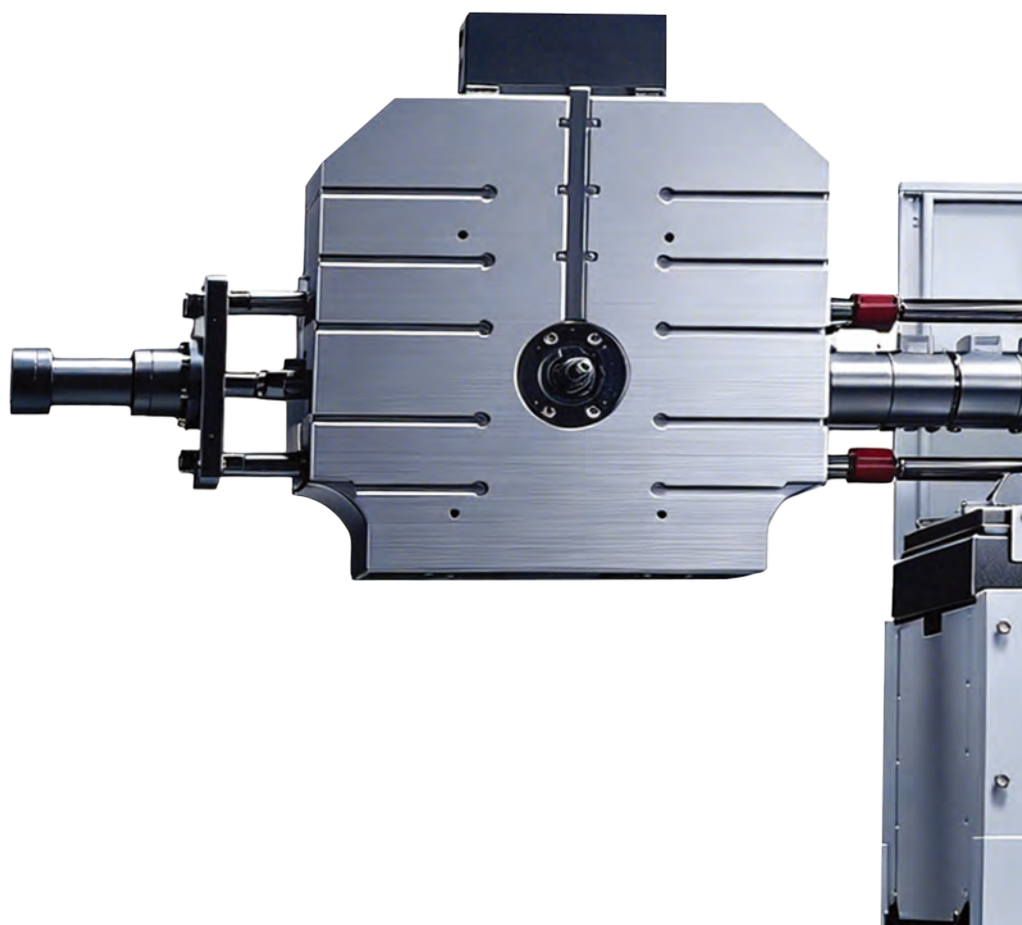
**TPI**® LEADER OF ERA 2.0 IN MAGNESIUM THIXOMOLDING PROCESS  
鎂合金半固態觸變鑄造工藝2.0時代的領航者

# MAGNESIUM. REDEFINED.

## 重新定義鎂合金

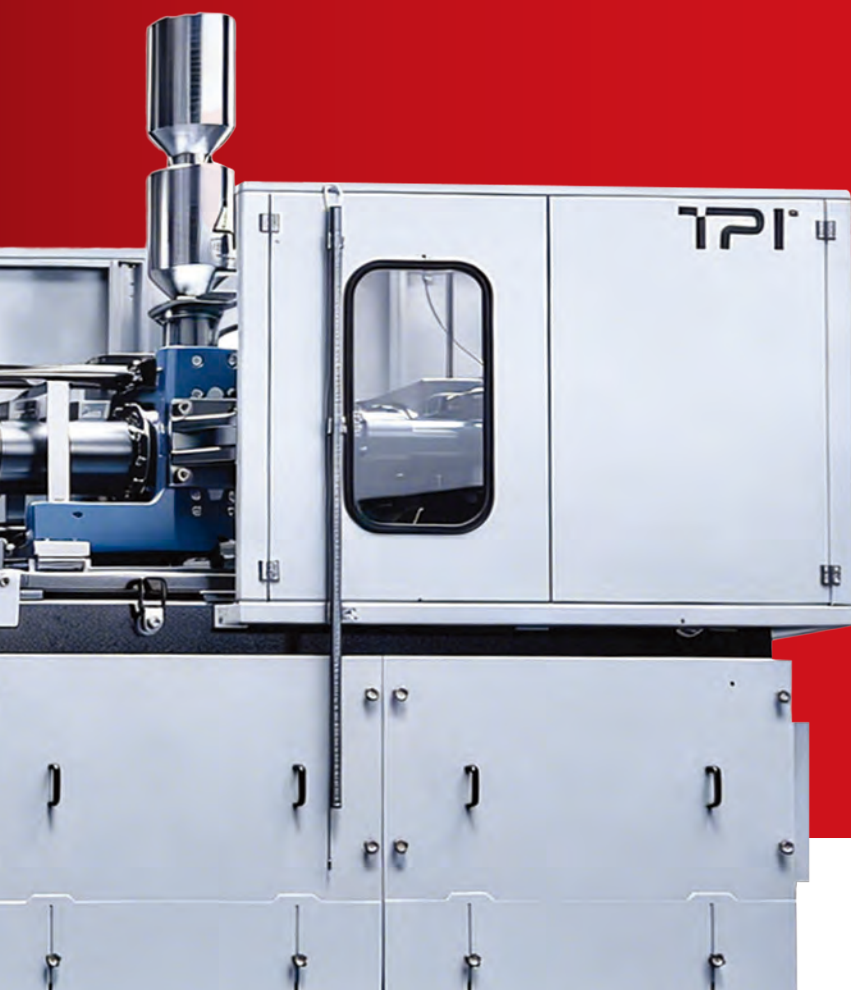
Lighter than aluminium and now manufacturable at a scale the industry has never seen — TPI's modular thixomolding system brings magnesium into the era of large-format structural casting, on machines customers already own.

更輕的材料。更大的尺寸。TPI模塊化觸變成型系統，讓鎂合金大型鑄造成為現實。  
無需更換機台，直接在現有設備上實現，引領壓鑄行業邁入全新階段。



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# LKIMM

## ELETTRICA

# TRULY ALL-ELECTRIC. EVERY AXIS.

The ELETTRICA Series brings premium all-electric injection molding performance to the most demanding plastics applications. Six independent servo motors drive every stage simultaneously — delivering the cycle speeds, energy efficiency, and mould longevity that modern manufacturing requires.

**WITHOUT COMPROMISE.**



# CORPORATE INFORMATION

As at 30 June 2026

## BOARD OF DIRECTORS

### Executive Directors

Ms. Chong Siw Yin (*Chairperson*)  
Mr. Liu Zhuo Ming (*Chief Executive Officer*)  
Mr. Tse Siu Sze

### Independent Non-executive Directors

Dr. Low Seow Chay  
Dr. Lui Ming Wah, *PhD, SBS, JP*  
Mr. Look Andrew

## COMPANY SECRETARY

Ms. Ng Ka Man

## AUTHORISED REPRESENTATIVES

Ms. Chong Siw Yin  
Ms. Ng Ka Man

## AUDIT COMMITTEE

Dr. Lui Ming Wah, *PhD, SBS, JP*  
(*Chairperson*)  
Dr. Low Seow Chay  
Mr. Look Andrew

## NOMINATION COMMITTEE

Dr. Low Seow Chay (*Chairperson*)  
Dr. Lui Ming Wah, *PhD, SBS, JP*  
Mr. Look Andrew  
Ms. Chong Siw Yin

## REMUNERATION COMMITTEE

Mr. Look Andrew (*Chairperson*)  
Dr. Low Seow Chay  
Dr. Lui Ming Wah, *PhD, SBS, JP*

## AUDITOR

PricewaterhouseCoopers  
Certified Public Accountants  
Registered Public Interest Entity Auditor

## REGISTERED OFFICE

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

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit A, 8th Floor  
Mai Wah Industrial Building  
1-7 Wah Sing Street  
Kwai Chung  
New Territories  
Hong Kong

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor  
Services Limited  
Shops 1712-1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

## PRINCIPAL BANKERS

China Construction Bank (Asia)  
Corporation Limited  
Bank of China  
Intesa Sanpaolo Spa

## STOCK CODE

558

## WEBSITE

[www.lk.world](http://www.lk.world)



SHAPE THE FUTURE

L.K. Technology Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) is one of the world’s largest die-casting machine manufacturers. The Group engages in the design, manufacture and sale of three product lines, i.e. diecasting machine, plastic injection moulding machine and computerised numerical controlled (CNC) machining centre. The Group has manufacturing bases and R&D centres in Shenzhen, Zhongshan, Ningbo, Shanghai, Fuxin, Kunshan, Taiwan and Italy. To capture overseas markets, the Group has established sales and services companies in the USA and India. The Group also operates a casting factory in Fuxin for the production of cast iron/steel components.

SHAPE THE WORLD 讓 世 界 有 形 VISION 願景

## | CHAIRMAN'S STATEMENT |

Dear Shareholders,

On behalf of the Board, I am pleased to present the annual report of L.K. Technology Holdings Limited (the "Company", together with its subsidiaries, the "Group") for the year ended 31 March 2026.

During the financial year, the Group encountered the challenges posed by cyclical adjustment in the new energy vehicle industry. Investment in the industry experienced a marked slowdown in the short-term in light of downstream vehicle enterprises shifting their capital expenditure from scale expansion to technological upgrade and efficiency improvement as well as customers becoming cautious with their investment decisions amid the phasing out of purchase tax incentives. Furthermore, whilst the Group's large-scale die-casting equipment, valued at several hundred million, has been manufactured and dispatched, no revenue was recognised during the period as they are currently undergoing onsite installation and commissioning. Meanwhile, the Group has expanded research and development expenses and kept investing in the development of the overseas service network to implement its medium to long term strategy, resulting in a year-on-year decline in both annual operating revenue and profit.

Our annual operating revenue amounted to approximately HK\$5,608.9 million while profit attributable to owners of the Company amounted to approximately HK\$37.9 million. Notwithstanding the pressure on profitability, the Group managed to keep a robust balance sheet with total assets increasing to HK\$13,254.4 million and cash and cash equivalents amounting to HK\$1,316.1 million, and cash outflows from operating activities improved significantly. We demonstrated strong solvency and resilience by keeping the gearing ratio at a reasonable level.

During the year, the Group, having made substantial progress in technological innovation and globalisation, has reinforced its core competitiveness. The die-casting machine business remained our core business as we successfully commercialised the world's first 16,000T ultra-large intelligent die-casting unit, setting a new industry benchmark and ranking first in terms of the cumulative number of ultra-large die casting machines delivered. TPI semi-solid magnesium alloy forming technology achieved a major breakthrough, driving material utilisation up to 70%. With several large-scale automotive body structural components projects either entering the mass production or joint validation phase, the relevant order volume has exceeded RMB100 million. A typical application example would be inner tailgate panels for new energy vehicles, which achieved a 45% reduction in weight when compared with conventional steel solution as the equipment integrates nine parts into a single component, making it highly aligned with the lightweight trend. Special casting equipment and AI-powered intelligent processing system have both secured bulk orders. Our successful venture in new applications, such as liquid-cooled heat dissipation structural components for AI computing power infrastructure, will create a third growth curve that can effectively hedge against cyclical fluctuations in the automotive industry.

The Group is making steady progress in its globalisation strategy. Overseas revenue increased by 28.2% year-on-year, with its contribution to total revenue rising to 20.7%. The revenue from European market surged amid the robust demand for high-end manufacturing, successfully breaking the barrier for Chinese companies to enter the supply chains of mainstream vehicle enterprises. The Southeast Asian market maintained its growth momentum with localized sales and service network now covers countries such as Thailand, Vietnam, and Malaysia. The injection moulding machine business registered explosive growth for two consecutive years in the burgeoning toy industry, demonstrating our ability in seizing diversified opportunities.

Looking ahead to the next financial year, the trend toward transformation and upgrading in the global manufacturing sector remains unchanged, with integrated die-casting, the increasing use of lightweight magnesium alloys, the application of new materials and AI infrastructure set to become clear development directions. The Group will adhere to the dual-driven strategy of "increasing revenue and reducing costs". From the revenue perspective, we are building a long-term growth engine by integrating our conventional core businesses, new technology breakthroughs and demand from emerging industries, whilst continuing to expand our global presence (penetrating into the high-end markets of Europe and the US and consolidating our presence in Southeast Asia). From the cost perspective, we are driving forward the localisation of core components, the upgrading of smart manufacturing, the optimisation of global supply chain and the shift towards a high-end product mix, thereby systematically improving the quality of our profit. Our profitability is expected to recover steadily as the benefits of our initial research and development efforts, production capacity and market investments gradually materialise. We are confident in our medium to long term development and commit to become the "full-lifecycle value partner" of our customers, creating sustainable value for shareholders.

Finally, on behalf of the Board, I would like to express my gratitude to all our staff for their hard work and professional dedication, to our customers for their support and trust, and to our shareholders for their continued support and confidence. The Group will continue to uphold the principles of solid management and innovation-driven growth, promoting high-quality development and collaborating with all stakeholders to build a brighter future.

**L.K. Technology Holdings Limited**

*Chairman*

**Chong Siw Yin**

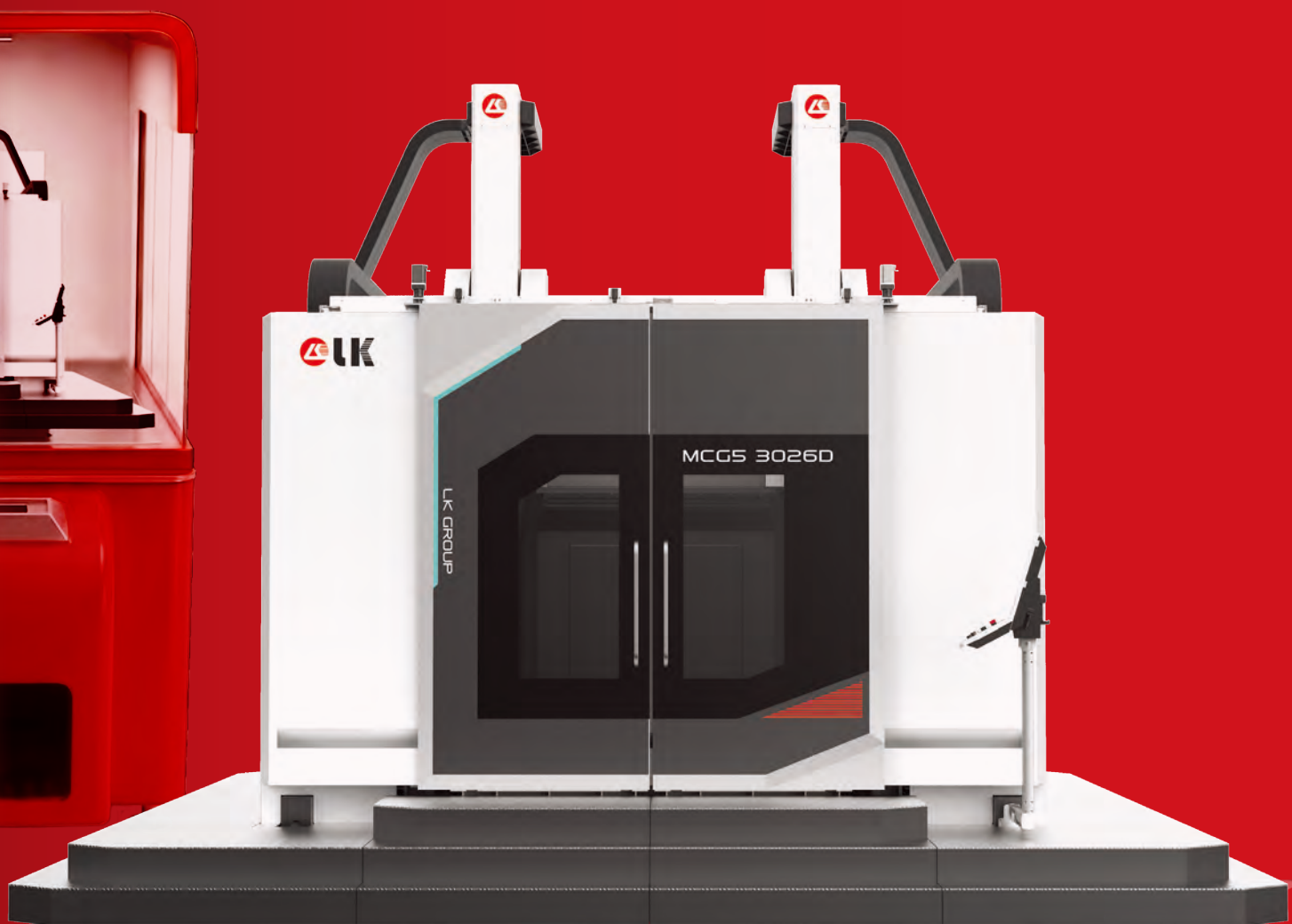
Hong Kong, 30 June 2026



LK CNC MACHINING CENTER

# FROM GIGA-CASTING TO GIGA-PRECISION

From electric vehicle floor panels to aerospace structures, LK's MCG5 Series delivers the five-axis precision post-processing that large-format aluminium casting demands, at speeds and tolerances no conventional gantry machine can match.



## FINANCIAL HIGHLIGHTS

### For the year ended 31 March

|                                      | 2026<br>HK\$'000 | 2025<br>HK\$'000 | Change<br>% |
|--------------------------------------|------------------|------------------|-------------|
| <b>Operating results:</b>            |                  |                  |             |
| Revenue                              | 5,608,902        | 5,824,959        | -3.7%       |
| Gross profit                         | 1,374,694        | 1,597,207        | -13.9%      |
| Gross profit margin                  | 24.5%            | 27.4%            | -2.9%       |
| Operating profit                     | 142,926          | 535,720          | -73.3%      |
| Operating profit margin              | 2.5%             | 9.2%             | -6.7%       |
| Profit for the year                  | 49,520           | 403,041          | -87.7%      |
| Net profit margin                    | 0.9%             | 6.9%             | -6.0%       |
| Return on equity                     | 1.2%             | 9.8%             | -8.6%       |
|                                      | HK cents         | HK cents         |             |
| Basic and diluted earnings per share | 2.8              | 25.7             | -89.1%      |

### At 31 March

|                            | 2026<br>HK\$'000 | 2025<br>HK\$'000 | Change<br>% |
|----------------------------|------------------|------------------|-------------|
| <b>Financial position:</b> |                  |                  |             |
| Total assets               | 13,254,440       | 11,914,252       | 11.2%       |
| Net assets                 | 4,048,635        | 4,116,554        | -1.6%       |
| Net current assets         | 2,554,608        | 3,042,491        | -16.0%      |
| Cash and cash equivalents  | 1,316,119        | 1,560,253        | -15.6%      |
| Total borrowings           | 2,929,314        | 2,148,860        | 36.3%       |



## | MANAGEMENT DISCUSSION AND ANALYSIS |

### 1. MACRO PERSPECTIVE ON ECONOMICS AND INDUSTRY DEVELOPMENT PATTERNS

During the financial year, the global economic recovery showed characteristics of regional differentiation and structural adjustment. Growth momentum in developed economies slowed, emerging markets remained relatively active thanks to industrial acceptance and domestic demand release, and the trend of regionalization and localization of supply chains continued to deepen. Intensifying international frictions and fluctuations in commodity prices have brought cost pressures and uncertainty to the global manufacturing industry.

The equipment manufacturing industry in which the Group operates is currently facing pressure on overall demand, with the market exhibiting marked structural divergence. On the one hand, the new energy vehicle supply chain is currently undergoing a period of cyclical adjustment, which is the prevailing situation in the industry at present. The slowdown in retail sales growth among downstream vehicle enterprises, coupled with their ongoing efforts to reduce inventory levels, has led to widespread tightening of capital expenditure budgets and the postponement of plans for new production lines. This has directly suppressed the flow of new orders for large and extra-large die-casting equipment, constituting the primary pressure on the demand side; on the other hand, the market for small and medium-sized die-casting equipment in mature sectors such as traditional 3C electronics and household appliances offers limited growth potential; demand is primarily driven by the replacement of existing equipment, whilst intensifying competition is leading to the accelerated phasing out of low-end, outdated production capacity. Market competition is forcing companies to upgrade their products; equipment that is highly

precise, intelligent and suited to lightweight manufacturing processes is more likely to gain sustained customer approval.

Although overall demand in the industry remains weak, the policy benefits associated with the “Two New” initiatives and emerging industries continue to present opportunities for structural growth. Driven by national equipment renewal policies and the “going global” of equipment, the long-term growth logic for lightweighting and integrated die-casting in the new energy industry remains intact; meanwhile, the rapid expansion of the energy storage, AI infrastructure, and humanoid robot sectors is fueling demand for specialized casting, high-end precision die-casting, and high-end injection molding equipment. Competitive resources within the industry are increasingly concentrating among leading enterprises that possess technological barriers, economies of scale, and comprehensive full-lifecycle service capabilities.

### 2. REVIEW OF THE GROUP'S BUSINESS PERFORMANCE

#### (1) Comprehensive Business Performance

During the 2025–2026 financial year, the new energy vehicle industry entered a period of cyclical adjustment, with demand for equipment procurement weakening temporarily and competition within the sector as a whole intensifying. In the face of a challenging market environment, the Group has remained committed to its core strategies of technology leadership and global expansion, thereby maintaining its leading position in the industry and a solid competitive foundation. During the Reporting Period, the Company continued to increase its medium- to long-term strategic investments in areas such as research and development of cutting-

edge technologies, the upgrading of high-end equipment, and the expansion of localised services through its overseas channels. Owing to the dual impact of weak downstream demand and industry competition squeezing revenue, coupled with various strategic investments made in advance, profitability came under significant pressure during the period, resulting in a sharp year-on-year decline in net profit.

During the Reporting Period, the Company recorded revenue of HK\$5,608.9 million, of which revenue from the die-casting business amounted to HK\$3,663.2 million, representing 65.3% of total revenue; revenue from the injection moulding business amounted to HK\$1,798.1 million, representing 32.1% of total revenue; and revenue from the CNC machining centre business amounted to HK\$147.6 million, representing 2.6% of total revenue. In terms of profitability, the Company recorded a gross profit of HK\$1,374.7 million, with a gross profit margin of 24.5%, representing decrease of 2.9 percentage points as compared with the previous financial year. Net profit amounted to HK\$49.5 million, with a net profit margin of 0.9%.

The die-casting machinery business is the Group's core business and its largest source of revenue. During the current financial year, the Company's operations came under pressure due to the combined impact of external industry cycles and delivery schedules: the new energy vehicle industry entered a period of cyclical adjustment, with downstream vehicle manufacturers showing reduced willingness to undertake capital

expenditure; the pace of production line expansion and equipment procurement slowed; and new market demand for large and extra-large integrated die-casting equipment contracted temporarily. Intensifying competition within the industry has also put additional pressure on the profitability of the sector. At the same time, delays in the construction progress of certain customers' projects and postponements of on-site installation and acceptance milestones have meant that revenue from some large orders that have already been dispatched could not be recognised during the Reporting Period; as a result, the overall revenue for the sector fell short of expectations.

The injection moulding segment achieved diversified growth breakthroughs. Revenue from the toy industry recorded explosive growth of over 55% for the second consecutive year, with its revenue contribution increasing to 16.7%, making it the second-largest application sector. The segment also achieved a three-year compound annual growth rate of 38.7%, demonstrating the Group's strong ability to capture opportunities in high-growth industries and the competitiveness of its products.

In overseas markets, the Group's overseas revenue increased significantly by 28.2% year-on-year during the current financial year, with its contribution to total revenue rising from 15.5% in the previous financial year to 20.7%, with steady progress in our global expansion. In particular, revenue from Europe surged by 64.4% year-on-year, benefiting from robust demand for new energy equipment and high-end manufacturing. Revenue from other

emerging markets and the Asia-Pacific region increased by 76.9% year-on-year as orders grew rapidly, making these markets the primary growth driver of the Group's overseas business. Although revenue from the North American market declined year-on-year due to intensified regional competition and the timing of customer orders, the Group's diversified global market presence effectively mitigated the impact of fluctuations in any single regional market. From a medium- to long-term globalisation strategy perspective, benchmarking against the global revenue mix of international industry peers, the Group's overseas business still has significant room for expansion and substantial growth potential.

## **(2) Core R&D Investment and Technological Barriers**

The Group's R&D investment continues to maintain high-intensity and high precision, focusing on core technology breakthroughs and capacity building across the entire industry chain. Innovative achievements are steadily implemented, continuously leading the development direction of the global die-casting equipment industry. During the Reporting Period, the Group's research and development expenses amounted to HK\$318.2 million, representing a year-on-year increase of 24.6%. The Group achieved milestone breakthroughs across its three core technology areas, further strengthening its global technological leadership.

In the core field of ultra-large integrated die-casting, the Group's 6,000T-16,000T ultra-large intelligent die-casting cells, which deeply integrate digital twin technology with the LK-NET cloud die-

casting management system, were selected as one of the "Outstanding Cases of New Quality Productive Forces in the Automotive Industry 2025". These solutions are fully compatible with the mass production requirements for full vehicle body structural components of automobile manufacturers. As at the end of the Reporting Period, the Group continued to rank first in the industry globally in terms of the cumulative number of ultra-large die-casting machines delivered.

In the field of magnesium alloy forming technology, TPI semi-solid magnesium alloy forming technology has formed a full-scale product matrix covering everything from small precision parts to ultra-large structural parts, supporting modular transformation of traditional die-casting equipment. By reducing energy consumption by up to 50% while increasing product toughness by 20%, it provides critical technological support for the large-scale commercialisation of magnesium alloy applications. During the Reporting Period, the Group provided TPI solutions for lightweight structural components, including three-electric system components and vehicle doors, to several leading mainstream automobile manufacturers. The Group's self-developed 5,000-tonne TPI semi-solid forming module successfully secured an order from a leading OEM for the production of inner tailgate panels for new energy vehicles. The equipment integrates into a single component the functions that previously required nine separate sheet metal parts to achieve. This not only substantially streamlines the production process and shortens the manufacturing cycle, but also significantly enhances the overall rigidity and structural

stability of the component. Compared with conventional steel tailgate assemblies, the solution achieves a 45% reduction in weight, making it highly aligned with the lightweight development trend of new energy vehicles. At the same time, by leveraging its innovative semi-solid forming process, the solution increases material utilisation to 70%, thereby effectively reducing production costs.

The implementation of this project marks a comprehensive acceleration in the industrial mass production process of the Company's ultra-large magnesium alloy structural components. The Company's TPI semi-solid forming technology, leveraging unique process advantages, offers customers a better technical route for magnesium alloy die casting equipment layout; its modular upgrade solution also provides existing industry customers with a practical pathway to rapidly adopt magnesium alloy technology, offering a diversified range of manufacturing solutions that can be flexibly tailored to different production capacity plans and investment requirements. During the Reporting Period, orders for the Group's TPI magnesium alloy equipment continued to grow strongly, with shipment value exceeding RMB100 million. Revenue generated from the related business increased by 291.1% in the second half of the financial year as compared with the first half of the financial year.

In the field of advanced materials and special casting, the Group's self-developed zirconium-based amorphous alloy die-casting equipment integrates vacuum melting, automatic solid material feeding and full-process automation into a single system. Its technical performance

has reached internationally advanced standards, addressing a key gap in the domestic equipment market. This equipment can be used for large-scale production of high-end products such as foldable screen hinges and medical implants. In expanding its portfolio of special casting equipment, the Group's low-pressure die-casting machines feature innovative inert gas pressurisation and waste heat recovery technologies, reducing overall energy consumption by 30%. These machines are now widely used in the manufacture of products such as automotive wheels and motor end covers. The horizontal extrusion casting machine is equipped with a dual pressure and speed control system, offering a wide range of speed adjustment and stable casting quality, meeting the production requirements for high-performance components such as automotive steering knuckles, subframes, and battery end plates.

In the field of high-end intelligent machining and industrial big data, the Group has leveraged artificial intelligence and big data technologies to develop an integrated intelligent machining system in response to industry challenges associated with the post-processing of large die-cast components, including heavy reliance on manual labour, complex commissioning processes and delays in fault detection. The system is complemented by a range of data acquisition and intelligent control systems, enabling more efficient and intelligent manufacturing operations. The system features rapid response capabilities, with over 90% of data processed locally, and achieves an accuracy rate of over 95% in predicting

machining abnormalities. Its key technical performance indicators have reached internationally advanced standards. The technology has completed engineering validation on five-axis gantry machining centres and post-processing equipment for large die-cast components. When used in conjunction with the Group's integrated die-casting and special casting equipment, it forms a more competitive, integrated intelligent manufacturing solution.

In addition to the core technological breakthroughs described above, the Group continued to strengthen supporting process technologies across the entire industry value chain and advance the development of intelligent production lines. On the one hand, it successfully overcame technical challenges in the high-precision forming process for hydraulic valves, further enhancing its in-house capabilities in the supply of core components. On the other hand, leveraging digital twin technology, the Group developed intelligent die-casting cells capable of intelligent prediction of process parameters, remote equipment diagnostics and digitalised management and control throughout the entire production process. From key equipment and core components to customized manufacturing processes and integrated smart production lines, our comprehensive technological footprint across the entire value chain continues to deepen our overall technological barriers.

### 3. PROGRESS IN STRATEGIC IMPLEMENTATION AND CORE COMPETITIVENESS BUILDING

During the current financial year, the Group steadily advanced the implementation of its various strategies, achieving milestone results in areas such as technological innovation, market

expansion, global expansion, and operational capacity enhancement, while continuously strengthening its core competitiveness.

#### (1) Diversified Track Strategy: Dual-Driven Growth Pattern

To effectively respond to cyclical fluctuations in the traditional automotive industry, the Group proactively adjusted its business structure, comprehensively laid out new productivity tracks such as energy storage, AI computing power, and humanoid robots, and built a coordinated development model that combines traditional foundations with emerging growth poles.

In the new energy vehicle sector, the Group continues to deepen strategic cooperation with leading vehicle enterprise and tier 1 suppliers. During the Reporting Period, the Group successfully commercialized the world's first 16,000T ultra-large intelligent die-casting unit, setting a new industry benchmark for ultra-large tonnage die-casting equipment applications; at the same time, the Group continues to secure and deliver multiple 9000T-class ultra-large die casting machines, further consolidating its global leadership in ultra-large die casting equipment. In addition, the Group continues to expand the scope of lightweight applications for magnesium alloys and is driving the implementation of TPI semi-solid magnesium alloy forming technology in large-scale automotive body structural components, marking the official entry of the magnesium alloy business into a new phase of large-scale, rapid growth.

At the same time, the Group is accelerating its layout in new tracks for energy storage and AI computing power, while also

making the special casting business a strategic focus, improving its product matrix, and achieving diversified expansion of customer structure and application scenarios. During the Reporting Period, the Group's core special casting equipment successfully secured bulk orders from a leading enterprise in the new energy industry, providing critical equipment support for the company's large-scale battery pack production and facilitating the transition from traditional manufacturing processes to advanced forming processes characterized by lightweight design, high density, and integration. Currently, the Group has secured volume orders for its horizontal extrusion casting equipment, while commercial partnerships for its vertical extrusion casting equipment are progressing steadily, and negotiations with key customers are proceeding in an orderly manner. Leveraging the leading technological advantages of its full range of specialized casting equipment, the Group continues to explore new collaboration opportunities in emerging high-end manufacturing sectors, such as liquid-cooled heat dissipation structural components and structural components for humanoid robots, thereby further enhancing its overall competitiveness.

## (2) **Global Expansion Strategy: Building Global Service Capabilities**

The Group is steadfastly advancing its globalization strategy. Currently, it remains in a critical investment phase for establishing its global footprint, focusing on a development framework that combines "high-end breakthroughs in Europe and the US" with "deep cultivation

of emerging markets," while driving the gradual evolution of its business model from mere product exports to technology exports and integration into local ecosystems.

In mature European and American markets, the Group focuses on high-end development and deep technical cooperation. Leveraging its technological leadership advantage in ultra-large die-casting machines, it successfully secured a high-end equipment order from a well-known European vehicle enterprise, breaking the long-standing market barrier that made it difficult for Chinese companies to enter the supply chains of mainstream European and American vehicle enterprises. Its leading technical strength has earned high recognition from mainstream international markets. At the same time, we continuously improve our localized service system to enhance customer response speed and service quality.

In emerging markets such as Southeast Asia, the Group is closely following the trend of manufacturing industry shift, focusing on promoting small and medium-sized die casting equipment, magnesium alloy die casting machines, and high-end injection molding machines. During the Reporting Period, revenue from the Southeast Asian market increased by 105.6% year-over-year. The localized sales and service network now covers countries such as Thailand, Vietnam, and Malaysia, laying the foundation for rapid business growth in the future.

**(3) Enhancing Operational Capabilities:  
Reducing Costs and Improving  
Efficiency to Strengthen the  
Foundation for Development**

Against the backdrop of cyclical fluctuations in the industry and mounting pressure on profitability, looking ahead to the next financial year, the Group will continue to implement a range of operational initiatives aimed at enhancing quality and efficiency. It will optimise the specialised division of labour across its production bases, fully advance the digitalisation of its supply chain, leverage the synergies of its industrial clusters, and improve inventory turnover, thereby further strengthening the supply chain's resilience against cyclical market fluctuations. The Group will also continue to expand the in-house production of core components. Supported by its long-standing and stable relationships with upstream suppliers, it aims to mitigate the cost pressures arising from fluctuations in commodity prices. At the same time, the Group will continue to upgrade its manufacturing facilities with intelligent production lines, reducing material waste and energy consumption during the production process while establishing a comprehensive cost management and control system, thereby reinforcing its long-term profitability.

**4. FUTURE OUTLOOK AND STRATEGIC  
PLANNING**

Looking ahead to the next financial year, the trend toward transformation and upgrading in the global manufacturing sector remains unchanged, and the high-quality development of China's manufacturing sector will open up vast opportunities for the equipment manufacturing industry. The wider adoption of integrated die-casting technology, the increasing use of lightweight magnesium alloys and the application of new materials are expected to become clear industry trends. Embodied intelligent robots, AI computing hardware and next-generation energy storage solutions are expected to emerge as the industry's most important growth drivers.

The Group will seize industry development opportunities and adhere to the following core strategic directions: deepen its global footprint, focusing on high-end products and technological cooperation in the European and American markets, and keeping pace with industrial relocation trends in the Southeast Asian market; and make a comprehensive push into diverse sectors such as energy storage, photovoltaics, robotics, and computing power cooling to create a second growth curve. In terms of product strategy, the Group will continue to strengthen its leadership in ultra-large integrated die-casting equipment while accelerating the market penetration of its special casting equipment, including low-pressure die-casting machines, magnesium alloy die-casting machines and squeeze casting machines. In addition, it will increase the market share of its high-end injection moulding machines and CNC machining centres, while further optimising its product portfolio.

In terms of technology strategy, we will adhere to a dual-track approach driven by both customized and forward-looking R&D, continue to invest in cutting-edge technology research and development, and maintain our technological leadership. At the same time, we will deepen the integration and innovation of AI and industrial software to build a smart service system centered on “AI + Equipment.” The Group will focus on developing an AI large model-based intelligent process parameter optimisation system and a virtual mould trial platform. By replacing physical mould trials with high-precision simulation, these technologies will help customers substantially shorten new product development cycles and reduce mould development costs. This effectively helps customers reduce upfront R&D investments and trial-and-error costs, improve production efficiency, and strengthen customer loyalty and risk resilience.

The Group fully understands that only through technological innovation and the co-creation of value can we achieve steady and sustainable growth and become our customers’ most trusted “full-lifecycle value partner.” By continuously delivering highly efficient, highly reliable, and highly intelligent products and services, we help our customers navigate market cycles and enhance their growth resilience in the face of intense market competition.

## | MAJOR EVENTS OF L.K. TECHNOLOGY IN 2025/2026 |

- 1** The LK DCC6000–DCC16000 ultra-large die-casting machines received the “50th Anniversary Legendary Award – Merit Award” presented by the Hong Kong Institution of Engineers (HKIE). The award comprises three categories, namely innovation, industry and infrastructure, and aims to recognise outstanding engineering projects and breakthrough technologies that have made a lasting impact on the engineering profession and industrial development in Hong Kong and around the world over the past five decades, thereby setting benchmarks of excellence for the industry.



APRIL  
2025

2025  
MAY

- 2** The groundbreaking ceremony for the PT LKI Machinery Indonesia Technical Center was held.

On 13 May, the PT LKI Machinery Indonesia Technical Center, located in the BSB City Industrial Park in Semarang, Central Java, Indonesia, officially held a groundbreaking ceremony, marking a significant milestone in LK Group’s continued expansion and commitment to the local market. The groundbreaking ceremony not only symbolises LK Group’s strong confidence in and long-term commitment to the Indonesian market, but also demonstrates its determination to further enhance the quality of its localised services.



2025  
JUNE



- 3** LK Group and Zhejiang Xinkemeng Technology Co., Ltd. officially entered into a strategic cooperation agreement. Building on their long-standing relationship of mutual trust, the two parties will further deepen their collaboration. LK Group will provide Xinkemeng with comprehensive support covering the entire value chain, from equipment supply to related services. In addition to supplying die-casting equipment, LK Group will introduce its Engineering, Procurement and Construction (EPC) whole plant planning solutions and supporting service system to assist Xinkemeng in establishing a modern, highly efficient die-casting production base, thereby meeting its growing demand for the large-scale production of core automotive and motorcycle components.

#### 4 LK die-casting equipment has debuted in North America.

The die-casting equipment supplied by LK Group to the Saltillo plant of Xusheng Group in Mexico has been successfully installed and commissioned, supporting the efficient establishment of the customer's first production line. The entire cross-border delivery process, including transportation and installation, was completed within five months, successfully replicating the renowned "China Speed" in North America. This milestone marks the successful expansion of the long-standing cooperation between the two parties from the domestic Chinese market to the global stage. As a strategic partner of Xusheng Group for nearly two decades, LK Group has leveraged a dual-engine approach of "advanced equipment + comprehensive services" to facilitate the coordinated overseas expansion of "Chinese equipment + Chinese solutions" in the North American market. The project also demonstrates a further enhancement of LK Group's global service capabilities.



JUNE  
2025

#### 6 Fuxin Jinda gantry CNC machine project commenced construction, empowering Fuxin's precision manufacturing.

The Fuxin Jinda Gantry CNC Machine Project represents LK Group's commitment to deepening its strategic presence in Northeast China and embodies its ambition to advance the frontiers of high-end CNC machine tool technology. More importantly, it serves as a concrete initiative to support the transformation, upgrading and high-quality development of the manufacturing industry in Fuxin and the broader Northeast China region. The site will be developed into a key base for LK, serving the North-East Asian market and extending its reach to global markets.



#### 5 LK has joined forces with four strategic partners, including Cyborg, to jointly develop magnesium alloy humanoid robots.

At the World Artificial Intelligence Conference (WAIC 2025), a premier global technology event, LK Group entered into a strategic cooperation agreement with Shenzhen Cyborg Robot Co., Ltd., Shenyang Research Institute of Foundry Co., Ltd. under the China Academy of Machinery Science and Technology, Fujian Magnesium Casting Lightweight R&D Center Co., Ltd. and Suzhou SurfeX Advanced Materials Technology Co., Ltd. to officially launch a joint R&D project for magnesium alloy humanoid robots. The collaboration marks the beginning of a new era in the lightweight manufacturing of humanoid robots.

JULY  
2025

2025  
JULY



**7** LK integrated die-casting advanced manufacturing technology was selected as one of the “Outstanding Case of New Quality Productive Forces in the Automotive Industry 2025” (2025汽車新質生產力優秀案例). The “Outstanding Case of New Quality Productive Forces in the Automotive Industry 2025”, themed “Foreseeing New Quality Productive Forces, Shaping the Future of Mobility Together”, focuses on breakthrough cases across the categories of products, technologies, and industrial supply chains. It aims to identify innovative and forward-looking industry practices by aligning with technological transformation trends in the automotive sector and the core principles of new quality productive forces. It seeks to select exemplary cases that best represent the future direction of new quality productive forces in the automotive industry, conduct in-depth analysis and summarisation of these cases, and develop replicable and scalable best-practice models. Through establishing



industry benchmarks and providing solutions to key challenges and bottlenecks encountered by enterprises, the campaign aims to support the advancement of new quality productive forces in China’s automotive industry to new heights..

AUGUST  
2025



2025  
DECEMBER

**8** LK Group has become the first enterprise in China’s equal material manufacturing industry to receive the Manufacturing Readiness Level 8 (MRL8) rating for manufacturing ultra-large die-casting machines at the 10,000-ton level. According to the assessment conducted by experts based on the Evaluation Specification for Manufacturing Maturity of Mechanical Basic Equipment\* (《機械基礎裝備製造成熟度評價規範》), MRL8 signifies that the equipment has entered the stage of stable mass production and has gained market acceptance from users. This level reflects an advanced degree of manufacturing and technological maturity achieved by the enterprise.

**9 The LK Vietnam Technical Service Centre was officially launched.**

Driven by the dual engines of “technology empowerment” and “localized services”, we are comprehensively deepening our localized operations. Leveraging LK’s long-standing expertise in die-casting, injection moulding and CNC machining, the Vietnam Technical Service Centre will focus on customers’ actual production requirements and provide continuous support covering equipment selection, commissioning assistance, process optimisation and subsequent upgrades. This will help customers achieve a better balance among efficiency, quality and cost. At the same time, we will actively



collaborate with local partners in Vietnam to further enhance regional manufacturing support capabilities and service responsiveness.

JANUARY  
2026

**10 Mr. Liu Siong Song, founder of LK Group, was awarded the “Shenzhen Machinery 40-Year Lifetime Achievement Award”, specially presented by the Shenzhen Machinery Association.**

For more than 40 years, LK Group has advanced in step with the times and aligned its development with the nation’s progress. Since its establishment in Hong Kong in 1979 and subsequent expansion into Shenzhen amid China’s reform and opening-up, under the leadership of Mr. Liu Siong Song, LK Group has successively developed the first LK die-casting machine, China’s first hot-chamber magnesium alloy die-casting machine, China’s first cold-chamber magnesium alloy die-casting machine, and China’s first large-tonnage cold-chamber magnesium alloy die-casting machine, achieving pioneering breakthroughs, landmark innovations

2026  
MARCH



and historic accomplishments through the world’s first launches of 6000T, 9000T, 12000T and 16000T ultra-large intelligent die-casting cells.



LK, STRIVES FOR YOUR SUCCESS

力勁，始終致力於客戶的成功

使命



## DIRECTORS

**Ms. Chong Siw Yin**, aged 70, is the Chairperson of the Board and an Executive Director of the Company. Ms. Chong joined the Group in March 1988, and was appointed as an Executive Director in August 2004 and subsequently a member of Nomination Committee in January 2026. She is also a director of certain subsidiaries of the Company. Ms. Chong is responsible for the strategic planning, administration and human resources management of the Group and has over 38 years of management experience. Ms. Chong is the mother of Mr. Liu Zhuo Ming (the Chief Executive Officer and an Executive Director of the Company) and Miss Liu Ying Ying.

**Mr. Liu Zhuo Ming**, aged 40, is the Chief Executive Officer and an Executive Director of the Company. Mr. Liu joined the Group in October 2008 and has served in a number of positions in the Group. He was appointed as an Executive Director in April 2014 and was appointed as the Chief Executive Officer in April 2017. Mr. Liu is also a director of certain subsidiaries of the Company. He graduated from Oregon State University, USA with a bachelor's degree in Computer Science. Mr. Liu has extensive experience in business operations and management. Mr. Liu is the son of Ms. Chong Siw Yin (the Chairperson of the Board and an Executive Director of the Company) and Mr. Liu Siong Song (the strategic and technical consultant and controlling shareholder of the Company).

**Mr. Tse Siu Sze**, aged 58, is an Executive Director of the Company. Mr. Tse joined the Group in July 1990 and has served in a number of positions in the Group. Mr. Tse was appointed as an Executive Director in December 2013. He is also a general manager or director of certain subsidiaries of the Company. Mr. Tse has over 36 years of experience in production management, sales and marketing.

**Dr. Low Seow Chay**, aged 76, was appointed as an Independent Non-executive Director of the Company in September 2004. He was the associate professor of the Nanyang Technological University of Singapore before his retirement in November 2012. Dr. Low has more than 30 years of teaching (and research) experience in mechanical engineering. He is a former member of the Parliament of Singapore serving the term from 1988 to 2006, and was a board member of Hor Kew Corporation Limited and a board member of Casa Holdings Limited, both are publicly listed companies in Singapore. Dr. Low received a Doctor of Philosophy Degree from The University of Manchester, U.K..

**Dr. Lui Ming Wah**, *PhD, SBS, JP*, aged 88, was appointed as an Independent Non-executive Director of the Company in September 2004. Dr. Lui is an established industrialist serving as the Honorary Chairman of The Hong Kong Electronic Industries Association and the Honorary President of The Chinese Manufacturers' Association of Hong Kong, the founder chairman of Hong Kong Shandong Business Association, Honorary President of Federation of HK Shandong Community Organisations Limited. Adviser Prof. of Shandong University. He was elected to the First, Second and Third Legislative Council of the HKSAR in 1998, 2000 and 2004 respectively. Dr. Lui was also member of the tenth and eleventh National Committee of the Chinese People's Political Consultative Conference, Member of standing Shandong Provincial Committee of C.P.P.C.C., post President of The Hong Kong Association for the Advancement of Science and Technology and Advisor of Hong Kong Affairs. He is the managing director of Keystone Electronics Co., Limited. Besides, he is currently an independent non-executive director of AV Concept Holdings Limited and Gold Peak Technology Group Limited (both being listed companies on The Stock Exchange of Hong Kong Limited (the "Stock Exchange")). Dr. Lui obtained a master's degree in Applied Science from the University of New South Wales in Australia and a PhD from the University of Saskatchewan in Canada. He completed the "Hong Kong Senior Staff Course No. 1, 1984". He is a Fellow of The Hong Kong Institute of Directors.

**Mr. Look Andrew**, aged 61, has been an Independent Non-executive Director of the Company since April 2022. Mr. Look holds a bachelor of commerce degree from the University of Toronto and has over 30 years' experience in the equity investment analysis of Hong Kong and China stock markets. From 2000 to 2008, Mr. Look served in Union Bank of Switzerland as the head of Hong Kong research, strategy and product. He was rated as the best Hong Kong strategist and best analyst by the Asiamoney magazine, a leading monthly financial and capital markets publication for corporate and finance readers and investors, in 2001, 2002, 2003, 2005, 2006 and 2007. Mr. Look is an independent non-executive director of Hung Fook Tong Group Holdings Limited and EC Healthcare, both being listed on the Stock Exchange in Hong Kong. He was an independent non-executive director of Ka Shui International Holdings Limited and CITIC Resources Holdings Limited (both being listed on the Stock Exchange in Hong Kong).

## SENIOR MANAGEMENT

**Mr. John Stokes**, aged 59, was appointed General Manager of Idra Group in April 2024. A qualified Mechanical and Production Engineer, he graduated from Birmingham City University in 1989, with additional specialization in instrumentation and control. He brings nearly four decades of experience in the global die casting and foundry industry, combining deep technical expertise with strong leadership and strategic vision. Mr. Stokes began his career in the United Kingdom as a technical engineer in a foundry environment, where he was responsible for tooling and maintenance. This early hands-on experience provided him with a solid operational foundation and a comprehensive understanding of production processes within the die casting sector. He joined Idra Group in 1995 and has progressively held senior roles across commercial, operational, and organizational functions, including leadership of sales, marketing, and business development initiatives. Over the past 15 years, he has been based in Italy, contributing significantly to the Group's international growth, strengthening customer partnerships, and expanding its global market presence. Throughout his career, Mr. Stokes has been instrumental

in advancing innovation within the aluminium and magnesium foundry sector, particularly for automotive applications. Notably, he co-developed the Giga Press technology in 2016, which entered production in 2020 and is now transforming automotive manufacturing by enabling the large-scale production of lightweight aluminium structural components, supporting more efficient and sustainable vehicle design. In addition, Mr. Stokes plays a leading role in the Foundry Star Alliance (FSA), a collaborative network of companies within the die casting industry focused on accelerating technological advancement, sharing expertise, and supporting growth in automotive body structures. Over his long tenure, he has built a strong reputation for delivering results, developing high-performing teams, and driving long-term value creation. His combination of technical expertise, industry experience, and managerial capability has helped position Idra Group as a leading player in the global die casting industry.

**Ms. Pan Lingling**, aged 55, is the general manager and a director of Shenzhen Leadwell Technology Co. Ltd. and the director of Shenzhen L.K. Technology Co. Ltd. Ms. Pan joined the Group in October 2002. She has been the general manager and a director of Shenzhen Leadwell Technology Co. Ltd. since April 2017 and was appointed as the director of Shenzhen L.K. Technology Co. Ltd. in April 2024. Ms. Pan has wealth of experience in research and development management, human resources management and market development. She is currently the Vice President of China Foundry Association, Vice President of China Shenzhen Machinery Association, Member of Longhua District of Shenzhen Municipal Committee of the CPPCC. Ms. Pan possesses a postgraduate qualification in Economics and Management and a certification as a Senior Engineer.

**Mr. Hu Zaoren**, aged 54, joined the Group in April 1995 and has served in a number of positions in the Group. He is currently the general manager of Shanghai Atech Machinery Co. Ltd. (appointed in June 2016) and the director of Shenzhen L.K. Technology Co. Ltd. (appointed in April 2024). Mr. Hu has rich experience in production, marketing and after-sale services management. Mr. Hu holds a Bachelor's degree in Business Administration with specialty in Mechatronic and Intermediate Economics Professional Qualification.

**Mr. Zhang Jun**, aged 46, is the general manager of Ningbo L.K. Technology Co. Ltd. and the director of Shenzhen L.K. Technology Co. Ltd.. Mr. Zhang joined the Group in July 2000 and has served in various positions including customer services supervisor, customer services manager, sales manager and marketing director. He was appointed as the general manager of Ningbo L.K. Technology Co. Ltd. in July 2019 and as the director of Shenzhen L.K. Technology Co. Ltd. in April 2024. Mr. Zhang has over 26 years of experience in customer services, sales management and market development.

## | CORPORATE GOVERNANCE REPORT |

The board (the “Board”) of directors (the “Directors”) of the Company is committed to maintaining good corporate governance practices and procedures. The Company has applied the principles and complied with code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) throughout the year ended 31 March 2026 (the “Year”).

### BOARD OF DIRECTORS

The Board currently comprises three Executive Directors and three Independent Non-executive Directors. The composition of the Board is well balanced with each Director having sound knowledge, experience and/or expertise relevant to the business operation and development of the Group. Each of the Executive Directors has entered into a service contract with the Company for a term of three years. The Independent Non-executive Directors are appointed for a fixed term of three years and are subject to retirement by rotation and re-election in accordance with the Company’s articles of association. Each of the Independent Non-executive Directors or the Company may terminate the appointment at any time during the three-year term by giving the other party at least three months’ notice in writing. They bring independent judgment and provide the Company with invaluable guidance and advice on the Group’s development. They also review the financial information and operational performance of the Company on a regular basis. The present structure of the Board ensures the independence and objectivity of the Board and provides a system of checks and balances to safeguard the interests of the shareholders as a whole.

All the Independent Non-executive Directors meet the requirements of independence under the Listing Rules. The Company has received from each of the Independent Non-executive Directors the annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers all of them to be independent. There is no relationship (including financial, business, family or other material relationship) among members of the Board save as those disclosed in the section headed “Directors and Senior Management Profiles”.

The Board meets at least four times a year at approximately quarterly intervals to review financial and operational performance and approves matters specially reserved to the Board for its decision. The day-to-day management, administration and operation of the Company are delegated to the chief executive officer (the “Chief Executive Officer”) and the senior management of the Company. Dates of the regular Board meeting are scheduled earlier. Notice of at least 14 days is given for regular Board meetings. For ad hoc Board meetings, reasonable notice will be given. All the Directors actively participated in the Board meetings during the Year.

The company secretary of the Company (the “Company Secretary”) is responsible for ensuring compliance of Board procedures and advising the Board on matters concerning corporate governance and regulatory compliance. All Directors have access to the advice and services of the Company Secretary. Directors are consulted as to matters to be included in the agenda for regular Board meetings. Other than exceptional circumstances, related Board meeting materials are sent to all Directors in a timely manner and at least three days before the date of the scheduled Board meeting. Directors are provided with adequate and complete information to enable them to make an informed decision. Draft and final versions of minutes of Board meetings are sent to all Directors for comment and records within a reasonable time after the Board meeting is held. The minutes of the Board meetings record in sufficient details the matters considered (continued) by the Board, including concerns raised by the Directors. All minutes of Board meetings are kept by the Company Secretary and are open for inspection by any Director.

If a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with by way of a Board meeting and the interested shareholder or Director shall not vote nor be counted in the quorum present at the relevant meeting. Independent Non-executive Directors who, and whose associates, have no material interest in the transaction shall be present at such a Board meeting.

## CORPORATE GOVERNANCE FUNCTIONS

The Board also reviewed the corporate governance policies and practices, the training and continuous professional development of Directors, compliance with legal and regulatory requirements, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

## DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Company has arranged appropriate insurance cover in respect of legal actions against its Directors and officers. The Company reviews the insurance coverage from time to time to ensure adequate coverage. There is a procedure agreed by the Board to enable Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances, at the Company's expenses in order to assist them to discharge their duties to the Company.

## CHAIRPERSON AND CHIEF EXECUTIVE OFFICER

The roles of the chairperson of the Company (the "Chairperson") and the Chief Executive Officer are segregated and are not exercised by the same individual. Ms. Chong Siw Yin is the Chairperson and Mr. Liu Zhuo Ming is the Chief Executive Officer. The segregation of duties of the Chairperson and the Chief Executive Officer ensures a clear distinction in the Chairperson's responsibility to manage the Board and the Chief Executive Officer's responsibility to manage the Company's business. The division of responsibilities between the Chairperson and the Chief Executive Officer are set out in writing.

## CONTINUOUS PROFESSIONAL DEVELOPMENT

Relevant materials on legislative and regulatory updates were circulated to all Directors during the Year so as to keep them abreast of any changes to the regulation and disclosure obligations. Individual Directors also participated in other courses and seminars organized by regulatory and professional bodies to update their knowledge in their professional areas and have provided records thereof to the Company.

Records of the Directors' training during the Year are as follows:

| Members of the Board                                 | Training received                                                             |
|------------------------------------------------------|-------------------------------------------------------------------------------|
| <b>Executive Directors</b>                           |                                                                               |
| Ms. Chong Siw Yin ( <i>Chairperson</i> )             | (i) and (ii)                                                                  |
| Mr. Liu Zhuo Ming ( <i>Chief Executive Officer</i> ) | (i) and (ii)                                                                  |
| Mr. Tse Siu Sze                                      | (i) and (ii)                                                                  |
| <b>Independent Non-executive Directors</b>           |                                                                               |
| Dr. Low Seow Chay                                    | (i) and (ii)                                                                  |
| Dr. Lui Ming Wah, <i>PhD, SBS, JP</i>                | (i) and (ii)                                                                  |
| Mr. Look Andrew                                      | (i) and (ii)                                                                  |
| (i)                                                  | Reading materials in relation to latest developments in rules and regulations |
| (ii)                                                 | Attending training seminars                                                   |

## ATTENDANCE AT MEETINGS

The record of attendance of the Directors at Board meetings, Board Committee meetings and annual general meeting during the Year is set out below:

|                                            | Number of meetings attended/held |                         |                              |                                |                        |
|--------------------------------------------|----------------------------------|-------------------------|------------------------------|--------------------------------|------------------------|
|                                            | Board meeting                    | Audit Committee meeting | Nomination Committee meeting | Remuneration Committee meeting | Annual general meeting |
| <b>Executive Directors</b>                 |                                  |                         |                              |                                |                        |
| Ms. Chong Siw Yin                          | 4/4                              | N/A                     | 0/0                          | N/A                            | 1/1                    |
| Mr. Liu Zhuo Ming                          | 4/4                              | N/A                     | N/A                          | N/A                            | 1/1                    |
| Mr. Tse Siu Sze                            | 4/4                              | N/A                     | N/A                          | N/A                            | 1/1                    |
| <b>Independent Non-executive Directors</b> |                                  |                         |                              |                                |                        |
| Dr. Low Seow Chay                          | 4/4                              | 2/2                     | 3/3                          | 2/2                            | 1/1                    |
| Dr. Lui Ming Wah, <i>PhD, SBS, JP</i>      | 4/4                              | 2/2                     | 3/3                          | 2/2                            | 1/1                    |
| Mr. Look Andrew                            | 4/4                              | 2/2                     | 3/3                          | 2/2                            | 1/1                    |

In addition, the Chairperson met one time during the Year with all the Independent Non-executive Directors without the presence of other Directors on 27 November 2025.

## BOARD COMMITTEES

The Company has established three Board Committees, namely Audit Committee, Remuneration Committee and Nomination Committee. The terms of reference for these Board Committees are reviewed and updated regularly to ensure that they are aligned with prevailing governance practices. Each Board Committee's terms of reference, which outline the roles, authorities and procedures, and list of members are available in full on the websites of the Company and The Stock Exchange of Hong Kong Limited.

### Remuneration Committee

The Remuneration Committee currently comprises three Independent Non-executive Directors, namely Mr. Look Andrew, Dr. Low Seow Chay and Dr. Lui Ming Wah. Mr. Look Andrew is the chairman of the Remuneration Committee. The primary duties of the Remuneration Committee include reviewing the terms of remuneration packages of Directors and senior management, determining the award of bonuses and considering the matters relating to share schemes under the Listing Rules of the Company and making recommendations to the Board (the model described in code provision E.1.2(c)(ii) was adopted).

The Remuneration Committee held two meetings during the Year. The major work done of the Remuneration Committee during the Year was discussed and renewed the service contract with Mr. Tse Siu Sze and the appointment letters with three Independent Non-Executive Directors.

Pursuant to code provision of E.1.5 of the CG Code, details of the annual remuneration of the members of the senior management (the "Senior Management") by band for the Year is as follows:

|                             | <b>Number of employees</b> |
|-----------------------------|----------------------------|
| Nil–HK\$2,000,000           | 3                          |
| HK\$9,000,001–HK\$9,500,000 | 1                          |

Details of the remuneration of each Director for the Year are set out in Note 26 to the financial statements.

### **Nomination Committee**

The Nomination Committee currently comprises three Independent Non-executive Directors and an Executive Director, namely Dr. Low Seow Chay, Dr. Lui Ming Wah, Mr. Look Andrew and Ms. Chong Siw Yin. Dr. Low Seow Chay is the chairman of the Nomination Committee. The Nomination Committee is mainly responsible for making recommendations to the Board on the appointment of Directors and the management of the board succession. The Nomination Committee can reasonably ensure that only candidates with capability and relevant experience will be appointed as future directors.

During the Year, the Nomination Committee held three meetings. The members of the Nomination Committee discussed and renewed the service contract with Mr. Tse Siu Sze and the appointment letters with three Independent Non-Executive Directors, and appointed Ms. Chong Sin Yiw as a member since 30 January 2026.

### **Board Diversity Policy**

The Board has adopted a board diversity policy (the "Board Diversity Policy") which sets out the approach to achieve diversity of the Board. The Company recognizes that increasing diversity at the Board level will support the attainment of the Company's strategic objectives and sustainable development. The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional

experience, skills, knowledge and length of service. The Company will also take into consideration its own business model and specific needs from time to time in determining the optimum composition of the Board.

The Company take opportunities to promote gender diversity at all levels, including but not limited to our Board and the Senior Management. Currently, there is one female each on the Board and the Senior Management.

As at 31 March 2026, the Company has approximately 5,960 employees (including Senior Management) comprising of 5,126 males and 834 females (86% for male and 14% for female approximately).

The Company is mindful of the objectives as set out in the diversity policy when assessing the candidacy of the employees, and will ensure that the Company shall continue to follow the policy.

The Nomination Committee will discuss and review the measurable objectives for implementing the Board Diversity Policy from time to time to ensure their appropriateness and the progress made towards achieving those objectives will be ascertained.

### **Audit Committee**

The Audit Committee currently comprises three Independent Non-executive Directors, namely Dr. Lui Ming Wah, Dr. Low Seow Chay and Mr. Look Andrew. Dr. Lui Ming Wah is the chairman of the Audit Committee.

The primary duties of the Audit Committee are to review and supervise the financial reporting process, risk management and internal control systems of the Group and provide advice and comments to the Board.

During the Year, the Audit Committee held two meetings with the Executive Directors, representatives of the management, the internal auditors and the external auditor of the Company to discuss the auditing, financial reporting, operational performance and internal control matters. The Audit Committee also met one time during the Year with the external auditor in the absence of the management to discuss and make enquiries on various financial and operational matters.

The following is a summary of work performed by the Audit Committee during the Year:

- (i) review of the Group's interim and annual results before submission to the Board for approval;

- (ii) review of external auditor's audit plan, external auditor's reports and other matters raised by the external auditor;
- (iii) review of the independence of external auditor;
- (iv) making recommendation to the Board on the appointment of the external auditor, and to approve the remuneration and terms of engagement of the external auditor;
- (v) review of the internal audit department reports and make recommendations; and
- (vi) review of the effectiveness of the risk management and internal control systems of the Group.

#### Auditor's Remuneration

The financial statements of the Group for the Year have been audited by PricewaterhouseCoopers ("PwC"). The remuneration paid/payable to PwC is set out as follows:

|                    | <b>Fee paid/payable</b><br>HK\$'000 |
|--------------------|-------------------------------------|
| Audit services     | 3,780,000                           |
| Non-audit services | 968,000                             |
|                    | <b>4,748,000</b>                    |

The non-audit services are mainly for interim results review, tax compliance and risk management review.

#### MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors' securities transactions. The Directors have confirmed, following specific enquiries by the Company that they have complied with the required standards as set out in the Model Code throughout the Year.

The Company has also established written guidelines on no less exacting terms than the Model Code for dealings in the Company's securities by relevant employees who are likely to be in possession of unpublished price-sensitive information of the Company or the Company's securities.

## RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements of the Company for the Year.

The statement of the external auditor of the Company about its reporting responsibilities on the financial statements is set out in the Independent Auditor's Report on pages 49 to 53.

There are no material uncertainties relating to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

## RISK MANAGEMENT AND INTERNAL CONTROLS

### Responsibility of the Board

The Board acknowledges its responsibility to ensure the establishment, maintaining and review of the appropriateness and effectiveness of the Group's risk management and internal control systems, where management is responsible for the design, implementation and monitoring of these systems to manage risks.

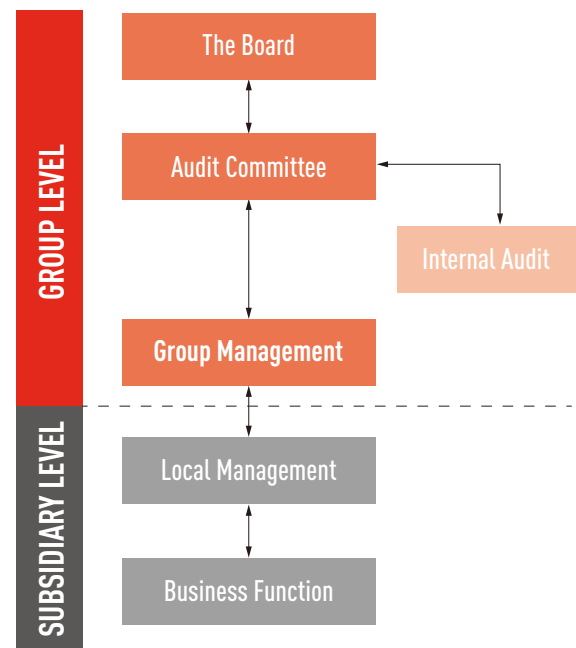
Sound and effective risk management and internal control systems are in place to achieve the Group's strategic objectives as well as to safeguard shareholder investments and the Company assets. Such systems are designed to manage rather than eliminate the risk of failure to achieve strategic objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

### Our Risk Management and Internal Control Framework

The Board has the overall responsibility of the risk management and internal control systems of the Group. With the support from the Audit Committee, the Board monitors the Group's risk exposure, oversees the actions of management and monitors the overall

effectiveness of the risk management and internal control systems on an ongoing basis. Management is responsible for setting an appropriate tone from the top, performing risk assessments, and owning the design, implementation and maintenance of internal controls. Policies and procedures form the basis and set forth the control standards required for functioning of the Group's business entities. These policies and procedures covered various aspects, including operations, finance & accounting, human resources, regulatory & compliance, delegation of authority, etc.

With an aim to improve the Group's risk management and internal control systems, the Group has engaged a professional consulting firm to enhance its risk management system and assist management to perform an annual assessment of major risks associated with the Group's businesses and operations. The organizational structure for risk management is set out as follows:



During the risk assessment process, the Group has identified several key risks that may impact the Group's strategic objectives, as a result of the changes in the business and external environment. These risks have been prioritized according to the likelihood of their occurrence and the significance of their impact on the

business of the Group. A risk assessment report has been submitted to the Board for oversight and monitoring of the risks. Meanwhile, risk management measures and mitigating controls have been developed to manage these risks to an acceptable level.

### **Internal Audit**

The internal audit department (the “IAD”) of the Company plays a major role in monitoring the internal controls of the Group. It reports directly to the Audit Committee. The IAD has carried out independent audits to evaluate the effectiveness of the Group’s internal control systems according to the Internal Audit Plan. The head of the IAD has attended the Audit Committee meetings and reported the work that has been done and audit findings to the Audit Committee. All recommendations from the IAD have been followed up promptly to ensure proper controls have been in place within a reasonable time.

### **Review of Risk Management and Internal Control Systems**

The Board is responsible for maintaining appropriate and effective risk management and internal control systems to safeguard shareholder investments and the Company assets as well as reviewing the effectiveness of such systems, with the support of the Audit Committee, on an annual basis.

Key or major business units are required to perform annual control self-assessments to assess the effectiveness of internal control systems. The control self-assessments are in the form of questionnaires that set out key risks and corresponding controls for each key business process. The questionnaires are required to be confirmed and signed by the management of corresponding business units upon completion. The IAD reviews the completed control self-assessment questionnaires and provides comments and recommendations for consideration by the management of business units.

During the Year, the Board has conducted a review of the effectiveness of the risk management and internal control systems of the Group and considered these systems being effective and adequate. In addition, the Board has reviewed and is satisfied with the adequacy of resources, qualifications and experience of staff of the Group’s accounting, internal audit and financial reporting functions, as well as their training programs and budget.

### **Procedures and Controls over Handling and Dissemination of Inside Information**

The Company is aware of its obligation under relevant sections of the Securities and Futures Ordinance and Listing Rules. An Inside Information Disclosure Policy has been established to lay down practical guidelines on definition and the scope of inside information; disclosure and management framework; exemptions for disclosure; receiving, reporting and disclosing of inside information; confidentiality and records of such information. Also, staff who have access to inside information are required to follow the Inside Information Disclosure Policy to keep the unpublished inside information strictly confidential.

## **DIVIDEND POLICY**

The Company has, since listing, adopted a dividend policy. The Company intends to pay dividends by way of interim and final dividends. The Directors generally intend to declare and recommend dividends which would amount in total to not less than 30% of the distributable profits generated during the year. The payment and amount of any dividends will be at the discretion of the Directors and will depend upon the Group’s earnings, financial conditions, cash requirements and availability, and other factors. There is no assurance as to whether the dividend distribution will occur as intended, what the amount of dividend payment or the timing of such payment will be.

The payment of dividend by the Company is also subject to any restrictions under the applicable laws and regulations, including the laws of the Cayman Islands and the memorandum and articles of association of the Company (the “Articles of Association”).

## COMPANY SECRETARY

Ms. Ng Ka Man ("Ms. Ng") was appointed as the Company Secretary since 1 March 2024. Ms. Ng is a senior manager of the Listing Services Department of TMF Hong Kong Limited and is responsible for provision of corporate secretarial and compliance services to listed company clients. She is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Ms. Ng confirmed that she took not less than 15 hours of relevant professional training during the year ended 31 March 2026 pursuant to Rule 3.29 of the Listing Rules. Ms. Ng's primary contact person of the Company is Ms. Chong Siw Yin.

## COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Board established a shareholders communication policy in 2012 and made it available on the Company's website. The policy is subject to review on a regular basis to ensure its effectiveness.

The Company maintains various communication channels with its shareholders. The Company's annual general meeting provides a good opportunity for shareholders to exchange views with the Board. Members of the Board and the external auditor will attend the annual general meeting to answer shareholders' questions.

In order to promote effective communication, the Company maintains a website ([www.lk.world](http://www.lk.world)) which includes past and present information relating to the Group and its businesses.

The Company regards communications with its investors as being vital. The Company continues to enhance investor relations. Designated members of the Board and Senior Management are given the specific responsibilities to maintain regular contact with institutional investors, potential investors, financial analysts and fund managers. During the Year, plant visits and meetings were held to help them better understand the Group's operations

and developments. Press releases were issued as appropriate to provide with the most updated business development of the Group to the public.

## SHAREHOLDERS' RIGHTS

### Convening an extraordinary general meeting of the Company ("EGM")

Pursuant to Article 58 of the Articles of Association, shareholders of the Company holding at the date of deposit of 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 shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition.

### Putting forward proposals at general meetings

There are no provisions allowing shareholders to move new resolutions at general meetings under the Companies Law of the Cayman Islands or the Company's Articles of Association. Shareholders who wish to move a resolution may request the Company to convene a general meeting following the procedures as set out in the preceding paragraph.

As regards proposing a person for election as a Director, please refer to the procedures available on the website of the Company.

### Putting forward enquiries to the Board

For putting forward any enquiries to the Board, shareholders may send written enquires to the Company addressing to the Company Secretary by mail at Unit A, 8th Floor, Mai Wah Industrial Building, 1-7 Wah Sing Street, Kwai Chung, New Territories, Hong Kong.

### Constitutional documents

During the Year, there is no significant change in the Company's constitutional documents.

## | DIRECTORS' REPORT |

The directors of the Company (the "Directors") submit their annual report together with the audited consolidated financial statements for the year ended 31 March 2026 (the "Year").

### PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The Company and its subsidiaries (collectively the "Group") are principally engaged in the design, manufacture and sales of hot chamber and cold chamber die-casting machines, plastic injection moulding machines, computerized numerical controlled machining centres and related accessories. The Group is also engaged in steel casting. The activities of the Company's principal subsidiaries, associates and joint ventures are set out in Notes 12, 11 and 10 to the consolidated financial statements respectively.

An analysis of the Group's performance for the Year by operating segment is set out in Note 5 to the consolidated financial statements.

### RESULTS AND APPROPRIATIONS

The results of the Group for the Year are set out in the consolidated income statement on page 56.

An interim dividend of HK3 cents per share in respect of the period ended 30 September 2025 was paid to shareholders on 9 January 2026. The Directors recommend a payment of final dividend of HK3 cents per share for the year ended 31 March 2026 (2025: HK4.5 cents), subject to shareholders' approval at the forthcoming annual general meeting to be held on Friday, 4 September 2026, payable to shareholders whose names appear on the register of members of the Company on Friday, 18 September 2026. The dividend will be paid on or about 2 October 2026.

### BUSINESS REVIEW

A review of the Group's business during the Year, which includes a discussion of the principal risks and uncertainties facing by the Group, an analysis of the Group's performance using financial key performance indicators, particulars of important events affecting the Group during the Year and up to the date of this report, and an indication of likely future developments in the Group's business, are provided in sections headed "Chairman's Statement" on pages 6 to 7 and "Management Discussion and Analysis" on pages 10 to 17 of the annual report, and the notes to the consolidated financial statements.

### COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group recognizes the importance of compliance with the requirements of relevant laws and regulations. During the Year, as far as the Board and management are aware of, there was no material breach or non-compliance with any applicable laws and regulations by the Group that has a significant impact on the businesses and operations of the Group.

### ENVIRONMENTAL POLICIES

The Group is committed to building an environmental-friendly corporation and pays close attention to environmental protection laws and regulations to ensure the environmental policies are in line with domestic and international standards. All the factories are operated in strict compliance with the relevant environmental regulations and rules.

### KEY RELATIONSHIPS

The Group recognizes the importance of maintaining a good relationship with its employees, customers and suppliers so as to maintain sustainable development in the long term. During the Year, there were no material and significant disputes between the Group and its employees, customers and suppliers.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For details of the environmental related activities performed during the Year, please refer to the Company's 2025/26 Environmental, Social and Governance Report published on the Company's website and on the website of The Hong Kong Stock Exchange the same date as the publication of this annual report.

## PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in Note 7 to the consolidated financial statements.

## INVESTMENT PROPERTIES

Details of the movements in investment properties are set out in Note 8 to the consolidated financial statements.

## SHARES ISSUED IN THE YEAR

Details of the shares issued in the year ended 31 March 2026 are set out in Note 19 to the consolidated financial statements.

## DONATIONS

During the Year, the Group made charitable or other donations totaling HK\$1,790,000.

## RESERVES

Details of the movements in the reserves of the Group and the Company during the Year are set out in the consolidated statement of changes in equity and Note 36 to the consolidated financial statements respectively.

## DISTRIBUTABLE RESERVES OF THE COMPANY

As at 31 March 2026, the Company's reserves available for distribution to shareholders of the Company were HK\$1,116,648,000, representing share premium of HK\$1,068,168,000 and retained earnings of HK\$48,480,000.

Under the Companies Law of the Cayman Islands, the share premium of the Company may be distributed subject to the provision of the Company's Articles of Association and provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business.

## EQUITY-LINKED AGREEMENTS

Other than the share option scheme and share award scheme of the Group as disclosed below, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the Year or subsisted at the end of the Year.

## FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group is set out on page 168.

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Articles of Association and the Companies Law of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

## DIRECTORS

The Directors during the Year and up to the date of this report were:

### Executive Directors:

Ms. Chong Siw Yin (*Chairperson*)  
Mr. Liu Zhuo Ming (*Chief Executive Officer*)  
Mr. Tse Siu Sze

### Independent Non-executive Directors:

Dr. Low Seow Chay  
Dr. Lui Ming Wah, *PhD. SBS, JP*  
Mr. Look Andrew

In accordance with Article 87 of the articles of association of the Company, Mr. Tse Siu Sze and Dr. Lui Ming Wah ("Dr. Lui") shall retire from office by rotation and, being eligible, offer themselves for re-election at the Annual General Meeting ("AGM"). The Remuneration Committee and Nomination Committee of the Company had assessed and reviewed the annual confirmation of independence of Dr. Lui based on the independence criteria as set out in Rule 3.13 of the Listing Rules and confirmed that he remains independent. The Remuneration Committee and Nomination Committee had considered and nominated the above 2 retiring Directors to the Board for it to propose to the Shareholders for re-election at the AGM.

Each of the above retiring Directors had abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders at the AGM.

Dr. Lui has served as an independent non-executive Director of the Company for more than 9 years. Dr. Lui has demonstrated his ability to provide an independent view to the Company's matters. The Board is of the view that Dr. Lui is able to continue to fulfill his role as required and he is therefore considered as independent and is recommended to be re-elected.

None of the Directors being proposed for re-election at the forthcoming AGM has a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Brief biographical details of Directors and senior management are set out on pages 23 to 25 to this annual report.

### Changes in information of Directors

Subsequent to publication of the 2025/2026 Interim Report, the changes in information of Directors are set out below pursuant to Rule 13.51(2) and Rule 13.51B(1) of the Listing Rules:

- Ms. Chong Siw Yin, an executive Director and the chairperson of the Company, appointed as a member of nomination committee of the Company on 30 January 2026.
- Mr. Andrew Look, an independent non-executive Director of the Company, retired as an independent non-executive Director, chairman of the audit committee, chairman of the risk management committee and a member of the remuneration committee of CITIC Resources Holdings Limited (stock code: 1205) on 12 June 2026.

## DIRECTORS' MATERIAL INTERESTS IN TRANSACTION, ARRANGEMENT AND CONTRACT

Save for the transactions as disclosed in the section headed "Continuing Connected Transaction" below and the related party disclosures as disclosed in Note 35 to the financial statements of the annual report, none of the Directors had any material interests, either directly or indirectly, in any transaction, arrangement and contract of significance to the business of the Group to which the Company, or any of its holding companies, subsidiaries and fellow subsidiaries was a party during the Year.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATIONS

As at 31 March 2026, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of Securities and Futures Ordinance ("SFO")) which were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of SFO (including any interests which were taken or deemed to have under such provisions of the SFO) or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), to be notified to the Company and the Stock Exchange, were as follows:

| Name of Director/<br>chief executive | Name of<br>company | Capacity               | Number of<br>shares held   | Approximate<br>percentage of<br>shareholding |
|--------------------------------------|--------------------|------------------------|----------------------------|----------------------------------------------|
| Ms. Chong                            | the Company        | Beneficiary of a trust | 849,078,004 <sup>(1)</sup> | 62.23%                                       |
|                                      |                    |                        | Long position              |                                              |
|                                      | the Company        | Beneficial owner       | 3,105,000 <sup>(2)</sup>   | 0.23%                                        |
|                                      |                    |                        | Long position              |                                              |
|                                      | the Company        | Interest of spouse     | 5,722,750 <sup>(3)</sup>   | 0.42%                                        |
|                                      |                    |                        | Long position              |                                              |
| Mr. Liu Zhuo Ming                    | the Company        | Beneficiary of a trust | 849,078,004 <sup>(4)</sup> | 62.23%                                       |
|                                      |                    |                        | Long position              |                                              |
|                                      | the Company        | Beneficial owner       | 1,000,000 <sup>(5)</sup>   | 0.07%                                        |
|                                      |                    |                        | Long position              |                                              |
| Mr. Tse Siu Sze ("Mr. Tse")          | the Company        | Interest of spouse     | 50,000 <sup>(6)</sup>      | 0.004%                                       |
|                                      |                    |                        | Long position              |                                              |

### Notes:

- These 849,078,004 shares are owned by Girgio Industries Limited ("Girgio"). Girgio is owned as to 95% by Full Profit Asset Limited which is wholly-owned by HSBC International Trustee Limited (as trustee of The Liu Family Trust, in which Ms. Chong, Mr. Liu Zhuo Ming and Miss Liu Ying Ying ("Miss Liu") are the beneficiaries of The Liu Family Trust) and 5% by Mr. Liu Siang Song ("Mr. Liu"), the spouse of Ms. Chong.
- 3,105,000 underlying shares held by Ms. Chong, 300,000 of which are held by virtue of the interests in the share options of the Company granted to her on 24 September 2021.
- These 5,722,750 shares are beneficially owned by Mr. Liu.
- Mr. Liu Zhuo Ming is deemed to be interested in the 849,078,004 shares held by Girgio as a beneficiary of The Liu Family Trust. Mr. Liu Zhuo Ming is the son of Mr. Liu and Ms. Chong.
- 1,000,000 underlying shares are held by Mr. Liu Zhuo Ming by virtue of the interests in the share options of the Company granted to him on 24 September 2021.
- 50,000 underlying shares are held by Mr. Tse by virtue of the interests in the share options of the Company granted to his spouse on 24 September 2021.

### Long position in shares of associated corporation of the Company

| Name of director | Name of associated corporation         | Capacity         | Number of shares           | Approximate percentage of shareholding |
|------------------|----------------------------------------|------------------|----------------------------|----------------------------------------|
| Mr. Tse          | LK Injection Molding Machine Co., Ltd. | Beneficial owner | 6,011,031<br>Long position | 2.62%                                  |

Save as disclosed above, as at 31 March 2026, none of the Directors and chief executive of the Company had registered any interest or short position in the shares, underlying shares and debentures of the Company or 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 otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### INTERESTS AND LONG POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

As at 31 March 2026, according to the relevant disclosure of the interest information as shown on the HKExnews website of HKEx and the register kept by the Company under Section 336 of the SFO, the following companies and persons, other than the Directors and chief executive of the Company, had long positions of 5% or more in the Shares and underlying Shares of the Company:

| Name                               | Capacity                | Number of shares held                       | Approximate percentage of shareholding |
|------------------------------------|-------------------------|---------------------------------------------|----------------------------------------|
| Girgio                             | Beneficial owner        | 849,078,004 <sup>(1)</sup><br>Long position | 62.23%                                 |
| Mr. Liu                            | See Note <sup>(2)</sup> | 849,078,004 <sup>(2)</sup><br>Long position | 62.23%                                 |
|                                    | See Note <sup>(2)</sup> | 3,105,000 <sup>(2)</sup><br>Long position   | 0.23%                                  |
|                                    | Beneficial owner        | 5,722,750<br>Long position                  | 0.42%                                  |
| HSBC International Trustee Limited | See Note <sup>(3)</sup> | 848,078,004 <sup>(3)</sup><br>Long position | 62.16%                                 |

*Notes:*

- These 849,078,004 shares are owned by Girgio. Girgio is owned as to 95% by Full Profit Asset Limited which is wholly-owned by HSBC International Trustee Limited (as trustee of The Liu Family Trust, in which Ms. Chong, Mr. Liu Zhuo Ming and Miss Liu are the beneficiaries of The Liu Family Trust) and 5% by Mr. Liu.
- Mr. Liu is the spouse of Ms. Chong and is deemed to be interested in the shares held by Ms. Chong. Besides, Mr. Liu holds 5% interest in Girgio.

3. HSBC International Trustee Limited is the trustee of The Liu Family Trust. The Liu Family Trust was established by Mr. Liu on 22 February 2002 and amended and restated on 3 December 2021 for the benefit of Ms. Chong and the children of Mr. Liu and Ms. Chong. The Liu Family Unit Trust had terminated since 18 November 2021 and Fullwit Profits Limited had ceased to have an indirect interest in the Company after the transfer of ownership in Girgio to Full Profit Asset Limited since 26 October 2021. HSBC International Trustee Limited as trustee of The Liu Family Trust owns 95% interest in the Company by the virtue of its shareholding in Full Profit Asset Limited.

Save as disclosed above, the Directors of the Company were not aware of any persons (who were not directors or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who has interest in 5% or more of the nominal value of any class of share capital, or options in respect of such capital, carrying rights to vote in all circumstances at general meetings of the Company or which would be required, pursuant to section 336 of the SFO, to be entered in the register referred therein.

## SHARE OPTION SCHEME

A share option scheme (the "Share Option Scheme") was adopted pursuant to a resolution passed by the shareholders of the Company at the annual general meeting held on 8 September 2016 and would remain in force for a period of 10 years.

On 24 September 2021, the Company granted an aggregate of 27,540,000 share options to 390 employees of the Group under the Share Option Scheme. Movements in the outstanding share options of the Company granted under the Share Option Scheme during the Year were as follows:

|           |                   | Number of share options                                  |                          |                                        |                         |                           |                        |                           |                                         |                                                              |                                                                               |
|-----------|-------------------|----------------------------------------------------------|--------------------------|----------------------------------------|-------------------------|---------------------------|------------------------|---------------------------|-----------------------------------------|--------------------------------------------------------------|-------------------------------------------------------------------------------|
| Name      | Date of grant     | Closing price per share immediately before date of grant | Exercise price per share | Balance outstanding as at 1 April 2025 | Granted during the Year | Exercised during the Year | Lapsed during the Year | Cancelled during the Year | Balance outstanding as at 31 March 2026 | No. of share option during the vesting period <sup>(3)</sup> | No. of share options exercisable during the exercisable period <sup>(3)</sup> |
|           |                   | HK\$                                                     | HK\$                     |                                        |                         |                           |                        |                           |                                         |                                                              |                                                                               |
|           |                   |                                                          |                          |                                        |                         |                           |                        |                           |                                         |                                                              |                                                                               |
| Directors |                   |                                                          |                          |                                        |                         |                           |                        |                           |                                         |                                                              |                                                                               |
| Ms. Chong | 24 September 2021 | 18.9                                                     | 19.86                    | 120,000                                | –                       | –                         | –                      | –                         | 120,000                                 | 120,000<br>(24 September 2021 to 24 September 2023)          | 120,000<br>(25 September 2023 to 23 September 2031)                           |
|           | 24 September 2021 | 18.9                                                     | 19.86                    | 90,000                                 | –                       | –                         | –                      | –                         | 90,000                                  | 90,000<br>(24 September 2021 to 24 September 2024)           | 90,000<br>(25 September 2024 to 23 September 2031)                            |
|           | 24 September 2021 | 18.9                                                     | 19.86                    | 90,000                                 | –                       | –                         | –                      | –                         | 90,000                                  | 90,000<br>(24 September 2021 to 24 September 2025)           | 90,000<br>(25 September 2025 to 23 September 2031)                            |

| Name                            | Date of grant     | Closing price per share immediately before date of grant<br>HK\$ | Exercise price per share<br>HK\$ | Number of share options                |                         |                           |                        |                           |                                         |                                                              | No. of share options exercisable during the exercisable period <sup>(3)</sup> |
|---------------------------------|-------------------|------------------------------------------------------------------|----------------------------------|----------------------------------------|-------------------------|---------------------------|------------------------|---------------------------|-----------------------------------------|--------------------------------------------------------------|-------------------------------------------------------------------------------|
|                                 |                   |                                                                  |                                  | Balance outstanding as at 1 April 2025 | Granted during the Year | Exercised during the Year | Lapsed during the Year | Cancelled during the Year | Balance outstanding as at 31 March 2026 | No. of share option during the vesting period <sup>(3)</sup> |                                                                               |
| Mr. Liu Zhuo Ming               | 24 September 2021 | 18.9                                                             | 19.86                            | 400,000                                | -                       | -                         | -                      | -                         | 400,000                                 | 400,000<br>(24 September 2021 to 24 September 2023)          | 400,000<br>(25 September 2023 to 23 September 2031)                           |
|                                 | 24 September 2021 | 18.9                                                             | 19.86                            | 300,000                                | -                       | -                         | -                      | -                         | 300,000                                 | 300,000<br>(24 September 2021 to 24 September 2024)          | 300,000<br>(25 September 2024 to 23 September 2031)                           |
|                                 | 24 September 2021 | 18.9                                                             | 19.86                            | 300,000                                | -                       | -                         | -                      | -                         | 300,000                                 | 300,000<br>(24 September 2021 to 24 September 2025)          | 300,000<br>(25 September 2025 to 23 September 2031)                           |
| Miss Liu <sup>(1)</sup>         | 24 September 2021 | 18.9                                                             | 19.86                            | 60,000                                 | -                       | -                         | -                      | -                         | 60,000                                  | 60,000<br>(24 September 2021 to 24 September 2023)           | 60,000<br>(25 September 2023 to 23 September 2031)                            |
|                                 | 24 September 2021 | 18.9                                                             | 19.86                            | 45,000                                 | -                       | -                         | -                      | -                         | 45,000                                  | 45,000<br>(24 September 2021 to 24 September 2024)           | 45,000<br>(25 September 2024 to 23 September 2031)                            |
|                                 | 24 September 2021 | 18.9                                                             | 19.86                            | 45,000                                 | -                       | -                         | -                      | -                         | 45,000                                  | 45,000<br>(24 September 2021 to 24 September 2025)           | 45,000<br>(25 September 2025 to 23 September 2031)                            |
| Ms. Lau Yau Ting <sup>(2)</sup> | 24 September 2021 | 18.9                                                             | 19.86                            | 20,000                                 | -                       | -                         | -                      | -                         | 20,000                                  | 20,000<br>(24 September 2021 to 24 September 2023)           | 20,000<br>(25 September 2023 to 23 September 2031)                            |
|                                 | 24 September 2021 | 18.9                                                             | 19.86                            | 15,000                                 | -                       | -                         | -                      | -                         | 15,000                                  | 15,000<br>(24 September 2021 to 24 September 2024)           | 15,000<br>(25 September 2024 to 23 September 2031)                            |
|                                 | 24 September 2021 | 18.9                                                             | 19.86                            | 15,000                                 | -                       | -                         | -                      | -                         | 15,000                                  | 15,000<br>(24 September 2021 to 24 September 2025)           | 15,000<br>(25 September 2025 to 23 September 2031)                            |
| Other employee participants     | 24 September 2021 | 18.9                                                             | 19.86                            | 8,574,000                              | -                       | -                         | -                      | 132,000                   | 8,442,000                               | 8,442,000<br>(24 September 2021 to 24 September 2023)        | 8,442,000<br>(25 September 2023 to 23 September 2031)                         |
|                                 | 24 September 2021 | 18.9                                                             | 19.86                            | 6,430,500                              | -                       | -                         | -                      | 99,000                    | 6,331,500                               | 6,331,500<br>(24 September 2021 to 24 September 2024)        | 6,331,500<br>(25 September 2024 to 23 September 2031)                         |
|                                 | 24 September 2021 | 18.9                                                             | 19.86                            | 6,430,500                              | -                       | -                         | -                      | 99,000                    | 6,331,500                               | 6,331,500<br>(24 September 2021 to 24 September 2025)        | 6,331,500<br>(25 September 2025 to 23 September 2031)                         |
|                                 |                   |                                                                  |                                  | 22,935,000                             | -                       | -                         | -                      | 330,000                   | 22,605,000                              |                                                              |                                                                               |

*Notes:*

1. An employee of LK Injection Molding Machine Co., Ltd. and L.K. Machinery International Limited (subsidiaries of the Company) and a daughter of Ms. Chong and Mr. Liu, hence Miss Liu is an associate of a director and a controlling shareholder of the Company pursuant to the definition of the Listing Rules.
2. An employee of L.K. Machinery International Limited and the spouse of Mr. Tse, being an associate of a Director of the Company pursuant to the definition of the Listing Rules.
3. The Share Options will be vested in three tranches, subject to the terms of the Share Option Scheme and the fulfilment of the following vesting conditions:

| Percentage of exercisable<br>Share Options | Exercise period                                                                                                                                             | Vesting conditions                                                                                                                                |
|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| 40% of the Share Options                   | exercisable during the period commencing from the first trading day after the second anniversary of the date of grant up to and including 23 September 2031 | upon satisfaction of the specific performance indicators based on the appraisal mechanism for the relevant grantees for specified financial years |
| 30% of the Share Options                   | exercisable during the period commencing from the first trading day after the third anniversary of the date of grant up to and including 23 September 2031  |                                                                                                                                                   |
| 30% of the Share Options                   | exercisable during the period commencing from the first trading day after the fourth anniversary of the date of grant up to and including 23 September 2031 |                                                                                                                                                   |

The principal terms of the Share Option Scheme are summarised as follows:

**(a) Purpose**

The purpose of the Share Option Scheme is to give the eligible persons an opportunity to have a personal stake in the Company and help motivate them to optimize their future performance and efficiency to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group.

**(b) Participants**

The Board may, at its absolute discretion, offers to grant options to eligible persons including any full-time or part-time employees and directors (including non-executive directors and independent non-executive directors) of any member of the Group.

**(c) Maximum number of shares**

The maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Group shall not in aggregate exceed 113,326,500 shares, representing 10% of the issued share capital of the Company as at the date of the approval of the Share Option Scheme.

The limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes of the Group shall not exceed 30% of the shares of the Company in issue from time to time.

Under the share option scheme,

1. The number of options available for grant as at 1 April 2025 was 89,936,500 shares (equivalent to approximately 6.59% of the issued shares of the Company as at that day);
2. The number of options available for grant as at 31 March 2026 was 90,721,500 shares (equivalent to approximately 6.65% of the issued shares of the Company as at that day); and
3. The total number of shares of the Company that may be issued in respect of the options under the Share Option Scheme during the Year divided by the weighted average number of ordinary shares in issue for the Year was 1.66%.

**(d) Maximum entitlement of each participant**

Subject to the provisions of the Listing Rules, no option may be granted to any one person such that the total number of shares issued and to be issued upon exercise of the options granted and to be granted to that person in any 12-month period exceeds 1% of the shares in issue from

time to time. Where any further grant of options to such an eligible person would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such eligible person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the shares in issue, such further grant shall be separately approved by the shareholders of the Company in general meeting with such eligible person and his close associates (or his close associates if such eligible person is a connected person) abstaining from voting.

**(e) Offer period and amount payable for options**

An offer of the grant of an option shall remain open for acceptance by the eligible person concerned for a period of 14 days from the offer date. The amount payable on acceptance of an option is HK\$10.00.

**(f) Minimum holding period, vesting and performance target**

The Board may in its absolute discretion when offering the grant of an option impose any conditions, restrictions or limitations in relation thereto in addition to those set forth in the Share Option Scheme as the Board may think fit (to be stated in the letter containing the offer of the grant of the option) including qualifying and/or continuing eligibility criteria, conditions, restrictions or limitations relating to the achievement of performance, operating or financial targets by the Company and/or the grantee, the satisfactory performance or maintenance by the grantee of certain conditions or obligations or the time or period before the right to exercise the option in respect of all or any of the shares to which such option relates shall vest provided that such terms or conditions shall not be inconsistent with any other terms or conditions of the Share Option Scheme. Subject to such terms and conditions as the Board may

determine as aforesaid, there is no minimum period for which an option must be held before it can be exercised.

**(g) Subscription price**

The subscription price in respect of any particular option shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant option but the subscription price shall be at least the higher of: (i) the nominal value of the shares of the Company; (ii) the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheet on the offer date; and (iii) the average of the closing price of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the offer date.

**(h) Exercise of option**

Subject to the terms and conditions upon which the option was granted, an option may be exercised by the grantee at any time during the period commencing immediately after the business day on which the option is deemed to be granted and accepted in accordance with the Share Option Scheme and expiring on a date to be determined and notified by the Directors to each grantee provided that such period shall not exceed the period of ten years from the date of the grant of a particular option but subject to the provisions for early termination thereof contained in the Share Option Scheme.

**(i) Life of Share Option Scheme**

Subject to earlier termination by the Company by ordinary resolution in general meeting, the Share Option Scheme will remain in force for a period of ten years commencing from 8 September 2016 after such period no further options will be granted but the provisions of the Share Option Scheme shall remain in full force and effect in all other respects.

## SHARE AWARD SCHEME

The Company has adopted the Share Award Scheme (the "Share Award Scheme") on 28 October 2015 (the "Adoption Date"). The purpose of the Share Award Scheme is to recognize the contributions of the employees (including without limitation employees who are also directors) of the Group and to give incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for the growth and further development of the Group.

Pursuant to the terms of the Share Award Scheme, the Board may, from time to time, at their absolute discretion select any employee for participation in the Share Award Scheme as a selected employee. The Board may determine the number of shares of the Company to be awarded to each selected employee and may impose any conditions, restrictions or limitations or waive any such conditions, restrictions or limitations from time to time in relation to the award as it may at its absolute discretion think fit.

The Board shall not make any further award which will result in the total number of shares awarded by the Board under the Scheme exceeding 10 per cent. of the issued share capital of the Company as at the Adoption Date. The total number of shares which may be awarded to a selected employee in any 12-month period up to and including the date of award shall not in aggregate exceed 1 per cent. of the issued share capital of the Company as at the Adoption Date.

Subject to any early termination as may be determined by the Board, the Scheme shall be valid and effective for a term of 10 years commencing on the Adoption Date.

During the Year, the Company has not purchased any shares of the Company through the trustee in the open market on the Stock Exchange for the purpose of the Share Award Scheme. There were no shares awarded to employees pursuant to the Share Award Scheme during the Year.

## SHARE INCENTIVE SCHEME OF SHENZHEN LK

The adoption of the share incentive scheme (the "Share Incentive Scheme") of Shenzhen L.K. Technology Co., Ltd.\* (深圳力勁科技股份有限公司) ("Shenzhen LK"), an indirect subsidiary of the Company, was approved by the Company at the extraordinary general meeting held on 22 December 2023. There were no unvested awards at the beginning and at the end of the Year, nor awards granted, vested, cancelled or lapsed during the Year.

The principal terms of the Share Incentive Scheme are summarised as follows:

### (a) Purpose

The purpose of the Share Incentive Scheme is to (i) reward and recognise any suitable individuals who are directors and/or employees of the Shenzhen LK Group; (ii) enhance the sense of ownership and corporate belonging among employees, especially core employees of the Shenzhen LK Group; (iii) enable a large number of employees to share in the substantial returns brought about by the development of Shenzhen LK; (iv) establish a team with clear goals, united in their efforts, and with a strong cohesion of stable and excellent management, to enhance Shenzhen LK's core competitiveness, and ensure the implementation of Shenzhen LK's development strategy and business objectives; and (v) further improve Shenzhen LK's governance structure and perfect Shenzhen LK's incentive mechanism.

### (b) Grantees of the Share Incentive Scheme

The grantees of the Share Incentive Scheme (the "Grantees") are to be determined based on relevant laws, regulations, normative documents such as the Company Law of the PRC, the articles of association of Shenzhen LK and the Listing Rules, and based on the actual circumstances of Shenzhen LK.

On the premise of not violating the aforementioned principles, the Grantees should be, subject to the approval by the management committee of the Share Incentive Scheme (the "Management Committee"), the directors and employees of the Shenzhen LK Group.

### (c) Maximum amount of shares of Shenzhen LK

The total amount of shares of Shenzhen LK to be granted to the Grantees shall not exceed a registered capital of RMB24,936,635, representing approximately 4.51% and 4.07% of Shenzhen LK's total registered capital as at the date of adoption of the Share Incentive Scheme and the date of this annual report respectively.

As at the date of this Annual Report, the total amount of shares of Shenzhen LK available for grant under the Share Incentive Plan is zero.

The number of shares of Shenzhen LK that may be issued in respect of all options and awards to be granted under all the Share Incentive Scheme and other share schemes (if any) of Shenzhen LK during the Year divided by the weighted average number of shares of Shenzhen LK in issue for the Year is zero.

### (d) Maximum entitlement of each Grantee of the Share Incentive Scheme

Where any grant of an award of restricted shares pursuant to the Share Incentive Scheme (the "Award") to a Grantee would result in the restricted shares issued and to be issued in respect of all awards and options granted to such Grantee (excluding any awards and options lapsed in accordance with the terms of the Share Incentive Scheme or any other share schemes) in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total registered capital of Shenzhen LK,

\* English name is made for identification purpose only

such grant must be separately approved by the shareholders of the Company (the "Shareholders") at the general meeting of the Company, with such Grantee and his/her close associates (or associate if the Grantee is a connected person) abstaining from voting, and the Company must send a circular to the Shareholders.

Where any grant of Award to a Grantee that is a director (other than an independent non-executive director) or chief executive of the Company, or any of their associates, the approval of independent non-executive directors should be obtained. If the aforesaid grant of Awards would result in the restricted shares issued and to be issued in respect of all awards granted (excluding any awards lapsed in accordance with the terms of the Share Incentive Scheme or any other share schemes) to such person in the 12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total registered capital of Shenzhen LK, such further grant of awards must be approved by the Shareholders at general meeting of the Company, with such Grantee, his/her associates and all core connected persons of the Company abstaining from voting, and the Company must send a circular to the Shareholders.

Where any grant of Award to a Grantee that is an independent non-executive director or a substantial shareholder of the Company, or any of their associates, the approval of independent non-executive directors (excluding any independent non-executive director who is the grantee of the Awards) should be obtained. If the aforesaid grant of Awards would result in the restricted shares issued and to be issued in respect of all awards and options granted (excluding any awards and options lapsed in accordance with the terms of the Share Incentive Scheme or any other share schemes) to such person in the

12-month period up to and including the date of such grant, representing in aggregate over 0.1% of the total registered capital of Shenzhen LK, such further grant of awards must be approved by the Shareholders at general meeting of the Company, with such Grantee, his/her associates and all core connected persons of the Company abstaining from voting, and the Company must send a circular to the Shareholders.

#### (e) **Vesting period and performance targets**

The restricted shares granted under the Share Incentive Scheme will vest immediately on the date of grant. The Share Incentive Scheme does not impose a vesting period, and therefore, does not impose performance targets with regard to the vesting of the restricted shares granted under the Share Incentive Scheme, but the restricted shares attaching to the Award are subject to a Lock-up Period (as defined hereinbelow). Considering that the restricted shares granted under the Share Incentive Scheme will be subject to a total holding period (i.e., the Lock-up Period (as defined hereinbelow)) of more than 12 months, and such lock-up arrangements are appropriate for retaining, incentivising, rewarding, remunerating and compensating valuable employees, the Directors, the Remuneration Committee and the directors of Shenzhen LK are of the view that such arrangement with no vesting period is justifiable and aligns with the purposes of the Share Incentive Scheme.

The restricted shares obtained by the Grantees under the Share Incentive Scheme will be subject to a lock-up period (the "Lock-up Period") commencing from the date of grant, i.e., the effective date of the grant agreement or a date otherwise agreed in the grant agreement (the "Grant Date"), until the Unlocking Day (as defined hereinbelow).

The unlocking of the restricted shares granted to the Grantees is subject to the satisfaction of all the following conditions (the "Unlocking Conditions") or waiver thereof by the Management Committee:

- (a) completion of the Service Period (as defined hereinbelow); and
- (b) the Unlocking Day applicable to such restricted shares has approached, and as at such Unlocking Day, no Repurchase Event (as defined hereinbelow) has occurred.

The condition of completion of the Service Period (as defined hereinbelow) may be waived by the Management Committee, provided that the Service Period applicable to any restricted shares shall not be less than 12 months as a result of such waiver. In such an event, and provided that all other conditions are satisfied or waived, the Unlocking Day will be advanced to the date on which the Service Period condition is waived.

The service period (the "Service Period") applicable to the restricted shares granted to the Grantees is determined as follows:

- (a) for the initial grant of Awards (the "Initial Grant"), the Service Period starts from the Grant Date of the Initial Grant (the "Initial Grant Date") and ends on the fifth anniversary of the Initial Grant Date. If Shenzhen LK's equities are listed on a stock exchange before the fourth anniversary of the Initial Grant Date, the Service Period will end one year after Shenzhen LK's listing date; and
- (b) for subsequent grant(s) of Awards (the "Subsequent Grant"), the Service Period starts from the Grant Date of the Subsequent Grant, and the length of the Service Period (in terms of total days)

should be consistent with the length of the Service Period applicable to the Initial Grant.

Once the Unlocking Conditions are met, the restricted shares granted to the Grantees on the same Grant Date will be unlocked by 25% each on the day the Service Period ends and on each of the subsequent three anniversaries (each a "Unlocking Day").

On each Unlocking Day, if all Unlocking Conditions for the restricted shares held by the Grantees are met or exempted, then such restricted shares will become effective on that Unlocking Day. Otherwise, such restricted shares will not be regarded as unlocked from the Grant Date. Grantees can participate in the distribution of dividends and disposal gains of the restricted shares from a company with limited liability or other form of entity established or to be established as the employee stock ownership platform for the purpose of the Share Incentive Scheme (the "Employee Stock Ownership Platforms") for their unlocked restricted shares according to the terms of the Share Incentive Scheme.

**(f) Grant price and its determination basis**

For the Initial Grant, the price for a Grantee to acquire each restricted share (the "Grant Price") is RMB6.07 per registered capital of Shenzhen LK. The Grant Price is determined by the average closing prices of the shares over the five trading days up to and including 29 September 2023, as adjusted for a discount that reflects Shenzhen LK's profit contribution to the Group (assuming certain internal group restructuring has been completed).

For Subsequent Grants, the Grant Price will be determined by the Management Committee, based on the Grant Price of the Initial Grant and considering factors such as Shenzhen LK's operating conditions and the prevailing market environment.

The Grantees under the Share Incentive Scheme may include directors, senior management, and core employees of the Shenzhen LK Group. Some of these individuals play pivotal roles in shaping and steering the Shenzhen LK Group's developmental strategy and direction. Others hold key positions, directly overseeing the Shenzhen LK Group's business operations and managerial tasks, significantly influencing its growth. Shenzhen LK believes that providing incentives to these core personnel at a reasonable incentive cost, can bolster the dedication and accountability of the Grantees, such that the incentive targets can be reliably achieved. On this basis, the Directors and the directors of Shenzhen LK are of the view that the basis of determination of the Grant Price aligns with the purposes of the Share Incentive Scheme.

**(g) Life of Share Incentive Scheme**

The validity and effectiveness of the Share Incentive Scheme shall not exceed 10 years from the date on which the Share Incentive Scheme is approved by the board of directors of Shenzhen LK, the board of directors and the general meeting of the Company.

**PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

During the Year, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

**CONTINUING CONNECTED TRANSACTION**

During the Year, the Company had the following continuing connected transaction that is subject to the Listing Rules' reporting requirement for disclosure in annual report.

**Consultancy Agreement**

On 1 December 2023, the Company entered into the Consultancy Agreement with Mr. Liu Siong Song to appoint him as the strategic and technical consultant of the Company for the term from 1 December 2023 to 30 November 2026 for the annual caps for the years ended 31 March 2024 and 2025, years ending 31 March 2026 and 2027 not exceeding HK\$1,250,000, HK\$3,000,000, HK\$3,000,000 and HK\$1,750,000 respectively.

Details of the abovementioned continuing connected transaction are set out in the announcement dated 1 December 2023.

The independent non-executive directors have reviewed the transactions and confirmed to the Board of Directors that, in their opinion, the transactions, and the arrangements governing those transactions, are entered into by the Company in the ordinary and usual course of business and on normal commercial terms, and are fair and reasonable so far as the shareholders of the Company are concerned and in the interests of the shareholders of the Company as a whole.

For the purpose of Rule 14A.56 of the Listing Rules, the Board engaged the auditor of the Company, PricewaterhouseCoopers, to report on the above continuing connected transaction for the Year in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 (Revised) "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transaction disclosed by the Company in accordance with Rule 14A.56 of the Listing Rules.

The Directors confirmed that the Company has complied with the requirements of Chapter 14A of the Listing Rules in respect of the continuing connected transaction during the Year.

## ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

Other than the Company's share option scheme disclosed above, at no time during the Year was the Company, its holding company, any of its subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors of the Company to acquire benefits by means of acquisition of shares in, or debentures, of the Company or any other body corporate.

## MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any part of the business of the Company were entered into or existed during the Year.

## COMPETING BUSINESS

Each of Mr. Liu, Giorgio, Ms. Chong and Mr. Liu Zhuo Ming (son of Mr. Liu and Ms. Chong) has provided a written confirmation, which has been reviewed and confirmed by the Independent Non-executive Directors of the Company, confirming compliance with the terms the Non-competition Undertaking entered into between them and the Company.

## MAJOR CUSTOMERS AND SUPPLIERS

During the Year, sales to the five largest customers and purchases from the five largest suppliers of the Group accounted for less than 30% of the Group's total sales and total purchases, respectively, for the year.

## STAFF AND REMUNERATION POLICIES

As at 31 March 2026, the Group employed approximately 5,960 full-time staff. The staff costs for the Year amounted to HK\$1,057,480,000 (2025: HK\$1,008,530,000). The remuneration policies of the Group are determined based on market trends, future plans and the performance of individuals. In addition, the Group

also provides other staff benefits such as mandatory provident fund, state-managed social welfare scheme, Share Option Scheme, Share Award Scheme and Share Incentive Scheme.

## PERMITTED INDEMNITY PROVISION

The Articles of Association of the Company provide that the Directors shall be indemnified out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses for any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices or trusts, provided that the indemnity shall not extend to any fraud or dishonesty which may attach to them.

## DIRECTORS' AND OFFICERS' LIABILITIES INSURANCE

The Company has taken out and maintained appropriate insurance cover for its Directors and officers in respect of potential legal actions that may be incurred in the course of performing their duties.

## SUFFICIENCY OF PUBLIC FLOAT

As at the latest practicable date prior to the issue of this report, to the best knowledge of the Directors and based on the information publicly available to the Company, there is sufficient public float as required by the Listing Rules.

## AUDITOR

The consolidated financial statements have been audited by PricewaterhouseCoopers who retire and being eligible, offer themselves for re-appointment.

On behalf of the Board

**Chong Siw Yin**

*Chairperson*

Hong Kong, 30 June 2026



**To the Shareholders of L.K. Technology Holdings Limited**  
*(incorporated in the Cayman Islands with limited liability)*

## OPINION

### What we have audited

The consolidated financial statements of L.K. Technology Holdings Limited (the “Company”) and its subsidiaries (the “Group”), which are set out on pages 54 to 166, comprise:

- the consolidated statement of financial position as at 31 March 2026;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

### Our opinion

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

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAs”) as issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Group in accordance with the HKICPA’s Code of Ethics for Professional Accountants (the “Code”), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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## KEY AUDIT MATTERS

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

The key audit matter identified in our audit is summarised as follows:

- Expected credit loss of trade receivables

### Key Audit Matter

Expected credit loss of trade receivables

Refer to Note 3.1(b)(iii) (impairment of financial assets), Note 4(b) (critical accounting estimates and judgements) and Note 14 (trade and bills receivables) to the consolidated financial statements.

As at 31 March 2026, the gross trade receivables recognised by the Group was HK\$3,170,846,000 (2025: HK\$3,202,052,000). The related provision for impairment of trade receivables recognised by the Group amounted to HK\$198,321,000 (2025: HK\$155,558,000).

Management applied the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for trade receivables.

Management judgements are required in assessing the expected credit losses for trade receivables. The judgements included review of customers settlement history, their current ability to pay and forward-looking information.

We focused on this area because the determination of the expected credit loss of trade receivables requires the use of significant judgements and estimates.

### How our audit addressed the Key Audit Matter

Our procedures in relation to expected credit loss of trade receivables included:

- Obtaining an understanding of the management's internal control and assessment process in calculating the expected credit loss for trade receivables, and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity, changes, uncertainty and susceptibility to management bias or fraud;
- Involving our internal valuation expert to assess the appropriateness of the management's methodologies used in assessing the expected credit loss amount;
- Assessing the appropriateness of the credit loss provisioning methodology used by management;
- Assessing the estimates used to determine the expected credit losses by considering cash collection performance and assessing the reasonableness of forward-looking factors included in the expected credit loss model;
- Testing the mathematical accuracy of calculation of the expected credit losses; and
- Testing on a sample basis, the accuracy of the ageing reports for trade receivables prepared by management.

Based on the results of our procedures, we found the management's judgements and estimates used in the expected credit loss assessment on trade receivables were supported by available evidence.

## OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE 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 HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

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

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

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

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

The engagement partner on the audit resulting in this independent auditor's report is LEE, Kin Wah, Albert (practising certificate number: P04868).

**PricewaterhouseCoopers**

*Certified Public Accountants*

Hong Kong, 30 June 2026

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

|                                                                   | Notes | 2026<br>HK\$'000  | 2025<br>HK\$'000 |
|-------------------------------------------------------------------|-------|-------------------|------------------|
| <b>Non-current assets</b>                                         |       |                   |                  |
| Intangible assets                                                 | 6     | 9,145             | 10,720           |
| Property, plant and equipment                                     | 7     | 3,225,552         | 2,680,922        |
| Investment properties                                             | 8     | 433,800           | 419,600          |
| Right-of-use assets                                               | 9     | 494,564           | 495,281          |
| Interest in joint ventures                                        | 10    | 57,041            | 64,542           |
| Interests in associates                                           | 11    | 14,406            | 16,181           |
| Other receivables and deposits                                    | 15    | 54,090            | 36,941           |
| Deferred income tax assets                                        | 13    | 131,446           | 114,447          |
| Trade and bills receivables                                       | 14    | 100,836           | 14,911           |
| Financial assets at fair value through other comprehensive income | 16    | 90,089            | 92,391           |
| <b>Total non-current assets</b>                                   |       | <b>4,610,969</b>  | 3,945,936        |
| <b>Current assets</b>                                             |       |                   |                  |
| Inventories                                                       | 17    | 2,779,373         | 1,928,097        |
| Trade and bills receivables                                       | 14    | 3,672,093         | 3,718,880        |
| Other receivables, prepayments and deposits                       | 15    | 672,578           | 411,398          |
| Tax recoverables                                                  |       | 43,201            | –                |
| Financial assets at fair value through profit or loss             | 16    | 11,364            | –                |
| Short-term bank deposits                                          | 18(a) | 7,938             | 108,696          |
| Restricted bank balances                                          | 18(b) | 140,805           | 240,992          |
| Cash and cash equivalents                                         | 18(a) | 1,316,119         | 1,560,253        |
| <b>Total current assets</b>                                       |       | <b>8,643,471</b>  | 7,968,316        |
| <b>Total assets</b>                                               |       | <b>13,254,440</b> | 11,914,252       |
| <b>Equity</b>                                                     |       |                   |                  |
| Share capital                                                     | 19    | 136,440           | 136,440          |
| Reserves                                                          | 20    | (751,151)         | (826,765)        |
| Retained earnings                                                 | 20    | 2,527,732         | 2,680,555        |
|                                                                   |       | <b>1,913,021</b>  | 1,990,230        |
| Non-controlling interests                                         |       | <b>2,135,614</b>  | 2,126,324        |
| <b>Total equity</b>                                               |       | <b>4,048,635</b>  | 4,116,554        |

## | CONSOLIDATED STATEMENT OF FINANCIAL POSITION |

As at 31 March 2026

|                                                          | <i>Notes</i> | <b>2026</b><br><b>HK\$'000</b> | 2025<br>HK\$'000 |
|----------------------------------------------------------|--------------|--------------------------------|------------------|
| <b>Non-current liabilities</b>                           |              |                                |                  |
| Deferred income tax liabilities                          | 13           | <b>68,296</b>                  | 73,086           |
| Borrowings                                               | 21           | <b>263,544</b>                 | 253,829          |
| Lease liabilities                                        | 9            | <b>49,473</b>                  | 57,630           |
| Other payables                                           | 22           | <b>4,583</b>                   | 4,460            |
| Redemption liabilities                                   | 22           | <b>2,731,046</b>               | 2,482,868        |
| <b>Total non-current liabilities</b>                     |              | <b>3,116,942</b>               | 2,871,873        |
| <b>Current liabilities</b>                               |              |                                |                  |
| Trade and bills payables                                 | 22           | <b>1,988,447</b>               | 1,838,182        |
| Other payables and contract liabilities                  | 22           | <b>1,383,480</b>               | 1,129,092        |
| Borrowings                                               | 21           | <b>2,665,770</b>               | 1,895,031        |
| Lease liabilities                                        | 9            | <b>12,614</b>                  | 12,214           |
| Current income tax liabilities                           |              | <b>34,054</b>                  | 41,795           |
| Financial liability at fair value through profit or loss | 16           | <b>4,498</b>                   | 9,511            |
| <b>Total current liabilities</b>                         |              | <b>6,088,863</b>               | 4,925,825        |
| <b>Total liabilities</b>                                 |              | <b>9,205,805</b>               | 7,797,698        |
| <b>Total equity and liabilities</b>                      |              | <b>13,254,440</b>              | 11,914,252       |

The consolidated financial statements on pages 54 to 166 were approved by the Board of Directors on 30 June 2026 and were signed on its behalf.

**Chong Siw Yin**

*Director*

**Liu Zhuo Ming**

*Director*

The notes on pages 62 to 166 are an integral part of these consolidated financial statements.

# CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2026

|                                                                                     | Notes | 2026<br>HK\$'000      | 2025<br>HK\$'000      |
|-------------------------------------------------------------------------------------|-------|-----------------------|-----------------------|
| Revenue                                                                             | 23    | 5,608,902             | 5,824,959             |
| Cost of sales                                                                       | 25    | (4,234,208)           | (4,227,752)           |
| Gross profit                                                                        |       | 1,374,694             | 1,597,207             |
| Other income                                                                        | 23    | 128,085               | 167,360               |
| Other gains – net                                                                   | 24    | 14,027                | 23,920                |
| Selling and distribution expenses                                                   | 25    | (478,268)             | (468,354)             |
| General and administrative expenses                                                 | 25    | (856,419)             | (754,354)             |
| Provision for impairment of trade receivables – net                                 | 25    | (39,193)              | (30,059)              |
| Operating profit                                                                    |       | 142,926               | 535,720               |
| Finance income                                                                      | 27    | 14,330                | 18,124                |
| Finance costs                                                                       | 27    | (71,949)              | (65,923)              |
| Finance costs – net                                                                 | 27    | (57,619)              | (47,799)              |
| Share of losses of associates                                                       | 11    | (13,417)              | (4,077)               |
| Share of losses of joint ventures                                                   | 10    | (7,560)               | (8,043)               |
| Profit before income tax                                                            |       | 64,330                | 475,801               |
| Income tax expenses                                                                 | 28    | (14,810)              | (72,760)              |
| Profit for the year                                                                 |       | 49,520                | 403,041               |
| Profit attributable to:                                                             |       |                       |                       |
| Owners of the Company                                                               |       | 37,855                | 350,094               |
| Non-controlling interests                                                           |       | 11,665                | 52,947                |
|                                                                                     |       | 49,520                | 403,041               |
|                                                                                     |       | HK cents<br>per share | HK cents<br>per share |
| Earnings per share for profit attributable to owners of the Company during the year |       |                       |                       |
| – Basic earnings per share                                                          | 29(a) | 2.8                   | 25.7                  |
| – Diluted earnings per share                                                        | 29(b) | 2.8                   | 25.7                  |

The notes on pages 62 to 166 are an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2026

|                                                                                        | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------------------------------------------------------------------------|------------------|------------------|
| Profit for the year                                                                    | 49,520           | 403,041          |
| Other comprehensive income/(loss) for the year                                         |                  |                  |
| <i>Items that may be reclassified to profit or loss upon disposal</i>                  |                  |                  |
| Currency translation differences                                                       | 138,864          | (48,820)         |
| <i>Items that will not be reclassified to profit or loss</i>                           |                  |                  |
| Fair value change of financial assets at fair value through other comprehensive income | (6,502)          | –                |
| Income tax relating to these items                                                     | 1,137            | –                |
| Total comprehensive income attributable to owners of the Company, net of tax           | 183,019          | 354,221          |
| Total comprehensive income for the year attributable to:                               |                  |                  |
| Owners of the Company                                                                  | 148,955          | 324,671          |
| Non-controlling interests                                                              | 34,064           | 29,550           |
|                                                                                        | 183,019          | 354,221          |

The notes on pages 62 to 166 are an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2026

|                                                                                                                 | Attributable to owners of the Company |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      |                               |
|-----------------------------------------------------------------------------------------------------------------|---------------------------------------|---------------------------|---------------------------|-----------------------------------------|------------------------------------------|---------------------------|-------------------------------|------------------------------------------|--------------------------------------------------------------------------------------|-------------------------------|
|                                                                                                                 | Share capital<br>HK\$'000             | Share premium<br>HK\$'000 | Share reserve<br>HK\$'000 | Capital redemption reserves<br>HK\$'000 | Exchange translation reserve<br>HK\$'000 | Other reserve<br>HK\$'000 | Statutory reserve<br>HK\$'000 | Property revaluation reserve<br>HK\$'000 | Financial asset at fair value through other comprehensive income reserve<br>HK\$'000 | Retained earnings<br>HK\$'000 |
| <b>At 1 April 2025</b>                                                                                          | 136,440                               | 1,068,168                 | 12,418                    | 1,200                                   | (226,842)                                | (2,246,155)               | 434,645                       | 129,433                                  | 368                                                                                  | 2,680,555                     |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | 1,990,230                     |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | 2,126,324                     |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | 4,116,554                     |
| <b>Profit for the year</b>                                                                                      | -                                     | -                         | -                         | -                                       | -                                        | -                         | -                             | -                                        | -                                                                                    | 37,855                        |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | 11,665                        |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | 49,520                        |
| <b>Other comprehensive income/(loss)</b>                                                                        | -                                     | -                         | -                         | -                                       | 116,465                                  | -                         | -                             | -                                        | -                                                                                    | -                             |
| Currency translation differences                                                                                | -                                     | -                         | -                         | -                                       | -                                        | -                         | -                             | -                                        | -                                                                                    | -                             |
| Fair value change of financial asset at fair value through other comprehensive income (net of tax)              | -                                     | -                         | -                         | -                                       | -                                        | -                         | -                             | -                                        | (5,365)                                                                              | -                             |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | (5,365)                       |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | -                             |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | 138,864                       |
| <b>Total comprehensive income/(loss)</b>                                                                        | -                                     | -                         | -                         | -                                       | 116,465                                  | -                         | -                             | -                                        | (5,365)                                                                              | 37,855                        |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | 148,955                       |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | 34,064                        |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | 183,019                       |
| <b>Transactions with owners in their capacity as owners:</b>                                                    | -                                     | -                         | -                         | -                                       | -                                        | -                         | 47,967                        | -                                        | -                                                                                    | (47,967)                      |
| Transfer to statutory reserve                                                                                   | -                                     | -                         | -                         | -                                       | -                                        | 6,487                     | -                             | -                                        | -                                                                                    | -                             |
| Employees incentive plans                                                                                       | -                                     | -                         | -                         | -                                       | -                                        | -                         | -                             | -                                        | -                                                                                    | -                             |
| Dividend declared to non-controlling interests                                                                  | -                                     | -                         | -                         | -                                       | -                                        | 24,774                    | -                             | -                                        | 24,774                                                                               | -                             |
| Dividend declared to Employees' incentive plans                                                                 | -                                     | -                         | -                         | -                                       | -                                        | -                         | -                             | -                                        | -                                                                                    | (10,481)                      |
| Dividends paid (Note 30)                                                                                        | -                                     | -                         | -                         | -                                       | -                                        | -                         | -                             | -                                        | -                                                                                    | (102,330)                     |
| Interest accretion of redemption liability in relation to a put option exercisable by non-controlling interests | -                                     | -                         | -                         | -                                       | -                                        | (144,614)                 | -                             | -                                        | (144,614)                                                                            | -                             |
| Appropriation to Safety fund (Note 20)                                                                          | -                                     | -                         | -                         | -                                       | -                                        | 29,900                    | -                             | -                                        | -                                                                                    | (29,900)                      |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | -                             |
| <b>At 31 March 2026</b>                                                                                         | 136,440                               | 1,068,168                 | 12,418                    | 1,200                                   | (110,377)                                | (2,329,608)               | 482,612                       | 129,433                                  | (4,997)                                                                              | 2,527,732                     |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | 1,913,021                     |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | 2,135,614                     |
|                                                                                                                 |                                       |                           |                           |                                         |                                          |                           |                               |                                          |                                                                                      | 4,048,635                     |

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2026

| Attributable to owners of the Company                                                                           |                           |                           |                           |                             |                                         |                                          |                           |                               |                                          |                                                                                      |                               |                       |                                       |                          |
|-----------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|-----------------------------|-----------------------------------------|------------------------------------------|---------------------------|-------------------------------|------------------------------------------|--------------------------------------------------------------------------------------|-------------------------------|-----------------------|---------------------------------------|--------------------------|
|                                                                                                                 | Share capital<br>HK\$'000 | Share premium<br>HK\$'000 | Share reserve<br>HK\$'000 | Treasury shares<br>HK\$'000 | Capital redemption reserves<br>HK\$'000 | Exchange translation reserve<br>HK\$'000 | Other reserve<br>HK\$'000 | Statutory reserve<br>HK\$'000 | Property revaluation reserve<br>HK\$'000 | Financial asset at fair value through other comprehensive income reserve<br>HK\$'000 | Retained earnings<br>HK\$'000 | Sub-total<br>HK\$'000 | Non-controlling interests<br>HK\$'000 | Total equity<br>HK\$'000 |
| At 1 April 2024                                                                                                 | 137,640                   | 1,123,842                 | 12,418                    | (56,874)                    | -                                       | (201,419)                                | (2,104,156)               | 407,639                       | 129,433                                  | 368                                                                                  | 2,470,434                     | 1,919,325             | 2,094,774                             | 4,016,099                |
| Profit for the year                                                                                             | -                         | -                         | -                         | -                           | -                                       | -                                        | -                         | -                             | -                                        | -                                                                                    | 350,094                       | 350,094               | 52,947                                | 403,041                  |
| Other comprehensive loss                                                                                        | -                         | -                         | -                         | -                           | -                                       | (25,423)                                 | -                         | -                             | -                                        | -                                                                                    | -                             | (25,423)              | (23,397)                              | (48,820)                 |
| Currency translation differences                                                                                | -                         | -                         | -                         | -                           | -                                       | (25,423)                                 | -                         | -                             | -                                        | -                                                                                    | -                             | -                     | -                                     | -                        |
| Total comprehensive income/(loss)                                                                               | -                         | -                         | -                         | -                           | -                                       | (25,423)                                 | -                         | -                             | -                                        | -                                                                                    | 350,094                       | 324,671               | 29,550                                | 354,221                  |
| Transactions with owners in their capacity as owners:                                                           |                           |                           |                           |                             |                                         |                                          |                           |                               |                                          |                                                                                      |                               |                       |                                       |                          |
| Transfer to statutory reserve                                                                                   | -                         | -                         | -                         | -                           | -                                       | -                                        | -                         | 27,006                        | -                                        | -                                                                                    | (27,006)                      | -                     | -                                     | -                        |
| Repurchase of Company's shares (Note 19)                                                                        | (1,200)                   | (55,674)                  | -                         | 56,874                      | -                                       | -                                        | -                         | -                             | -                                        | -                                                                                    | -                             | -                     | -                                     | -                        |
| Capital redemption reserves arising from repurchase of shares (Note 19)                                         | -                         | -                         | -                         | -                           | 1,200                                   | -                                        | -                         | -                             | -                                        | -                                                                                    | (1,200)                       | -                     | -                                     | -                        |
| Dividends paid (Note 30)                                                                                        | -                         | -                         | -                         | -                           | -                                       | -                                        | -                         | -                             | -                                        | -                                                                                    | (109,152)                     | (109,152)             | -                                     | (109,152)                |
| Interest accretion of redemption liability in relation to a put option exercisable by non-controlling interests | -                         | -                         | -                         | -                           | -                                       | -                                        | (144,614)                 | -                             | -                                        | -                                                                                    | -                             | (144,614)             | -                                     | (144,614)                |
| Appropriation to Safety fund (Note 20)                                                                          | -                         | -                         | -                         | -                           | -                                       | -                                        | 2,615                     | -                             | -                                        | -                                                                                    | (2,615)                       | -                     | -                                     | -                        |
| At 31 March 2025                                                                                                | 136,440                   | 1,068,168                 | 12,418                    | -                           | 1,200                                   | (226,842)                                | (2,246,155)               | 434,645                       | 129,433                                  | 368                                                                                  | 2,680,555                     | 1,990,230             | 2,126,324                             | 4,116,554                |

The notes on pages 62 to 166 are an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

|                                                                                                                                  | Notes | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------------------------------------------------------------------------------------------------------------------|-------|------------------|------------------|
| <b>Cash flows from operating activities</b>                                                                                      |       |                  |                  |
| Cash generated from/(used in) operations                                                                                         | 31(a) | 128,549          | (57,892)         |
| Interest paid                                                                                                                    |       | (70,061)         | (62,126)         |
| Income tax paid                                                                                                                  |       | (83,879)         | (104,792)        |
| Net cash outflow from operating activities                                                                                       |       | (25,391)         | (224,810)        |
| <b>Cash flows from investing activities</b>                                                                                      |       |                  |                  |
| Proceeds from disposals of property, plant and equipment                                                                         | 31(b) | 7,906            | 4,512            |
| Payments for intangible assets                                                                                                   |       | (1,951)          | (1,191)          |
| Purchases of property, plant and equipment                                                                                       |       | (787,341)        | (638,501)        |
| Purchase of land use rights                                                                                                      |       | –                | (48,646)         |
| Investment in an associate                                                                                                       | 11    | (11,364)         | (5,435)          |
| Investment in a financial asset at fair value through other comprehensive income                                                 | 16    | –                | (21,740)         |
| Payment of consideration payable for acquisition of a financial asset at fair value through other comprehensive income ("FVOCI") |       | (68,182)         | –                |
| Settlement for contingent consideration payable                                                                                  |       | (3,682)          | –                |
| Investment in a joint venture                                                                                                    | 10    | (59)             | (26,643)         |
| Loan to a joint venture                                                                                                          |       | (27,210)         | –                |
| Payment of consideration payable for investment in a joint venture                                                               |       | (18,533)         | –                |
| Purchase of financial asset at fair value through profit or loss                                                                 |       | (11,364)         | –                |
| Decrease/(increase) in short-term bank deposits                                                                                  |       | 105,698          | (108,696)        |
| Interest received                                                                                                                |       | 14,330           | 18,124           |
| Net cash outflow from investing activities                                                                                       |       | (801,752)        | (828,216)        |
| <b>Cash flows from financing activities</b>                                                                                      |       |                  |                  |
| Dividends paid to holders of employee's incentive plan                                                                           |       | (10,187)         | (3,138)          |
| Inceptions of new bank borrowings                                                                                                | 31(c) | 2,336,989        | 1,709,591        |
| Repayments of bank borrowings                                                                                                    | 31(c) | (1,650,766)      | (1,333,805)      |
| Net decrease in trust receipt loans                                                                                              | 31(c) | (5,548)          | (1,962)          |
| Principal elements of lease payments                                                                                             | 31(c) | (13,591)         | (10,557)         |
| Dividend paid to non-controlling interests                                                                                       |       | (24,774)         | –                |
| Dividends paid to the shareholders of the Company                                                                                | 30    | (102,330)        | (109,152)        |
| Net cash inflow from financing activities                                                                                        |       | 529,793          | 250,977          |

## | CONSOLIDATED STATEMENT OF CASH FLOWS |

For the year ended 31 March 2026

|                                                  | <i>Notes</i> | <b>2026</b><br><b>HK\$'000</b> | 2025<br>HK\$'000 |
|--------------------------------------------------|--------------|--------------------------------|------------------|
| Net decrease in cash and cash equivalents        |              | <b>(297,350)</b>               | (802,049)        |
| Cash and cash equivalents at beginning of year   |              | <b>1,560,253</b>               | 2,375,176        |
| Exchange difference on cash and cash equivalents |              | <b>53,216</b>                  | (12,874)         |
| Cash and cash equivalents at end of year         | <i>18(a)</i> | <b>1,316,119</b>               | 1,560,253        |

The notes on pages 62 to 166 are an integral part of these consolidated financial statements.

# | NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS |

## 1 GENERAL INFORMATION

L.K. Technology Holdings Limited (the “Company”) was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 16 October 2006. The address of the registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The immediate and ultimate holding company of the Company is Girgio Industries Limited, a company incorporated in the British Virgin Islands.

The Company and its subsidiaries (the “Group”) are principally engaged in the design, manufacture, and sales of hot chamber and cold chamber die-casting machines, plastic injection moulding machines, computerised numerical controlled (“CNC”) machining centre and related accessories.

These consolidated financial statements are presented in Hong Kong dollars (“HK\$”) unless otherwise stated.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with all applicable HKFRS Accounting Standards and disclosure requirements of Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the financial asset at fair value through other comprehensive income (“FVOCI”), financial liability and financial asset at fair value through profit or loss (“FVPL”) and investment properties, which are carried at fair value.

The preparation of financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

### 2.2 Changes in accounting policies and disclosures

#### 2.2.1 Amendments to existing standards adopted by the Group

The Group has applied the following amended standards for the first time for the annual reporting period commencing 1 April 2025:

|                                  |                         |
|----------------------------------|-------------------------|
| HKAS 21 and HKFRS 1 (Amendments) | Lack of exchangeability |
|----------------------------------|-------------------------|

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.2 Changes in accounting policies and disclosures (Continued)

#### 2.2.2 New and amended standards and interpretation not yet adopted

|                                                                   |                                                                                                                                          | Effective for<br>accounting periods<br>beginning on or after |
|-------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|
| HKFRS 1, HKFRS 7,<br>HKFRS 9, HKFRS 10 and<br>HKAS 7 (Amendments) | Annual Improvements to HKFRS<br>Accounting Standards – Volume 11                                                                         | 1 April 2026                                                 |
| HKFRS 9 and HKFRS 7<br>(Amendments)                               | Classification and measurement of<br>financial instruments                                                                               | 1 April 2026                                                 |
| HKFRS 9 and HKFRS 7<br>(Amendments)                               | Contracts Referencing Nature-dependent<br>Electricity                                                                                    | 1 April 2026                                                 |
| HKFRS 10 and HKAS 28<br>(Amendments)                              | Sale or contribution of assets between<br>an investor and its associate or joint<br>venture                                              | Not yet established                                          |
| HKFRS 18                                                          | Presentation and disclosure in financial<br>statements                                                                                   | 1 April 2027                                                 |
| HKFRS 19                                                          | Subsidiaries without public accountability:<br>Disclosures                                                                               | 1 April 2027                                                 |
| HK Int 5 (Amendments)                                             | Presentation of financial statements –<br>Classification by the borrower of a<br>term loan that contains a repayment on<br>demand clause | 1 April 2027                                                 |

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.2 Changes in accounting policies and disclosures (Continued)

#### 2.2.2 New and amended standards and interpretation not yet adopted (Continued)

HKFRS 18 replaces HKAS 1 Presentation of Financial Statements. While a number of sections have been brought forward from HKAS 1 with limited changes, HKFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operations and to present two new defined subtotals. It also requires disclosures about management defined performance measures in a single note and introduces enhanced requirements on the grouping (aggregation and disaggregation) and the location of information in both the primary financial statements and the notes. Some requirements previously included in HKAS 1 are moved to HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, which is renamed as HKAS 8 Basis of Preparation of Financial Statements. As a consequence of the issuance of HKFRS 18, limited, but widely applicable, amendments are made to HKAS 7 Statement of Cash Flows, HKAS 33 Earnings per Share and HKAS 34 Interim Financial Reporting. In addition, there are minor consequential amendments to other HKFRSs. HKFRS 18 and the consequential amendments to other HKFRSs are effective for annual periods beginning on or after 1 April 2027 with earlier application permitted. Retrospective application is required. The Group is currently analysing the new requirements and assessing the impact of HKFRS 18 on the presentation and disclosure of the Group's financial statements.

The directors of the Group are in the process of assessing the financial impact of the adoption of the above new standards, amendments to existing standards and interpretation and do not expect them to have a material impact in the current or future reporting periods and on foreseeable future transactions. The directors of the Group will adopt the new standards, amendments to existing standards and interpretation when they become effective.

### 2.3 Material accounting policies

#### 2.3.1 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as executive directors that makes strategic decisions.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.3 Material accounting policies (Continued)

#### 2.3.2 Property, plant and equipment

Buildings comprise mainly factories and offices. Property, plant and equipment is stated at historical cost less depreciation. Historical 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 consolidated income statement during the financial period in which they are incurred.

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

|                                          |                                                          |
|------------------------------------------|----------------------------------------------------------|
| Buildings                                | Over the estimated useful lives of no more than 50 years |
| Leasehold improvements                   | 5%–20% or over the lease term, whichever is shorter      |
| Plant and machinery                      | 10%–20%                                                  |
| Furniture, fixtures and office equipment | 5%–20%                                                   |
| Motor vehicles                           | 20%–25%                                                  |

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately.

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

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.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the consolidated income statement.

Construction in progress is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.3 Material accounting policies (Continued)

#### 2.3.3 Land use rights (included in right-of-use assets)

Land use rights are stated at cost less accumulated amortisation and impairment losses. Cost represents consideration paid for the rights to use the land on which various plants and buildings are situated for periods varying from 44 to 50 years. Amortisation of land use rights is calculated on a straight-line basis over the period of the land use rights.

#### 2.3.4 Investment property

Investment property, principally comprising leasehold land and buildings, is held for long-term rental yields and is not occupied by the Group. 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 external valuers. 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 income statement as part of a valuation gain or loss in 'Other gains – net'.

#### 2.3.5 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out ("FIFO") method. The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses. Write down is made for deteriorated, damaged and obsolete inventories.

#### 2.3.6 Trade receivables

Trade receivables are amounts due from customers for merchandise sold in the ordinary course of business. If collection of trade receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.3 Material accounting policies (Continued)

#### 2.3.7 Revenue recognition

The Group recognises revenue when it satisfies a performance obligation by transferring a promised goods and service to a customer, which is when the customer obtains control of goods and service, has the ability to direct the use of, and obtain substantially all of the remaining benefits from that goods and service. If the control of the goods and services is transferred over a period of time, the Group recognises revenue by reference to the extent of progress toward completion in fulfilling its performance obligations during the entire contract period.

For the amounts of revenue recognised for goods transferred and services provided, the Group recognises any unconditional rights to consideration separately as a receivable and the rest as a contract asset, and recognises provision for impairment of the receivable and the contract asset based on expected credit loss ("ECL"); if the consideration received or receivable exceeds the obligation performed by the Group, a contract liability is recognised. The Group presents a net contract asset or a net contract liability under each contract.

Contract costs include costs to fulfill a contract and of obtaining a contract. The cost incurred for providing services by the Group is recognised as the costs to fulfill a contract, and is amortised based on the progress towards completion of the service provided when recognising revenue. The incremental cost incurred by the Group of obtaining a contract is recognised as the costs of obtaining a contract. For costs of obtaining a contract that will be amortised within one year, the Group recognises it in profit and loss. For the costs of obtaining a contract that will be amortised for more than one year period, it is amortised in profit and loss based on same progress towards completion as recognising revenue.

The Group recognises revenue for each of its activities in the consolidated income statement in accordance with below policies:

#### **(a) Sales of goods**

Sales of goods are recognised when a group entity has transferred control over products to the customer, the customer has accepted the products, there is no unfulfilled obligation that could affect the customer's acceptance of the products, the amount of sales can be reliably measured and it is probable that future economic benefits will flow to the entity. Revenue from sales is based on the price specified in the sales contracts. Accumulated experience is used to estimate the likelihood and provide for sales return for the goods sold at the time of sale. A receivable is recognised when the goods are accepted as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.3 Material accounting policies (Continued)

#### 2.3.7 Revenue recognition (Continued)

##### **(b) Provision of services**

Service income is recognised when the Group satisfied the performance obligation in accordance with the substance of the relevant agreements. Service income is recognised over time.

##### **(c) Rental income**

Rental income is recognised in the consolidated income statement on a straight-line basis over the term of the lease.

##### **(d) Interest income**

Interest income is recognised on a time-proportion basis using the effective interest method.

### 2.4 Summary of other potentially material accounting policies

#### 2.4.1 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

##### **(a) Business combinations**

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis. Non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation are measured at either fair value or the present ownership interests' proportionate share in the recognised amounts of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by HKFRS Accounting Standards.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.1 Consolidation (Continued)

##### **(a) Business combinations (Continued)**

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in the consolidated income statement.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKFRS 9 in the consolidated income statement. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated income statement.

Intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

##### **(b) Changes in ownership interests in subsidiaries without change of control**

Transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions – that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.1 Consolidation (Continued)

##### *(c) Disposal of subsidiaries*

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in the consolidated income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. It means that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS Accounting Standards.

#### 2.4.2 Separate financial statements

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.

#### 2.4.3 Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.3 Associates (Continued)

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of losses of associates' in the consolidated income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gains or losses on dilution of equity interest in associates are recognised in the consolidated income statement.

#### 2.4.4 Joint arrangements

The Group has applied HKFRS 11 to all joint arrangements. Under HKFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. The Group's investments in joint ventures include goodwill identified on acquisition. Upon the acquisition of the ownership interest in a joint venture, any difference between the cost of the joint venture and the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.5 Foreign currency translation

##### **(a) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in HK\$, which is the Company's functional currency and the Group's presentation currency.

##### **(b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in the consolidated income statement.

All foreign exchange gains and losses are presented in the consolidated income statement within 'Other gains – net'.

Translation differences on non-monetary financial assets, such as equities classified as FVOCI, are included in other comprehensive income.

##### **(c) Group companies**

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the date of that consolidated statement of financial position;
- (ii) income and expenses for each consolidated income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.5 Foreign currency translation (Continued)

##### *(d) Disposal of foreign operation and partial disposal*

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, a disposal involving loss of joint control over a joint venture that includes a foreign operation, or a disposal involving loss of significant influence over an associate that includes a foreign operation), all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to the consolidated income statement.

In the case of a partial disposal that does not result in the Group losing control over a subsidiary that includes a foreign operation, the proportionate share of accumulated currency translation differences are re-attributed to non-controlling interests and are not recognised in the consolidated income statement. For all other partial disposals (that is, reductions in the Group's ownership interest in associates or joint ventures that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange difference is reclassified to the consolidated income statement.

#### 2.4.6 Intangible assets

##### *(a) Goodwill*

Goodwill arising on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.6 Intangible assets (Continued)

##### **(b) Trademarks**

Trademarks are carried at costs less accumulated amortisation and accumulated impairment losses. Amortisation is provided on a straight-line basis over their estimated useful lives of not more than ten years.

##### **(c) Patents**

Patents are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation is provided on a straight-line basis over their remaining useful lives of sixteen years.

##### **(d) Research and development expenditures**

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development expenditure is recognised only if it is anticipated that the development costs incurred on a clearly defined project will be recovered through future commercial activity. The resultant asset is amortised on a straight-line basis over its useful life of not more than five years, and carried at cost less subsequent accumulated amortisation and accumulated impairment losses.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no internally-generated intangible asset can be recognised, development expenditure is charged to the consolidated income statement in the period in which it is incurred.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.7 Impairment of investments in subsidiaries and non-financial assets

Goodwill is not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation or depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiaries in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

#### 2.4.8 Financial assets

##### (a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.8 Financial assets (Continued)

##### *(b) Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

##### *(c) Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

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

##### *Debt instruments*

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in 'Other gains – net' together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated income statement.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.8 Financial assets (Continued)

##### (c) *Measurement (Continued)*

##### Debt instruments (Continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised in 'Other gains – net'. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in 'other gains – net' and impairment expenses are presented as separate line item in the consolidated income statement.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within 'Other gains – net' in the period in which it arises.

##### Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in consolidated income statement as 'other income' when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in 'other income', in consolidated income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from changes in fair value.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.8 Financial assets (Continued)

##### (d) Impairment

The Group assesses on a forward-looking basis the expected credit losses ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Impairment on deposits and other receivables is measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses.

#### 2.4.9 Offsetting financial instrument

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

#### 2.4.10 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

#### 2.4.11 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### 2.4.12 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.13 Financial liabilities

Other financial liabilities of the Group are measured at amortised cost, using the effective interest method.

Subsequent to initial recognition, the financial liability is carried at amortised cost using the effective interest method. The accretion of the discount on the financial liability and any adjustments to estimated amounts of the final redemption amount are recognised as a finance charge in the consolidated income statement.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference is recognised in the consolidated income statement.

#### 2.4.14 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the consolidated income statement as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.15 Borrowing costs

General and specific 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.

Other borrowing costs are expensed in the period in which they are incurred.

#### 2.4.16 Current and deferred income tax

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

##### **(a) Current income tax**

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company, its subsidiaries, associates and joint ventures operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

##### **(b) Deferred income tax**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.16 Current and deferred income tax (Continued)

##### *(b) Deferred income tax (Continued)*

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming the property will be recovered entirely through sale.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### 2.4.17 Employee benefits

##### *Pension obligations*

The Group operates various defined contribution plans for its employees in Hong Kong, The People's Republic of China (the "PRC") and Italy. A defined contribution plan is a pension plan under which the Group pays fixed contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. 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. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.17 Employee benefits (Continued)

##### *Pension obligations (Continued)*

##### (a) Employees of the Group in Hong Kong

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for certain of its employees. Under the MPF Scheme, each of the Group and the employees are required to make contributions to the MPF Scheme at 5% of the employees’ relevant income, subject to a cap of monthly relevant income of HK\$30,000, and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in trustee-administered funds independently.

The Group also operates a defined contribution staff retirement scheme registered under the Occupational Retirement Schemes Ordinance (Chapter 426 of the Laws of Hong Kong) (the “ORSO Scheme”) for certain of its employees, the assets of which are held separately from those of the Group in trustee-administered funds independently. The Group contributes 5% on the eligible employees’ basic salaries to the ORSO Scheme, and such contributions are charged to profit or loss as they become payable in accordance with the rules of the ORSO Scheme. When an employee leaves the ORSO Scheme prior to his/her interest in the Group’s employer contributions vesting fully, the ongoing contributions payable by the Group may be reduced by the relevant amount of forfeited contributions.

##### (b) Employees of the Group in the PRC

Pursuant to the relevant regulations of the PRC government, the subsidiaries in the PRC participate in local municipal government retirement benefits schemes (the “Schemes”), whereby the subsidiaries in the PRC are required to contribute a certain percentage of the basic salaries of its employees to the Schemes to fund their retirement benefits. The local municipal governments undertake to assume the retirement benefits obligations of those employees of the subsidiaries in the PRC. Contributions under the Schemes are charged to the consolidated income statement as incurred.

##### (c) Employees of the Group in Italy

The employees of the Group’s subsidiaries which operate in Italy are required to participate in a pension scheme (the “Italy Pension Scheme”) operated by the state. These subsidiaries are required to contribute a certain percentage of their gross salary to the Italy Pension Scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the Italy Pension Scheme.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.18 Share-based payments

The Group operates equity-settled share-based compensation plans, under which the entity receives services from employees as consideration for share options of the Company and two of its subsidiaries. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (for example, an entity's share price);
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining as an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holding shares for a specified period of time).

The total expense is recognised over the vesting period which is the period over which all of the specified vesting conditions are to be satisfied.

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-market performance and service conditions. It recognises the impact of the revision to original estimates, if any, in the consolidated income statement, with a corresponding adjustment to equity.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

The grant by the Company of options over its equity instruments to the employees of subsidiaries undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity in the parent entity accounts.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

#### 2.4.20 Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

#### 2.4.21 Government subsidies and value added tax refund

Government subsidies are recognised at their fair value where there is a reasonable assurance that the subsidies will be received and all the attaching conditions will be complied with. Subsidies relating to expenses incurred by the Group are deferred and recognised in the consolidated income statement over the period necessary to match them with the expenses they are intended to compensate. Subsidies relating to the purchase of property, plant and equipment are deducted from the carrying amount of the asset so that the subsidies are recognised as income over the lives of the corresponding depreciable assets by way of a reduced depreciation charge.

Value added tax refund is recognised when there is reasonable assurance that it will be received and the Group will comply with the conditions attaching to it.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.22 Dividend income

Dividend income is recognised when the right to receive payment is established.

#### 2.4.23 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (CONTINUED)

### 2.4 Summary of other potentially material accounting policies (Continued)

#### 2.4.23 Leases (Continued)

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received; and
- any initial direct costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the consolidated statement of financial position based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

#### 2.4.24 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's and the Company's financial statements in the period in which the dividends are approved by the Company's shareholders or directors where appropriate.

### 3 FINANCIAL RISK MANAGEMENT

#### 3.1 Financial risk factors

##### (a) Market risk

The Group's activities expose it to the financial risks in relation to changes in interest rates and foreign currency exchange rates as discussed below. There has been no material change in the Group's exposure to market risks or the manner in which it manages and measures the risks.

##### (i) Interest rate risk

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on restricted bank balances, cash and cash equivalents and borrowings which are carried at prevailing market interest rates as shown in Notes 18 and 21. Management will consider hedging significant interest rate exposure should the need arise.

The Group did not have any interest rate swap contracts as at 31 March 2026 and 2025.

##### Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates for bank deposits and borrowings at the end of the reporting period. For variable rate borrowings and bank deposits, the analysis is prepared assuming the amount of liability/asset outstanding at the end of reporting period was outstanding for the whole year. A 100 basis point increase or decrease in HIBOR is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 100 basis points higher/lower with all other variables held constant, the Group's pre-tax profit for the year ended 31 March 2026 would decrease/increase by HK\$16,787,000/HK\$20,052,000 (2025: decrease/increase by HK\$5,698,000/HK\$14,059,000).

##### (ii) Foreign exchange risk

The functional currencies of the Group's respective principal subsidiaries are Renminbi ("RMB"), Euro ("EUR") and HK\$. Majority of the purchases and sales of the local operations are transacted in local functional currency and therefore foreign exchange transactional risks are minimal.

##### For companies with HK\$ as their functional currency

As at 31 March 2026, if RMB had weakened/strengthened by 5% against HK\$ with all other variables held constant, pre-tax profit for the year then ended would have been approximately HK\$6,831,000 lower/higher (2025: HK\$3,319,000), mainly as a result of the foreign exchange losses/gains on the translation of RMB denominated cash and cash equivalents.

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.1 Financial risk factors (Continued)

##### (a) Market risk (Continued)

##### *(ii) Foreign exchange risk (Continued)*

For companies with RMB as their functional currency

As at 31 March 2026, if US\$ had weakened/strengthened by 5% against RMB with all other variables held constant, pre-tax profit for the year then ended would have been approximately HK\$2,602,000 lower/higher (2025: HK\$2,433,000), mainly as a result of the foreign exchange losses/gains on translation of US\$ denominated cash and bank deposits.

The Group does not have a foreign currency hedging policy. However, management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

##### (b) Credit risk

##### *(i) Risk management*

The Group's credit risk is primarily attributable to its trade and other receivables, deposits placed with banks and guarantees given by the Group for its customers. The Group has no significant concentrations of credit risk. Management has policies in place to monitor the exposures to these credit risks on an on-going basis.

For banks and financial institutions, deposits are only placed with reputable banks. For credit exposures to customers, the Group has policies in place to ensure that sales are made and guarantees are granted to reputable and credit-worthy customers with an appropriate financial strength and credit history. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews regularly recoverable amount of each individual trade and other receivable to ensure that adequate impairment losses are made for irrecoverable amounts.

##### *(ii) Impairment of financial assets*

Trade receivables

The trade receivables of the Group are subject to the ECL model. The Group applies the HKFRS 9 simplified approach to measure ECL which uses a lifetime expected loss allowance for all trade receivables.

To measure ECL, the Group categorises its trade receivables based on the nature of customer accounts and shared credit risk characteristics.

The expected loss rates are based on the payment profiles of customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (iii) Impairment of financial assets (Continued)

##### Trade receivables (Continued)

On that basis, the loss allowances as at 31 March 2026 and 2025 were determined as follows for trade receivables:

|                       | As at<br>31 March 2026<br>HK\$'000 | As at<br>31 March 2025<br>HK\$'000 |
|-----------------------|------------------------------------|------------------------------------|
| Gross carrying amount | 3,170,846                          | 3,202,052                          |
| Loss allowance        | (198,321)                          | (155,558)                          |
|                       | <b>2,972,525</b>                   | 3,046,494                          |

Note:

|                                              | Current<br>HK\$'000 | Within<br>90 days<br>past due<br>HK\$'000 | 91-180<br>days<br>past due<br>HK\$'000 | 181-365<br>days<br>past due<br>HK\$'000 | More than<br>365 days<br>past due<br>HK\$'000 | More than<br>730 days<br>past due<br>HK\$'000 | Total<br>HK\$'000 |
|----------------------------------------------|---------------------|-------------------------------------------|----------------------------------------|-----------------------------------------|-----------------------------------------------|-----------------------------------------------|-------------------|
| As at 31 March 2026                          |                     |                                           |                                        |                                         |                                               |                                               |                   |
| Expected credit losses rate                  | 1.01%               | 2.12%                                     | 2.12%                                  | 6.44%                                   | 11.72%                                        | 52.00%                                        |                   |
| Gross carrying amount –<br>trade receivables | 1,438,376           | 510,767                                   | 365,142                                | 379,291                                 | 266,806                                       | 210,464                                       | 3,170,846         |
| Loss allowances                              | 14,564              | 10,885                                    | 7,726                                  | 24,424                                  | 31,282                                        | 109,440                                       | 198,321           |

|                                              | Current<br>HK\$'000 | Within<br>90 days<br>past due<br>HK\$'000 | 91-180<br>days<br>past due<br>HK\$'000 | 181-365<br>days<br>past due<br>HK\$'000 | More than<br>365 days<br>past due<br>HK\$'000 | More than<br>730 days<br>past due<br>HK\$'000 | Total<br>HK\$'000 |
|----------------------------------------------|---------------------|-------------------------------------------|----------------------------------------|-----------------------------------------|-----------------------------------------------|-----------------------------------------------|-------------------|
| As at 31 March 2025                          |                     |                                           |                                        |                                         |                                               |                                               |                   |
| Expected credit losses rate                  | 0.3%                | 0.88%                                     | 1.25%                                  | 4.63%                                   | 21.42%                                        | 60.36%                                        |                   |
| Gross carrying amount –<br>trade receivables | 1,778,243           | 518,852                                   | 310,391                                | 235,500                                 | 220,492                                       | 138,574                                       | 3,202,052         |
| Loss allowances                              | 5,325               | 4,581                                     | 3,873                                  | 10,902                                  | 47,231                                        | 83,646                                        | 155,558           |

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (iii) Impairment of financial assets (Continued)

##### Trade receivables (Continued)

The loss allowances for trade receivables as at 31 March 2026 and 2025 reconcile to the opening loss allowances as follows:

|                                                          | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------------------------------------------|------------------|------------------|
| Opening loss allowances                                  | 155,558          | 126,422          |
| Provision for impairment of trade receivables – net      | 39,193           | 30,059           |
| Receivables written off during the year as uncollectible | (3,158)          | (1)              |
| Exchange realignment                                     | 6,728            | (922)            |
| Closing loss allowances                                  | 198,321          | 155,558          |

##### Other financial assets at amortised cost

Other financial assets at amortised cost include deposits and other receivables, amounts due from a joint venture and loans to joint ventures.

During the year ended 31 March 2026, the Group consider the probability of default upon initial recognition of assets and whether there has been significant increase in credit risk on an ongoing basis. To assess whether there is a significant increase in credit risk, the Group compares risk of a default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition.

Especially the following indicators are incorporated:

- external credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations; and
- significant changes in the expected performance and behaviour of the debtors, including changes in the payment status of debtors and changes in the operating results of the debtors.

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (iii) Impairment of financial assets (Continued)

##### Other financial assets at amortised cost (Continued)

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. Under such case, the other receivables are classified as stage 2 and subject to lifetime expected losses provision. When the other receivables became past due for more than 90 days, they are treated as credit-impaired and therefore classified as stage 3.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due.

Management uses three categories for deposits and other receivables, amounts due from a joint venture and loans to joint ventures which reflect their credit risk and how the loss provision is determined for each of those categories.

A summary of the assumptions underpinning the Group's expected credit loss model on other receivables is as follows:

| Category                         | Company definition of category                                                                                                                                                                                                                                   | Basis for recognition of expected credit loss                                                                                                              |
|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Performing                       | Other receivables whose credit risk is in line with original expectations.                                                                                                                                                                                       | 12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime (stage 1). |
| Underperforming                  | Other receivables for which a significant increase has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal repayments are contractually past due more than 30 days and less than 90 days. | Lifetime expected losses (stage 2).                                                                                                                        |
| Non-performing (credit-impaired) | Interest and/or principal repayments are more than 90 days contractually past due or it becomes probable that a customer will enter bankruptcy.                                                                                                                  | Lifetime expected losses (stage 3).                                                                                                                        |

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (iii) Impairment of financial assets (Continued)

##### Other financial assets at amortised cost (Continued)

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of debtors, and adjusts for forward-looking macroeconomic data.

The loss allowance for deposits and other receivables, amounts due from a joint venture and loans to joint ventures as at 31 March 2026 reconcile to the opening loss allowance as follows:

|                                     | Gross carrying<br>amount<br>at default<br>(stage 1)<br>HK\$'000 | Gross carrying<br>amount<br>at default<br>(stage 2)<br>HK\$'000 | Gross carrying<br>amount<br>at default<br>(stage 3)<br>HK\$'000 | Total<br>HK\$'000 |
|-------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|-------------------|
| As at 31 March 2026                 |                                                                 |                                                                 |                                                                 |                   |
| Deposits and other receivables      | 82,946                                                          | 13,516                                                          | 357                                                             | 96,819            |
| Amounts due from a joint<br>venture | 17,715                                                          | –                                                               | –                                                               | 17,715            |
| Loans to joint ventures             | 31,088                                                          | –                                                               | –                                                               | 31,088            |
|                                     | 131,749                                                         | 13,516                                                          | 357                                                             | 145,622           |

|                                     | Gross carrying<br>amount<br>at default<br>(stage 1)<br>HK\$'000 | Gross carrying<br>amount<br>at default<br>(stage 2)<br>HK\$'000 | Gross carrying<br>amount<br>at default<br>(stage 3)<br>HK\$'000 | Total<br>HK\$'000 |
|-------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------|-------------------|
| As at 31 March 2025                 |                                                                 |                                                                 |                                                                 |                   |
| Deposits and other receivables      | 74,647                                                          | –                                                               | –                                                               | 74,647            |
| Amounts due from a joint<br>venture | 7,118                                                           | –                                                               | –                                                               | 7,118             |
| Loans to joint ventures             | 5,780                                                           | –                                                               | –                                                               | 5,780             |
|                                     | 87,545                                                          | –                                                               | –                                                               | 87,545            |

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.1 Financial risk factors (Continued)

##### (b) Credit risk (Continued)

##### (iii) Impairment of financial assets (Continued)

##### Other financial assets at amortised cost (Continued)

The Group assesses on a forward looking basis for the expected credit losses associated with its deposits and other receivables, amounts due from a joint venture and loans to joint ventures. The balances are carried at amortised cost and adopted three-stages approach to assess the impairment. Those parties have a low risk of default and a capacity to meet contractual cash flows. The expected losses rate is minimal given there is no history of significant defaults and insignificant impact from forward-looking estimates.

The loss allowances for deposits and other receivables, amounts due from a joint venture and loans to joint ventures as at 31 March 2026 reconcile to the opening loss allowances as follows:

|                                                        | Stage 1<br>HK\$'000 | Stage 2<br>HK\$'000 | Stage 3<br>HK\$'000 | Total<br>HK\$'000 |
|--------------------------------------------------------|---------------------|---------------------|---------------------|-------------------|
| Opening loss allowances                                | –                   | –                   | –                   | –                 |
| Provision for impairment of<br>other receivables – net | 3,900               | 4,114               | 222                 | 8,236             |
| Closing loss allowances                                | 3,900               | 4,114               | 222                 | 8,236             |

##### Cash and bank balances

Cash and bank balances are also subject to impairment requirement of HKFRS 9. Management is of the view that the Group's cash and bank balances are placed in those banks which are independently rated with a high credit rating. Management does not expect any material losses from non-performance by these banks as they have no default history in the past.

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with loan covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its requirements in the short and longer term. If breach of loan covenants is anticipated, the Group will communicate with the lenders to obtain waiver and/or rectify the breach in due course. The Group also monitors closely the cash flows of its subsidiaries. Generally, the Company's subsidiaries are required to obtain the Company's approval for activities such as raising of loans and investment of surplus cash.

The following table details the Group's contractual maturities of its financial liabilities at the end of reporting period. The table has been drawn up based on the undiscounted cash flows and the earliest date on which the Group can be required to pay:

##### As at 31 March 2026

|                                                                          | On<br>demand<br>HK\$'000 | Within<br>1 year<br>HK\$'000 | More than<br>1 year but<br>less than<br>2 years<br>HK\$'000 | More than<br>2 years but<br>less than<br>5 years<br>HK\$'000 | More than<br>5 years<br>HK\$'000 | Total<br>HK\$'000 |
|--------------------------------------------------------------------------|--------------------------|------------------------------|-------------------------------------------------------------|--------------------------------------------------------------|----------------------------------|-------------------|
| <b>Non-derivative financial liabilities</b>                              |                          |                              |                                                             |                                                              |                                  |                   |
| Bank borrowings subject to repayment<br>on demand clause <i>(Note i)</i> | 2,631,159                | -                            | -                                                           | -                                                            | -                                | 2,631,159         |
| Other bank borrowings and interest<br>payments                           | -                        | 40,999                       | 74,691                                                      | 21,498                                                       | 204,601                          | 341,789           |
| Trade and bills payables                                                 | -                        | 1,988,447                    | -                                                           | -                                                            | -                                | 1,988,447         |
| Other payables                                                           | -                        | 359,262                      | -                                                           | -                                                            | -                                | 359,262           |
| Redemption liabilities and interest<br>payments                          | -                        | -                            | 267,186                                                     | 2,932,128                                                    | -                                | 3,199,314         |
| Lease liabilities and interest payments                                  | -                        | 14,851                       | 12,151                                                      | 26,972                                                       | 14,172                           | 68,146            |
|                                                                          | 2,631,159                | 2,403,559                    | 354,028                                                     | 2,980,598                                                    | 218,773                          | 8,588,117         |

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.1 Financial risk factors (Continued)

##### (c) Liquidity risk (Continued)

As at 31 March 2025

|                                                                          | On<br>demand<br>HK\$'000 | Within<br>1 year<br>HK\$'000 | More than<br>1 year but<br>less than<br>2 years<br>HK\$'000 | More than<br>2 years but<br>less than<br>5 years<br>HK\$'000 | More than<br>5 years<br>HK\$'000 | Total<br>HK\$'000 |
|--------------------------------------------------------------------------|--------------------------|------------------------------|-------------------------------------------------------------|--------------------------------------------------------------|----------------------------------|-------------------|
| <b>Non-derivative financial liabilities</b>                              |                          |                              |                                                             |                                                              |                                  |                   |
| Bank borrowings subject to repayment<br>on demand clause <i>(Note i)</i> | 1,881,012                | -                            | -                                                           | -                                                            | -                                | 1,881,012         |
| Other bank borrowings and interest<br>payments                           | -                        | 14,094                       | 52,254                                                      | 3,126                                                        | 267,529                          | 337,003           |
| Trade and bills payables                                                 | -                        | 1,838,182                    | -                                                           | -                                                            | -                                | 1,838,182         |
| Other payables                                                           | -                        | 481,820                      | -                                                           | -                                                            | -                                | 481,820           |
| Redemption liabilities and interest<br>payments                          | -                        | -                            | -                                                           | 2,389,000                                                    | 483,798                          | 2,872,798         |
| Lease liabilities and interest payments                                  | -                        | 13,858                       | 12,571                                                      | 29,573                                                       | 20,976                           | 76,978            |
|                                                                          | 1,881,012                | 2,347,954                    | 64,825                                                      | 2,421,699                                                    | 772,303                          | 7,487,793         |

*Note:*

- (i) The balance includes interest payment which is calculated based on borrowings outstanding and the underlying terms as at 31 March 2026 and 2025, without taking into account any subsequent changes in the amount of borrowings. Floating rate interest is based on current interest rate as at 31 March 2026 (2025: same).

##### Maturity Analysis – Bank borrowings subject to a repayment on demand clause based on scheduled repayments (including interest payable)

|                  | Within<br>1 year<br>HK\$'000 | More than<br>1 year but<br>less than<br>2 years<br>HK\$'000 | More than<br>2 years but<br>less than<br>5 years<br>HK\$'000 | More than<br>5 years<br>HK\$'000 | Total<br>outflows<br>HK\$'000 |
|------------------|------------------------------|-------------------------------------------------------------|--------------------------------------------------------------|----------------------------------|-------------------------------|
| At 31 March 2026 | 1,572,899                    | 405,092                                                     | 490,097                                                      | 301,723                          | 2,769,811                     |
| At 31 March 2025 | 1,395,532                    | 313,592                                                     | 231,800                                                      | -                                | 1,940,924                     |

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.2 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 equity holders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid 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 net debt divided by total equity. Net debt is calculated as total borrowings less cash and cash equivalents. Total equity is shown in the consolidated statement of financial position.

During the year ended 31 March 2026, the Group's strategy, which was unchanged from 2025, was to maintain the gearing ratio below 75%. The gearing ratio was as follows:

|                                                     | <b>2026</b><br><b>HK\$'000</b> | 2025<br>HK\$'000 |
|-----------------------------------------------------|--------------------------------|------------------|
| Total borrowings <i>(Note 21)</i>                   | <b>2,929,314</b>               | 2,148,860        |
| Less: cash and cash equivalents <i>(Note 18(a))</i> | <b>(1,316,119)</b>             | (1,560,253)      |
| Net debt                                            | <b>1,613,195</b>               | 588,607          |
| Total equity                                        | <b>4,048,635</b>               | 4,116,554        |
| Gearing ratio <i>(Note)</i>                         | <b>39.8%</b>                   | 14.3%            |

*Note:* The increase in gearing ratio was resulted mainly from the inceptions of new bank borrowings for increasing production efficiency and capacity during the year.

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.3 Fair value estimation

The different levels for analysis of financial instruments carried at fair value, by valuation method are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2)
- Inputs for the asset and liability that are not based on observable market data (that is, unobservable inputs) (level 3)

The following table presents the Group's financial assets that are measured at fair value at 31 March 2026 and 2025.

#### As at 31 March 2026

|                                                                                    | Level 1<br>HK\$'000 | Level 2<br>HK\$'000 | Level 3<br>HK\$'000 | Total<br>HK\$'000 |
|------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|-------------------|
| <b>Financial assets</b>                                                            |                     |                     |                     |                   |
| Financial assets at fair value through other comprehensive income <i>(Note 16)</i> | –                   | –                   | 90,089              | 90,089            |
| Financial assets at fair value through profit or loss <i>(Note 16)</i>             | –                   | –                   | 11,364              | 11,364            |

|                                                                           | Level 1<br>HK\$'000 | Level 2<br>HK\$'000 | Level 3<br>HK\$'000 | Total<br>HK\$'000 |
|---------------------------------------------------------------------------|---------------------|---------------------|---------------------|-------------------|
| <b>Financial liability</b>                                                |                     |                     |                     |                   |
| Financial liability at fair value through profit or loss <i>(Note 16)</i> | –                   | –                   | 4,498               | 4,498             |

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.3 Fair value estimation (Continued)

As at 31 March 2025

|                                                                                          | Level 1<br>HK\$'000 | Level 2<br>HK\$'000 | Level 3<br>HK\$'000 | Total<br>HK\$'000 |
|------------------------------------------------------------------------------------------|---------------------|---------------------|---------------------|-------------------|
| <b>Financial assets</b>                                                                  |                     |                     |                     |                   |
| Financial assets at fair value<br>through other comprehensive<br>income <i>(Note 16)</i> | –                   | –                   | 92,391              | 92,391            |
|                                                                                          | Level 1<br>HK\$'000 | Level 2<br>HK\$'000 | Level 3<br>HK\$'000 | Total<br>HK\$'000 |
| <b>Financial liability</b>                                                               |                     |                     |                     |                   |
| Financial liability at fair value<br>through profit or loss <i>(Note 16)</i>             | –                   | –                   | 9,511               | 9,511             |

There were no transfers of financial assets and liabilities between all levels of the fair value hierarchy classifications.

Reconciliation of Level 3 fair value measurements of financial assets and financial liability:

|                           | <b>Financial asset at<br/>fair value through other<br/>comprehensive income<br/>Unlisted equity investments</b> |                                    |
|---------------------------|-----------------------------------------------------------------------------------------------------------------|------------------------------------|
|                           | <b>As at<br/>31 March 2026<br/>HK\$'000</b>                                                                     | As at<br>31 March 2025<br>HK\$'000 |
| <b>Financial assets</b>   |                                                                                                                 |                                    |
| Beginning of the year     | <b>92,391</b>                                                                                                   | 5,495                              |
| Addition <i>(Note 16)</i> | <b>–</b>                                                                                                        | 87,912                             |
| Fair value change         | <b>(6,502)</b>                                                                                                  | –                                  |
| Exchange difference       | <b>4,200</b>                                                                                                    | (1,016)                            |
| End of the year           | <b>90,089</b>                                                                                                   | 92,391                             |

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.3 Fair value estimation (Continued)

|                                                                                                                                  | Financial liability at fair value<br>through profit or loss<br>Contingent consideration payable |                                    |
|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|------------------------------------|
|                                                                                                                                  | As at<br>31 March 2026<br>HK\$'000                                                              | As at<br>31 March 2025<br>HK\$'000 |
| <b>Financial liability</b>                                                                                                       |                                                                                                 |                                    |
| Beginning of the year                                                                                                            | 9,511                                                                                           | –                                  |
| Addition ( <i>Note 16</i> )                                                                                                      | –                                                                                               | 9,398                              |
| Settlement                                                                                                                       | (3,682)                                                                                         | –                                  |
| Transfer                                                                                                                         | (2,425)                                                                                         | –                                  |
| Fair value change ( <i>Note 24</i> )                                                                                             | 491                                                                                             | 113                                |
| Exchange difference                                                                                                              | 603                                                                                             | –                                  |
| End of the year                                                                                                                  | 4,498                                                                                           | 9,511                              |
| Total unrealised losses recognised in the consolidated income<br>statement relating to those instruments held at the end of year | 491                                                                                             | 113                                |

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.3 Fair value estimation (Continued)

##### **Fair value measurements using significant unobservable inputs (level 3)**

Quantitative information about fair value measurements using significant unobservable inputs (level 3):

##### **(a) Financial assets at fair value through other comprehensive income – unlisted equity investments**

The key unobservable assumptions used in the valuation of the unlisted equity investments as at 31 March 2026 and 31 March 2025 are:

| Valuation technique | Unobservable inputs                | At<br>31 March 2026 | At<br>31 March 2025 |
|---------------------|------------------------------------|---------------------|---------------------|
| Market approach     | Price to sales multiple            | 1.37                | 1.49                |
| (Calibration)       | Discount for lack of marketability | 21.0%               | 20.4%               |

As at 31 March 2026, the price to sales multiple used to compute the fair value is 1.37. If the price to sales multiple shifted upward by 1%, the impact on other comprehensive income would be HK\$757,000 higher. The higher the price to sales multiple, the higher the fair value.

As at 31 March 2026, the discount for lack of marketability used to compute the fair value is 21.0%. If the discount for lack of marketability shifted upward by 1%, the impact on other comprehensive income would be HK\$952,000 lower. The higher the discount for lack of marketability, the lower the fair value.

The Group's 'trade, bills and other receivables', 'deposits', 'short-term bank deposits', 'restricted bank balances', 'cash and cash equivalents', 'trade, bills and other payables', 'lease liabilities' and 'redemption liabilities' are financial assets and liabilities not carried at fair value. As at 31 March 2026 and 2025, the carrying values of these financial assets and liabilities approximated their respective fair values. The carrying amounts of the Group's borrowings approximate their fair values as the impact of discounting of the loans with fixed interest rates was not significant or the loans carried floating interest rate.

#### 3.4 Offsetting financial assets and financial liabilities

There are no material offsetting, enforceable master netting arrangements and similar agreements.

### 3 FINANCIAL RISK MANAGEMENT (CONTINUED)

#### 3.5 Financial instruments by category

|                                                                          | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|--------------------------------------------------------------------------|------------------|------------------|
| <b>Financial assets at fair value through other comprehensive income</b> |                  |                  |
| – Unlisted equity investments                                            | 90,089           | 92,391           |
| <b>Financial asset at fair value through profit or loss</b>              |                  |                  |
| – Wealth management product                                              | 11,364           | –                |
| <b>Financial liability at fair value through profit or loss</b>          |                  |                  |
| – Contingent consideration payable                                       | 4,498            | 9,511            |
| <b>Financial assets at amortised cost</b>                                |                  |                  |
| – Other receivables and deposits                                         | 137,386          | 87,545           |
| – Trade and bills receivables                                            | 3,772,929        | 3,733,791        |
| – Restricted bank balances                                               | 140,805          | 240,992          |
| – Short-term bank deposits                                               | 7,938            | 108,696          |
| – Cash and cash equivalents                                              | 1,316,119        | 1,560,253        |
| <b>Total</b>                                                             | <b>5,375,177</b> | <b>5,731,277</b> |
| <b>Financial liabilities at amortised cost</b>                           |                  |                  |
| – Trade and bills payables                                               | 1,988,447        | 1,838,182        |
| – Other payables                                                         | 359,262          | 481,820          |
| – Borrowings                                                             | 2,929,314        | 2,148,860        |
| – Lease liabilities                                                      | 62,087           | 69,844           |
| – Redemption liabilities                                                 | 2,731,046        | 2,482,868        |
| <b>Total</b>                                                             | <b>8,070,156</b> | <b>7,021,574</b> |

#### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

**(a) Provision for impairment of inventories**

The Group reviews the carrying value of its inventories to ensure that they are stated at the lower of cost and net realisable value. In assessing the net realisable value and making appropriate allowances, management identifies, using their judgement, inventories that are obsolete, and considering their physical conditions, age, market conditions and historical experience in manufacturing and selling items of similar nature. Where the expectation is different from the original estimate, such difference will impact the carrying amount of inventories and the impairment losses on inventories in the period in which such estimate is changed.

**(b) Provision for impairment of trade receivables**

The provision is determined by grouping together trade debtors with similar risk characteristics and collectively or individually assessing them for likelihood of recovery. The provision reflects lifetime ECL, i.e. possible default events over the expected life of the trade receivables, weighted by the probability of that default occurring. Judgement has been applied in determining the level of provision for ECL, taking into account the credit risk characteristics of customers, the likelihood of recovery assessed on a combination of collective and individual basis as relevant and the forward-looking information on macroeconomic factors. While the provision is considered appropriate, changes in estimation basis or in economic conditions could lead to a change in the level of provision recorded and consequently on the charge or credit to consolidated income statement.

**(c) Income taxes and deferred income tax**

The Group is subject to income taxes in several jurisdictions. There are certain transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is likely that future taxable profits will be available against which the temporary differences or tax losses can be utilised. Deferred income tax liabilities relating to undistributed profits of subsidiaries incorporated in Mainland China are recognised when management expects to recover investments in those subsidiaries through dividends, unless it is estimated that such dividends will not be distributed in the foreseeable future. When the expectations are different from the original estimates, such differences will impact the recognition of deferred tax assets and deferred tax liabilities and income tax charges in the period in which such estimates are changed.

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

### (d) Impairment of non-financial assets

Property, plant and equipment, right-of-use assets and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable such as declines in asset's market value and significant increase in interest rates that may affect the discount rate used in calculating the asset's recoverable amount.

Management judgement is required in the area of asset impairment particularly in assessing: (i) whether an event has occurred that may indicate that the related asset values may not be recoverable; (ii) whether the carrying value of an asset can be supported by the recoverable amount, being the higher of fair value less costs to sell or net present value of future cash flows which are estimated based upon the continual use of the asset in the business; (iii) whether a decline in asset's market value, increase in interest rates or other market rates that may affect the discount rate used in calculating the asset's recoverable amount; (iv) whether any assets have become obsolete or any plan to discontinue or restructure; and (v) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management in assessing impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could affect the net present value used in the impairment test and as a result affect the Group's financial position and results of operations.

### (e) Estimate of useful lives of property, plant and equipment

The Group has significant property, plant and equipment. The Group determines the estimated useful lives and residual values in order to ascertain the amount of depreciation charges for each reporting period. These estimates are based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives or residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

### (f) Fair value of investment properties

The fair value of investment properties is determined by using valuation technique. Details of the judgement and assumptions have been disclosed in Note 8.

## 5 SEGMENT INFORMATION

The Group determines its operating segments based upon the internal reports reviewed by the chief operating decision maker ("CODM") that are used to make strategic decisions. Segment results represent the profit from operations for the year before corporate expenses in each reportable segment. This is the measurement reported to the Group's management for the purpose of resource allocation and assessment of segment performance.

The measurement used for reporting segment results is "profit from operations", i.e. profit before corporate expenses, finance income, finance costs, share of losses of associates, share of losses of joint ventures and income tax expense. To arrive at results from operations, the Group's results are further adjusted for items not specifically attributed to individual segments.

The Group is organised into three main reportable segments.

- (i) Die-casting machine ("DCM")
- (ii) Plastic injection moulding machine
- (iii) Computerised numerical controlled ("CNC") machining centre

The segment results for the year ended 31 March 2026 are as follows:

|                                   | <b>Die-casting<br/>machine<br/>HK\$'000</b> | <b>Plastic<br/>injection<br/>moulding<br/>machine<br/>HK\$'000</b> | <b>CNC<br/>machining<br/>centre<br/>HK\$'000</b> | <b>Total<br/>segments<br/>HK\$'000</b> | <b>Eliminations<br/>HK\$'000</b> | <b>Total<br/>HK\$'000</b> |
|-----------------------------------|---------------------------------------------|--------------------------------------------------------------------|--------------------------------------------------|----------------------------------------|----------------------------------|---------------------------|
| <b>Revenue</b>                    |                                             |                                                                    |                                                  |                                        |                                  |                           |
| External sales                    | 3,663,187                                   | 1,798,108                                                          | 147,607                                          | 5,608,902                              | -                                | 5,608,902                 |
| Inter-segments sales              | 45,072                                      | -                                                                  | -                                                | 45,072                                 | (45,072)                         | -                         |
|                                   | <b>3,708,259</b>                            | <b>1,798,108</b>                                                   | <b>147,607</b>                                   | <b>5,653,974</b>                       | <b>(45,072)</b>                  | <b>5,608,902</b>          |
| <b>Results</b>                    |                                             |                                                                    |                                                  |                                        |                                  |                           |
| Segment results                   | 149,394                                     | 56,423                                                             | (43,829)                                         | 161,988                                | -                                | 161,988                   |
| Corporate expenses                |                                             |                                                                    |                                                  |                                        |                                  | (19,062)                  |
| Finance income                    |                                             |                                                                    |                                                  |                                        |                                  | 14,330                    |
| Finance costs                     |                                             |                                                                    |                                                  |                                        |                                  | (71,949)                  |
| Share of losses of associates     |                                             |                                                                    |                                                  |                                        |                                  | (13,417)                  |
| Share of losses of joint ventures |                                             |                                                                    |                                                  |                                        |                                  | (7,560)                   |
| Profit before income tax          |                                             |                                                                    |                                                  |                                        |                                  | <b>64,330</b>             |

## 5 SEGMENT INFORMATION (CONTINUED)

The segment results for the year ended 31 March 2025 are as follows:

|                                   | Die-casting<br>machine<br>HK\$'000 | Plastic<br>injection<br>moulding<br>machine<br>HK\$'000 | CNC<br>machining<br>centre<br>HK\$'000 | Total<br>segments<br>HK\$'000 | Eliminations<br>HK\$'000 | Total<br>HK\$'000 |
|-----------------------------------|------------------------------------|---------------------------------------------------------|----------------------------------------|-------------------------------|--------------------------|-------------------|
| <b>Revenue</b>                    |                                    |                                                         |                                        |                               |                          |                   |
| External sales                    | 3,866,558                          | 1,757,520                                               | 200,881                                | 5,824,959                     | –                        | 5,824,959         |
| Inter-segments sales              | 33,717                             | –                                                       | –                                      | 33,717                        | (33,717)                 | –                 |
|                                   | 3,900,275                          | 1,757,520                                               | 200,881                                | 5,858,676                     | (33,717)                 | 5,824,959         |
| <b>Results</b>                    |                                    |                                                         |                                        |                               |                          |                   |
| Segment results                   | 475,060                            | 90,614                                                  | (11,318)                               | 554,356                       | –                        | 554,356           |
| Corporate expenses                |                                    |                                                         |                                        |                               |                          | (18,636)          |
| Finance income                    |                                    |                                                         |                                        |                               |                          | 18,124            |
| Finance costs                     |                                    |                                                         |                                        |                               |                          | (65,923)          |
| Share of losses of associates     |                                    |                                                         |                                        |                               |                          | (4,077)           |
| Share of losses of joint ventures |                                    |                                                         |                                        |                               |                          | (8,043)           |
| Profit before income tax          |                                    |                                                         |                                        |                               |                          | 475,801           |

## 5 SEGMENT INFORMATION (CONTINUED)

Sales between segments are carried out at arm's length basis. The revenue from external parties reported to the CODM is measured in a manner consistent with that in the consolidated income statement.

### Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments.

**As at 31 March 2026**

|                                | <b>Die-casting<br/>machine<br/>HK\$'000</b> | <b>Plastic<br/>injection<br/>moulding<br/>machine<br/>HK\$'000</b> | <b>CNC<br/>machining<br/>centre<br/>HK\$'000</b> | <b>Total<br/>HK\$'000</b> |
|--------------------------------|---------------------------------------------|--------------------------------------------------------------------|--------------------------------------------------|---------------------------|
| <b>Assets</b>                  |                                             |                                                                    |                                                  |                           |
| Segment assets                 | <b>8,603,756</b>                            | <b>2,355,461</b>                                                   | <b>2,221,856</b>                                 | <b>13,181,073</b>         |
| Unallocated assets             |                                             |                                                                    |                                                  | <b>73,367</b>             |
| Consolidated total assets      |                                             |                                                                    |                                                  | <b>13,254,440</b>         |
| <b>Liabilities</b>             |                                             |                                                                    |                                                  |                           |
| Segment liabilities            | <b>6,867,361</b>                            | <b>1,718,837</b>                                                   | <b>580,924</b>                                   | <b>9,167,122</b>          |
| Unallocated liabilities        |                                             |                                                                    |                                                  | <b>38,683</b>             |
| Consolidated total liabilities |                                             |                                                                    |                                                  | <b>9,205,805</b>          |

## 5 SEGMENT INFORMATION (CONTINUED)

### Segment assets and liabilities (Continued)

As at 31 March 2025

|                                | Die-casting<br>machine<br>HK\$'000 | Plastic<br>injection<br>moulding<br>machine<br>HK\$'000 | CNC<br>machining<br>centre<br>HK\$'000 | Total<br>HK\$'000 |
|--------------------------------|------------------------------------|---------------------------------------------------------|----------------------------------------|-------------------|
| <b>Assets</b>                  |                                    |                                                         |                                        |                   |
| Segment assets                 | 7,739,222                          | 2,072,834                                               | 2,016,609                              | 11,828,665        |
| Unallocated assets             |                                    |                                                         |                                        | 85,587            |
| Consolidated total assets      |                                    |                                                         |                                        | 11,914,252        |
| <b>Liabilities</b>             |                                    |                                                         |                                        |                   |
| Segment liabilities            | 5,929,239                          | 1,439,350                                               | 375,727                                | 7,744,316         |
| Unallocated liabilities        |                                    |                                                         |                                        | 53,382            |
| Consolidated total liabilities |                                    |                                                         |                                        | 7,797,698         |

For the purpose of monitoring segment performance and allocating resources between segments:

- All assets are allocated to reportable segments other than corporate assets.
- All liabilities are allocated to reportable segments other than corporate liabilities.
- Liabilities for which segments are jointly liable are allocated in proportion to segment assets.

## 5 SEGMENT INFORMATION (CONTINUED)

The following amounts are included in the measure of segment results or assets:

### For the year ended 31 March 2026

|                                                                   | Die-casting<br>machine<br>HK\$'000 | Plastic<br>injection<br>moulding<br>machine<br>HK\$'000 | CNC<br>machining<br>centre<br>HK\$'000 | Unallocated<br>HK\$'000 | Total<br>HK\$'000 |
|-------------------------------------------------------------------|------------------------------------|---------------------------------------------------------|----------------------------------------|-------------------------|-------------------|
| Additions to non-current assets <i>(Note i)</i>                   | 381,255                            | 33,000                                                  | 289,279                                | -                       | 703,534           |
| Depreciation and amortisation                                     | 204,667                            | 52,527                                                  | 29,506                                 | 161                     | 286,861           |
| Raw materials and consumables used                                | 2,315,633                          | 1,240,751                                               | 332,928                                | -                       | 3,889,312         |
| Change in inventories of finished goods and work in progress      | (388,758)                          | (74,422)                                                | (182,365)                              | -                       | (645,545)         |
| Staff costs                                                       | 774,241                            | 249,895                                                 | 33,344                                 | -                       | 1,057,480         |
| (Reversal of)/write down provision for inventories                | (6,854)                            | (102)                                                   | 4,545                                  | -                       | (2,411)           |
| Provision for/(reversal of) impairment of trade receivables – net | 35,296                             | 10,718                                                  | (6,821)                                | -                       | 39,193            |

### For the year ended 31 March 2025

|                                                                   | Die-casting<br>machine<br>HK\$'000 | Plastic<br>injection<br>moulding<br>machine<br>HK\$'000 | CNC<br>machining<br>centre<br>HK\$'000 | Unallocated<br>HK\$'000 | Total<br>HK\$'000 |
|-------------------------------------------------------------------|------------------------------------|---------------------------------------------------------|----------------------------------------|-------------------------|-------------------|
| Additions to non-current assets <i>(Note i)</i>                   | 599,176                            | 25,897                                                  | 232,408                                | 4                       | 857,485           |
| Depreciation and amortisation                                     | 180,222                            | 51,806                                                  | 27,073                                 | 160                     | 259,261           |
| Raw materials and consumables used                                | 2,249,409                          | 1,151,596                                               | 115,943                                | -                       | 3,516,948         |
| Change in inventories of finished goods and work in progress      | (167,443)                          | 5,839                                                   | 10,670                                 | -                       | (150,934)         |
| Staff costs                                                       | 737,272                            | 238,418                                                 | 32,840                                 | -                       | 1,008,530         |
| Write down/(reversal of) provision for inventories                | 2,268                              | 1,886                                                   | (4,214)                                | -                       | (60)              |
| Provision for/(reversal of) impairment of trade receivables – net | 27,501                             | (3,777)                                                 | 6,335                                  | -                       | 30,059            |

*Note:*

- (i) Non-current assets exclude interests in joint ventures, interests in associates, financial asset at FVOCI, non-current portion of trade and bills receivables, and deferred income tax assets.

## 5 SEGMENT INFORMATION (CONTINUED)

None of the customers of the Group individually accounted for 10% or more of the Group's revenue for both of the years ended 31 March 2026 and 2025.

### Geographical information

The Group's revenue by geographical location is determined by the final destination of delivery of the products and the geographical location of non-current assets is determined by where the assets are located and are detailed below:

|                                   | Revenue from<br>external customers |                  | Non-current assets <i>(Note i)</i> |                  |
|-----------------------------------|------------------------------------|------------------|------------------------------------|------------------|
|                                   | 2026<br>HK\$'000                   | 2025<br>HK\$'000 | 2026<br>HK\$'000                   | 2025<br>HK\$'000 |
| Mainland China                    | 4,449,553                          | 4,920,513        | 4,032,187                          | 3,461,829        |
| Hong Kong                         | –                                  | –                | 15,443                             | 18,186           |
| Europe                            | 434,091                            | 266,037          | 68,945                             | 78,416           |
| North America                     | 133,336                            | 229,653          | 14,936                             | 13,459           |
| Central America and South America | 126,268                            | 145,525          | 3,583                              | 4,275            |
| Other countries                   | 465,654                            | 263,231          | 82,057                             | 67,299           |
|                                   | 5,608,902                          | 5,824,959        | 4,217,151                          | 3,643,464        |

*Note:*

- (i) Non-current assets exclude interests in joint ventures, interests in associates, financial assets at FVOCI, non-current portion of trade and bills receivables, and deferred income tax assets.

## 6 INTANGIBLE ASSETS

|                          | <b>Goodwill</b><br>HK\$'000 | <b>Trademarks</b><br>HK\$'000 | <b>Patents</b><br>HK\$'000 | <b>Development costs and others</b><br>HK\$'000 | <b>Total</b><br>HK\$'000 |
|--------------------------|-----------------------------|-------------------------------|----------------------------|-------------------------------------------------|--------------------------|
| At 31 March 2024         |                             |                               |                            |                                                 |                          |
| Cost                     | 2,800                       | 5,507                         | 3,633                      | 79,334                                          | 91,274                   |
| Accumulated amortisation | –                           | (5,247)                       | (3,610)                    | (68,040)                                        | (76,897)                 |
| Net book amount          | 2,800                       | 260                           | 23                         | 11,294                                          | 14,377                   |
| Year ended 31 March 2025 |                             |                               |                            |                                                 |                          |
| Opening net book amount  | 2,800                       | 260                           | 23                         | 11,294                                          | 14,377                   |
| Additions                | –                           | 116                           | –                          | 1,075                                           | 1,191                    |
| Amortisation             | –                           | (49)                          | (2)                        | (4,689)                                         | (4,740)                  |
| Exchange difference      | –                           | (2)                           | –                          | (106)                                           | (108)                    |
| Closing net book amount  | 2,800                       | 325                           | 21                         | 7,574                                           | 10,720                   |
| At 31 March 2025         |                             |                               |                            |                                                 |                          |
| Cost                     | 2,800                       | 5,588                         | 3,632                      | 79,942                                          | 91,962                   |
| Accumulated amortisation | –                           | (5,263)                       | (3,611)                    | (72,368)                                        | (81,242)                 |
| Net book amount          | 2,800                       | 325                           | 21                         | 7,574                                           | 10,720                   |
| Year ended 31 March 2026 |                             |                               |                            |                                                 |                          |
| Opening net book amount  | <b>2,800</b>                | <b>325</b>                    | <b>21</b>                  | <b>7,574</b>                                    | <b>10,720</b>            |
| Additions                | –                           | <b>65</b>                     | –                          | <b>1,885</b>                                    | <b>1,950</b>             |
| Amortisation             | –                           | <b>(49)</b>                   | <b>(2)</b>                 | <b>(4,012)</b>                                  | <b>(4,063)</b>           |
| Exchange difference      | –                           | <b>21</b>                     | <b>1</b>                   | <b>516</b>                                      | <b>538</b>               |
| Closing net book amount  | <b>2,800</b>                | <b>362</b>                    | <b>20</b>                  | <b>5,963</b>                                    | <b>9,145</b>             |
| At 31 March 2026         |                             |                               |                            |                                                 |                          |
| Cost                     | <b>2,800</b>                | <b>6,000</b>                  | <b>3,634</b>               | <b>86,942</b>                                   | <b>99,376</b>            |
| Accumulated amortisation | –                           | <b>(5,638)</b>                | <b>(3,614)</b>             | <b>(80,979)</b>                                 | <b>(90,231)</b>          |
| Net book amount          | <b>2,800</b>                | <b>362</b>                    | <b>20</b>                  | <b>5,963</b>                                    | <b>9,145</b>             |

Note: Goodwill is allocated to the Group's CGU identified according to operating segments.

## 6 INTANGIBLE ASSETS (CONTINUED)

An operating segment level summary of the goodwill allocation is presented below:

|                     | <b>2026</b><br><b>HK\$'000</b> | 2025<br>HK\$'000 |
|---------------------|--------------------------------|------------------|
| Die-casting machine | <b>2,800</b>                   | 2,800            |

The recoverable amount of a CGU is determined based on a value-in-use calculation. The calculation uses pre-tax cash flow projection based on five-year financial budget approved by management using the estimated growth rate of 5% (2025: 5%). Cash flows beyond the five-year period are extrapolated assuming a terminal growth rate of 3% (2025: 3%) and no material change in the existing scope of business, business environment and market conditions. The discount rate applied to the cash flow projections is 14% (2025: 14%) and management believes it reflects specific risks relating to the segment. Management believes that any reasonably possible change in any of the key assumptions would not result in an impairment provision of goodwill (2025: same).

There was no impairment provision for intangible assets for the year ended 31 March 2026 (2025: Nil).

## 7 PROPERTY, PLANT AND EQUIPMENT

|                          | <b>Buildings</b> | <b>Construction<br/>in progress</b> | <b>Leasehold<br/>improvements</b> | <b>Plant and<br/>machinery</b> | <b>Furniture,<br/>fixtures<br/>and office<br/>equipment</b> | <b>Motor<br/>vehicles</b> | <b>Total</b>       |
|--------------------------|------------------|-------------------------------------|-----------------------------------|--------------------------------|-------------------------------------------------------------|---------------------------|--------------------|
|                          | HK\$'000         | HK\$'000                            | HK\$'000                          | HK\$'000                       | HK\$'000                                                    | HK\$'000                  | HK\$'000           |
| Year ended 31 March 2025 |                  |                                     |                                   |                                |                                                             |                           |                    |
| Opening net book amount  | 1,087,871        | 383,629                             | 10,969                            | 617,272                        | 44,862                                                      | 14,697                    | 2,159,300          |
| Additions                | 2,255            | 655,417                             | 1,343                             | 89,605                         | 28,401                                                      | 5,511                     | 782,532            |
| Disposals                | (965)            | -                                   | (41)                              | (4,989)                        | (383)                                                       | (1,044)                   | (7,422)            |
| Depreciation             | (88,033)         | -                                   | (2,575)                           | (118,769)                      | (16,525)                                                    | (5,350)                   | (231,252)          |
| Reclassification         | 272,255          | (400,535)                           | (88)                              | 127,297                        | 1,071                                                       | -                         | -                  |
| Exchange difference      | (12,073)         | (4,170)                             | (86)                              | (5,432)                        | (367)                                                       | (108)                     | (22,236)           |
| Closing net book amount  | 1,261,310        | 634,341                             | 9,522                             | 704,984                        | 57,059                                                      | 13,706                    | 2,680,922          |
| At 31 March 2025         |                  |                                     |                                   |                                |                                                             |                           |                    |
| Cost                     | 1,908,378        | 634,341                             | 75,049                            | 1,717,721                      | 190,418                                                     | 43,118                    | 4,569,025          |
| Accumulated depreciation | (647,068)        | -                                   | (65,527)                          | (1,012,737)                    | (133,359)                                                   | (29,412)                  | (1,888,103)        |
| Net book amount          | 1,261,310        | 634,341                             | 9,522                             | 704,984                        | 57,059                                                      | 13,706                    | 2,680,922          |
| Year ended 31 March 2026 |                  |                                     |                                   |                                |                                                             |                           |                    |
| Opening net book amount  | <b>1,261,310</b> | <b>634,341</b>                      | <b>9,522</b>                      | <b>704,984</b>                 | <b>57,059</b>                                               | <b>13,706</b>             | <b>2,680,922</b>   |
| Additions                | <b>7,914</b>     | <b>594,574</b>                      | <b>8,094</b>                      | <b>58,892</b>                  | <b>25,483</b>                                               | <b>4,911</b>              | <b>699,868</b>     |
| Disposals                | -                | -                                   | (1)                               | (8,244)                        | (242)                                                       | (671)                     | (9,158)            |
| Depreciation             | <b>(99,591)</b>  | -                                   | <b>(1,745)</b>                    | <b>(133,161)</b>               | <b>(19,932)</b>                                             | <b>(4,492)</b>            | <b>(258,921)</b>   |
| Reclassification         | <b>729,270</b>   | <b>(850,197)</b>                    | -                                 | <b>112,975</b>                 | <b>7,669</b>                                                | <b>283</b>                | -                  |
| Exchange difference      | <b>53,707</b>    | <b>28,834</b>                       | <b>271</b>                        | <b>27,647</b>                  | <b>1,983</b>                                                | <b>399</b>                | <b>112,841</b>     |
| Closing net book amount  | <b>1,952,610</b> | <b>407,552</b>                      | <b>16,141</b>                     | <b>763,093</b>                 | <b>72,020</b>                                               | <b>14,136</b>             | <b>3,225,552</b>   |
| At 31 March 2026         |                  |                                     |                                   |                                |                                                             |                           |                    |
| Cost                     | <b>2,731,430</b> | <b>407,552</b>                      | <b>86,636</b>                     | <b>1,944,241</b>               | <b>230,322</b>                                              | <b>45,894</b>             | <b>5,446,075</b>   |
| Accumulated depreciation | <b>(778,820)</b> | -                                   | <b>(70,495)</b>                   | <b>(1,181,148)</b>             | <b>(158,302)</b>                                            | <b>(31,758)</b>           | <b>(2,220,523)</b> |
| Net book amount          | <b>1,952,610</b> | <b>407,552</b>                      | <b>16,141</b>                     | <b>763,093</b>                 | <b>72,020</b>                                               | <b>14,136</b>             | <b>3,225,552</b>   |

## 7 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Depreciation of HK\$195,977,000 (2025: HK\$182,897,000) has been charged in 'cost of sales', HK\$7,094,000 (2025: HK\$4,315,000) in 'selling and distribution expenses' and HK\$55,850,000 (2025: HK\$44,040,000) in 'general and administrative expenses'.

Certain property, plant and equipment are pledged to secure bank borrowings of the Group as detailed in Note 21.

## 8 INVESTMENT PROPERTIES

|                                                           | HK\$'000 |
|-----------------------------------------------------------|----------|
| <b>At fair value</b>                                      |          |
| At 1 April 2024                                           | 414,000  |
| Increase in fair value during the year ( <i>Note 24</i> ) | 10,024   |
| Exchange difference                                       | (4,424)  |
| At 31 March 2025 and 1 April 2025                         | 419,600  |
| Decrease in fair value during the year ( <i>Note 24</i> ) | (4,044)  |
| Exchange difference                                       | 18,244   |
| At 31 March 2026                                          | 433,800  |

The following amounts have been recognised in the consolidated income statement for investment properties:

|                                                                        | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------------------------------------------------------|------------------|------------------|
| Rental income                                                          | 32,136           | 33,997           |
| Direct operating expenses from properties that generated rental income | (6,595)          | (6,867)          |
|                                                                        | 25,541           | 27,130           |

Certain investment properties are pledged to secure bank borrowings of the Group as detailed in Note 21.

As at 31 March 2026, the Group had no unprovided contractual obligations for future repairs and maintenance (2025: Nil).

## 8 INVESTMENT PROPERTIES (CONTINUED)

The revaluation gain/(loss) is included in 'Other gains – net' in the consolidated income statement (Note 24). The following table analyses the investment properties carried at fair value, by level.

### Fair value hierarchy

| Description                                                 | Fair value measurements<br>at 31 March 2026 using           |                                               |                                 |
|-------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------|---------------------------------|
|                                                             | Quoted                                                      | Significant                                   | Significant                     |
|                                                             | prices in active                                            | other                                         | unobservable                    |
|                                                             | markets for<br>identical<br>assets<br>(Level 1)<br>HK\$'000 | observable<br>inputs<br>(Level 2)<br>HK\$'000 | inputs<br>(Level 3)<br>HK\$'000 |
| Recurring fair value measurements:<br>Investment properties | –                                                           | –                                             | 433,800                         |

| Description                                                 | Fair value measurements<br>at 31 March 2025 using           |                                               |                                 |
|-------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------|---------------------------------|
|                                                             | Quoted                                                      | Significant                                   | Significant                     |
|                                                             | prices in active                                            | other                                         | unobservable                    |
|                                                             | markets for<br>identical<br>assets<br>(Level 1)<br>HK\$'000 | observable<br>inputs<br>(Level 2)<br>HK\$'000 | inputs<br>(Level 3)<br>HK\$'000 |
| Recurring fair value measurements:<br>Investment properties | –                                                           | –                                             | 419,600                         |

There were no transfers between Levels 1, 2 and 3 during the year.

## 8 INVESTMENT PROPERTIES (CONTINUED)

### Fair value measurements using significant unobservable inputs (Level 3)

|                                                                                                                                                                     | Properties in<br>Hong Kong<br>HK\$'000 | Properties in<br>PRC<br>HK\$'000 | Total<br>HK\$'000 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------|-------------------|
| At 1 April 2024                                                                                                                                                     | 16,900                                 | 397,100                          | 414,000           |
| Increase in fair value during the year                                                                                                                              | 100                                    | 9,924                            | 10,024            |
| Exchange difference                                                                                                                                                 | –                                      | (4,424)                          | (4,424)           |
| At 31 March 2025                                                                                                                                                    | 17,000                                 | 402,600                          | 419,600           |
| Total unrealised gains for the year included in the consolidated income statement for investment properties held at the end of the year, under 'Other gains – net'  | 100                                    | 9,924                            | 10,024            |
| At 1 April 2025                                                                                                                                                     | <b>17,000</b>                          | <b>402,600</b>                   | <b>419,600</b>    |
| Decrease in fair value during the year                                                                                                                              | <b>(2,400)</b>                         | <b>(1,644)</b>                   | <b>(4,044)</b>    |
| Exchange difference                                                                                                                                                 | <b>–</b>                               | <b>18,244</b>                    | <b>18,244</b>     |
| At 31 March 2026                                                                                                                                                    | <b>14,600</b>                          | <b>419,200</b>                   | <b>433,800</b>    |
| Total unrealised losses for the year included in the consolidated income statement for investment properties held at the end of the year, under 'Other gains – net' | <b>(2,400)</b>                         | <b>(1,644)</b>                   | <b>(4,044)</b>    |

## 8 INVESTMENT PROPERTIES (CONTINUED)

### Valuation processes of the Group

The fair values of the investment properties have been arrived at on the basis of valuations carried out by LCH (Asia-Pacific) Surveyors Limited ("LCH"), independent professional surveyor and valuer. LCH is member of the Hong Kong Institute of Surveyors ("HKIS"), and has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

The Group's finance department reviews the valuations performed by the independent valuers for financial reporting purposes. Discussions of valuation processes and results are held between the financial department and valuers at least once every six months, in line with the Group's interim and annual reporting dates.

At each financial year end, the finance department:

- Verifies all major inputs to the independent valuation reports;
- Assesses property valuations movements when compared to the prior year valuation reports; and
- Holds discussions with the independent valuers.

### Valuation technique

The valuations, which conform to the HKIS valuation standards, were based on the income approach and market approach which largely used unobservable inputs (e.g. unit rate, discount rate, etc.) and taking into account the significant adjustment on discount rate to account for the risk upon reversionary and the estimation in vacancy rate after expiry of current lease.

There were no changes to the valuation technique during the year.

## 8 INVESTMENT PROPERTIES (CONTINUED)

### Information about fair value measurements using significant unobservable inputs (Level 3)

| Description                       | Fair value at<br>31 March<br>2026<br>HK\$'000 | Valuation<br>technique | Unobservable<br>input | Range of<br>unobservable<br>inputs     | Relationship of unobservable<br>inputs to fair value   |
|-----------------------------------|-----------------------------------------------|------------------------|-----------------------|----------------------------------------|--------------------------------------------------------|
| Hong Kong properties              | 14,600                                        | Income approach        | Unit rate             | HK\$3,488/sq.ft.                       | The higher the unit rate, the higher the fair value    |
|                                   |                                               |                        | Discount rate         | 4% to 7%                               | The higher the discount rate, the lower the fair value |
| PRC properties                    | 377,900                                       | Income approach        | Unit rate             | HK\$3,358/sq.m. to<br>HK\$18,864/sq.m. | The higher the unit rate, the higher the fair value    |
|                                   |                                               |                        | Discount rate         | 3% to 15%                              | The higher the discount rate, the lower the fair value |
| PRC property under<br>development | 41,300                                        | Market approach        | Unit rate             | HK\$11,932/sq.m.                       | The higher the unit rate, the higher the fair value    |
|                                   |                                               |                        | Discount rate         | 4.75%                                  | The higher the discount rate, the lower the fair value |

| Description                       | Fair value at<br>31 March<br>2025<br>HK\$'000 | Valuation<br>technique | Unobservable<br>input | Range of<br>unobservable<br>inputs     | Relationship of unobservable<br>inputs to fair value   |
|-----------------------------------|-----------------------------------------------|------------------------|-----------------------|----------------------------------------|--------------------------------------------------------|
| Hong Kong properties              | 17,000                                        | Income approach        | Unit rate             | HK\$4,101/sq.ft.                       | The higher the unit rate, the higher the fair value    |
|                                   |                                               |                        | Discount rate         | 3% to 6%                               | The higher the discount rate, the lower the fair value |
| PRC properties                    | 363,100                                       | Income approach        | Unit rate             | HK\$3,354/sq.m. to<br>HK\$18,370/sq.m. | The higher the unit rate, the higher the fair value    |
|                                   |                                               |                        | Discount rate         | 3% to 15%                              | The higher the discount rate, the lower the fair value |
| PRC property under<br>development | 39,500                                        | Market approach        | Unit rate             | HK\$11,957/sq.m.                       | The higher the unit rate, the higher the fair value    |
|                                   |                                               |                        | Discount rate         | 4.75%                                  | The higher the discount rate, the lower the fair value |

## 9 LEASES

This note provides information for leases where the Group is a lessee.

### (i) Amounts recognised in the consolidated statement of financial position

The consolidated statement of financial position shows the following amounts relating to leases:

|                            | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------------|------------------|------------------|
| <b>Right-of-use assets</b> |                  |                  |
| Land use rights            | 435,350          | 428,439          |
| Premises                   | 54,565           | 59,837           |
| Motor vehicles             | 4,649            | 7,005            |
|                            | 494,564          | 495,281          |
| <b>Lease liabilities</b>   |                  |                  |
| Current                    | 12,614           | 12,214           |
| Non-current                | 49,473           | 57,630           |
|                            | 62,087           | 69,844           |

Additions to the right-of-use assets during the year were HK\$1,716,000 (2025: HK\$73,762,000).

Certain land use rights are pledged to secure bank borrowings of the Group as detailed in Note 21.

9 LEASES (CONTINUED)

(ii) Amounts recognised in the consolidated income statement

The consolidated income statement shows the following amounts relating to leases:

|                                                   | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------------|------------------|------------------|
| <b>Depreciation charge of right-of-use assets</b> |                  |                  |
| Land use rights                                   | 10,786           | 10,692           |
| Premises                                          | 10,265           | 10,801           |
| Motor vehicles                                    | 2,826            | 1,776            |
|                                                   | <b>23,877</b>    | 23,269           |
| Interest expense (included in finance cost)       | 2,177            | 2,105            |
| Expenses relating to leases of short-term leases  | 6,856            | 9,623            |

The total cash outflow for leases (including short-term leases) during the year ended 31 March 2026 was HK\$22,474,000 (2025: HK\$22,285,000).

(iii) The Group's leasing activities and how these are accounted for

The Group leases various properties, lands and motor vehicles. Rental contracts are typically made for fixed periods of 1 to 50 years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets, except land use rights, may not be used as security for borrowing purposes.

## 10 INTERESTS IN JOINT VENTURES

|                 | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-----------------|------------------|------------------|
| At 1 April      | 64,542           | –                |
| Addition        | 59               | 72,585           |
| Share of losses | (7,560)          | (8,043)          |
| At 31 March     | 57,041           | 64,542           |

Particulars of joint ventures, which are unlisted and not significant to the Group, are as follows:

| Name                                                 | Form of business structure | Place of issued shares held | Issued and fully paid up share capital | Interest held<br>2026 | 2025 | Principal activities and place of operations             | Measurement method |
|------------------------------------------------------|----------------------------|-----------------------------|----------------------------------------|-----------------------|------|----------------------------------------------------------|--------------------|
| Charm Energy Limited                                 | Limited liability          | Hong Kong                   | HK\$1,000,000                          | 50%                   | 50%  | Research and development in Hong Kong                    | Equity             |
| Thixotropic Piston Injection Technology GmbH ("TPI") | Corporation                | Austria                     | EUR59,306                              | 64%                   | 64%  | Manufacture and sales of peripheral equipment in Austria | Equity             |
| JC Real Estate GmbH ("JC")                           | Corporation                | Austria                     | EUR6,000                               | 64%                   | –    | Real estate development in Austria                       | Equity             |

Charm Energy Limited, TPI and JC are private companies, and no quoted market price is available for their shares. There are no contingent liabilities or commitments to provide funding related to the Group's interest in the joint venture.

## 11 INTERESTS IN ASSOCIATES

|                     | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------|------------------|------------------|
| At 1 April          | 16,181           | 14,942           |
| Addition            | 11,364           | 5,435            |
| Share of losses     | (13,417)         | (4,077)          |
| Exchange difference | 278              | (119)            |
| At 31 March         | 14,406           | 16,181           |

Particulars of the associate, which is unlisted and in the opinion of the directors is not significant to the Group, as at 31 March 2026 and 2025, are as follows:

| Name                                                                     | Place of issued shares held | Principal activities and place of operations | Particulars of registered share capital | Interest held |       |
|--------------------------------------------------------------------------|-----------------------------|----------------------------------------------|-----------------------------------------|---------------|-------|
|                                                                          |                             |                                              |                                         | 2026          | 2025  |
| 深圳市精工小額貸款有限公司<br>Shenzhen Jinggong Microcredit Limited <sup>1</sup>      | PRC                         | Microcredit business in the PRC              | RMB101,000,000                          | 20.0%         | 20.0% |
| 寧波因諾智能科技有限公司<br>Ningbo Inno Intelligent Technology Co., Ltd <sup>1</sup> | PRC                         | Research and experimental development        | RMB100,000,000                          | 42.5%         | 42.5% |

<sup>1</sup> The English name is made for identification purpose only.

*Note:* Shenzhen Jinggong Microcredit Limited and Ningbo Inno Intelligent Technology Co., Ltd are private companies and there are no quoted market price available for their shares. There are no contingent liabilities relating to the Group's interest in the associates.

## 12 PRINCIPAL SUBSIDIARIES

The following is a list of principal subsidiaries as at 31 March 2026 and 2025:

| Name of subsidiary                                                      | Form of business structure               | Place of incorporation and kind of legal entity   | Particulars of issued/ registered share capital | Attributable equity interest held by the Group |      | Principal activities and place of operation |        |        |                                                |
|-------------------------------------------------------------------------|------------------------------------------|---------------------------------------------------|-------------------------------------------------|------------------------------------------------|------|---------------------------------------------|--------|--------|------------------------------------------------|
|                                                                         |                                          |                                                   |                                                 | 2026                                           | 2025 |                                             |        |        |                                                |
| Subsidiaries directly held by the Company                               |                                          |                                                   |                                                 |                                                |      |                                             |        |        |                                                |
| Best Prospect Limited (formerly known as “Best Truth Enterprises Ltd.”) | Limited liability                        | British Virgin Islands, limited liability company | US\$2                                           |                                                |      |                                             | 100%   | 100%   | Investment holding in Hong Kong                |
| Subsidiaries indirectly held by the Company                             |                                          |                                                   |                                                 |                                                |      |                                             |        |        |                                                |
| 重慶力勁機械有限公司 Chongqing L.K. Machinery Co. Ltd. <sup>1</sup>               | Wholly Foreign-owned Enterprise (“WFOE”) | PRC, limited liability company                    | US\$8,800,000                                   |                                                |      |                                             | 85.41% | 85.41% | Sale of die-casting machines in PRC            |
| 阜新力勁北方機械有限公司 Fu Xin L.K. Northern Machinery Co. Ltd. <sup>1</sup>       | WFOE                                     | PRC, limited liability company                    | HK\$270,000,000                                 |                                                |      |                                             | 85.41% | 85.41% | Manufacture and sale of steel casting in PRC   |
| Good Millennium Ltd. (formerly known as “Gold Millennium Ltd.”)         | Limited liability                        | British Virgin Islands, limited liability company | US\$1                                           |                                                |      |                                             | 100%   | 100%   | Investment holding in Hong Kong                |
| Gold Progress Limited                                                   | Limited liability                        | Hong Kong, limited liability company              | HK\$1                                           |                                                |      |                                             | 100%   | 100%   | Investment holding in Hong Kong                |
| L.K. Machinery Company Limited                                          | Limited liability                        | Hong Kong, limited liability company              | HK\$60,835,418                                  |                                                |      |                                             | 100%   | 100%   | Investment holding in Hong Kong                |
| L.K. Machinery International Limited                                    | Limited liability                        | Hong Kong, limited liability company              | HK\$151,417,696                                 |                                                |      |                                             | 100%   | 100%   | Sale of die-casting machines in Hong Kong      |
| 力勁機械股份有限公司 L.K. Machinery Corp. <sup>1</sup>                            | Limited liability                        | Taiwan, limited liability company                 | Taiwan New Dollar (“TWD”) 211,000,000           |                                                |      |                                             | 100%   | 100%   | Manufacture and sale of CNC machines in Taiwan |

12 PRINCIPAL SUBSIDIARIES (CONTINUED)

| Name of subsidiary                                                                            | Form of business structure | Place of incorporation and kind of legal entity | Particulars of issued/registered share capital | Attributable equity interest held by the Group |        | Principal activities and place of operation                        |
|-----------------------------------------------------------------------------------------------|----------------------------|-------------------------------------------------|------------------------------------------------|------------------------------------------------|--------|--------------------------------------------------------------------|
|                                                                                               |                            |                                                 |                                                | 2026                                           | 2025   |                                                                    |
| 力勁機械(深圳)有限公司<br>L.K. Machinery<br>(Shenzhen) Co. Ltd. <sup>1</sup>                            | WFOE                       | PRC, limited liability company                  | HK\$69,500,000                                 | 100%                                           | 100%   | Manufacture and sale of die-casting machines in PRC                |
| 力勁精密機械(昆山)有限公司<br>L.K. Precision Machinery<br>(Kunshan) Co. Ltd. <sup>1</sup>                 | WFOE                       | PRC, limited liability company                  | US\$20,000,000                                 | 100%                                           | 100%   | Manufacture and sale of CNC machines in PRC                        |
| Lucky Prosper Limited                                                                         | Limited liability          | Hong Kong, limited liability company            | HK\$1                                          | 100%                                           | 100%   | Investment holding in Hong Kong                                    |
| 寧波力勁智能裝備有限公司<br>Ningbo LK Intelligent Machinery Co., Ltd. <sup>1</sup>                        | WFOE                       | PRC, limited liability company                  | RMB381,048,390                                 | 85.41%                                         | 85.41% | Manufacture and sale of plastic injection moulding machines in PRC |
| 寧波力勁塑機智造有限公司<br>Ningbo L.K. Plastic Machinery Intelligent Manufacturing Co. Ltd. <sup>1</sup> | WFOE                       | PRC, limited liability company                  | RMB211,365,007                                 | 85.41%                                         | 85.41% | Manufacture and sale of die-casting machines in PRC                |
| 寧波力勁科技有限公司<br>Ningbo L.K. Technology Co. Ltd. <sup>1</sup>                                    | WFOE                       | PRC, limited liability company                  | RMB257,732,700                                 | 85.41%                                         | 85.41% | Manufacture and sale of die-casting machines in PRC                |
| Power Excel International Limited                                                             | Limited liability          | Hong Kong, limited liability company            | HK\$448,047,235                                | 100%                                           | 100%   | Investment holding in Hong Kong                                    |
| 上海一達機械有限公司<br>Shanghai Atech Machinery Co. Ltd. <sup>1</sup>                                  | WFOE                       | PRC, limited liability company                  | US\$4,900,000                                  | 85.41%                                         | 85.41% | Manufacture and sale of die-casting machines in PRC                |

## 12 PRINCIPAL SUBSIDIARIES (CONTINUED)

| Name of subsidiary                                                                        | Form of business structure        | Place of incorporation and kind of legal entity | Particulars of issued/registered share capital | Attributable equity interest held by the Group |        | Principal activities and place of operation                                 |
|-------------------------------------------------------------------------------------------|-----------------------------------|-------------------------------------------------|------------------------------------------------|------------------------------------------------|--------|-----------------------------------------------------------------------------|
|                                                                                           |                                   |                                                 |                                                | 2026                                           | 2025   |                                                                             |
| 深圳領威科技有限公司<br>Shenzhen Leadwell Technology Co. Ltd. <sup>1</sup>                          | Sino-foreign equity joint venture | PRC, limited liability company                  | RMB152,400,000                                 | 85.41%                                         | 85.41% | Manufacture and sale of die-casting machines in PRC                         |
| 深圳市深汕特別合作區力勁科技有限公司<br>Shen Shan Special Cooperation Zone L.K Technology Ltd. <sup>1</sup> | WFOE                              | PRC, limited liability company                  | RMB100,000,000                                 | 85.41%                                         | 85.41% | Manufacture and sale of die-casting machines in PRC                         |
| 廣東力勁塑機智造股份有限公司<br>LK Injection Molding Machine Co., Ltd. <sup>1</sup>                     | WFOE                              | PRC, limited liability company                  | RMB229,033,536                                 | 100%                                           | 100%   | Manufacture and sale of plastic injection moulding machines in PRC          |
| 阜新力達鋼鐵鑄造有限公司<br>Fuxin Lida Steel Casting Co. Ltd. <sup>1</sup>                            | WFOE                              | PRC, limited liability company                  | HK\$405,000,000                                | 85.41%                                         | 85.41% | Steel casting in PRC                                                        |
| Idra S.r.l                                                                                | Limited liability                 | Italy, limited liability company                | EUR5,032,661                                   | 85.41%                                         | 85.41% | Design, manufacture and sale of die-casting machines and equipment in Italy |
| 深圳力勁科技有限公司<br>Shenzhen L.K. Technology Co. Ltd <sup>1</sup><br>(Note)                     | Sino-foreign equity joint venture | PRC, limited liability company                  | RMB613,169,184                                 | 85.41%                                         | 85.41% | Investment holding in PRC                                                   |
| L.K. Japan Co. Limited                                                                    | Corporation                       | Japan, limited liability company                | Japanese Yen ("JPY") 40,000,000                | 59.79%                                         | 59.79% | Manufacture and sales of peripheral equipment                               |

12 PRINCIPAL SUBSIDIARIES (CONTINUED)

| Name of subsidiary                                                                          | Form of business structure | Place of incorporation and kind of legal entity | Particulars of issued/ registered share capital | Attributable equity interest held by the Group |        | Principal activities and place of operation |
|---------------------------------------------------------------------------------------------|----------------------------|-------------------------------------------------|-------------------------------------------------|------------------------------------------------|--------|---------------------------------------------|
|                                                                                             |                            |                                                 |                                                 | 2026                                           | 2025   |                                             |
| L.K. Machinery, Inc.                                                                        | Corporation                | USA, limited liability company                  | US\$10                                          | 100%                                           | 100%   | Technical services and sales of machines    |
| L.K. MACHINERY MEXICO, S.DE R.L. DE C.V.                                                    | Corporation                | Mexico, limited liability company               | MXN30,000                                       | 85.41%                                         | 85.41% | Technical services and sales of machines    |
| L.K. Machinery India Private Limited                                                        | Corporation                | India, limited liability company                | INR47,412,300                                   | 100%                                           | 100%   | Technical services and sales of machines    |
| L.K. International Die-Casting Limited                                                      | Corporation                | Hong Kong, limited liability company            | HK\$117,973,817                                 | 85.41%                                         | 85.41% | Technical services and sales of machines    |
| LK Injection Moulding Machine International Limited (formerly known as "Rise Link Limited") | Corporation                | Hong Kong, limited liability company            | HK\$3,024,001                                   | 100%                                           | 100%   | Technical services and sales of machines    |

<sup>1</sup> The English name is made for identification purpose only.

## 12 PRINCIPAL SUBSIDIARIES (CONTINUED)

*Note:* During the year ended 31 March 2024, the Future Industry Investment Fund II and other investors (the “Investors”) subscribed to approximately 15.22% of the enlarged registered capital of Shenzhen L.K. Technology Co., Ltd (“Shenzhen L.K.”) through cash contributions of RMB1,880,000,000 in total (equivalent to approximately HK\$2,065,934,000) (the “Consideration”). Following the completion of the capital injection (the “Completion”), Shenzhen L.K. remained a subsidiary of the Company, and its financial results continued to be consolidated in the Company’s financial statements.

Under the shareholders’ agreement (the “Agreement”), Shenzhen L.K., its subsidiaries, and the Company (collectively, the “Repurchase Obligors”) granted a repurchase option (the “Repurchase Option”) to the Investors. Upon the occurrence of any specified repurchase event (each a “Specified Repurchase Event”) while the Investors hold equity interests in Shenzhen L.K., the Investors are entitled to exercise the Repurchase Option and require the Repurchase Obligors to repurchase all or part of their equity interests in Shenzhen L.K. at the agreed repurchase price. The Repurchase Obligors bear joint and several liability for this obligation. The principal Specified Repurchase Event relates to the listing of Shenzhen L.K. Specifically, if Shenzhen L.K. fails to complete a qualified initial public offering (“Qualified IPO”) on or before 31 December 2027, or fails, on or before 30 June 2027, to submit (and have accepted by the relevant listing review authority) an application for a Qualified IPO to the China Securities Regulatory Commission, a stock exchange, or another offshore securities listing review body mutually recognised by the parties, a Specified Repurchase Event will occur.

The other Specified Repurchase Events comprise customary protective provisions, including a change of control or a material adverse change in the principal business of Shenzhen L.K., and the commencement of bankruptcy or reorganisation proceedings against Shenzhen L.K., among others. Based on the above, the Group has assessed that the earliest date on which the repurchase obligation could be triggered is 30 June 2027, being the latest date by which Shenzhen L.K. must submit an accepted Qualified IPO application as described above.

Once a Specified Repurchase Event is triggered and the Investors deliver a repurchase notice, the Repurchase Obligors are required to pay the repurchase price in cash within three years from the first anniversary after the repurchase notice is served (or, in the case of the Future Industry Investment Fund II, before the fund’s operating term expires in December 2029, whichever comes first). The repurchase price equals the Consideration attributable to the equity interests being repurchased, plus interest accruing at 7% per annum (simple interest) from the date of Completion to the date of actual payment, less any dividends, distributions, or default/compensation payments already received by the Investors. The repurchase price is payable in three annual instalments: not less than 30% of the Consideration within the first year, a cumulative total of not less than 60% within the second year, and the full outstanding balance within the third year.

A redemption liability of RMB1,880,000,000 (equivalent to approximately HK\$2,065,934,000) has been recognised in the consolidated statement of financial position on the date of Completion. As at 31 March 2026, the redemption liability was HK\$2,467,844,000 (2025: HK\$2,241,800,000) (Note 22), being the Consideration plus accumulated interest of HK\$356,253,000 (2025: HK\$198,322,000).

The Company continues to intend to pursue a Qualified IPO of Shenzhen L.K. as at 31 March 2026 and the date of this report. In the event that a Specified Repurchase Event is triggered, the Group intends to negotiate with the Investors regarding a delay, postponement, or amendment of the relevant terms of the repurchase obligation.

Should the repurchase obligation nevertheless arise, the Group would be committed to settling a repurchase price of HK\$2,467,844,000 (being the balance recognised as at 31 March 2026), payable in three instalments.

Based on the payment schedule under the Agreement, the first instalment, estimated at HK\$823,924,000 (representing not less than 30% of the Consideration to the Investors), would be due as early as 30 June 2028; the second instalment, estimated at HK\$1,624,406,000 (being the full outstanding balance to Future Industry Investment Fund II and cumulative amount to not less than 60% of the Consideration to other Investors), would be due on 30 June 2029; and the final instalment of HK\$483,798,000 (representing the full outstanding balance) would be payable on 30 June 2030.

## 12 PRINCIPAL SUBSIDIARIES (CONTINUED)

*Note:* [Continued]

Management's plans to meet these repayment obligations include utilising operating cash flows, securing additional financing through bank borrowings, and, if necessary, disposing of certain properties and equity investments. The realisation of these funding sources is contingent upon favourable market conditions supporting robust operational performance, the continued availability of banking facilities, and an environment conducive to sustaining asset valuations at the time repayment falls due.

The Group will continue to monitor these factors closely to ensure its ability to fulfil its obligations in a timely manner and to maintain its ongoing operational viability.

Management has assessed that, in accordance with HKFRS10, the risks and rewards of ownership associating to the equity interests held by the Investors were substantially remain with the Investors. Accordingly, the equity interests held by the Investors have been recognised as non-controlling interests as at 31 March 2026 and 2025.

## 13 DEFERRED INCOME TAX

The analysis of deferred income tax assets and liabilities is as follows:

|                                 | <b>2026</b><br><b>HK\$'000</b> | 2025<br>HK\$'000 |
|---------------------------------|--------------------------------|------------------|
| Deferred income tax assets      | <b>131,446</b>                 | 114,447          |
| Deferred income tax liabilities | <b>(68,296)</b>                | (73,086)         |
| Deferred income tax assets, net | <b>63,150</b>                  | 41,361           |

The gross movement on the deferred income tax account is as follows:

|                                                                  | <b>2026</b><br><b>HK\$'000</b> | 2025<br>HK\$'000 |
|------------------------------------------------------------------|--------------------------------|------------------|
| At the beginning of the year                                     | <b>41,361</b>                  | 35,097           |
| Credited to the consolidated income statement ( <i>Note 28</i> ) | <b>18,288</b>                  | 6,521            |
| Exchange difference                                              | <b>3,501</b>                   | (257)            |
| At the end of the year                                           | <b>63,150</b>                  | 41,361           |

### 13 DEFERRED INCOME TAX (CONTINUED)

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

|                                               | Deferred income tax assets       |                              |                |
|-----------------------------------------------|----------------------------------|------------------------------|----------------|
|                                               | Impairment allowances and others | Decelerated tax depreciation | Total          |
|                                               | HK\$'000                         | HK\$'000                     | HK\$'000       |
| At 1 April 2024                               | 111,911                          | 17,293                       | 129,204        |
| Credited to the consolidated income statement | 955                              | 1,424                        | 2,379          |
| Exchange difference                           | (847)                            | (169)                        | (1,016)        |
| At 31 March 2025                              | 112,019                          | 18,548                       | 130,567        |
| Set-off with deferred tax liabilities         |                                  |                              | (16,120)       |
|                                               |                                  |                              | 114,447        |
| At 1 April 2025                               | <b>112,019</b>                   | <b>18,548</b>                | <b>130,567</b> |
| Credited to the consolidated income statement | <b>8,204</b>                     | <b>1,970</b>                 | <b>10,174</b>  |
| Exchange difference                           | <b>5,867</b>                     | <b>764</b>                   | <b>6,631</b>   |
| At 31 March 2026                              | <b>126,090</b>                   | <b>21,282</b>                | <b>147,372</b> |
| Set-off with deferred tax liabilities         |                                  |                              | (15,926)       |
|                                               |                                  |                              | <b>131,446</b> |

13 DEFERRED INCOME TAX (CONTINUED)

|                                                            | Deferred income tax liabilities            |                                |          |          |
|------------------------------------------------------------|--------------------------------------------|--------------------------------|----------|----------|
|                                                            | Revaluation<br>of investment<br>properties | Dividend<br>withholding<br>tax | Others   | Total    |
|                                                            | HK\$'000                                   | HK\$'000                       | HK\$'000 | HK\$'000 |
| At 1 April 2024                                            | (68,017)                                   | (26,090)                       | –        | (94,107) |
| (Charged)/credited to the consolidated<br>income statement | (2,185)                                    | 6,300                          | 27       | 4,142    |
| Exchange difference                                        | 759                                        | –                              | –        | 759      |
| At 31 March 2025                                           | (69,443)                                   | (19,790)                       | 27       | (89,206) |
| Set-off with deferred tax assets                           |                                            |                                |          | 16,120   |
|                                                            |                                            |                                |          | (73,086) |
| At 1 April 2025                                            | (69,443)                                   | (19,790)                       | 27       | (89,206) |
| Credited to the consolidated income<br>statement           | 324                                        | 7,790                          | –        | 8,114    |
| Exchange difference                                        | (3,130)                                    | –                              | –        | (3,130)  |
| At 31 March 2026                                           | (72,249)                                   | (12,000)                       | 27       | (84,222) |
| Set-off with deferred tax assets                           |                                            |                                |          | 15,926   |
|                                                            |                                            |                                |          | (68,296) |

Deferred income tax asset is recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through the future taxable profits is probable.

### 13 DEFERRED INCOME TAX (CONTINUED)

At the end of the reporting period, the Group has the following unutilised tax losses available for offsetting against future taxable profits for which no deferred tax asset is recognised:

|                      | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------|------------------|------------------|
| Tax losses expiring: |                  |                  |
| Within 5 years       | 182,456          | 238,183          |
| Over 5 years         | 215,379          | 199,324          |
| Without expiry date  | 135,117          | 169,485          |
|                      | 532,952          | 606,992          |

Dividends out of profits earned on or after 1 January 2008 for the PRC subsidiaries distributed to the Group will be subject to dividend withholding tax.

Deferred income tax liabilities of HK\$37,182,000 (2025: HK\$40,276,000) have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of certain PRC subsidiaries. Unremitted earnings of these PRC subsidiaries that are subject to withholding tax total HK\$743,630,000 at 31 March 2026 (2025: HK\$805,520,000). Such amounts are not intended to be distributed in the foreseeable future to the Group companies outside of the Mainland China. For those subsidiaries that the Group have an intention to distribute their respective retained earnings, the Group has recognised deferred tax liabilities of HK\$12,000,000 (2025: HK\$19,790,000) for the withholding tax as at 31 March 2026 that would be payable upon such distribution.

### 14 TRADE AND BILLS RECEIVABLES

|                                                              | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|--------------------------------------------------------------|------------------|------------------|
| Trade receivables                                            | 3,170,846        | 3,202,052        |
| Less: Provision for impairment                               | (198,321)        | (155,558)        |
|                                                              | 2,972,525        | 3,046,494        |
| Bills receivables                                            | 800,404          | 687,297          |
|                                                              | 3,772,929        | 3,733,791        |
| Less: Balance due after one year shown as non-current assets | (100,836)        | (14,911)         |
| Trade and bills receivables, net                             | 3,672,093        | 3,718,880        |

## 14 TRADE AND BILLS RECEIVABLES (CONTINUED)

The ageing analysis of gross trade receivables based on invoice date at the end of reporting date is as follows:

|                | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------|------------------|------------------|
| Within 90 days | 1,322,066        | 1,693,567        |
| 91–180 days    | 568,905          | 551,648          |
| 181–365 days   | 579,621          | 410,735          |
| Over one year  | 700,254          | 546,102          |
|                | <b>3,170,846</b> | 3,202,052        |

The maturity date of the bills receivables is generally between one and six months.

Goods sold to customers are either made on cash on delivery or on credit basis. Customers in general are required to pay deposits upon placing purchase orders, the remaining balances will be payable upon goods delivery to customers. Majority of customers are granted with credit terms ranging from one to six months. The Group also sells goods to certain customers with sales proceeds payable by installments which normally range from six to twelve months.

The carrying amounts of the trade and bills receivables are denominated in the following currencies:

|                                  | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------------------|------------------|------------------|
| RMB                              | 3,221,497        | 3,243,678        |
| US\$                             | 284,305          | 264,277          |
| EUR                              | 189,015          | 183,665          |
| Other currencies                 | 78,112           | 42,171           |
| Trade and bills receivables, net | <b>3,772,929</b> | 3,733,791        |

Certain bills receivables are pledged to secure bank borrowings of the Group as detailed in Note 21.

15 OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

|                                                         | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------------------|------------------|------------------|
| Non-current                                             |                  |                  |
| Deposits for purchases of property, plant and equipment | 54,090           | 32,403           |
| Deposit for land use rights                             | –                | 2,598            |
| Other deposits                                          | –                | 1,940            |
|                                                         | 54,090           | 36,941           |
| Current                                                 |                  |                  |
| Value added tax refund receivable from government       | 2,080            | 3,665            |
| Value added tax receivable                              | 364,064          | 164,720          |
| Trade deposits                                          | 80,237           | 73,263           |
| Prepayments                                             | 78,605           | 69,438           |
| Advances to staff for business purpose                  | 10,206           | 12,767           |
| Sundry, rental and utility deposits                     | 2,189            | 3,264            |
| Amount due from a joint venture                         | 17,715           | 7,118            |
| Loans to joint ventures                                 | 31,088           | 5,780            |
| Others deposits and receivables                         | 86,394           | 71,383           |
|                                                         | 672,578          | 411,398          |
| Total                                                   | 726,668          | 448,339          |

Certain other receivables are pledged to secure bank borrowings of the Group as detailed in Note 21.

## 16 FINANCIAL ASSETS AND LIABILITY MEASURED AT FAIR VALUE

|                                                                   | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------------------|------------------|------------------|
| Financial assets at fair value through other comprehensive income |                  |                  |
| – Unlisted equity investments ( <i>Note a</i> )                   | 90,089           | 92,391           |
| Financial assets at fair value through profit or loss             |                  |                  |
| – Wealth management product                                       | 11,364           | –                |
| Financial liability at fair value through profit or loss          |                  |                  |
| – Contingent consideration payable ( <i>Note b</i> )              | 4,498            | 9,511            |

Financial assets at FVOCI is unlisted equity investment which is denominated in RMB.

Financial assets at FVPL is wealth management product which is denominated in RMB.

Financial liability at FVPL is contingent consideration payable which is denominated in EUR.

### (a) Financial assets at FVOCI

Movement of the financial assets at FVOCI is as follows:

|                       | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-----------------------|------------------|------------------|
| Beginning of the year | 92,391           | 5,495            |
| Addition              | –                | 87,912           |
| Fair value change     | (6,502)          | –                |
| Exchange difference   | 4,200            | (1,016)          |
| End of the year       | 90,089           | 92,391           |

## 16 FINANCIAL ASSETS AND LIABILITY MEASURED AT FAIR VALUE (CONTINUED)

### (a) Financial assets at FVOCI (Continued)

During the year ended 31 March 2025, the Group entered into an investment agreement for subscribing 7.4% of equity interests in 浙江顛屹汽車技術有限公司, an unlisted company incorporated in the PRC for a consideration of RMB80,000,000 (equivalent to approximately HK\$87,912,000). The investment was classified as FVOCI as at 31 March 2026 and 31 March 2025.

The fair value of the unlisted equity investment has been arrived at on the basis of valuation carried out by LCH (Asia-Pacific) Surveyors Limited at 31 March 2026 and Valor Appraisal & Advisory Limited at 31 March 2025, the independent valuer, using market approach.

### (b) Financial liability at FVPL

Movement of the financial liability at FVPL is as follows:

|                             | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-----------------------------|------------------|------------------|
| Beginning of the year       | 9,511            | –                |
| Addition                    | –                | 9,398            |
| Settlement                  | (3,682)          | –                |
| Transfer                    | (2,425)          | –                |
| Fair value change (Note 24) | 491              | 113              |
| Exchange difference         | 603              | –                |
| End of the year             | 4,498            | 9,511            |

The contingent consideration payable mainly represents the amount payable to the original shareholders of TPI upon fulfillment of certain targets. During the year ended 31 March 2026, certain targets under this contingent consideration arrangement have been fulfilled. EUR410,000 (equivalent to approximately HK\$3,682,000) has been settled, and EUR270,000 (equivalent to approximately HK\$2,425,000) has been reclassified to other payables. The remaining maximum amount payable under this arrangement is EUR520,000 (equivalent to approximately HK\$4,670,000).

The fair value of the contingent consideration payable has been arrived at on the basis of valuation carried out by LCH (Asia-Pacific) Surveyors Limited at 31 March 2026 and Valor Appraisal & Advisory Limited at 31 March 2025, the independent valuer, using discounted cash flow analysis.

## 17 INVENTORIES

|                                               | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-----------------------------------------------|------------------|------------------|
| Raw materials                                 | 977,458          | 771,054          |
| Work in progress                              | 630,600          | 610,426          |
| Finished goods                                | 1,247,457        | 622,086          |
|                                               | 2,855,515        | 2,003,566        |
| Less: Provision for impairment of inventories | (76,142)         | (75,469)         |
|                                               | 2,779,373        | 1,928,097        |

The cost of inventories recognised as an expense and included in cost of sales amounted to HK\$3,243,767,000 (2025: HK\$3,366,014,000).

For the year ended 31 March 2026, the Group reversed provision for inventories write-down of HK\$2,411,000 (2025: reversed provision for inventories write-down of HK\$60,000).

The reversal of inventories for provision write-down has been included in 'cost of sales' in the consolidated income statement.

## 18 CASH AND CASH EQUIVALENTS, SHORT-TERM BANK DEPOSITS AND RESTRICTED BANK BALANCES

## (a) Cash and cash equivalents and short-term bank deposits

|                                                                   | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------------------|------------------|------------------|
| Cash at banks and on hand                                         | 1,167,819        | 1,509,342        |
| Deposits at banks with original maturities less than 3 months     | 148,300          | 50,911           |
|                                                                   | 1,316,119        | 1,560,253        |
| Deposits with original maturity over 3 months                     | 7,938            | 108,696          |
| Deposits and cash and cash equivalents as stated in balance sheet | 1,324,057        | 1,668,949        |

# 18 CASH AND CASH EQUIVALENTS, SHORT-TERM BANK DEPOSITS AND RESTRICTED BANK BALANCES (CONTINUED)

## (a) Cash and cash equivalents and short-term bank deposits (Continued)

The Group's cash and cash equivalents and short-term bank deposits are denominated in the following currencies:

|                  | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------|------------------|------------------|
| US\$             | 228,771          | 162,340          |
| HK\$             | 16,580           | 74,668           |
| RMB              | 945,162          | 1,282,201        |
| EUR              | 91,163           | 131,512          |
| Other currencies | 42,381           | 18,228           |
|                  | <b>1,324,057</b> | 1,668,949        |

As at 31 March 2026, the Group's cash and bank balances of approximately HK\$836,061,000 (2025: HK\$1,093,830,000) were denominated in RMB and kept in banks in the PRC. The remittance of these funds out of the PRC is subject to the foreign exchange restrictions imposed by the PRC government.

## (b) Restricted bank balances

Restricted bank balances of the Group mainly represent deposits placed in banks to secure banking facilities granted by banks to certain customers, and the finance facilities for issuing letters of credit and acceptance bill by banks.

As the end of reporting period, the restricted bank balances carried interest at market rates which ranged from 0.1% to 1.6% (2025: 0.1% to 1.6%) per annum. The Group's restricted bank balances are denominated in RMB.

## 19 SHARE CAPITAL

|                                    | 2026                                               |                    | 2025                                               |                    |
|------------------------------------|----------------------------------------------------|--------------------|----------------------------------------------------|--------------------|
|                                    | Number of<br>ordinary<br>shares of<br>HK\$0.1 each | Amount<br>HK\$'000 | Number of<br>ordinary<br>shares of<br>HK\$0.1 each | Amount<br>HK\$'000 |
| Issued and fully paid:             |                                                    |                    |                                                    |                    |
| At 1 April                         | <b>1,364,391,500</b>                               | <b>136,440</b>     | 1,376,391,500                                      | 137,640            |
| Repurchase of the Company's shares | –                                                  | –                  | (12,000,000)                                       | (1,200)            |
| At 31 March                        | <b>1,364,391,500</b>                               | <b>136,440</b>     | 1,364,391,500                                      | 136,440            |

*Note:* During the year ended 31 March 2024, the Company repurchased a total of 12,000,000 ordinary shares on the Stock Exchange at approximately HK\$56,874,000 (including commissions and other expenses). The price range of the share repurchase was between the lowest price of HK\$3.94 and the highest price of HK\$5.05. All 12,000,000 shares have been cancelled on 30 April 2024. An amount equivalent to the par value of the shares cancelled was transferred from the Company's retained earnings to the capital redemption reserve.

**(a) Share option scheme**

Pursuant to a resolution passed by the shareholders of the Company at the annual general meeting held on 8 September 2016, the Company adopted a share option scheme (the "Share Option Scheme"). The purpose of the Share Option Scheme is to give the eligible persons an opportunity to have a personal stake in the Company and help motivate them to optimize their future performance and efficiency to the Group and/or to reward them for their past contributions, to attract and retain or otherwise maintain on-going relationships with such eligible persons who are significant to and/or whose contributions are or will be beneficial to the performance, growth or success of the Group. The Share Option Scheme is valid and effective for a period of 10 years commencing on 8 September 2016. The Share Option Scheme was classified as an equity-settled share-based payment arrangement.

On 24 September 2021, 27,540,000 share options have been granted to certain directors and employees (the "Grantees") of the Group under the Share Option Scheme.

The vesting of the share options is mainly subject to fulfilment of certain performance targets, the Grantees remaining at all times after the offer date and on each vesting date as an employee of the Group, as well as the Grantees achieving a specified level in annual personal performance evaluations. Fulfilment of the performance and service conditions is subject to the review of the Administration Committee of the Share Option Scheme. The Administration Committee of the Share Option Scheme has absolute discretion in approving the exercise of the share options and sale of shares request from the Grantees.

## 19 SHARE CAPITAL (CONTINUED)

### (a) Share option scheme (Continued)

The fair value of the share options of equity-settled share-based payment transactions is expensed over the vesting period with a corresponding increase in equity, taking into account the best available estimate by management of the number of shares expected to vest under the service and performance conditions at the end of each reporting period.

Set out below are summaries of options granted under the plan:

|                             |                   |                   |                                           | Number of<br>share options<br>held as at<br>1 April 2025 | Granted<br>during<br>the year | Exercised<br>during<br>the year | Lapsed<br>during<br>the year | Cancelled<br>during<br>the year | Number of<br>share options<br>held as at<br>31 March 2026 |
|-----------------------------|-------------------|-------------------|-------------------------------------------|----------------------------------------------------------|-------------------------------|---------------------------------|------------------------------|---------------------------------|-----------------------------------------------------------|
| Name                        | Date of grant     | Exercise<br>price | Exercisable period                        |                                                          |                               |                                 |                              |                                 |                                                           |
| Directors<br>(in aggregate) | 24 September 2021 | HK\$19.86         | 25 September 2023 to<br>23 September 2031 | 520,000                                                  | -                             | -                               | -                            | -                               | 520,000                                                   |
|                             |                   | HK\$19.86         | 25 September 2024 to<br>23 September 2031 | 390,000                                                  | -                             | -                               | -                            | -                               | 390,000                                                   |
|                             |                   | HK\$19.86         | 25 September 2025 to<br>23 September 2031 | 390,000                                                  | -                             | -                               | -                            | -                               | 390,000                                                   |
| Employees<br>(in aggregate) | 24 September 2021 | HK\$19.86         | 25 September 2023 to<br>23 September 2031 | 8,654,000                                                | -                             | -                               | -                            | (132,000)                       | 8,522,000                                                 |
|                             |                   | HK\$19.86         | 25 September 2024 to<br>23 September 2031 | 6,490,500                                                | -                             | -                               | -                            | (99,000)                        | 6,391,500                                                 |
|                             |                   | HK\$19.86         | 25 September 2025 to<br>23 September 2031 | 6,490,500                                                | -                             | -                               | -                            | (99,000)                        | 6,391,500                                                 |
| Total                       |                   |                   |                                           | 22,935,000                                               | -                             | -                               | -                            | (330,000)                       | 22,605,000                                                |

19 SHARE CAPITAL (CONTINUED)

(a) Share option scheme (Continued)

|                             |                   |                   |                                           | Number of<br>share options<br>held as at<br>1 April 2024 | Granted<br>during<br>the year | Exercised<br>during<br>the year | Lapsed<br>during<br>the year | Cancelled<br>during<br>the year | Number of<br>share options<br>held as at<br>31 March 2025 |
|-----------------------------|-------------------|-------------------|-------------------------------------------|----------------------------------------------------------|-------------------------------|---------------------------------|------------------------------|---------------------------------|-----------------------------------------------------------|
| Name                        | Date of grant     | Exercise<br>price | Exercisable<br>period                     |                                                          |                               |                                 |                              |                                 |                                                           |
| Directors<br>(in aggregate) | 24 September 2021 | HK\$19.86         | 25 September 2023 to<br>23 September 2031 | 520,000                                                  | -                             | -                               | -                            | -                               | 520,000                                                   |
|                             |                   | HK\$19.86         | 25 September 2024 to<br>23 September 2031 | 390,000                                                  | -                             | -                               | -                            | -                               | 390,000                                                   |
|                             |                   | HK\$19.86         | 25 September 2025 to<br>23 September 2031 | 390,000                                                  | -                             | -                               | -                            | -                               | 390,000                                                   |
| Employees<br>(in aggregate) | 24 September 2021 | HK\$19.86         | 25 September 2023 to<br>23 September 2031 | 9,420,000                                                | -                             | -                               | -                            | (766,000)                       | 8,654,000                                                 |
|                             |                   | HK\$19.86         | 25 September 2024 to<br>23 September 2031 | 7,065,000                                                | -                             | -                               | -                            | (574,500)                       | 6,490,500                                                 |
|                             |                   | HK\$19.86         | 25 September 2025 to<br>23 September 2031 | 7,065,000                                                | -                             | -                               | -                            | (574,500)                       | 6,490,500                                                 |
| Total                       |                   |                   |                                           | 24,850,000                                               | -                             | -                               | -                            | (1,915,000)                     | 22,935,000                                                |

## 19 SHARE CAPITAL (CONTINUED)

### (b) Employees' incentive plan of a subsidiary

#### (i) LK Injection Molding Machine Co., Ltd.

On 29 July 2021, the Company approved the Employees' Incentive Plan of 廣東力勁塑機製造股份有限公司 LK Injection Molding Machine Co., Ltd. ("LK Injection") (formerly known as 中山力勁機械有限公司 Zhongshan LK Machinery Co. Ltd.), a PRC subsidiary of the Group (the "LK Injection Employees' Incentive Plan"). Following the Board approval on 29 July 2021, LK Injection entered into five subscription agreements with three individuals, being Mr. Tse Siu Sze, an executive director of the Company, Mr. Huang Xi, an employee of LK Injection and Ms. Liu Ying Ying, daughter of Ms. Chong Siw Yin (an executive director and the Chairperson of the Company) and Mr. Liu Siong Song (a controlling shareholder of the Company) and two limited liability partnerships ("LLP"), namely 中山市睿力企業管理合夥企業(有限合夥) Zhongshan City Ruili Corporate Management Partnership (Limited Partnership) ("Zhongshan Ruili") and 寧波市鑄力企業管理合夥企業(有限合夥) Ningbo City Zhuli Corporate Management Partnership (Limited Partnership) ("Ningbo Zhuli") in connection with the LK Injection Employees' Incentive Plan. The general partner of Zhongshan Ruili is Ms. Ke Ai Rong (an employee of LK Injection); the general partner of Ningbo Zhuli is Mr. Tan Ying Shi (an employee of 寧波力勁塑機製造有限公司 Ningbo L.K. Plastic Machinery Intelligent Manufacturing Co. Ltd.). The LLP were established in the PRC solely for the purpose of holding the equity interests in LK Injection in connection with the LK Injection Employees' Incentive Plan.

The qualified employees participating the LK Injection Employees' Incentive Plan contribute the capital at the specified grant price and become the limited partners of the LLP. Pursuant to the subscription agreements, LK Injection transferred 8.69% of enlarged registered capital in LK Injection to the abovementioned three qualified individuals and two LLPs at a consideration of RMB2.75 per share.

Each participating employee in the LK Injection Employees' Incentive Plan shall remain in service with LK Injection or any of its subsidiaries for six years from the date of granting the restricted shares (the "6-year Service Period"). The restricted shares granted pursuant to the LK Injection Employees' Incentive Plan are personal to each participating employee, and are not transferrable during the 6-year Service Period, unless otherwise approved as stipulated under the subscription agreements. If any of the participating employees resigns from LK Injection or any of its subsidiaries before the end of the 6-year Service Period or if LK Injection failed to be listed in any qualified Stock Exchange by 29 July 2027 (i.e. six years from the date of granting the restricted shares), the participating employees have the right to request Power Excel International Limited, the immediate holding company of LK Injection, to repurchase all of the restricted shares of LK Injection held by the participating employees at a consideration of the initial investment cost plus 5% interest per annum.

The Group received capital contribution for the participating employees and recognised a repurchase obligation in the liability. As at 31 March 2026, the repurchase obligation was HK\$73,995,000 (2025: HK\$68,314,000) (Note 22).

## 19 SHARE CAPITAL (CONTINUED)

## (b) Employees' incentive plan of a subsidiary (Continued)

## (ii) Shenzhen L.K. Technology Co., Ltd

On 22 December 2023, the Company approved the Employees' Incentive Plan of 深圳力勁科技有限公司 Shenzhen L.K., a PRC subsidiary of the Group (the "Shenzhen L.K. Employees' Incentive Plan"). Following the Board approval on 22 December 2023, Shenzhen L.K. entered into two subscription agreements with two Employee Stock Ownership Platforms (the "Shenzhen L.K. ESOPs"), namely Win Step Limited ("Win Step") and 深圳市力昌投資合夥企業(有限合夥) Shenzhen Lichang Investment Partnership (Limited Partnership) ("Shenzhen Lichang") in connection with the Shenzhen L.K. Employees' Incentive Plan. Win Step is a company with limited liability incorporated in Hong Kong which is held by as to 50% by Mr. Liu Zhuo Ming, son of Ms. Chong Siw Yin, and 50% by Miss. Liu Ying Ying. Shenzhen Lichang is limited partnership established in the PRC of which the general partner is Shenzhen Lichuang Financial Consulting Co., Ltd. which is ultimately owned by the employees of Shenzhen L.K.. The Shenzhen L.K. ESOPs were established solely for the purpose of holding the equity interests in Shenzhen L.K. in connection with the Shenzhen L.K. Employees' Incentive Plan.

The qualified employees participating the Shenzhen L.K. Employees' Incentive Plan contribute the capital at the specified grant price through the Shenzhen L.K. ESOPs. Pursuant to the subscription agreements, Shenzhen L.K. transferred 4.07% of enlarged registered capital in Shenzhen L.K. to the abovementioned Shenzhen L.K. ESOPs at a consideration of RMB6.07 per share.

Each participating employee in the Shenzhen L.K. Employees' Incentive Plan shall remain in service with Shenzhen L.K. or any of its subsidiaries for five years from the date of granting the restricted shares (the "5-year Service Period"). The restricted shares granted pursuant to the Shenzhen L.K. Employees' Incentive Plan are personal to each participating employee, and are not transferrable under any circumstances, unless otherwise approved as stipulated under the subscription agreements. If any of the participating employees resigns from Shenzhen L.K. or any of its subsidiaries before the end of the 5-year Service Period or before Shenzhen L.K. having listed its shares on a stock exchange for one year (whichever comes later), the Shenzhen L.K. ESOPs shall repurchase all of the restricted shares of Shenzhen L.K. held by the participating employees at a consideration of the initial investment cost plus 5% interest per annum.

The Group received capital contribution from the participating employees and recognised a repurchase obligation in the liability. As at 31 March 2026, the repurchase obligation was HK\$189,207,000 (2025: HK\$172,754,000) (Note 22).

## 20 RESERVES

|                                                                                                                 | Share<br>premium<br>HK\$'000 | Share<br>reserve<br>HK\$'000<br><i>(Note i)</i> | Treasury<br>shares<br>HK\$'000 | Capital<br>redemption<br>reserves<br>HK\$'000<br><i>(Note iii)</i> | Exchange<br>translation<br>reserve<br>HK\$'000 | Other<br>reserve<br>HK\$'000 | Statutory<br>reserve<br>HK\$'000<br><i>(Note ii)</i> | Property<br>revaluation<br>reserve<br>HK\$'000 | Financial asset<br>at fair value<br>through other<br>comprehensive<br>income reserve<br>HK\$'000 | Retained<br>earnings<br>HK\$'000 | Total<br>HK\$'000 |
|-----------------------------------------------------------------------------------------------------------------|------------------------------|-------------------------------------------------|--------------------------------|--------------------------------------------------------------------|------------------------------------------------|------------------------------|------------------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------|----------------------------------|-------------------|
| At 1 April 2025                                                                                                 | 1,068,168                    | 12,418                                          | -                              | 1,200                                                              | (226,842)                                      | (2,246,155)                  | 434,645                                              | 129,433                                        | 368                                                                                              | 2,680,555                        | 1,853,790         |
| Profit for the year                                                                                             | -                            | -                                               | -                              | -                                                                  | -                                              | -                            | -                                                    | -                                              | -                                                                                                | 37,855                           | 37,855            |
| Currency translation difference                                                                                 | -                            | -                                               | -                              | -                                                                  | 116,465                                        | -                            | -                                                    | -                                              | -                                                                                                | -                                | 116,465           |
| Capital redemption reserves arising from repurchase of shares                                                   | -                            | -                                               | -                              | -                                                                  | -                                              | -                            | -                                                    | -                                              | -                                                                                                | -                                | -                 |
| Transfer to statutory reserve                                                                                   | -                            | -                                               | -                              | -                                                                  | -                                              | -                            | 47,967                                               | -                                              | -                                                                                                | (47,967)                         | -                 |
| Repurchase of the Company's shares                                                                              | -                            | -                                               | -                              | -                                                                  | -                                              | -                            | -                                                    | -                                              | -                                                                                                | -                                | 6,487             |
| Employees incentive plans                                                                                       | -                            | -                                               | -                              | -                                                                  | -                                              | 6,487                        | -                                                    | -                                              | -                                                                                                | -                                | 24,774            |
| Dividends declared to NCI                                                                                       | -                            | -                                               | -                              | -                                                                  | -                                              | 24,774                       | -                                                    | -                                              | -                                                                                                | -                                | -                 |
| Dividend declared to Employees' incentive plans                                                                 | -                            | -                                               | -                              | -                                                                  | -                                              | -                            | -                                                    | -                                              | -                                                                                                | (10,481)                         | (10,481)          |
| Dividends paid                                                                                                  | -                            | -                                               | -                              | -                                                                  | -                                              | -                            | -                                                    | -                                              | -                                                                                                | (102,330)                        | (102,330)         |
| Interest accretion of redemption liability in relation to a put option exercisable by non-controlling interests | -                            | -                                               | -                              | -                                                                  | -                                              | (144,614)                    | -                                                    | -                                              | -                                                                                                | -                                | (144,614)         |
| Changes in the fair value of debt instruments at FVOCI                                                          | -                            | -                                               | -                              | -                                                                  | -                                              | -                            | -                                                    | -                                              | (5,365)                                                                                          | -                                | (7,639)           |
| Appropriation to Safety fund <i>(Note iv)</i>                                                                   | -                            | -                                               | -                              | -                                                                  | -                                              | 29,900                       | -                                                    | -                                              | -                                                                                                | (29,900)                         | -                 |
| At 31 March 2026                                                                                                | 1,068,168                    | 12,418                                          | -                              | 1,200                                                              | (110,377)                                      | (2,329,608)                  | 482,612                                              | 129,433                                        | (4,997)                                                                                          | 2,527,732                        | 1,776,581         |

## 20 RESERVES (CONTINUED)

|                                                                                                                          | Share<br>premium<br>HK\$'000 | Share<br>reserve<br>HK\$'000<br>(Note i) | Treasury<br>shares<br>HK\$'000 | Capital<br>redemption<br>reserves<br>HK\$'000<br>(Note iii) | Exchange<br>translation<br>reserve<br>HK\$'000 | Other<br>reserve<br>HK\$'000 | Statutory<br>reserve<br>HK\$'000<br>(Note ii) | Property<br>revaluation<br>reserve<br>HK\$'000 | Financial asset<br>at fair value<br>through other<br>comprehensive<br>income reserve<br>HK\$'000 | Retained<br>earnings<br>HK\$'000 | Total<br>HK\$'000 |
|--------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------------------|--------------------------------|-------------------------------------------------------------|------------------------------------------------|------------------------------|-----------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------|----------------------------------|-------------------|
| At 1 April 2024                                                                                                          | 1,123,842                    | 12,418                                   | (56,874)                       | -                                                           | (201,419)                                      | (2,104,156)                  | 407,639                                       | 129,433                                        | 368                                                                                              | 2,470,434                        | 1,781,685         |
| Profit for the year                                                                                                      | -                            | -                                        | -                              | -                                                           | -                                              | -                            | -                                             | -                                              | -                                                                                                | 350,094                          | 350,094           |
| Currency translation difference                                                                                          | -                            | -                                        | -                              | -                                                           | (25,423)                                       | -                            | -                                             | -                                              | -                                                                                                | -                                | (25,423)          |
| Capital redemption reserves arising<br>from repurchase of shares                                                         | -                            | -                                        | -                              | 1,200                                                       | -                                              | -                            | -                                             | -                                              | -                                                                                                | (1,200)                          | -                 |
| Transfer to statutory reserve                                                                                            | -                            | -                                        | -                              | -                                                           | -                                              | -                            | 27,006                                        | -                                              | -                                                                                                | (27,006)                         | -                 |
| Repurchase of the Company's shares                                                                                       | (55,674)                     | -                                        | 56,874                         | -                                                           | -                                              | -                            | -                                             | -                                              | -                                                                                                | -                                | 1,200             |
| Dividends paid                                                                                                           | -                            | -                                        | -                              | -                                                           | -                                              | -                            | -                                             | -                                              | -                                                                                                | (109,152)                        | (109,152)         |
| Interest accretion of redemption<br>liability in relation to a put option<br>exercisable by non-controlling<br>interests | -                            | -                                        | -                              | -                                                           | -                                              | (144,614)                    | -                                             | -                                              | -                                                                                                | -                                | (144,614)         |
| Appropriation to Safety fund (Note iv)                                                                                   | -                            | -                                        | -                              | -                                                           | -                                              | 2,615                        | -                                             | -                                              | -                                                                                                | (2,615)                          | -                 |
| At 31 March 2025                                                                                                         | 1,068,168                    | 12,418                                   | -                              | 1,200                                                       | (226,842)                                      | (2,246,155)                  | 434,645                                       | 129,433                                        | 368                                                                                              | 2,680,555                        | 1,853,790         |

### Notes:

- (i) Share reserve represents the difference between the share capital and reserves of the subsidiaries acquired and the nominal value of the Company's shares issued for the acquisition of subsidiaries at the time of corporate reorganisation in 2006.
- (ii) The statutory reserve is the reserve of the Company's subsidiaries operating as foreign investment enterprises in the PRC. The use of this reserve is governed by relevant regulations of the PRC and the articles of association of these subsidiaries.
- (iii) The capital redemption reserve resulted from repurchase of the Company's own shares on The Stock Exchange of Hong Kong Limited. The repurchased shares were cancelled during the year ended 31 March 2025. An amount equivalent to the par value of the shares cancelled was transferred from the Company's retained earnings to capital redemption reserve.
- (iv) Pursuant to certain regulations issued by the Ministry of Finance ("財政部") and the Ministry of Emergency Management ("應急管理部") of the PRC, the subsidiaries of the Company which are engaged in mechanical manufacturing are required to set aside an amount of certain percentage of revenue to a safety fund. The safety fund can be used for safety facilities and environment improvement, and is not available for distribution to shareholders. Upon incurring qualifying safety expenditure, an equivalent amount should be transferred from safety fund to retained earnings.

## 21 BORROWINGS

The borrowings of the Group comprise:

|                     | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------|------------------|------------------|
| Non-current         |                  |                  |
| Bank borrowings     | 263,544          | 253,829          |
| Current             |                  |                  |
| Bank borrowings     | 2,665,770        | 1,889,710        |
| Trust receipt loans | -                | 5,321            |
|                     | 2,665,770        | 1,895,031        |
|                     | 2,929,314        | 2,148,860        |
| Secured:            |                  |                  |
| Bank borrowings     | 735,544          | 348,489          |
| Unsecured:          |                  |                  |
| Bank borrowings     | 2,193,770        | 1,795,050        |
| Trust receipt loans | -                | 5,321            |
|                     | 2,193,770        | 1,800,371        |
|                     | 2,929,314        | 2,148,860        |

## 21 BORROWINGS (CONTINUED)

At 31 March 2026 and 2025, the Group's borrowings were repayable as follows:

|                                                                | Trust receipt loans |                  | Bank borrowings  |                  | Total            |                  |
|----------------------------------------------------------------|---------------------|------------------|------------------|------------------|------------------|------------------|
|                                                                | 2026<br>HK\$'000    | 2025<br>HK\$'000 | 2026<br>HK\$'000 | 2025<br>HK\$'000 | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
| Within 1 year                                                  | -                   | 5,321            | 1,579,204        | 1,382,367        | 1,579,204        | 1,387,688        |
| Bank borrowings due for<br>repayment after one year<br>(Note): |                     |                  |                  |                  |                  |                  |
| After 1 year but within<br>2 years                             | -                   | -                | 447,857          | 352,927          | 447,857          | 352,927          |
| After 2 years but within<br>5 years                            | -                   | -                | 435,159          | 209,634          | 435,159          | 209,634          |
| After 5 years                                                  | -                   | -                | 467,094          | 198,611          | 467,094          | 198,611          |
|                                                                | -                   | -                | 1,350,110        | 761,172          | 1,350,110        | 761,172          |
|                                                                | -                   | 5,321            | 2,929,314        | 2,143,539        | 2,929,314        | 2,148,860        |

Note: The amounts due are based on the scheduled repayment dates set out in the loan agreements and ignore the effect of any repayment on demand clause.

The carrying amounts of the borrowings are denominated in the following currencies:

|     | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-----|------------------|------------------|
| RMB | 2,805,575        | 1,948,784        |
| EUR | 100,108          | 160,714          |
| TWD | 18,197           | 31,737           |
| JPY | 5,434            | 7,625            |
|     | 2,929,314        | 2,148,860        |

## 21 BORROWINGS (CONTINUED)

As at 31 March 2026, the borrowings of approximately HK\$2,805,575,000 (2025: HK\$1,948,784,000) were borrowed from banks in the PRC by PRC subsidiaries of the Group.

|                          | 2026         |              |              |              | 2025  |       |       |       |
|--------------------------|--------------|--------------|--------------|--------------|-------|-------|-------|-------|
|                          | RMB          | EUR          | TWD          | JPY          | RMB   | EUR   | TWD   | JPY   |
| Bank borrowings          | <b>2.62%</b> | <b>3.81%</b> | <b>3.99%</b> | <b>0.88%</b> | 3.14% | 3.79% | 3.18% | 0.91% |
| Trust receipt bank loans | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | <b>N/A</b>   | N/A   | N/A   | 3.90% | N/A   |

The carrying amount of the assets of the Group pledged to secure its borrowings, bills payable and financial guarantees are as follows:

|                               | <b>2026</b><br><b>HK\$'000</b> | 2025<br>HK\$'000 |
|-------------------------------|--------------------------------|------------------|
| Restricted bank balances      | <b>140,805</b>                 | 178,798          |
| Right-of-use assets           | <b>260,789</b>                 | 213,614          |
| Investment properties         | <b>353,500</b>                 | 338,900          |
| Property, plant and equipment | <b>923,976</b>                 | 241,827          |
| Bills receivables             | <b>197,282</b>                 | 145,130          |
| Other receivables             | <b>1,464</b>                   | 1,404            |
|                               | <b>1,877,816</b>               | 1,119,673        |

22 TRADE AND BILLS PAYABLES, OTHER PAYABLES, CONTRACT LIABILITIES AND REDEMPTION LIABILITIES

|                                                                                      | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|--------------------------------------------------------------------------------------|------------------|------------------|
| <b>Current portion</b>                                                               |                  |                  |
| Trade payables                                                                       | 1,288,589        | 1,226,667        |
| Bills payables                                                                       | 699,858          | 611,515          |
| Trade and bills payables <i>(Note i)</i>                                             | 1,988,447        | 1,838,182        |
| Contract liabilities <i>(Note ii)</i>                                                | 773,135          | 412,885          |
| Other deposits                                                                       | 10,110           | 10,708           |
| Accrued salaries, bonuses and staff benefits                                         | 130,191          | 126,148          |
| Accrued sales commission                                                             | 78,145           | 80,996           |
| Value added tax payable                                                              | 7,772            | 27,243           |
| Provision for warranty and installation                                              | 34,975           | 61,960           |
| Accrued payment for construction in progress                                         | 80,033           | 137,286          |
| Consideration payable for acquisition of a financial asset at FVOCI <i>(Note 16)</i> | –                | 65,217           |
| Consideration payable for acquisition of a joint venture <i>(Note 10)</i>            | 20,339           | 36,545           |
| Dividend payable to Employees' incentive plans                                       | 304              | –                |
| Others                                                                               | 248,476          | 170,104          |
| Other payables and contract liabilities                                              | 1,383,480        | 1,129,092        |
| <b>Non-current portion</b>                                                           |                  |                  |
| Redemption liabilities <i>(Note iii)</i>                                             | 2,731,046        | 2,482,868        |
| Other payables                                                                       | 4,583            | 4,460            |

## 22 TRADE AND BILLS PAYABLES, OTHER PAYABLES, CONTRACT LIABILITIES AND REDEMPTION LIABILITIES (CONTINUED)

Notes:

- (i) The following is the ageing analysis of the trade payables based on invoice date:

|                | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------|------------------|------------------|
| Within 90 days | 1,094,773        | 1,076,926        |
| 91–180 days    | 106,751          | 77,145           |
| 181–365 days   | 40,469           | 28,552           |
| Over one year  | 46,596           | 44,044           |
|                | 1,288,589        | 1,226,667        |

The maturity dates of the bills payables are generally between one and six months.

The carrying amounts of the Group's trade and bills payables are denominated in the following currencies:

|                  | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------|------------------|------------------|
| RMB              | 1,884,089        | 1,772,466        |
| EUR              | 90,585           | 54,636           |
| TWD              | 5,086            | 5,324            |
| HK\$             | 184              | 63               |
| US\$             | 859              | 538              |
| Other currencies | 7,644            | 5,155            |
|                  | 1,988,447        | 1,838,182        |

- (ii) The revenue recognised in the current reporting period is HK\$376,452,000 (2025: HK\$318,933,000) related to carried forward contract liabilities.

The Group applied the practical expedient and does not disclose the information relating to the remaining performance obligations that have original expected durations of one year or less.

## 22 TRADE AND BILLS PAYABLES, OTHER PAYABLES, CONTRACT LIABILITIES AND REDEMPTION LIABILITIES (CONTINUED)

Notes: (Continued)

(iii) The balance represents the Group's obligation to repurchase:

|                                                                          | As at<br>31 March 2026<br>HK\$'000 | As at<br>31 March 2025<br>HK\$'000 |
|--------------------------------------------------------------------------|------------------------------------|------------------------------------|
| Equity interests of non-controlling interests in Shenzhen L.K. (Note 12) | 2,467,844                          | 2,241,800                          |
| Employee's incentive plan of LK Injection (Note a)                       | 73,995                             | 68,314                             |
| Employee's incentive plan of Shenzhen L.K. (Note a)                      | 189,207                            | 172,754                            |
|                                                                          | <b>2,731,046</b>                   | 2,482,868                          |

Note:

a. These balances represent the Group's obligation to repurchase, if certain repurchase events occur, all restricted shares of LK Injection and Shenzhen L.K., PRC subsidiaries of the Group in connection with their Employees' Incentive Plan's (Note 19). These balances are denominated in RMB.

## 23 REVENUE AND OTHER INCOME

|                                                      | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------------------------------------|------------------|------------------|
| Revenue for sales of goods recognised under HKFRS 15 |                  |                  |
| Sales of die-casting machine                         | 3,663,187        | 3,866,558        |
| Sales of plastic injection moulding machine          | 1,798,108        | 1,757,520        |
| Sales of CNC machining centre                        | 147,607          | 200,881          |
|                                                      | <b>5,608,902</b> | 5,824,959        |

## 23 REVENUE AND OTHER INCOME (CONTINUED)

The Group derived revenue from the sales of goods at a point in time.

|                                               | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-----------------------------------------------|------------------|------------------|
| Other income                                  |                  |                  |
| Value added tax refund                        | 57,993           | 73,248           |
| Other subsidies from government <i>(Note)</i> | 26,951           | 49,362           |
| Rental income                                 | 32,136           | 33,997           |
| Sundry income                                 | 11,005           | 10,753           |
|                                               | 128,085          | 167,360          |

*Note:* Other subsidies from government recognised was related to grant from government in relation to sales and research and development of self-developed products in the PRC and employment support scheme in the PRC and Hong Kong. There were no unfulfilled condition and other contingencies attached to the receipts of those subsidies.

## 24 OTHER GAINS – NET

|                                                                            | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------------------------------------------------------------|------------------|------------------|
| (Decrease)/increase in fair value of investment properties <i>(Note 8)</i> | (4,044)          | 10,024           |
| Net foreign exchange gains/(losses)                                        | 17,372           | (563)            |
| Net losses on disposals of property, plant and equipment                   | (1,252)          | (2,910)          |
| Gain on disposal of other receivable <i>(Note)</i>                         | –                | 17,482           |
| Fair value loss on contingent consideration payable                        | (491)            | (113)            |
| Others                                                                     | 2,442            | –                |
|                                                                            | 14,027           | 23,920           |

*Note:* During the year ended 31 March 2025, Fuxin Lida Steel Casting Co. Ltd. ("Fuxin Lida"), a wholly owned subsidiary of the Group, recovered RMB15,908,000 out of the total RMB50,908,000 previously impaired outstanding consideration receivable from 阜新金達鋼鐵鑄造有限公司 ("阜新金達"), the purchaser of a transaction, in connection with the disposal of 35% equity interest in 阜新力昌鋼鐵鑄造有限公司 ("阜新力昌") completed during the year ended 31 March 2025. As stipulated in a tri-partite agreement entered into between 阜新金達, Fuxin Lida and Fuxin County government, 阜新金達 agreed to pay RMB15,908,000 approximately (equivalent to approximately HK\$17,482,000) on behalf of Fuxin Lida to a local contractor for construction of a factory site of Fuxin Lida in lieu of settlement of the outstanding consideration receivable. RMB35,000,000 was recovered during the year ended 31 March 2025. As at 31 March 2025, no outstanding consideration receivable was unsettled by 阜新金達.

## 25 EXPENSES BY NATURE

|                                                                               | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------------------------------|------------------|------------------|
| Raw materials and consumables used                                            | 3,889,312        | 3,516,948        |
| Changes in inventories of finished goods and work in progress                 | (645,545)        | (150,934)        |
| Staff costs <i>(Note 26) (Note)</i>                                           | 1,057,480        | 1,008,530        |
| Research costs                                                                | 176,922          | 113,337          |
| Amortisation of intangible assets <i>(Note 6)</i>                             | 4,063            | 4,740            |
| Depreciation of property, plant and equipment <i>(Note 7)</i>                 | 258,921          | 231,252          |
| Depreciation of right-of-use assets <i>(Note 9)</i>                           | 23,877           | 23,269           |
| Utilities                                                                     | 96,220           | 88,850           |
| Transportation expenses                                                       | 36,853           | 32,765           |
| Auditor's remuneration                                                        |                  |                  |
| – Audit services                                                              | 3,780            | 3,200            |
| – Non-audit services                                                          | 968              | 1,030            |
| Provision for impairment of trade receivables – net <i>(Note 3.1(b)(iii))</i> | 39,193           | 30,059           |
| Reversal of provision for inventories write-down <i>(Note 17)</i>             | (2,411)          | (60)             |
| Reversal of provision for financial guarantee contracts                       | –                | (928)            |
| Provision for impairment of other receivables – net                           | 8,236            | –                |
| Other expenses                                                                | 660,219          | 578,461          |
|                                                                               | <b>5,608,088</b> | 5,480,519        |
| Represented by:                                                               |                  |                  |
| Cost of sales                                                                 | 4,234,208        | 4,227,752        |
| Selling and distribution expenses                                             | 478,268          | 468,354          |
| General and administrative expenses                                           | 856,419          | 754,354          |
| Provision for impairment of trade receivables – net <i>(Note 3.1(b)(iii))</i> | 39,193           | 30,059           |
|                                                                               | <b>5,608,088</b> | 5,480,519        |

*Note:* For the year ended 31 March 2026, the staff costs related to research and development activities were HK\$130,433,000 (2025: HK\$131,076,000).

## 26 EMPLOYEES BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

|                                                   | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------------|------------------|------------------|
| Wages and salaries                                | 935,918          | 897,804          |
| Retirement scheme contributions ( <i>Note i</i> ) | 76,777           | 69,336           |
| Other allowances and benefits                     | 38,298           | 41,390           |
| Employees' incentive plans                        | 6,487            | –                |
|                                                   | 1,057,480        | 1,008,530        |

*Note:*

- (i) There were no forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) to offset existing contributions under the defined contribution schemes.

### (a) Directors' and chief executive's emoluments

The remuneration of every director and the chief executive is set out below:

#### For the year ended 31 March 2026

| Name                                           | Fees<br>HK\$'000 | Salary<br>HK\$'000 | Discretionary<br>bonuses<br>HK\$'000 | Share-based<br>payments<br>HK\$'000 | Employer's<br>contribution<br>to a<br>retirement<br>benefit<br>scheme<br>HK\$'000 | Total<br>HK\$'000 |
|------------------------------------------------|------------------|--------------------|--------------------------------------|-------------------------------------|-----------------------------------------------------------------------------------|-------------------|
| <b>Executive Directors</b>                     |                  |                    |                                      |                                     |                                                                                   |                   |
| Chong Siw Yin                                  | –                | 5,200              | –                                    | –                                   | 18                                                                                | 5,218             |
| Liu Zhuo Ming                                  | –                | 2,668              | –                                    | –                                   | 18                                                                                | 2,686             |
| Tse Siu Sze                                    | –                | 1,198              | –                                    | –                                   | 18                                                                                | 1,216             |
|                                                | –                | 9,066              | –                                    | –                                   | 54                                                                                | 9,120             |
| <b>Independent Non-executive<br/>Directors</b> |                  |                    |                                      |                                     |                                                                                   |                   |
| Low Seow Chay                                  | 310              | –                  | –                                    | –                                   | –                                                                                 | 310               |
| Lui Ming Wah                                   | 310              | –                  | –                                    | –                                   | –                                                                                 | 310               |
| Look Andrew                                    | 310              | –                  | –                                    | –                                   | –                                                                                 | 310               |
|                                                | 930              | –                  | –                                    | –                                   | –                                                                                 | 930               |
| <b>Total</b>                                   | <b>930</b>       | <b>9,066</b>       | <b>–</b>                             | <b>–</b>                            | <b>54</b>                                                                         | <b>10,050</b>     |

## 26 EMPLOYEES BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

### (a) Directors' and chief executive's emoluments (Continued)

For the year ended 31 March 2025

| Name                                           | Fees<br>HK\$'000 | Salary<br>HK\$'000 | Discretionary<br>bonuses<br>HK\$'000 | Share-based<br>payments<br>HK\$'000 | Employer's<br>contribution<br>to a<br>retirement<br>benefit<br>scheme<br>HK\$'000 | Total<br>HK\$'000 |
|------------------------------------------------|------------------|--------------------|--------------------------------------|-------------------------------------|-----------------------------------------------------------------------------------|-------------------|
| <b>Executive Directors</b>                     |                  |                    |                                      |                                     |                                                                                   |                   |
| Chong Siw Yin                                  | -                | 5,200              | -                                    | -                                   | 18                                                                                | 5,218             |
| Liu Zhuo Ming                                  | -                | 2,465              | -                                    | -                                   | 18                                                                                | 2,483             |
| Tse Siu Sze                                    | -                | 1,915              | -                                    | -                                   | 18                                                                                | 1,933             |
|                                                | -                | 9,580              | -                                    | -                                   | 54                                                                                | 9,634             |
| <b>Independent Non-executive<br/>Directors</b> |                  |                    |                                      |                                     |                                                                                   |                   |
| Low Seow Chay                                  | 250              | -                  | -                                    | -                                   | -                                                                                 | 250               |
| Lui Ming Wah                                   | 310              | -                  | -                                    | -                                   | -                                                                                 | 310               |
| Tsang Yiu Keung                                | 207              | -                  | -                                    | -                                   | -                                                                                 | 207               |
| Look Andrew                                    | 310              | -                  | -                                    | -                                   | -                                                                                 | 310               |
|                                                | 1,077            | -                  | -                                    | -                                   | -                                                                                 | 1,077             |
| Total                                          | 1,077            | 9,580              | -                                    | -                                   | 54                                                                                | 10,711            |

Salary paid to a director is generally an emolument paid or receivable by directors in respect of that person's other services in connection with the management of the affairs of the Company or its subsidiary undertakings.

During the year ended 31 March 2026, there was no allowances and benefits in kind, or other emoluments paid or receivable in respect of director's other services in connection with the management of the affairs of the Company or its subsidiary undertakings (2025: Nil).

26 EMPLOYEES BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

(a) Directors' and chief executive's emoluments (Continued)

|                                                                                                                                                                                           | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------|
| Aggregate emoluments paid to or receivable by directors in respect of their services as directors, whether of the Company or its subsidiary undertakings                                  | 930              | 1,077            |
| Aggregate emoluments paid to or receivable by directors in respect of their other services in connection with the management of the affairs of the Company or its subsidiary undertakings | 9,120            | 9,634            |
| Total                                                                                                                                                                                     | 10,050           | 10,711           |

(b) Directors' termination benefits

None of the directors received or will receive any termination benefits during the financial year ended 31 March 2026 and 2025.

(c) Consideration provided to third parties for making available directors' services

During the year ended 31 March 2026, the Company did not pay consideration to any third parties for making available directors' services (2025: Nil).

(d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the year ended 31 March 2026, there was no loans, quasi-loans and other dealing arrangements in favour of the directors, or controlled body corporates and connected entities of such directors (2025: Nil).

(e) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Company'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: Nil).

26 EMPLOYEES BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

(f) Five highest paid individuals

During the year ended 31 March 2026, the five highest paid individuals included two (2025: two) directors. The emoluments of the remaining three (2025: three) individuals were as follows:

|                                 | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------|------------------|------------------|
| Salaries and other allowances   | 12,202           | 9,113            |
| Retirement scheme contributions | 778              | 411              |
|                                 | 12,980           | 9,524            |

The emoluments fell within the following bands:

|                             | 2026 | 2025 |
|-----------------------------|------|------|
| HK\$1,500,001-HK\$2,000,000 | 2    | 1    |
| HK\$2,000,001-HK\$2,500,000 | -    | 1    |
| HK\$5,000,001-HK\$5,500,000 | -    | 1    |
| HK\$9,000,001-HK\$9,500,000 | 1    | -    |

## 27 FINANCE COSTS – NET

|                                                             | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------------|------------------|------------------|
| Finance income:                                             |                  |                  |
| Interest income on short-term bank deposits                 | (14,330)         | (18,124)         |
| Finance costs:                                              |                  |                  |
| Interest on bank borrowings                                 | 64,563           | 57,899           |
| Interest on employees' incentive plan of subsidiaries       | 11,217           | 11,185           |
| Charges on bills receivables discounted without recourse    | 3,471            | 2,122            |
| Interest on lease liabilities                               | 2,027            | 2,105            |
| Less: Capitalised in property, plant and equipment (Note i) | (9,329)          | (7,388)          |
|                                                             | 71,949           | 65,923           |
|                                                             | 57,619           | 47,799           |

Note:

- (i) Borrowing costs capitalised during the year are arose from borrowing pool which were calculated by applying a capitalisation rate of 2.7% (2025: 3.2%) to expenditure on qualifying assets.

## 28 INCOME TAX EXPENSES

|                                        | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|----------------------------------------|------------------|------------------|
| The tax charge for the year comprises: |                  |                  |
| Current income tax                     |                  |                  |
| – PRC income tax                       | 9,315            | 70,092           |
| – Hong Kong profits tax                | 1,555            | 410              |
| – Overseas tax                         | 3,502            | 3,053            |
| – Withholding income tax on dividends  | 18,726           | 5,726            |
|                                        | 33,098           | 79,281           |
| Deferred income tax (Note 13)          | (18,288)         | (6,521)          |
| Tax charge                             | 14,810           | 72,760           |

## 28 INCOME TAX EXPENSES (CONTINUED)

In accordance with the applicable Corporate Income Tax Law of the PRC, the Company's subsidiaries are taxed at the statutory rate of 25% (2025: same).

Certain subsidiaries in Shenzhen, Zhongshan, Ningbo, Shanghai, Kunshan, Chongqing and Fuxin were certified as High and New Technology Enterprises and are entitled to a concessionary tax rate of 15% for three years. They are entitled to re-apply for the preferential tax treatment when the preferential tax period expires.

Under the Corporate Income Tax Law of the PRC, dividends out of profits earned on or after 1 January 2008 from the subsidiaries in the PRC distributed to the Group will be subject to withholding income tax. Pursuant to the implementation rules of the Corporate Income Tax Law of the PRC and a double tax arrangement between the PRC and Hong Kong, Hong Kong tax resident companies could enjoy a lower withholding tax rate of 5% on dividends received from China. Provision for such withholding tax is included in deferred taxation.

Subsidiaries established in Hong Kong are subject to Hong Kong profits tax at a rate of 16.5% (2025: same) on the estimated assessable profits for the year. Hong Kong profits tax of HK\$1,555,000 has been provided for the year ended 31 March 2026 as the subsidiaries established in Hong Kong have assessable profits for the current year (2025: HK\$410,000).

For the year ended 31 March 2026, taxation on overseas profits had been calculated on the estimated assessable profits for the year at the rate of taxation prevailing in the jurisdiction in which the Group operates (2025: same).

A reconciliation of the tax charge applicable to profit before income tax using the applicable tax rates for relevant tax jurisdictions to the income tax expenses is as follows:

|                                                                        | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------------------------------------------------------|------------------|------------------|
| Profit before income tax                                               | <b>64,330</b>    | 475,801          |
| Tax calculated at applicable tax rates in the respective jurisdictions | <b>22,583</b>    | 126,096          |
| Effect of preferential tax rates applicable to relevant jurisdictions  | <b>(15,468)</b>  | (49,011)         |
| Tax effects of:                                                        |                  |                  |
| – Super-deduction of research and development costs                    | <b>(35,753)</b>  | (28,175)         |
| – Income not subject to tax                                            | <b>(3,052)</b>   | (5,194)          |
| – Expenses not deductible for tax purposes                             | <b>13,424</b>    | 14,733           |
| – PRC withholding tax                                                  | <b>10,715</b>    | (574)            |
| Tax effect of unrecognised tax losses                                  | <b>22,361</b>    | 14,885           |
| Income tax expenses                                                    | <b>14,810</b>    | 72,760           |

## 29 EARNINGS PER SHARE

### (a) Basic

The calculation of the basic earnings per share is based on the consolidated profit attributable to owners of the Company of HK\$37,855,000 (2025: HK\$350,094,000) and on the weighted average number of approximately 1,364,392,000 (2025: 1,364,392,000) ordinary shares in issue.

|                                                                 | 2026      | 2025      |
|-----------------------------------------------------------------|-----------|-----------|
| Profit attributable to owners of the Company (HK\$'000)         | 37,855    | 350,094   |
| Weighted average number of ordinary shares in issue (thousands) | 1,364,392 | 1,364,392 |
| Basic earnings per share (HK cents)                             | 2.8       | 25.7      |

### (b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

For the year ended 31 March 2026, the Group has two categories of potentially dilutive ordinary share: share option issued by the Company and two share-based payment schemes of subsidiaries of the Group.

The conversion features of the share option issued by the Company and one of the share-based payment schemes of subsidiaries are considered to fall within contingently issuable ordinary shares. The triggering events of conversion did not occur for the year ended 31 March 2026 (2025: same), therefore the conversion feature of these potential ordinary shares has no dilutive effect on earnings per share calculation. The unvested potentially dilutive ordinary shares for another share-based payment scheme of subsidiaries were not included in the calculation of diluted earnings per share as they would have an antidilutive impact to the basic earnings per share (2025: same).

### 30 DIVIDENDS

The dividend paid and declared during the year ended 31 March 2026 and 2025:

|                                                                                            | <b>2026</b><br><b>HK\$'000</b> | 2025<br>HK\$'000 |
|--------------------------------------------------------------------------------------------|--------------------------------|------------------|
| Final dividend for the year ended 31 March 2024 (HK5 cents per ordinary share)             | –                              | 68,220           |
| Interim dividend for the six months ended 30 September 2024 (HK3 cents per ordinary share) | –                              | 40,932           |
| Final dividend for the year ended 31 March 2025 (HK4.5 cents per ordinary share)           | <b>61,398</b>                  | –                |
| Interim dividend for the six months ended 30 September 2025 (HK3 cents per ordinary share) | <b>40,932</b>                  | –                |
|                                                                                            | <b>102,330</b>                 | 109,152          |

A final dividend in respect of the year ended 31 March 2026 of HK3 cents per ordinary share, amounting to a total dividend of HK\$40,932,000, is to be proposed at the forthcoming annual general meeting on 4 September 2026. These consolidated financial statements do not reflect these dividends payables.

31 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Cash generated from/(used in) operations

|                                                                   | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------------------------|------------------|------------------|
| Profit before income tax                                          | 64,330           | 475,801          |
| Adjustments for:                                                  |                  |                  |
| Depreciation and amortisation                                     | 286,861          | 259,261          |
| Decrease/(increase) in fair value of investment properties        | 4,044            | (10,024)         |
| Finance income                                                    | (14,330)         | (18,124)         |
| Finance costs                                                     | 71,949           | 65,923           |
| Provision for impairment of trade receivables – net               | 39,193           | 30,059           |
| Reversal of provision for inventories write-down                  | (2,411)          | (60)             |
| Net losses on disposals of property, plant and equipment          | 1,252            | 2,910            |
| Reversal of provision for financial guarantee contracts           | –                | (928)            |
| Provision for impairment of other receivables – net               | 8,236            | –                |
| Employees incentive plans                                         | 6,487            | –                |
| Share of losses of associates and joint ventures                  | 20,977           | 12,120           |
| Fair value loss on contingent consideration payable               | 491              | 113              |
| Operating profit before changes in working capital                | 487,079          | 817,051          |
| Changes in working capital:                                       |                  |                  |
| Inventories                                                       | (731,885)        | (147,549)        |
| Trade and bills receivables                                       | (1,097)          | (668,131)        |
| Other receivables, prepayments and deposits                       | (195,131)        | (97,993)         |
| Trade and bills payables, other payables and contract liabilities | 455,508          | 129,187          |
| Restricted bank balances                                          | 114,075          | (90,457)         |
| Cash generated from/(used in) operations                          | 128,549          | (57,892)         |

### 31 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

- (b) In the consolidated statement of cash flows, proceeds from disposals of property, plant and equipment comprise:

|                                                                           | <b>2026</b><br><b>HK\$'000</b> | 2025<br>HK\$'000 |
|---------------------------------------------------------------------------|--------------------------------|------------------|
| Net book amount <i>(Note 7)</i>                                           | <b>9,158</b>                   | 7,422            |
| Net losses on disposals of property, plant and equipment <i>(Note 24)</i> | <b>(1,252)</b>                 | (2,910)          |
| Proceeds from disposals of property, plant and equipment                  | <b>7,906</b>                   | 4,512            |

- (c) **Liabilities from financing activities**

|                     | <b>Borrowings</b><br>HK\$'000 | <b>Lease liabilities</b><br>HK\$'000 | <b>Total</b><br>HK\$'000 |
|---------------------|-------------------------------|--------------------------------------|--------------------------|
| As at 1 April 2024  | 1,792,919                     | 73,966                               | 1,866,885                |
| Additions           | –                             | 7,113                                | 7,113                    |
| Finance costs       | 57,899                        | 2,105                                | 60,004                   |
| Cash flows          | 315,925                       | (12,662)                             | 303,263                  |
| Exchange difference | (17,883)                      | (678)                                | (18,561)                 |
| As at 31 March 2025 | <b>2,148,860</b>              | <b>69,844</b>                        | <b>2,218,704</b>         |
| Additions           | –                             | <b>1,716</b>                         | <b>1,716</b>             |
| Finance costs       | <b>64,563</b>                 | <b>2,027</b>                         | <b>66,590</b>            |
| Cash flows          | <b>616,112</b>                | <b>(15,618)</b>                      | <b>600,494</b>           |
| Exchange difference | <b>99,779</b>                 | <b>4,118</b>                         | <b>103,897</b>           |
| As at 31 March 2026 | <b>2,929,314</b>              | <b>62,087</b>                        | <b>2,991,401</b>         |

## 32 COMMITMENTS

### (a) Capital commitments

|                                                                                                            | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------------------------------------------------------------------------------------------|------------------|------------------|
| Capital expenditure contracted for at the end of the reporting period but not yet incurred are as follows: |                  |                  |
| Property, plant and equipment                                                                              | 360,754          | 778,946          |

### (b) Operating lease commitments

#### The Group as lessor

The Group leases out the investment properties and certain machineries under operating leases. The leases generally run for an initial period of one to five years, with an option to renew the leases after that date at which time all terms are renegotiated. None of the leases includes contingent rentals.

As at 31 March 2026 and 2025, the Group had contracted with lessees under non-cancellable operating leases in respect of buildings and machinery for the following future minimum leases receivable:

|                                       | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------|------------------|------------------|
| Leases receivable:                    |                  |                  |
| Within one year                       | 17,766           | 24,038           |
| In the second to fifth year inclusive | 3,679            | 15,468           |
| More than five year                   | 195              | 1,131            |
|                                       | 21,640           | 40,637           |

## 33 FINANCIAL GUARANTEES

The Company has provided guarantees in respect of banking facilities of its subsidiaries of approximately HK\$39,040,000 (2025: HK\$753,140,000). The facilities utilised by the subsidiaries as at 31 March 2026 was HK\$17,568,000 (2025: HK\$28,721,000).

## 34 CONTINGENT LIABILITIES

During the year ended 31 March 2023, a wholly owned subsidiary of the Group received a product-related claim from a customer. The relevant legal process is in the preliminary stages and management do not presently have sufficient information to assess the validity and the potential exposure of the claim. Accordingly, no further information has been disclosed concerning estimates of financial impact and the contingent liabilities in relation to this legal case. This is so as to not compromise the results of the possible proceedings or the interests of the Company. By taking account of all available evidence, management considered there were no present obligation as at 31 March 2025 and 2026, and disclosed the claim as a contingent liability.

## 35 RELATED PARTY TRANSACTIONS

### (a) Transactions with related parties

Except for those disclosed below and other than those disclosed elsewhere in the consolidated financial statements, the Group has no other significant transaction with related parties during the year ended 31 March 2026 (2025: same).

|                                                 | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|-------------------------------------------------|------------------|------------------|
| Consultancy fee <i>(Note i)</i>                 | 3,000            | 3,000            |
| Purchases from a joint venture <i>(Note ii)</i> | 470              | 191              |
| Sales to a joint venture <i>(Note ii)</i>       | 8,482            | 550              |
| Interest income from joint ventures             | 819              | –                |

Notes:

- (i) On 1 December 2020, the Company entered into a consultancy agreement with Mr. Liu Siong Song to appoint him as the strategic and technical consultant of the Company for the term from 1 December 2020 to 30 November 2023. On 1 December 2023, the Company entered into a renewed consultancy agreement with Mr. Liu Siong Song to appoint him as the strategic and technical consultant of the Company for the term from 1 December 2023 to 30 November 2026. This related party transaction is also the continuing connected transactions as defined in Chapter 14A of the Listing Rules.
- (ii) The sales to and purchase from a joint venture were made at a mutually agreed price.

### 35 RELATED PARTY TRANSACTIONS (CONTINUED)

#### (b) Balances with related party

|                                                            | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|------------------------------------------------------------|------------------|------------------|
| Amount due from a joint venture <i>(Note i)</i>            | 17,715           | 7,118            |
| Amount due to a joint venture <i>(Note i)</i>              | –                | 126              |
| Loans to joint ventures <i>(Note ii)</i>                   | 31,088           | 5,780            |
| Interest receivables from a joint venture <i>(Note ii)</i> | 203              | –                |

*Notes:*

- (i) Balances with related party are unsecured, non-interest bearing and are repayable on demand. The carrying amounts of these balances approximate their fair values due to their short maturities.
- (ii) As at 31 March 2026, the Group had an outstanding loan to a joint venture, TPI, totaling EUR703,000 (equivalent to approximately HK\$6,315,000 (as at 31 March 2025: HK\$5,780,000)). The loan is unsecured, bears interest at 2.5% per annum, and is repayable on demand. The Group had two outstanding loans to the other joint venture, JC Real Estate GmbH ("JC"), amounted to EUR2,436,000 and EUR323,000 (equivalent to approximately HK\$21,873,000 and HK\$2,900,000 respectively). The loans are unsecured, bear interest at 3.7% and 0.5% respectively per annum, and is repayable on demand.

#### (c) Key management compensation

The remuneration of directors and other members of key management personnel during the year was as follows:

|                                                   | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------------|------------------|------------------|
| Wages and salaries, other allowances and benefits | 22,967           | 20,881           |
| Retirement scheme contributions                   | 945              | 889              |
|                                                   | 23,912           | 21,770           |

## 36 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

## Statement of financial position of the Company

|                                             | Note | 2026<br>HK\$'000 | 2025<br>HK\$'000 |
|---------------------------------------------|------|------------------|------------------|
| <b>Non-current asset</b>                    |      |                  |                  |
| Investments in subsidiaries                 |      | 65,000           | 65,000           |
| <b>Current assets</b>                       |      |                  |                  |
| Other receivables, prepayments and deposits |      | 288              | 288              |
| Amounts due from subsidiaries               |      | 1,205,337        | 1,227,648        |
| Cash and cash equivalents                   |      | 827              | 609              |
| <b>Total current assets</b>                 |      | <b>1,206,452</b> | 1,228,545        |
| <b>Total assets</b>                         |      | <b>1,271,452</b> | 1,293,545        |
| <b>Equity</b>                               |      |                  |                  |
| Share capital                               |      | 136,440          | 136,440          |
| Reserves                                    | (a)  | 1,128,964        | 1,151,791        |
| <b>Total equity</b>                         |      | <b>1,265,404</b> | 1,288,231        |
| <b>Current liability</b>                    |      |                  |                  |
| Other payables                              |      | 6,048            | 5,314            |
|                                             |      | <b>6,048</b>     | 5,314            |
| <b>Total equity and liability</b>           |      | <b>1,271,452</b> | 1,293,545        |

The statement of financial position of the Company was approved by the Board of Directors on 30 June 2026 and was signed on its behalf.

**Chong Siw Yin**  
Director

**Liu Zhuo Ming**  
Director

### 36 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (CONTINUED)

*Note:*

(a) Reserve movement of the Company

|                                                                  | <b>Treasury<br/>shares</b><br>HK\$'000 | <b>Capital<br/>redemption<br/>reserves</b><br>HK\$'000 | <b>Share<br/>premium</b><br>HK\$'000 | <b>Other<br/>reserve</b><br>HK\$'000 | <b>Retained<br/>earnings</b><br>HK\$'000 | <b>Total</b><br>HK\$'000 |
|------------------------------------------------------------------|----------------------------------------|--------------------------------------------------------|--------------------------------------|--------------------------------------|------------------------------------------|--------------------------|
| At 1 April 2024                                                  | (56,874)                               | –                                                      | 1,123,842                            | 11,116                               | 80,466                                   | 1,158,550                |
| Repurchase of the Company's share                                | 56,874                                 | –                                                      | (55,674)                             | –                                    | –                                        | 1,200                    |
| Capital redemption reserves arising<br>from repurchase of shares | –                                      | 1,200                                                  | –                                    | –                                    | (1,200)                                  | –                        |
| Profit for the year                                              | –                                      | –                                                      | –                                    | –                                    | 101,193                                  | 101,193                  |
| Dividends paid                                                   | –                                      | –                                                      | –                                    | –                                    | (109,152)                                | (109,152)                |
| At 31 March 2025 and 1 April 2025                                | –                                      | <b>1,200</b>                                           | <b>1,068,168</b>                     | <b>11,116</b>                        | <b>71,307</b>                            | <b>1,151,791</b>         |
| Profit for the year                                              | –                                      | –                                                      | –                                    | –                                    | <b>79,503</b>                            | <b>79,503</b>            |
| Dividends paid                                                   | –                                      | –                                                      | –                                    | –                                    | <b>(102,330)</b>                         | <b>(102,330)</b>         |
| At 31 March 2026                                                 | –                                      | <b>1,200</b>                                           | <b>1,068,168</b>                     | <b>11,116</b>                        | <b>48,480</b>                            | <b>1,128,964</b>         |

## | MAJOR INVESTMENT PROPERTIES SUMMARY |

|                  | Location                                                                                                                                                                                                    | Lease Expiry | Total Gross Floor Area |
|------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|------------------------|
| <b>HONG KONG</b> |                                                                                                                                                                                                             |              |                        |
| Factory          | Unit Nos. 1102 and 1104 on 11th Floor, Tsuen Wan Industrial Centre, Nos. 220–248 Texaco Road, Tsuen Wan, New Territories, Hong Kong                                                                         | 2047         | 4,377 (sq.ft.)         |
| <b>PRC</b>       |                                                                                                                                                                                                             |              |                        |
| Factory          | Level 1 and portion of Level 2 of No. 4 Factory Building and 9 Apartment Units of No. 1 Dormitory Building, Jihua Industrial Area, Buji Town, Longgang District, Shenzhen City, Guangdong Province, the PRC | 2049         | 3,252 (sq.m.)          |
| Factory          | Factory No. 3, Songnan Road, Qiandeng Town, Kunshan City, Suzhou City, Jiangsu Province, the PRC                                                                                                            | 2057         | 17,368 (sq.m.)         |
| Factory          | Factory No. 5–10, No. 168 Xinhong Road, Qiandeng Town, Kunshan City, Suzhou City, Jiangsu Province, the PRC                                                                                                 | 2057         | 46,883 (sq.m.)         |
| Offices          | Units 2301–2306 and 2308–2310 on Level 23 Zhenyuan Building, No. 2052 Zhongshan Road North, Putuo District, Shanghai, the PRC                                                                               | 2045         | 812 (sq.m.)            |

## | FIVE-YEAR FINANCIAL SUMMARY |

|                           | Year ended 31 March |                  |                  |                  |                  |
|---------------------------|---------------------|------------------|------------------|------------------|------------------|
|                           | 2026<br>HK\$'000    | 2025<br>HK\$'000 | 2024<br>HK\$'000 | 2023<br>HK\$'000 | 2022<br>HK\$'000 |
| Revenue                   | 5,608,902           | 5,824,959        | 5,837,373        | 5,896,349        | 5,362,474        |
| Profit before income tax  | 64,330              | 475,801          | 598,998          | 630,237          | 765,707          |
| Income tax expense        | (14,810)            | (72,760)         | (81,259)         | (98,002)         | (140,198)        |
| Profit for the year       | 49,520              | 403,041          | 517,739          | 532,235          | 625,509          |
| Profit attributable to:   |                     |                  |                  |                  |                  |
| Owners of the Company     | 37,855              | 350,094          | 484,118          | 532,235          | 625,509          |
| Non-controlling interests | 11,665              | 52,947           | 33,621           | –                | –                |
|                           | 49,520              | 403,041          | 517,739          | 532,235          | 625,509          |

|                                                 | As at 31 March   |                  |                  |                  |                  |
|-------------------------------------------------|------------------|------------------|------------------|------------------|------------------|
|                                                 | 2026<br>HK\$'000 | 2025<br>HK\$'000 | 2024<br>HK\$'000 | 2023<br>HK\$'000 | 2022<br>HK\$'000 |
| Assets and liabilities                          |                  |                  |                  |                  |                  |
| Total assets                                    | 13,254,440       | 11,914,252       | 10,905,823       | 8,539,878        | 7,599,524        |
| Total liabilities                               | (9,205,805)      | (7,797,698)      | (6,889,724)      | (4,684,162)      | (3,896,525)      |
|                                                 | 4,048,635        | 4,116,554        | 4,016,099        | 3,855,716        | 3,702,999        |
| Equity attributable to owners<br>of the Company | 1,913,021        | 1,990,230        | 1,919,325        | 3,855,716        | 3,702,999        |
| Non-controlling interests                       | 2,135,614        | 2,126,324        | 2,096,774        | –                | –                |
|                                                 | 4,048,635        | 4,116,554        | 4,016,099        | 3,855,716        | 3,702,999        |

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