



御佳控股有限公司

Royal Deluxe Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock code: 3789

Annual Report **2026**

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Find our whole reporting suite at <http://www.royal-deluxe.com>

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Wang Kei Ming (*Chairman*)
Mr. Wang Yu Hin (*Chief Executive Officer, appointed on 23 October 2025*)
Ms. Chao Lai Heng

Independent Non-executive Directors

Mr. Sio Kam Seng
Mr. Huang Victor (Appointed on 1 February 2026)
Mr. Fok Sheung Wai (Appointed on 1 March 2026)
Mr. Kwong Ping Man (Resigned on 31 January 2026)
Mr. Lai Ah Ming Leon (Resigned on 28 February 2026)

BOARD COMMITTEES

Audit Committee

Mr. Huang Victor (*Chairman*) (Appointed 1 February 2026)
Mr. Sio Kam Seng
Mr. Fok Sheung Wai (Appointed on 1 March 2026)
Mr. Kwong Ping Man (Resigned on 31 January 2026)
Mr. Lai Ah Ming Leon (Resigned on 28 February 2026)

Remuneration Committee

Mr. Fok Sheung Wai (*Chairman*) (Appointed on 1 March 2026)
Mr. Wang Kei Ming
Mr. Sio Kam Seng
Mr. Huang Victor (Appointed on 1 February 2026)
Mr. Kwong Ping Man (Resigned on 31 January 2026)
Mr. Lai Ah Ming Leon (Resigned on 28 February 2026)

Nomination Committee

Mr. Sio Kam Seng (*Chairman*)
Mr. Wang Kei Ming
Ms. Chao Lai Heng (Appointed on 7 August 2025)
Mr. Huang Victor (Appointed on 1 February 2026)
Mr. Fok Sheung Wai (Appointed on 1 March 2026)
Mr. Kwong Ping Man (Resigned on 31 January 2026)
Mr. Lai Ah Ming Leon (Resigned on 28 February 2026)

Environmental, Social and Governance Committee

Mr. Huang Victor (*Chairman*) (Appointed on 1 February 2026)
Mr. Wang Kei Ming
Mr. Wang Yu Hin
Mr. Sio Kam Seng
Mr. Fok Sheung Wai (Appointed on 1 March 2026)
Mr. Kwong Ping Man (Resigned on 31 January 2026)
Mr. Lai Ah Ming Leon (Resigned on 28 February 2026)

Risk Committee

Mr. Fok Sheung Wai (*Chairman*) (Appointed on 1 March 2026)
Mr. Wang Yu Hin
Mr. Sio Kam Seng
Mr. Huang Victor (Appointed on 1 February 2026)
Mr. Kwong Ping Man (Resigned on 31 January 2026)
Mr. Lai Ah Ming Leon (Resigned on 28 February 2026)

COMPANY SECRETARY

Ms. Yim Sau Ping (*FCPA*)

AUTHORISED REPRESENTATIVES

Mr. Wang Kei Ming
Ms. Yim Sau Ping (*FCPA*)

REGISTERED OFFICE IN THE CAYMAN ISLANDS

Windward 3, Regatta Office Park,
PO Box 1350,
Grand Cayman KY1-1108,
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COMPLIANCE ADVISER

Frontpage Capital Limited
26th Floor, Siu On Centre,
188 Lockhart Road,
Wanchai, Hong Kong

LEGAL ADVISER AS TO HONG KONG LAWS

CFN Lawyers LLP
Units 4101-04, 41st Floor,
Sun Hung Kai Centre,
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Wanchai, Hong Kong

AUDITORS

BDO Limited
25th Floor, Wing On Centre,
111 Connaught Road Central,
Hong Kong

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit A, 22/F,
T G Place,
10 Shing Yip Street,
Kwun Tong, Kowloon,
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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park,
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Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

PRINCIPAL BANKS

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

STOCK CODE

3789

WEBSITE

www.royal-deluxe.com

CHAIRMAN'S STATEMENT

On behalf of the board (the **"Board"**) of directors (the **"Directors"**) of Royal Deluxe Holdings Limited (the **"Company"**) and its subsidiaries (collectively, the **"Group"**), I hereby present the annual report of the Group for the year ended 31 March 2026 (the **"Financial Year 2026"** or **"FY2026"**) to our shareholders.

RESULTS

For the Financial Year 2026, the Group recorded revenue of approximately HK\$693.7 million and a gross profit of approximately HK\$54.1 million, representing a year-on-year decrease of approximately 5.1% and a year-on-year increase of approximately 30.2%, respectively. The profit and total comprehensive income attributable to owners of the Company was approximately HK\$14.6 million, representing a significant turnaround of approximately HK\$20.6 million compared to the loss and total comprehensive income attributable to owners of the Company of approximately HK\$6.0 million for the year ended 31 March 2025 (the **"Financial Year 2025"** or **"FY2025"**). Basic earnings per share was approximately HK1.22 cents (Financial Year 2025: basic loss per share of approximately HK0.50 cents).

The Financial Year 2026 has been a period of strategic navigation and operational agility for the Hong Kong construction and formwork industry. Despite persistent macroeconomic headwinds, rising labour costs, and competitive market conditions, the Group has leveraged its structural expertise, deep-rooted vendor partnerships, and continuous pursuit of technological refinement to maintain stable core execution. We continue to prioritise capital efficiency and selective bidding to maximise value for our shareholders.

DIVIDEND

The Board of Directors proposed a final dividend of HK0.5 cents per ordinary share of the Company (the **"Shares"**) each to shareholders of the Company (the **"Shareholders"**) whose names appear on the register of members of the Company on 1 September 2026. Subject to approval by the Shareholders in the forthcoming annual general meeting.

OPERATIONS REVIEW AND TECHNICAL INNOVATION

During the Financial Year 2026, the Group secured twelve new projects with an aggregate original contract sum of approximately HK\$536.6 million, representing a decrease of approximately 6.8% compared to approximately HK\$576.0 million for the Financial Year 2025. During the year under review, there were nineteen subcontracting works projects in progress, with an estimated total outstanding value of approximately HK\$955.1 million (31 March 2025: approximately HK\$930.1 million). Subsequent to the year ended 31 March 2026 and as at the date of this annual report, the Group further secured a new contract with a total contract value of approximately HK\$39.6 million. With these projects on hand, the performance of our subcontracting works is expected to remain steady in the coming years.

As a leading subcontractor specialising in formwork engineering across major infrastructure, civil engineering, and building construction segments in Hong Kong, our technological leadership remains a core pillar of our strategy and a primary competitive advantage. During the Financial Year 2026, we successfully deployed and refined our patented construction and aluminum table formwork systems across various key project portfolios. These technical innovations have proved critical in enhancing construction efficiency and safety, reducing on-site waste, and optimising labour expenditures.

We continued to roll out our enhanced **"Digital Twins"** formwork engineering and design solutions, reinforcing our Building Information Modeling (**"BIM"**) applications. The integration of digital solutions – including BIM and Design for Manufacturing and Assembly (**"DfMA"**) – into our project management and daily operations has tangibly improved both operational efficiency and construction waste reduction.

Concurrently, we have closely monitored industry transformations. In line with sustainable urban development, we have embraced a dual-wheel strategy driving the integration of BIM and artificial intelligence (**"AI"**). We believe this digital transformation will optimise our prefabrication designs and on-site resource scheduling, laying a resilient foundation for long-term operational scaling.

CHAIRMAN'S STATEMENT

FUTURE OUTLOOK

Looking forward, the Group remains cautiously optimistic. The Hong Kong Government's ongoing commitments to massive infrastructure blueprints, public housing acceleration, and strategic land re-zonings offer a reliable pipeline of public and private sector opportunities. The Group will maintain an asset-light approach, exercise strict budgetary discipline, control financial risks, and actively seek to expand our construction business by embedding the Group's sustainable construction technologies into infrastructure contracts across the Northern Metropolis.

APPRECIATION

In closing, on behalf of the Board, I would like to express my sincere gratitude to our management team and colleagues for their dedication and industrious contributions in navigating the Group through challenging market cycles. I would also like to extend my sincere appreciation to our shareholders and business partners for their continuous support.

Royal Deluxe Holdings Limited

Wang Kei Ming

Chairman and Executive Director

Hong Kong, 26 June 2026

FINANCIAL HIGHLIGHTS

For the year ended 31 March

Financial Highlights (HK\$' million)

	2026	2025	Change %
Revenue	693.7	731.0	(5.1%)
Gross profit	54.1	41.5	30.2%
Profit/(loss) attributable to owners of the Company	14.6	(6.0)	343.3%

Financial Ratios

Gross profit margin	7.8%	5.7%	36.8%
Current ratio	3.5	2.6	34.6%
Quick ratio	3.5	2.6	34.6%
Gearing ratio	–	0.1%	(100.0%)
Debt to equity ratio	N/A	N/A	N/A
Return on equity	4.5%	(2.0%)	325.0%
Return on total assets	3.4%	(1.3%)	361.5%
Interest coverage	407.5 times	(177.5 times)	329.6%

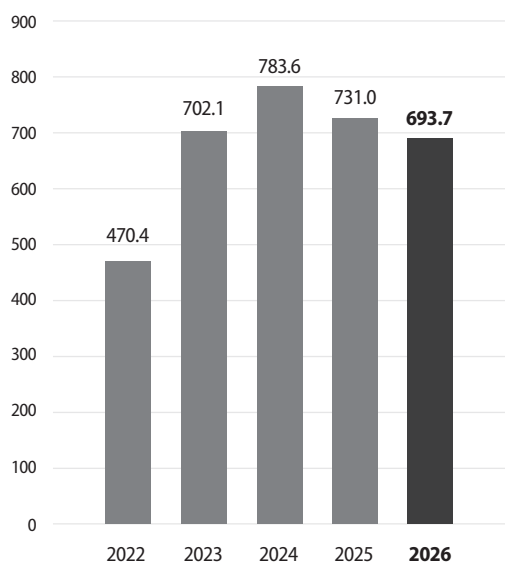
Earnings/(loss) per share attributable to owners of the Company (HK cents)

– Basic and diluted	1.22	(0.50)	344.0%
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FINANCIAL HIGHLIGHTS

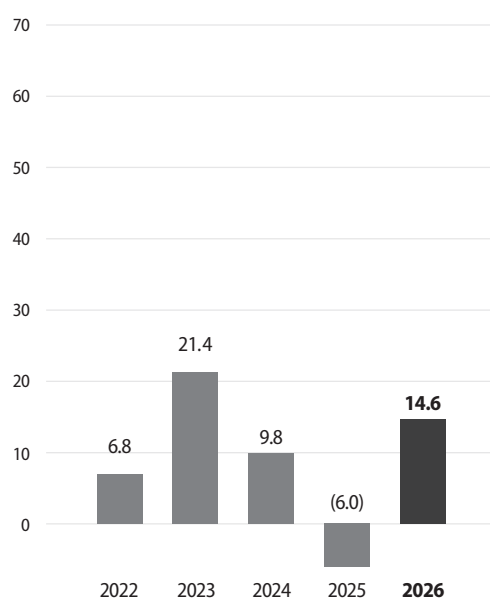
Revenue

HK\$'million



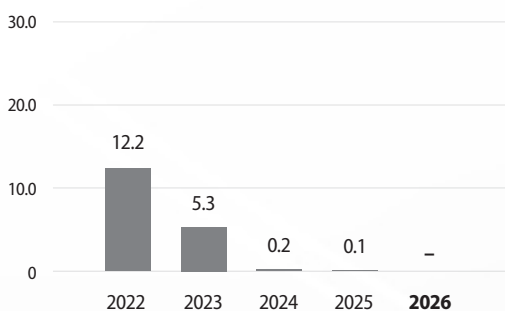
Profit/(Loss) attributable to owners of the Company

HK\$'million



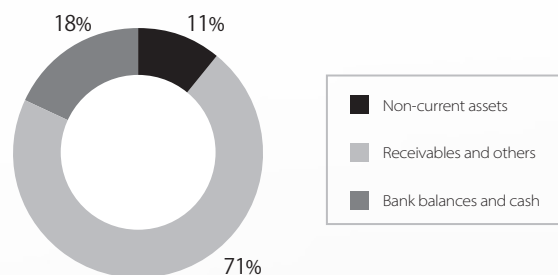
Gearing Ratio

Percentage



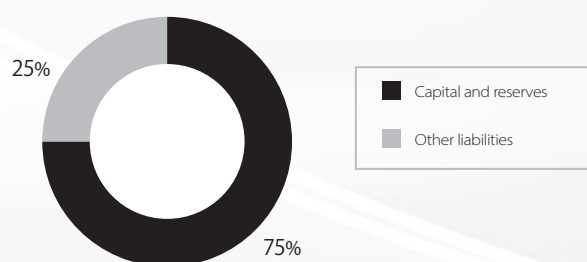
Asset Employed

At 31 March 2026



Capital and Liabilities

At 31 March 2026



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS AND FINANCIAL REVIEW

The Group is one of the leading specialised formwork contractors in Hong Kong and principally acts as specialised subcontractors in providing in erecting formworks, erection of concrete precast components, scaffolding works and other related ancillary services for construction projects across the public and private sectors in Hong Kong. The history of Group can be traced back to 1994 as the Group is an established subcontractor with an operating history over 30 years.

The customers of the Group's public-sector projects were generally main contractors engaged by the Hong Kong Government (the "**Government**"), Housing Authority, and the Mass Transit Railway Corporation Limited (the "**MTR**"). The Group were also engaged in private-sector projects in Hong Kong, which mainly involved private residential developments and commercial developments. The project owners of the Group's private-sector projects were generally property developers, while the customers of the Group's private-sector projects were main-contractors engaged under such projects.

Two subsidiaries of the Group have been renewed registration as Group 2 Registered Specialist Trade Contractors ("**RSTC**") under the categories of "S02-Concreting Formwork", "S05-Erection of Concrete Precast Component" and "S07-Scaffolding" with confirmed status. Both subsidiaries are qualified to tender for public works contracts/subcontracts of unlimited value in these designated trades, with the registration of one subsidiary effective from 18 January 2023, and the other from 2 June 2023. One of the subsidiaries has also been approved registration as the Group 2 RSTC under the category of "S01-Concreting" with confirmed status and effective from 18 January 2026.

Business Review

The Group's overall revenue for the Financial Year 2026 amounted to approximately HK\$693.7 million, representing a decrease of approximately 5.1% or approximately HK\$37.3 million as compared with that of approximately HK\$731.0 million for the Financial Year 2025. For the Financial Year 2026, the Group recorded a profit and total comprehensive income of approximately HK\$14.6 million as compared to a loss and total comprehensive income of approximately HK\$6.0 million for the Financial Year 2025.

During the Financial Year 2026, the Group had been awarded twelve new projects with an aggregate contract sum of approximately HK\$536.6 million, which included four subcontracts for the formworks and placing of concrete of the Tuen Mun South Station and A16 Station projects at Tuen Mun South Extension, representing a decrease of approximately 6.8% compared to that of approximately HK\$576.0 million in the Financial Year 2025. Except for one Public Housing Development project which will commence in June 2026, all these new projects have been commenced during the Financial Year 2026. As at 31 March 2026, the Group had a total of nineteen (31 March 2025: nine) projects on hand with an estimated total outstanding value of approximately HK\$955.1 million, representing an increase of approximately 2.7% as compared with approximately HK\$930.1 million as at 31 March 2025. These contracts are expected to be completed in around one to three years.

Subsequent to the Financial Year 2026 up to the date of this annual report, the Group further secured a new formwork sub-subcontract with a total contract sum of approximately HK\$39.6 million. With this project on hand, it is expected that the outstanding value of projects on hand will remain steady for the coming years.

MANAGEMENT DISCUSSION AND ANALYSIS

Year of award/project	Role	Nature of contracts	Status
Year 2023-2024			
KTH13 Kai Tak Area 1E Site 1 Public Housing Development	Sub-contractor	Formwork	Work-in-progress
KTH13 Kai Tak Area 1E Site 1 Public Housing Development Tower 1 to Tower 3	Sub-contractor	Formwork	Work-in-progress
23203 Tung Chung Public Housing at Tung Chung Area 103	Sub-contractor	Formwork and installation of precast façade	Work-in-progress
20105 Re-development of former State Theatre and State Theatre building site	Sub-contractor	Formwork	Work-in-progress
C23205 LKB in Princess Margaret Hospital	Sub-contractor	Formwork	Work-in-progress
Year 2024-2025			
HE202403 Construction Public Housing Development at Tak Tin Street	Sub-contractor	Formwork, MIC and installation façade	Work-in-progress
H27950 New Acute Block of Northern District Hospital expansion	Sub-contractor	Formwork, installation of falsework and precast	Work-in-progress
Year 2025-2026			
CV/2022/08 Site Formation and Infrastructuring Works at Area 48 Faling	Sub-contractor	Formwork for retaining wall RW1 to RW8D	Work-in-progress
20250053 Construction of Public Housing Development at Tung Chung Area 119	Sub-contractor	Timber Formwork	Work-in-progress
20250053 Construction of Public Housing Development at Tung Chung Area 119	Sub-contractor	System Formwork	Work-in-progress
SSM512 Construction of Quarry Park in Anderson Road Quarry	Sub-contractor	Preparation, Erection & Dismantle of Formwork and Concrete Placing Works	Work-in-progress
CV2022/08 Retaining Walls at Part A of Area 48 Fanling	Sub-contractor	Formwork	Work-in-progress
L505 Redevelopment of Hong Kong Correctional Services Academy Multi Purpose Gymnasium at Stanley	Sub-contractor	Traditional Formwork and Concrete placing	Work-in-progress
SP101 A16 Station (GL10-24, Pile Cap and Ground Level only) at Tuen Mun South Extension	Sub-contractor	Formwork	Work-in-progress
SP107 A16 Station and Feeder Substation at Tuen Mun South Extension	Sub-contractor	Placing of Concrete	Work-in-progress
SP108 A16 Station and Feeder Substation at Tuen Mun South Extension	Sub-contractor	Formwork	Work-in-progress
SP115 Tuen Mun South Station at Tuen Mun South Extension	Sub-contractor	Placing of Concrete	Work-in-progress
SP116 Tuen Mun South Station at Tuen Mun South Extension	Sub-contractor	Formwork	Work-in-progress
20240097 Construction of Public Housing Development at Site A Pik Wan Road Yau Tong	Sub-contractor	System Formwork and Rigger	Tender awarded

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The Group's revenue decreased by approximately HK\$37.3 million, or approximately 5.1%, from approximately HK\$731.0 million for the Financial Year 2025 to approximately HK\$693.7 million for the Financial Year 2026. The reduction in revenue was mainly attributable to the decrease in progress revenue for existing projects as a result of the decrease in work performed, which outweighed the increase in progress revenue from new projects commenced during the second half of the Financial Year 2026.

Direct costs

Direct costs for the Financial Year 2026 was approximately HK\$639.6 million, representing a decrease of approximately HK\$49.8 million or approximately 7.2%, from approximately HK\$689.4 million for the Financial Year 2025. Such decrease was mainly attributable to the decrease in material costs for new and existing projects during the Financial Year 2026 and in line with the decrease in revenue.

Gross profit and gross profit margin

The Group's gross profit increased by approximately HK\$12.6 million, or approximately 30.2%, from approximately HK\$41.5 million for the Financial Year 2025 to approximately HK\$54.1 million for the Financial Year 2026. The Group's gross profit margin increased from approximately 5.7% for the Financial Year 2025 to approximately 7.8% for the Financial Year 2026.

The increase in gross profit and gross profit margin was driven by strict material cost control measures and the adoption of innovative construction technologies, such as cost-effective digital design and Building Information Modeling (BIM) solution analysis. These efforts focused on reducing material procurement and usage, increasing the reuse rate of durable construction materials, lowering complexity, and improving both material cost efficiency and assembly efficiency.

Other Income, other gains and losses, net

The Group's other income, other gains and losses, net recorded a significant increase of approximately HK\$6.6 million or approximately 39.2%, from approximately HK\$16.8 million for the Financial Year 2025 to approximately HK\$23.4 million for the Financial Year 2026. This growth was mainly driven by an increase of approximately HK\$11.9 million in scrap metal sales during the Financial Year 2026, benefiting from a substantial rise in market recycling prices for metal scraps (including aluminum and steel formwork used in temporary works). Furthermore, upon the progressive completion of several projects in the Financial Year 2026, the Group disposed of a higher volume of non-reusable metal scraps to authorized recyclers than in the Financial Year 2025. The increase was partially offset by decrease in sundry income of approximately HK\$4.4 million.

Administration and other operating expenses

The Group's administration and other operating expenses primarily comprise of staff costs (including Directors' remuneration), depreciation, office expenses and professional charges. The Group's administration and other operating expenses decreased by approximately HK\$4.7 million or approximately 7.8%, from approximately HK\$60.5 million for the Financial Year 2025 to approximately HK\$55.8 million for the Financial Year 2026, which was mainly due to the decrease in staff salaries and legal and professional fees recognised during the Financial Year 2026.

Finance costs

The Group's finance costs remained relatively stable at approximately HK\$19,000 and HK\$45,000 for the Financial Year 2025 and for the Financial Year 2026, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

Income tax expense

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax expenses in the Cayman Islands and the BVI. Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the Financial Years, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2 million of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in the Financial Year 2025.

The Group's income tax expense increased by approximately HK\$1.0 million from approximately HK\$2.7 million for the Financial Year 2025 to approximately HK\$3.7 million for the Financial Year 2026. The effective tax rate for the Financial Year 2026 was approximately 20.1% compared to that of approximately -78.2% for the Financial Year 2025. The increase in income tax expense and the effective tax rate for the Financial Year 2026 was primarily due to the increase in taxable income during the year.

Profit/(loss) and total comprehensive income for the year attributable to owners of the Company

The profit and total comprehensive income attributable to owners of the Company for the Financial Year 2026 was approximately HK\$14.6 million, compared to a loss and total comprehensive income attributable to owners of the Company of approximately HK\$6.0 million for the Financial Year 2025. The net profit margin also increased by approximately 2.9 percentage points from net loss margin of approximately 0.8% for the Financial Year 2025 to net profit margin of approximately 2.1% for the Financial Year 2026. The Group successfully sustained its return to profitability in the Financial Year 2026. This turnaround was driven by stringent cost control measures, the adoption of more cost-efficient Tableform formwork systems, and the strategic procurement of construction materials.

Other payables and accruals

The following table sets forth the breakdown of the Group's other payables and accruals as at 31 March 2026 and 31 March 2025:

	As at 31 March 2026 HK\$'000	As at 31 March 2025 HK\$'000 (restated)
Accrued construction costs	36,598	35,715
Accrued staff costs and benefits expenses	18,191	13,346
Accrued legal and professional fees	63	70
Other payables	3,495	2,204
	58,347	51,335

The Group's other payables and accruals increased from approximately HK\$51.3 million as at 31 March 2025 to approximately HK\$58.3 million as at 31 March 2026. Such increase was mainly due to the increase in accrued staff costs and benefits expenses as a result of the increase in salaries of direct labour.

MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

	As at 31 March 2026	As at 31 March 2025
Current ratio ¹	3.5	2.6
Gearing ratio ²	–	0.1%
Debt to equity ratio ³	N/A	N/A
Interest coverage ⁴	407.5 times	-177.5 times

Notes:

- 1 Current ratio based on the total current assets divided by the total current liabilities.
- 2 Gearing ratio based on the total debt (summation of lease liabilities) divided by total equity and multiplied by 100%.
- 3 Debt to equity ratio is calculated as total debt (summation of lease liabilities) less cash and cash equivalents divided by total equity and multiplied by 100%.
- 4 Interest coverage based on the profit/(loss) before interest and taxation divided by the total interest expenses incurred.

As at 31 March 2026, the Group's current ratio was approximately 3.5 (31 March 2025: approximately 2.6). Debt to equity ratio figures as at 31 March 2026 and 2025 represented that the Group was in a net cash position. Interest coverage changed from approximately -177.5 times for the Financial Year 2025 to 407.5 times for the Financial Year 2026.

As at 31 March 2026, the Group had total assets of approximately HK\$434.9 million (31 March 2025: approximately HK\$467.2 million), which is financed by total liabilities of approximately HK\$109.8 million (31 March 2025: approximately HK\$156.7 million) and total equity of approximately HK\$325.2 million (31 March 2025: approximately HK\$310.6 million).

As at 31 March 2026, the capital of the Group comprises of ordinary shares and the capital structure of the Company comprised mainly issued share capital and reserves of approximately HK\$325.2 million (31 March 2025: approximately HK\$310.6 million).

As at 31 March 2026, the Group did not have any indebtedness (31 March 2025: approximately HK\$0.4 million).

The Group adopts a prudent approach to cash management. As at 31 March 2026, the Group had bank balance and cash of approximately HK\$76.0 million (31 March 2025: approximately HK\$48.6 million). The Group maintains its bank credit facilities to meet requirements for working capital. Payments to settle trade payables and wages represented the significant part of the cash outflow of the Group. As at 31 March 2026, the Group has available banking facilities of approximately HK\$30.0million (31 March 2025: approximately HK\$30.0 million), of which the unutilised and unrestricted banking facilities amounted to approximately HK\$30.0 million (31 March 2025: approximately HK\$30.0 million).

MANAGEMENT DISCUSSION AND ANALYSIS

FINAL DIVIDEND

The Board recommended the payment of a final dividend of HK0.5 cents per ordinary share of the Company (the “**Share**”) for the Financial Year 2026 (Financial Year 2025: Nil), amounting to HK\$6.0 million (Financial Year 2025: Nil). Such payment of dividends will be subject to the approval of the Shareholders at the forthcoming annual general meeting of the Company to be held on 21 August 2026 (the “**2026 AGM**”) and if approved, will be payable to the Shareholders whose names appear on the register of members of the Company at the close of business on 1 September 2026. It is expected that the proposed final dividend will be paid on or about 18 September 2026.

There is no arrangement under which a shareholder of the Company has waived or agreed to waive any dividend.

GEARING RATIO

As at 31 March 2026, the Group has a zero gearing ratio which is calculated based on lease liabilities divided by total equity (31 March 2025: approximately 0.1%).

CAPITAL EXPENDITURES

The Group generally finances its capital expenditures with internal resources and long-term bank borrowings. During the Financial Year 2026, the Group invested an aggregate of approximately HK\$0.1 million (31 March 2025: approximately HK\$0.7 million) in the acquisition of machinery and equipment, leasehold improvements, office equipment and furniture and fixtures.

CAPITAL COMMITMENTS

The Group had no significant capital commitments as at 31 March 2026 (31 March 2025: Nil).

PLEDGE OF ASSETS

As at 31 March 2026 and 31 March 2025, the Group had restricted time deposits of approximately HK\$10.0 million and HK\$10.0 million, respectively which were charged to bank to secure trade facilities and guarantee a line of credit granted to the Group.

As at 31 March 2026, the Group had charge over account with a bank for general banking facilities of approximately HK\$0.4 million (31 March 2025: approximately HK\$0.2 million).

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES, AND PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There were no significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies during the Financial Year 2026. Save as disclosed herein, there were no other plan for material investments or capital assets as at 31 March 2026.

CONTINGENT LIABILITIES

Save as disclosed below, the Group had no material contingent liability as at 31 March 2026 (31 March 2025: Nil).

In the ordinary course of business activities in the construction industry, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or of the Group's sub-subcontractors in accidents arising out of and in the course of their employment. As at 31 March 2026, the Directors were of the opinion that such claims are covered by insurance or otherwise, would not result in any material adverse impact on the financial position or results and operations of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS, SUPPLIERS AND SUBCONTRACTORS

The Directors recognise that employees, customers, suppliers and subcontractors are the keys to the sustainable development of the Group. The Group is committed to build a close and caring relationship with its employees, suppliers and subcontractors and improve the quality of services to the customers.

CUSTOMERS

The Group emphasises its ability to deliver quality work to customers on time. The Directors consider that the Group has established a strong reputation and credibility among major customers by delivering “High-quality Work and Flexible Solutions” as well as quality services. Meanwhile, the Group offers “Technical Innovation Processes and Optimised-customer Design” to customers and its experienced operational teams communicate with customers on a regular basis during the course of subcontracted works to better understand their needs, respond and give feedback to creditors, through various channels such as telephone, electronic mails and messages, physical meetings and online conferencing.

SUPPLIERS AND SUBCONTRACTORS

The Group maintains a pre-approved list of suppliers and subcontractors whose admission is subject to the background assessment, including track record, financial conditions, reputation, technical information, pricing and delivery. The Group will only enter into contracts with major suppliers for construction materials and subcontractors on a project-by-project basis without a long-term contract. The quality of the construction materials and the services shall be examined and payments are made according to the contract terms. Nevertheless, the list of suppliers and subcontractors is reviewed and updated from time to time by the Group. The Directors consider that the Group has maintained good business relationships with its suppliers and subcontractors. During the Financial Year 2026, there was no material dispute with them causing disruption to the operations of the Group.

EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2026, the Group had 69 full-time employees (31 March 2025: 89 full-time employees). The Group offers a competitive remuneration package that is mainly based on industry practices and individual performance and experience. Remuneration package comprises of salary, a performance-based bonus and Mandatory Provident Fund contributions. Other forms of benefits such as leave passage, staff medical, staff dental and education allowance are also provided. Share options or share awards may also be granted to eligible employees and persons of the Group. Employee bonus is distributed based on the performance of the respective employees concerned. Moreover, the Group also provides internal and external training programs which are complementary to certain job functions. The total staff cost included in administration and other operating expenses (including remuneration of Directors and Mandatory Provident Fund contributions) for the Financial Year 2026 amounted to approximately HK\$38.4 million (Financial Year 2025: approximately HK\$39.8 million).

POST EMPLOYMENT BENEFITS

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the “**MPF Scheme**”) for the employees in Hong Kong. In addition, the employees employed under the Hong Kong Employment Ordinance are also entitled to long service payment (the “**LSP**”) if the eligibility criteria are met. The LSP are defined benefit plans. The carrying amount of defined benefit plan obligations as at 31 March 2026 is approximately HK\$492,000 (31 March 2025: approximately HK\$489,000).

MANAGEMENT DISCUSSION AND ANALYSIS

TREASURY POLICY

The Group continues to follow a prudent policy in managing the Group's bank balances and cash and maintain a healthy liquidity position. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. Internally generated cash flow and interest-bearing bank borrowings are the general source of funds to finance the operations of the Group. To manage liquidity risk, the Directors closely monitor the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

INTEREST RATE RISK

The Group's fair value and cash flow interest rate risk mainly related to fixed rate and variable rate balances, respectively. In order to exercise prudent management against interest rate risk, the Group has established policies and procedures to assess, book and monitor all such financial risks. Then, the Group will continue review the market trend and its business operation's needs so as to arrange the most effective interest risk management tools, and continuously evaluates its debt portfolio to achieve a desired proportion of variable and fixed rate debt based on its review of interest rate movement.

CREDIT RISK

The Group's principal financial assets are bank balances and cash, trade and other receivables and contract assets. The Group's trade and other receivables presented in the consolidated statement of financial position are net of allowances for doubtful receivables. An allowance for impairment is made according to the Group's accounting policy or where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows. Credit extended to business associates is based on the reputation and financial position of the customers. In connection with projects in progress, the direct customers are main contractors for building construction and civil engineering projects while the ultimate customers are the Hong Kong SAR Government, government-related entities, Housing Authority, Hospital Authority, public transport operators, Airport Authority and certain reputable property developers. Therefore, the Group is not exposed to any significant credit risk.

As at 31 March 2026, the loss allowance for the Group's trade receivables and contract assets amounted to approximately HK\$0.8 million (31 March 2025: approximately HK\$0.6 million) and approximately HK\$6.1 million (31 March 2025: approximately HK\$3.4 million), respectively. Up to the date of this annual report, approximately HK\$79.0 million and approximately HK\$29.3 million of the Group's trade receivables and contract assets as at 31 March 2026 have been subsequently settled, respectively. Having considered the good repayment records, the credit profiles and on-going business relationship with the customers, the Directors assessed that there had not been a significant change in credit quality of trade receivables and contract assets as at 31 March 2026. As such, the balance of the trade receivables and contract assets as at 31 March 2026 were considered fully recoverable and no further impairment loss was recognised.

With respect to the credit risk of the Group's treasury operations, the Group's bank balances and cash must be placed and entered into financial institutions of good reputation so as to minimise the Group's credit risk exposure legal action to protect its interests, advising shareholders and potential investors to exercise caution.

FOREIGN CURRENCY EXPOSURE

The Group's time deposits and bank balances are principally denominated in Hong Kong dollars. The Group has no significant exposure to foreign currency risk because most of the Group's transactions are denominated in Hong Kong dollars. Under the Linked Exchange Rate System in Hong Kong, Hong Kong dollars is pegged to United States dollars, the management of the Company considers that there is no significant foreign exchange risk with respect to Hong Kong dollars. Therefore, the Group had not employed any financial instrument for hedging. The management of the Company monitors the exposure to foreign exchange risks and will consider hedging significant foreign currency exposure should and when appropriate.

MANAGEMENT DISCUSSION AND ANALYSIS

ENVIRONMENTAL POLICIES

The Group places emphasis on environmental protection when undertaking its formwork erection works and ancillary services. The Group's in-house rules contain measures and work procedures in relation to environmental protection which are required to be followed by the Group's employees, including the followings.

Air pollution control:

- (i) Dust suppression by water spraying or using mist cannons.
- (ii) Installation of dust screens as required.
- (iii) Use of low-dust techniques and equipment as required.

Noise control:

- (i) Inspection and maintenance of all equipment before use for permitted noise level compliance.
- (ii) Works to be undertaken in accordance with the permitted work hours.
- (iii) Turn off idling equipment prevents continuous, unnecessary background noise.
- (iv) Erecting temporary sound enclosures around particularly loud, localized machinery confines the sound at the source.
- (v) Off-site fabrication.

Waste disposal:

- (i) Waste to be segregated into general wastes and construction wastes before transporting to the designated site rubbish collection point.
 - i. sorting materials from formwork works for recycling use or disposal, and disposing construction waste at designated dumping areas according to the relevant regulations.
 - ii. separating paper from other waste for easier recycling.
 - iii. placing boxes and trays beside photocopiers as containers to collect single-sided paper for reuse purpose.

Waste Reduction:

- (i) Use metal moulding and reusable metal tableform to reduce consumption of wood and timbers.
- (ii) Applied "Digital Twins" design or BIM applications to enhance the utilization of reusable formwork materials in order to replace or minimize the timber formwork.
- (iii) Encouraging employees to use both sides of paper.
- (iv) Reminding employees to practice photocopying wisely.
- (v) Taking into consideration the environmental impacts in project planning and the design of work method statements.

MANAGEMENT DISCUSSION AND ANALYSIS

Sustainable Education:

- (i) Fostering employees' awareness of their responsibilities for the environment and towards complying with environmental legislation and regulations.
- (ii) Engaging inhouse sustainable development professionals.
- (iii) Support employees to enroll sustainable development training and education.

The Group's operation does not directly produce greenhouse gases or hazardous wastes. The Group monitors energy consumption in its supportive functions, such as fuel consumption/mileage usage in motor vehicles, electricity consumption in office and requiring office staff to switch off electricity supply when not in use.

SEGMENT INFORMATION

Save as disclosed in note 5 in this annual report, the Group's business was regarded as a single operating segment and the Group had no geographical segment information presented as at 31 March 2026 and for the Financial Year 2026.

PRINCIPAL RISKS AND UNCERTAINTIES

Uncertain external factors

Despite the construction industry being one of the traditional core industries in Hong Kong, the Group is exposed to market risks and uncertainties of construction industry that may affect the Group included (i) the social, political and economic conditions in Hong Kong; (ii) the approval of the Government's budget and new funding for civil engineering works projects in public sector; (iii) the escalation in purchase price of construction materials or deployment of labour; (iv) the changes in Government policies, trade tensions, financial deterioration; and (v) unanticipated natural disasters.

Construction works are regulated by the rules and regulations imposed by the Environmental Protection Department and the Labour Department of the HKSAR Government. New legal challenges and policies could be announced due to the change of environmental and social issues. Such changes will lead to an increase in the cost of operation of the Group. In light of such potential risk, we require employees and sub-subcontractors to manage their work in accordance with the Group's Environmental Policy and applicable environmental requirements.

The Directors have closely monitored works forecast by the Government, the number of new projects to be undertaken by the Housing Authority, tender results of commercial or residential sites so as to adjust the business strategies to participate in projects from public and private sectors. It is the responsibility of the executive Directors to identify and assess the prevailing economic condition and market risks and adopt different strategies from time to time to mitigate market risks. However, the future growth and profitability of the formwork industry largely depends on the continued prosperity of the property market and the construction industry in Hong Kong.

MANAGEMENT DISCUSSION AND ANALYSIS

Uncertainty in successful tender

The Group's business relies on successful tenders that determine the award of contracts for formwork erection as well as related ancillary services. Given the non-recurring nature of these contract awards and the Group has no long-term commitment with its customers, the number of contracts awarded to the Group may vary from year to year. Upon completion of its contracts on hand, the Group's financial performance may adversely be affected if the Group is unable to secure new tenders or award new contracts with comparable contract sums or at all. The formwork industry is highly competitive and the Group is required to build up good reputation and track record, maintain good relationships with customers, suppliers and subcontractors, ensure the availability of machinery and maintain competitive project pricing. If the competition among formwork construction subcontractors intensifies, the Group may be pressured to reduce the quotation, which would have an adverse impact on its financial performance.

Uncertainty in project delay

Any delay in a project would affect the Group's cash position. The Group has regular progress meetings with the main contractors, i.e. its customers, regarding each site's progress. The Group plans the deployment of labour and other resources accordingly. The Group's accounting and finance department also forecasts the works to be done in the forthcoming months in order to plan the liquidity and working capital use and reports to the executive Directors who then considers whether contingency plans are required.

Sustainable labour supply

The construction industry has been experiencing manpower shortages, an aging workforce, a skills mismatch with trades, and a succession gap of talent. While the Government and the industry have been working closely to address this acute situation, the Group has to remain competitive in its remuneration policies to attract, develop, and retain its workforce. The Group has a list of approved subcontractors which the Group has reviewed and updated regularly to ensure they have maintained sufficient work force. The project team has regular meetings to discuss the deployment of labour, including the timing and number of workers required. The Group conducts early planning in the formwork design stage and recommends system formwork where possible since the assembling of system formwork demands less workmanship as compared to timber formwork and hence is less costly and requires less experienced workers, which in turn is expected to have a greater labour supply.

Estimate of revenue for construction contracts

For revenue from construction work that is recognised over time, the Group recognises such revenue by reference to the progress of satisfying the performance obligation at the reporting date. This is measured based on the progress towards completion of the contract using output method, which is to recognise revenue on the basis of direct measurements of the value of control of services transferred to the customer, as compared to total estimated outputs needed to complete the contract. Significant estimates and judgements are required included using the appraisal of results achieved, milestones reached or units produced or delivered. In making the above estimation, the Group conducts periodic review on the progress of transfer of control and consistently measured by internal quantity surveyors.

MANAGEMENT DISCUSSION AND ANALYSIS

FUTURE PROSPECTS

Hong Kong construction industry faces a cautiously optimistic but challenging 2026, navigating market adjustments with a strong focus on cost management and operational efficiency. While near-term margin pressures and price competition remain, long-term prospects are anchored by strategic public infrastructure and supportive government housing initiatives.

Despite a contraction in 2026, Hong Kong's construction industry is expected to grow annually by 4% from 2027 to 2030. However, heavy price competition among contractors and rising operating costs are compelling the Group to optimise operational efficiency and supply chain management.

Looking ahead, the Group will adhere to its strategy of construction technology innovation and rising focus on sustainability-linked construction development, scaling up the application of AI-driven "Digital Twins" project management to reduce onsite waste and exploring its capability in formwork design and build to lead the Sustainable Building transformation. Opportunities arise from leveraging our experience and innovative construction technology to enhance customers satisfaction and capture more business opportunities with an aim to attain profitability and sustainability so as to enhance value to the shareholders of the Group.

EVENT AFTER THE REPORTING PERIOD

Save as disclosed in this report, there is no other important event affecting the Group since 31 March 2026 and up to the date of this report.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. Wang Kei Ming (王麒銘)

Mr. Wang Kei Ming (**"Mr. Joseph Wang"**), aged 64, is the chairman of the Board (the **"Chairman"**), an executive Director and a controlling shareholder of the Company (the **"Controlling Shareholder"**). Mr. Joseph Wang is responsible for the overall strategic management and development of the Group's business operations. Mr. Joseph Wang founded the Group in March 1994. He was appointed as director on 12 April 2016 and re-designated as an executive Director, the Chairman and chief executive officer of the Company (the **"Chief Executive Officer"**) on 18 July 2016. He resigned as the Chief Executive Officer on 18 January 2018. Mr. Joseph Wang is also a member of each of the nomination committee (the **"Nomination Committee"**), the remuneration committee (the **"Remuneration Committee"**) and the Environmental Social and Governance Committee (the **"ESG Committee"**) of the Company. Mr. Joseph Wang was appointed as the director of Ming Tai Civil Engineering Company Limited on 28 March 1994 and the director of Ming Tai Construction on 3 May 1999. Mr. Joseph Wang is a director of all other subsidiaries of the Group.

Mr. Joseph Wang has over 48 years of experience in the formwork construction industry, having entered the construction industry as a formwork construction apprentice in 1978. From 1981 to 1993, he continued to gather extensive knowledge and expertise in formwork construction industry by participating in different construction projects. Mr. Joseph Wang then established Ming Tai Civil Engineering Company Limited in March 1994 and expanded his business by establishing Ming Tai Construction and Genuine Treasure Construction Technology Company Limited over the years. Mr. Joseph Wang was the vice president of the Hong Kong Formwork Contractors Association Limited from March 2011 to May 2015 and has been its president from May 2015 to July 2023 and has been its honorary president since July 2023. Mr. Joseph Wang has been the founding member of the Registered Specialist Trade Contractors Federation and acts as its executive vice president and treasurer since March 2020. Mr. Joseph Wang serves as a member of the Committee on Construction Safety of the Construction Industry Council since April 2022, the Sub-committee of Construction Industry Council Approved Technical Talents Training Programme (CICATP) – Intermediate Tradesman Collaboration Training Scheme from July 2019 to June 2023 and has been appointed as the Assessor of the Approved Employer List of CICATP since June 2021 and the sub-committee on trade testing of the Construction Industry Council. Mr. Joseph Wang has also been the founding member, executive director and treasurer of Construction Charity Fund Integrated Service Centre Limited, which is a tax-exempt charity in Hong Kong, since September 2021.

Mr. Joseph Wang is the spouse of Ms. Chao Lai Heng, an executive Director and a Controlling Shareholder, and the father of Mr. Wang Yu Hin, an executive Director and the Chief Executive Officer.

Mr. Wang Yu Hin (王宇軒)

Mr. Wang Yu Hin (**"Mr. Benjamin Wang"**), aged 40, is an executive Director. Mr. Benjamin Wang was re-designated as the Chief Executive Officer on 23 October 2025. Mr. Benjamin Wang is responsible for overseeing the Group's operation, business development and finance and administration. Mr. Benjamin Wang was appointed as an executive Director on 18 July 2016. Mr. Benjamin Wang is also a member of each of the ESG Committee and the risk committee of the Company (the **"Risk Committee"**).

Mr. Benjamin Wang graduated with a Bachelor of Science with a major in Chemistry from the University of California, Los Angeles, in September 2006. Mr. Benjamin Wang continued to pursue his postgraduate education in biochemical science in the United States from October 2006 to late 2010. Mr. Benjamin Wang also completed an advanced workshop for general managers (總經理高級研修班) at the Tsinghua University Training Centre of Professional Managers (清華大學職業經理訓練中心) in July 2015. He had worked in Osstem Hong Kong Limited from May 2011 to September 2014 with his last position as assistant sales manager. He then joined Ming Tai Construction as personal assistant to the director in September 2014 and was subsequently promoted to cost controller in January 2016. Mr. Benjamin Wang obtained a Certificate in Safety and Health for Supervisors (Construction) from the Occupational Safety and Health Council in August 2014. Mr. Benjamin Wang is appointed as Deputy Secretary of the Hong Kong Construction Sub-Contractors Association since July 2018. Mr. Benjamin Wang graduated from the EMBA-Global Asia programme offered by HKU Business School, Columbia Business School and London Business School in June 2019. Mr. Benjamin Wang joined Registered Specialist Trade Contractors Federation as Secretary of Youth Committee in May 2021.

Mr. Benjamin Wang is the son of Mr. Joseph Wang, the Chairman, an executive Director and a Controlling Shareholder, and the son of Ms. Chao Lai Heng, an executive Director and a Controlling Shareholder.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Ms. Chao Lai Heng (周麗卿)

Ms. Chao Lai Heng ("**Ms. Chao**"), aged 60, was appointed as an executive Director on 5 September 2024. Ms. Chao was appointed as the Chief Executive Officer on 18 January 2018 and resigned on 23 October 2025. Ms. Chao is a Controlling Shareholder. Ms. Chao was appointed as the director of Ming Tai Construction on 10 October 2025. Ms. Chao is also a member of the Nomination Committee.

Ms. Chao completed the advanced class of excellent leading (卓越領導高級研修班) in August 2013 and class of chairman of strategic emerging industries investment (戰略性新興產業投資董事長高級研修班) in June 2017 at the School of Continuing Education, Tsinghua University. Prior to joining the Company, Ms. Chao worked for Ming Tai Construction, an indirect wholly-owned subsidiary of the Company, in the position of Manager from 1 September 2012 to 31 December 2015, and was a director of Oi Shun Ming Building Construction Limited from 1 September 2006 to 31 August 2012. Ms. Chao has been a director of Chao Feng Holdings Limited since 1 January 2016, a company that manages various types of industrial, business and real estate investment.

Ms. Chao is the spouse of Mr. Joseph Wang, the Chairman, an executive Director and a Controlling Shareholder, and the mother of Mr. Benjamin Wang, an executive Director and the Chief Executive Officer.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Sio Kam Seng (蕭錦成)

Mr. Sio Kam Seng ("**Mr. Sio**"), aged 67, was appointed as an independent non-executive Director on 17 January 2018. He is the chairman of the Nomination Committee and the member of each of the audit committee of the Company (the "**Audit Committee**"), the Remuneration Committee, the ESG Committee and the Risk Committee.

Mr. Sio graduated from The Queen's University of Brighton in 2002 with a Bachelor of Science in Construction Engineering and Management. He obtained a Postgraduate Diploma and a master's degree in Business Administration from the University of Wales in 2005 and 2012, respectively. He is currently a member of the Institute of Certified Management Accountants and the Institute of Public Accountants in Australia, the Society of Environmental Engineers, the Chartered Institute of Building, the Hong Kong Institute of Directors, and the Hong Kong Management Association. He is also a fellow member of Life Management Institute, an associate member of the Chartered Institute of Arbitrators and a senior associate member of Australian and New Zealand Institute of Insurance and Finance.

Mr. Sio has over 28 years of experience in the insurance industry. Prior to joining the Group, he worked at HSBC Insurance Company Limited from 1989 to 1992 and his last position was area manager. He then served in Sime Insurance Brokers (HK) Ltd from 1993 to 1995 with his last position as assistant general manager. He then worked at Man Sang Holdings Inc from 1995 to 1997 and his last position was chief executive officer. He served in Howden Insurance Brokers (HK) Limited from 1998 to 2017 and his last position was chief executive officer. He has been a director of China Metro-Rural Holdings Limited since 2009, a company that develops and operates integrated agricultural logistics platforms and engages in rural-urban migration redevelopment in mainland China. He has also been a deputy chief executive officer of Lockton Companies (Hong Kong) Limited since 1 January 2018, a company that provides risk consulting and insurance broking services.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Mr. Huang Victor (黃偉德)

Mr. Huang Victor ("**Mr. Huang**"), aged 55, was appointed as an independent non-executive Director on 1 February 2026. He is the chairman of each of the Audit Committee and the ESG Committee; and a member of each of the Remuneration Committee, the Nomination Committee and the Risk Committee.

Mr. Huang has over 30 years of experience in professional accounting, capital markets and mergers and acquisitions. He joined PricewaterhouseCoopers in 1993 and was a partner in the firm since 2005. He left PricewaterhouseCoopers and joined KPMG as a partner from 2014 to 2017. He is currently an independent non-executive director of several companies which are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), namely (i) Giordano International Limited (stock code: 709), (ii) Topsports International Holdings Limited (stock code: 6110), (iii) Shandong Hi-Speed New Energy Group Limited (stock code: 1250), (iv) New Times Corporation Limited (formerly known as New Times Energy Corporation Limited) (stock code: 166) and (v) ManpowerGroup Greater China Limited (stock code: 2180). He was an independent non-executive director of (i) Qingdao Haier-Biomedical Co., Ltd. (stock code: 688139.SH), a company listed on the Sci-Tech Innovation Board of the Shanghai Stock Exchange, from August 2018 to July 2024; (ii) Laobaixing Pharmacy Chain Joint Stock Company (stock code: 603883.SH), a company listed on the Shanghai Stock Exchange, from February 2018 to February 2024; (iii) Scholar Education Group (stock code: 1769), a company listed on the Stock Exchange, from June 2019 to May 2025; and (iv) COSCO SHIPPING Energy Transportation Co., Ltd. (stock code : 1138), a company listed on the Stock Exchange, from June 2020 to June 2026.

Mr. Huang obtained a bachelor's degree of arts in economics and business from University of California, Los Angeles in the United States in September 1992. He is a member of The Hong Kong Institute of Certified Public Accountants and The Hong Kong Independent Non-Executive Director Association. He is also a Certified Independent Non-executive Director by the Shanghai Stock Exchange.

Mr. Fok Sheung Wai (霍尚偉)

Mr. Fok Sheung Wai ("**Mr. Fok**"), aged 71, was appointed as an independent non-executive Director on 1 March 2026. He is the chairman of each of the Remuneration Committee and the Risk Committee; and a member of each of the Audit Committee, the Nomination Committee and the ESG Committee.

Mr. Fok has over 47 years of experience in the construction industry. He joined AECOM Asia Company Limited in July 2009 where he stayed until January 2025, with his last position being principal resident engineer. Prior to that, he was an advisor of the Hong Kong Scaffolding Professionals General Union from March 2003 to March 2005.

Mr. Fok has been declared a fellow of the Institute of Executives and Managers since April 1990 and admitted as a member of the Hong Kong Institution of Engineers since August 1999. He has also been a Chartered Civil Engineer and a member of the Institution of Civil Engineers since May 2000. Since September 2001, Mr. Fok has been a member in the Civil College of the Institute of Engineers, Australia as well. In addition, he has been a member of the American Society of Civil Engineers since November 2001, and a member of the Institute of Quality Assurance since September 2004. Mr. Fok was previously a Registered Professional Engineer (Civil) under the Engineers Registration Board from December 2000 to November 2001.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

SENIOR MANAGEMENT

Mr. Chan Wing Seng (陳永成)

Mr. Chan Wing Seng ("**Mr. Chan WS**"), aged 59, is the financial controller of the Group. Mr. Chan WS is responsible for overseeing the Group's financial and human resources operations, compliance and integrating sustainability (ESG) into the Group's financial strategy, risk management and operations. He joined the Group in May 2013.

Mr. Chan WS has more than 35 years of experience in accounting and administration. Prior to joining the Group, Mr. Chan WS worked for Yeebo LCD Limited (stock code: 259), as financial controller from 2005 to 2006. He then worked for Hung Wan Construction Company Limited, as financial controller from 2006 to 2012. During 2012, he worked in Gemdale Properties and Investment Corporation Limited (stock code: 535), as senior manager–finance.

Mr. Chan WS obtained a Certificate in Accountancy from the Tuen Mun Technical Institute in June 1988 and a Higher Certificate in Accountancy and a Post-experience Certificate in Accountancy from the Hong Kong Polytechnic University in November 1991 and October 1995, respectively. He then obtained his Master's degrees of Professional Accounting and Corporate Governance from the Hong Kong Metropolitan University in June 2004 and June 2009, respectively. Mr. Chan WS has been an accredited accounting technician of the Hong Kong Association of Accounting Technicians since June 1990. Mr. Chan has been a member and a fellow of the Hong Kong Institute of Certified Public Accountants since September 1996 and February 2026 respectively. He has also been a fellow member of the Association of Chartered Certified Accountants since June 2001, and a member each of the Hong Kong Chartered Governance Institute and the Chartered Governance Institute since November 2009. Among other professional qualifications, Mr. Chan WS has accredited to HKCGI Sustainability Professional since July 2023. Mr. Chan WS obtained an Executive Diploma in Sustainable Development Planning from the Hong Kong Institute of Education for Sustainable Development in April 2024 and has been recognised as a Certified Sustainable Development Planner (CSDP) of World Institute of Sustainable Development Planners since June 2024. Mr. Chan WS has also obtained the Registered Sustainable Financial Analyst (SFA) certification from the Hong Kong Quality Assurance Agency (HKQAA) since 6 February 2026.

COMPANY SECRETARY

Ms. Yim Sau Ping (嚴秀屏)

Ms. Yim Sau Ping ("**Ms. Yim**"), aged 43, prior to joining the Group, Ms. Yim worked for Ngai Shun Holdings Limited (stock code: 1246), now known as Boill Healthcare Holdings Limited, a company listed on the Main Board of the Stock Exchange, as a company secretary from October 2014 to May 2015, and as a financial controller from October 2014 to August 2015. She also worked for Tonking New Energy Group Holdings Limited (stock code: 8326), a company listed on GEM of the Stock Exchange, as a company secretary from November 2013 to December 2013, and as an accounting manager from April 2012 to December 2013. She has been a director of Blooming (HK) Business Limited, a company primarily engaged in corporate advisory and company secretarial services, since October 2015. Ms. Yim is currently the company secretary of two companies listed on the Stock Exchange.

Ms. Yim obtained a Bachelor of Arts in Accountancy from The Hong Kong Polytechnic University in December 2007. She has been a member and a fellow of the Hong Kong Institute of Certified Public Accountants since January 2010 and October 2017 respectively. She has accumulated more than 17 years of experience in accounting, auditing and financial management in international audit firm, financial institution and listed companies.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICE

The Company and the Board are devoted to achieve and maintain high standards of corporate governance, as the Board believes that good and effective corporate governance practices are fundamental to obtain and maintain the trust and safeguarding interest of the shareholders and other stakeholders of the Company. Accordingly, the Company has adopted sound corporate governance principles that emphasise a quality Board, effective internal control, stringent disclosure practices and transparency and accountability to all stakeholders.

The Company has adopted the principles and code provisions set out in 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 (the “**Listing Rules**”). To the best knowledge of the Board, the Company has fully complied with the CG Code during the Financial Year 2026 and up to the date of this report.

CULTURES AND VALUES

A healthy corporate culture across the Group is integral to attain its vision and strategy. It is the Board’s role to foster a corporate culture with the following core principles and to ensure that the Company’s vision, values and business strategies are aligned to it.

1. Integrity and code of conduct

The Group strives to maintain high standards of business ethics and corporate governance across all our activities and operations. The Directors, management and staff are all required to act lawfully, ethically and responsibly, and the required standards and norms are explicitly set out in the training materials for all new staff and embedded in various policies such as the Group’s employee handbook (including therein the Group’s code of conduct), the Integrity Policy and the Whistleblowing Policy of the Group. Trainings are conducted from time to time to reinforce the required standards in respect of ethics and integrity.

2. Commitment

The Group believes that the culture of commitment to workforce development, workplace safety and health, diversity, and sustainability is one where people have a feeling of commitment and emotional engagement with the Group’s mission. This sets the tone for a strong, productive workforce that attracts, develops, and retains the best talent and produces the highest quality work. Moreover, the Company’s strategy in the business development and management are to achieve long-term, steady and sustainable growth, while having due considerations from environment, social and governance aspects.

The key corporate governance practices of the Group are summarised as follows:

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by Directors. Having made specific enquiry with the Directors, all Directors have fully complied with the required standards set out in the Model Code and there was no event of non-compliance during the Financial Year 2026.

CORPORATE GOVERNANCE REPORT

DIRECTORS' RESPONSIBILITIES AND DELEGATION

The Board is responsible for leading and controlling the business operations of the Group. It formulates strategic directions, oversees the operations and monitors the financial performance of the Group. The management is delegated power and authority given by the Board for the day-to-day management and operations of the Group. The management is accountable to the Board for the Company's overall operation. Under the terms of reference, the duties of the Board in respect of corporate governance are as follows:

- 1) To develop and review the policies and practices on corporate governance of the Group and make recommendations;
- 2) To review and monitor the training and continuous professional development of the Directors and the senior management;
- 3) To review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
- 4) To develop, review and monitor the code of conduct applicable to the Directors and the employees of the Group; and
- 5) To review the Company's compliance with the CG Code as set out in Appendix C1 to the Listing Rules and disclosure in the corporate governance report of the Company.

The Directors acknowledge their responsibility for the preparation of the financial statements of the Company and ensure that they are prepared in accordance with the statutory requirements and applicable accounting standards. The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any material uncertainties relating to the events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

BOARD COMPOSITION

The Board currently comprises three executive Directors and three independent non-executive Directors and the Board is accountable to shareholders. The management and control of the business of the Company is vested in its Board. It is the duty of the Board to create value to the shareholders of the Company.

Executive Directors

Mr. Wang Kei Ming (*Chairman*)
Mr. Wang Yu Hin
Ms. Chao Lai Heng

Independent Non-executive Directors

Mr. Sio Kam Seng
Mr. Huang Victor (Appointed on 1 February 2026)
Mr. Fok Sheung Wai (Appointed on 1 March 2026)

Biographical details of the Directors are set out in "Biographical Details of Directors and Senior Management" in this annual report. Save as disclosed therein, none of the members of the Board has any financial, business, family or other material/relevant relationships with each other.

The current proportion of independent non-executive Director is higher than what is required by Rules 3.10A, 3.10(1) and (2) of the Listing Rules whereby independent non-executive Directors of a listed issuer represent at least one-third of the Board. The three independent non-executive Directors represent more than one-third of the Board and at least one of whom has appropriate professional qualifications, or accounting or related financial management expertise. With the various experience of both the executive Directors and the independent non-executive Directors and the nature of the Group's business, the Board considered that the Directors have a balance of skills and experience for the business of the Group.

On 1 February 2026, Mr. Huang was appointed as an independent non-executive Director. After obtaining the legal advice referred to Rule 3.09D of the Listing Rules on 27 January 2026, Mr. Huang confirmed he understood his obligations as a Director.

CORPORATE GOVERNANCE REPORT

On 1 March 2026, Mr. Fok was appointed as an independent non-executive Director. After obtaining the legal advice referred to Rule 3.09D of the Listing Rules on 26 February 2026, Mr. Fok confirmed he understood his obligations as a Director.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Mr. Joseph Wang and Mr. Benjamin Wang, the executive Directors, have entered into service contracts with the Company which have been renewed and commencing from 6 February 2023. Ms. Chao, an executive Director, has entered into a service contract with the Company commencing from 5 September 2024. The letter of appointment of Mr. Sio, an independent non-executive Director, has been renewed and are for a term of three years commencing from 6 February 2026. Mr. Huang, an independent non-executive Director, has entered into a letter of appointment with the Company commencing from 1 February 2026. Mr. Fok, an independent non-executive Director, has entered into a letter of appointment with the Company commencing from 1 March 2026. The service contracts and letters of appointment are subject to termination in accordance with their respective terms. The service contracts may be renewed in accordance with the Company's memorandum and articles of association and the applicable Listing Rules.

Pursuant to article 108 of the Company's memorandum and articles of association, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation at every annual general meeting of the Company, provided that every Director shall retire from office by rotation and are subject to re-election at annual general meeting at least once every three years. Article 112 of the Company's memorandum and articles of association provides that any Directors appointed by the Board to fill a casual vacancy shall hold office only until the first annual general meeting of the Company after their appointment and are subject to re-election by shareholders of the Company. Any Director appointed by the Board, as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election.

Mr. Joseph Wang, Mr. Benjamin Wang, Mr. Huang and Mr. Fok will retire from office at the forthcoming annual general meeting of the Company to be held on Friday, 21 August 2026. Each of them, both being eligible, will offer themselves for re-election.

At the forthcoming annual general meeting of the Company, separate ordinary resolutions will be put forward to the shareholders of the Company in relation to the proposed re-election of Mr. Joseph Wang and Mr. Benjamin Wang as the executive Directors and Mr. Huang and Mr. Fok as the independent non-executive Directors.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Code provision C.2.1 of the CG Code stipulates that the roles of Chairman and Chief Executive Officer should be separated and not performed by the same individual to avoid power being concentrated in any one individual. Mr. Joseph Wang was the Chairman during the Financial Year 2026. Ms. Chao Lai Heng served as Chief Executive Officer from 1 April 2025 until her resignation on 23 October 2025, following which and Mr. Benjamin Wang was appointed as Chief Executive Officer from 23 October 2026.

DIRECTORS' AND OFFICERS' LIABILITIES

The Company has arranged for appropriate insurance covering the liabilities in respect of legal action against the Directors and officers that may arise out of its corporate activities. The insurance coverage is reviewed on an annual basis.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors play a significant role in the Board as they bring an impartial view on the Company's strategies, performance and control, as well as to ensure that the interests of all shareholders of the Company are taken into account. The requirement regarding the representation of independent non-executive Directors is, that there must be more than one-third of the members of the Board with at least one of them having appropriate professional qualifications or accounting or related financial management expertise. None of the independent non-executive Directors held any other offices in the Company or any of its subsidiaries or is interested in any shares of the Company.

CORPORATE GOVERNANCE REPORT

In order to ensure that independent views and input of the independent non-executive Directors are made available to the Board, the Nomination Committee and the Board are committed to assess the Directors' independence annually with regards to all relevant factors related to the independent non-executive Directors including the following:

- required character, integrity, expertise, experience and stability to fulfill their roles;
- time commitment and attention to the Company's affairs;
- firm commitment to their independent roles and to the Board;
- declaration of conflict of interest in their roles as independent non-executive Directors;
- no involvement in the daily management of the Company nor in any relationship or circumstances which would affect the exercise of their independent judgement; and
- the Chairman meets with the independent non-executive Directors regularly without the presence of the other Directors.

With the various experience of the executive Directors and the independent non-executive Directors and given the nature of the Group's business, the Board considered that the Directors have a balance of skills and experience for the business of the Group.

The implementation and effectiveness of the above mechanism shall be reviewed by the Board on an annual basis.

The Company has received from each independent non-executive Director an annual confirmation of his independence, and the Company considers such Directors to be independent in accordance with the criteria set out in Rule 3.13 of the Listing Rules.

As at 31 March 2026, no independent non-executive Director had served more than nine years on the Board.

DIRECTORS' CONTINUING PROFESSIONAL DEVELOPMENT PROGRAMME

The Group acknowledges the importance of adequate and ample continuing professional development for the Directors for a sound and effective internal control system and corporate governance. In this regard, the Group has always encouraged the Directors to attend relevant training courses to receive the latest news and knowledge regarding corporate governance.

During the Financial Year 2026, the Company has provided and all Directors have attended at least one training course on the updates of the Listing Rules concerning good corporate governance practices. The Company will, if necessary, provide timely and regular trainings to the Directors to ensure that they keep abreast with the current requirements under the Listing Rules.

The individual training record of each Director received during the Financial Year 2026 is as follows:

Name of Directors	Attending seminars and trainings/reading materials relevant to director's duties
Mr. Wang Kei Ming	✓
Mr. Wang Yu Hin	✓
Ms. Chao Lai Heng	✓
Mr. Sio Kam Seng	✓
Mr. Huang Victor (Appointed on 1 February 2026)	N/A
Mr. Fok Sheung Wai (Appointed on 1 March 2026)	N/A
Mr. Kwong Ping Man (Resigned on 31 January 2026)	N/A
Mr. Lai Ah Ming Leon (Resigned on 28 February 2026)	N/A

CORPORATE GOVERNANCE REPORT

Every Director newly appointed at the beginning has received a comprehensive, formal and tailored induction on the first occasion of his/her appointment to ensure appropriate understanding of the business and operations of the Company and full awareness of Director's responsibilities and obligations under the Listing Rules and relevant statutory requirements. In the future, any other newly appointed Directors who (i) have no prior experience as a director of an issuer listed on the Main Board and GEM of the Stock Exchange; or (ii) have not served as a director of an issuer listed on the Main Board or GEM of the Stock Exchange within the three years prior to their appointment (the **"First-time Directors"**), must complete no less than 24 hours of the continuous professional development within 18 months of the date of their appointment. First-time Directors who have served as a director of an issuer listed on an exchange other than the Main Board or GEM of the Stock Exchange within the three years prior to their appointment must complete no less than 12 hours of the continuous professional development within 18 months of the date of their appointment.

Mr. Fok, being the First-time Director, must complete no less than 24 hours of the continuous professional development within 18 months of the date of his appointment. Mr. Fok had not completed any hours of the continuous professional development as at 31 March 2026 and he must complete the remaining 24 hours of the continuous professional development before 31 August 2027.

BOARD COMMITTEES

The Board has established five Board committees, namely, the Remuneration Committee, the Nomination Committee, the Audit Committee, the ESG Committee and the Risk Committee, for overseeing particular aspects of the Company's affairs. All Board committees have been established with defined written terms of reference, which are posted on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.royal-deluxe.com. All Board committees should report to the Board on their decisions or recommendations made.

The practices, procedures and arrangements in conducting meetings of Board committees follow in line with, so far as practicable, those of the Board meetings set out above.

All Board committees are provided with sufficient resources to perform their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstance, at the Company's expenses.

The Board is responsible for performing the corporate governance duties set out in the CG Code which included developing and reviewing the Company's policies and practices on corporate governance, carrying out training and continuous professional development of Directors, and reviewing the Company's compliance with the code provision in the CG Code and disclosures in this annual report.

ATTENDANCE RECORDS OF MEETINGS

The Board meets regularly for considering, reviewing and/or approving matters relating to, among others, the financial and operating performance, as well as, the overall strategies and policies of the Company. Additional meetings are held when significant events or important issues are required to be discussed and resolved. During the Financial Year 2026, the Chairman held at least one meeting with the independent non-executive Directors without the presence of other Directors.

CORPORATE GOVERNANCE REPORT

Details of all Directors' attendance at Board meetings and Board's committee meetings held during the Financial Year 2026:

	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	ESG Committee Meeting	Risk Committee Meeting	Annual General Meeting	Extraordinary General Meeting
	Number of Meetings Attended/Held							
Executive Directors:								
Mr. Wang Kei Ming	5/5	–	3/3	3/3	1/1	–	1/1	1/1
Mr. Wang Yu Hin	5/5	–	–	–	1/1	2/2	1/1	1/1
Ms. Chao Lai Heng	5/5	–	–	–	–	–	1/1	1/1
Independent Non-executive Directors:								
Mr. Sio Kam Seng	5/5	3/3	3/3	3/3	1/1	2/2	1/1	1/1
Mr. Huang Victor (Appointed on 1 February 2026)	1/1	N/A	1/1	1/1	1/1	1/1	N/A	N/A
Mr. Fok Sheung Wai (Appointed on 1 March 2026)	N/A	N/A	N/A	N/A	1/1	1/1	N/A	N/A
Mr. Kwong Ping Man (Resigned on 31 January 2026)	4/4	3/3	2/2	2/2	N/A	1/1	1/1	1/1
Mr. Lai Ah Ming Leon (Resigned on 28 February 2026)	5/5	3/3	3/3	3/3	N/A	1/1	1/1	1/1

AUDIT COMMITTEE

The Audit Committee was established on 17 January 2017. The chairman of the Audit Committee is Mr. Huang (Appointed on 1 February 2026), an independent non-executive Director, and other members include Mr. Fok (Appointed on 1 March 2026) and Mr. Sio, the independent non-executive Directors. The written terms of reference of the Audit Committee have been revised on 28 December 2018 and are posted on the Stock Exchange's website and the Company's website.

The Company has complied with Rule 3.21 of the Listing Rules which mandate that the Audit Committee must comprise a minimum of three members, comprising non-executive Directors only, the majority of the members of the Audit Committee must be independent non-executive Directors and must be chaired by an independent non-executive Director. At least one of the members of the Audit Committee is an independent non-executive Director who possesses appropriate professional qualifications or accounting related financial management expertise.

The primary duties of the Audit Committee are to review the financial information, oversee the financial reporting system, internal control systems and risk management and relationship with external auditors and review arrangements employees of the Company can use, in confidence to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

During the Financial Year 2026, the Audit Committee held three meetings to (i) review the condensed consolidated financial statements for the six months ended 30 September 2025; (ii) review the reports from the auditors, accounting principles and practices adopted by the Group, management representation letters and management's response in relation to the annual results for the Financial Year 2025; (iii) review the consolidated financial statements for the Financial Year 2025; and (iv) review the Company's internal control procedures and risk management system, and recommend the same to the Board for approval.

The Group's consolidated financial statements for the Financial Year 2026 have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the consolidated financial statements of the Group for the Financial Year 2026 comply with applicable accounting standards, the Listing Rules and that adequate disclosures have been made.

CORPORATE GOVERNANCE REPORT

REMUNERATION COMMITTEE

The Remuneration Committee was established on 17 January 2017. The chairman of the Remuneration Committee is Mr. Fok (Appointed on 1 March 2026), an independent non-executive Director, and other members include Mr. Joseph Wang, the Chairman and the executive Director, Mr. Huang Victor (Appointed on 1 February 2026) and Mr. Sio, the independent non-executive Directors. The written terms of reference of the Remuneration Committee have been revised on 30 December 2022 and are posted on the Stock Exchange's website and the Company's website.

The principle role and functions of the Remuneration Committee are to review the remuneration packages of individual executive Directors and key executives, including salaries, bonuses, benefits in kind and the terms of which they participate in any share schemes and other plans considering factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors and key executives, employment conditions elsewhere in the Group and desirability of performance-based remuneration and making recommendations to the Board from time to time. The Company has not factored climate-related considerations into its remuneration policy. The Board has absolute discretion in determining executive and senior management compensation, which is primarily linked to financial performance, operational targets, strategic objectives, and other key performance indicators relevant to the Company's business. The Remuneration Committee also assesses the performance of the executive Directors, approves the terms of their service contracts, and reviews and/or approves matters relating to share schemes under Chapter 17 of the Listing Rules. The model code under code provision E.1.2(c)(ii) of the CG Code has been adopted.

The Remuneration Committee held three meetings to (i) review the remuneration packages and remunerations of Directors and senior management and considered that they are fair and reasonable for the Financial Year 2026; and (ii) recommend the remuneration packages and emoluments of the appointment of Mr. Huang and Mr. Fok as the independent non-executive Directors. No Director or any of his/her associates is involved in deciding his/her own remuneration. During the Financial Year 2026, there were no material matters relating to the share option scheme which required review or approval by the Remuneration Committee.

NOMINATION COMMITTEE

The Nomination Committee was established on 17 January 2017. The chairman of the Nomination Committee is Mr. Sio, an independent non-executive Director, and other members include Mr. Joseph Wang, the Chairman and the executive Director, Ms. Chao (Appointed on 7 August 2025) an executive Director, Mr. Huang (Appointed on 1 February 2026) and Mr. Fok (Appointed on 1 March 2026), the independent non-executive Directors. The written terms of reference of the Nomination Committee have been revised on 7 August 2025 and are posted on the Stock Exchange's website and the Company's website.

The main duties of the Nomination Committee are to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis, the independence of independent non-executive Directors and making recommendations to the Board on appointment or re-appointment of Director. In recommending candidates for appointment to the Board, the Nomination Committee considers candidates on merit against objective criteria and with due regards to the benefits of diversity on the Board. The Nomination Committee is also responsible for assisting in the evaluation of the performance of the Board at least every two years with reference to the overall performance of the Board in terms of existing skills, expertise, qualification and effectiveness of the Board. The Nomination Committee also assesses each Director's time commitment and contribution to the Board on an annual basis.

In designing the Board's composition, Board diversity has been considered from a number of perspectives, including but not limited to gender, age, cultural and educational background, industry experience, technical and professional skills and/or qualifications, knowledge, length of services and time to be devoted as a Director. The Company will also take into account factors relating to its own business model and specific needs from time to time. The ultimate decision is based on merit and contribution that the selected candidates will bring to the Board.

During the Financial Year 2026, the Nomination Committee held three meeting to review and recommend the re-election of Directors; and to make recommendations to the Board on the appointment of Mr. Huang and Mr. Fok as the independent non-executive Directors.

CORPORATE GOVERNANCE REPORT

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

The ESG Committee was established on 31 March 2020. The chairman of ESG Committee is Mr. Huang (Appointed on 1 February 2026), an independent non-executive Director, and other members include Mr. Joseph Wang, the Chairman and the executive Director, Mr. Benjamin Wang, the executive Director, Mr. Fok (Appointed on 1 March 2026) and Mr. Sio, the independent non-executive Directors. The written terms of reference of the ESG Committee are posted on the Stock Exchange's website and the Company's website.

The ESG Committee is responsible for reviewing the Company's environmental, social and governance policies and practices and monitoring the implementation of the same. Two subcommittees, the ESG Working Group (the "**ESGWG**") and the Corporate Safety, Health and Environmental Committee (the "**CSHEC**"), are delegated by the ESG Committee in order to ensure sufficient Board oversight of and input into ESG management strategy. The ESGWG monitors material ESG aspects within the operations, while the CSHEC is specific established for the corporate safety, health and environmental policies operations.

During the Financial Year 2026, the ESG Committee held one meeting to review the preparation of the ESG report for the Financial Year 2026.

RISK COMMITTEE

The Risk Committee was established on 23 March 2022. The chairman of the Risk Committee is Mr. Fok (Appointed on 1 March 2026), an independent non-executive Director, and other members include Mr. Benjamin Wang, an executive Director, Mr. Sio and Mr. Huang (Appointed on 1 February 2026), the independent non-executive Directors. The written terms of reference of the Risk Committee are posted on the Stock Exchange's website and the Company's website.

The Risk Committee is responsible for monitoring and overseeing the risk policies and strategies of the Group, and also support the Board in overseeing the management of climate risks and providing directions to address the impact of climate change and consider climate-related risks and opportunities in a holistic manner.

During the Financial Year 2026, the Risk Committee held two meetings to review the risk register and the risk management system of the Company for the Financial Year 2025 and the nine months ended 31 December 2025.

COMPANY SECRETARY

The company secretary of the Company (the "**Company Secretary**") assists the Board by ensuring the Board policy and procedures are followed. The Company Secretary is also responsible for advising the Board on corporate governance matters.

The Company engages an external service provider, which assigned Ms. Yim as its Company Secretary. Ms. Yim possesses the necessary qualification and experience, and is capable of performing the functions of the Company Secretary. Mr. Joseph Wang, the Chairman and an executive Director, is the primary contact person for Ms. Yim.

For the Financial Year 2026, Ms. Yim undertook no less than 15 hours of relevant professional training to develop her skills and knowledge. The biographical details of Ms. Yim is set out in the section headed "Biographical Details of Directors and Senior Management" in this annual report.

BOARD DIVERSITY POLICY

The Board adopted a Board diversity policy (the "**Board Diversity Policy**") on 28 December 2018. The Company embraced the benefits of having a diverse Board, as such, the Board Diversity Policy aimed to set out the approach to maintain diversity of the Board. A summary of the Board Diversity Policy, together with the measurable objectives set for implementing the Board Diversity Policy, and the progress made towards achieving those objectives are disclosed as below.

CORPORATE GOVERNANCE REPORT

Summary of the Board Diversity Policy

When determining the composition of the Board, the Company will consider Board diversity in terms of, among other things, gender, age, experience, cultural and educational background, expertise, skills and know-how. All Board appointments will be based on merit, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

Measurable Objectives

Selection of candidates for Board membership will be based on a range of diversity perspectives, including but not limited to gender, age, experience, cultural and educational background, expertise, skills and know-how.

The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board. The Nomination Committee will adhere to the Board Diversity Policy to ensure that there is at least one female Director in the Board and is committed to further enhancing gender diversity as and when suitable candidates are identified. The Nomination Committee will deploy multiple channels to identify suitable candidates as Directors, including referral from Directors, shareholders, management, advisors of the Company and external agents as and when appropriate such that a robust pipeline of female successors to the Board can be established in the near future.

Monitoring and Reporting

The composition of the Board will be disclosed annually in the corporate governance report and the Nomination Committee will monitor and review the implementation and effectiveness of the Board Diversity Policy on an annual basis.

The Board currently has one female Director Ms. Chao, and as such, the Company has achieved gender diversity on the Board level and complied with the Board diversity requirement under Rule 13.92 of the Listing Rules. The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure the effectiveness of the Board Diversity Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

In assessing potential candidates for the Board, the Nomination Committee will consider the diversity perspectives, as set out above.

As at the date of this annual report, the Board comprises six Directors. The following tables illustrate the diversity of the Board members as of the date of this annual report:

Name of Directors	Age Group			
	40 to 49	50 to 59	60 to 69	70 or above
Mr. Wang Kei Ming			✓	
Mr. Wang Yu Hin	✓			
Ms. Chao Lai Heng			✓	
Mr. Sio Kam Seng			✓	
Mr. Huang Victor		✓		
Mr. Fok Sheung Wai				✓

CORPORATE GOVERNANCE REPORT

Name of Directors	Professional Experience			
	Construction	Insurance	Accounting and Finance	Civil Engineers
Mr. Wang Kei Ming	✓			
Mr. Wang Yu Hin	✓			
Ms. Chao Lai Heng	✓			
Mr. Sio Kam Seng		✓		
Mr. Huang Victor			✓	
Mr. Fok Sheung Wai				✓

WORKFORCE DIVERSITY POLICY

The Board adopted the workforce diversity policy (the “**Workforce Diversity Policy**”) on 7 August 2025. The Company values diversity and inclusion as essential drivers of innovation and growth. The Group is committed to establishing a workplace culture where its employees are valued and empowered to contribute their unique perspectives. This Policy applies to all Group companies.

A summary of the Workforce Diversity Policy is disclosed as below.

Approach

Diversity and inclusion are core values embraced by the Group. The Company is committed to creating and maintaining a diversified and inclusive working environment where individual differences are respected and all employees are treated with dignity. The Company is also committed to fostering gender empowerment, gender equality and gender diversity across its workforce.

The Group recognises that diversity encompasses a broad range of attributes, including race, ethnicity, gender, creed, religion, age, disability, sexual orientation and cultural background, as well as experience, skills and views. Each of these elements enriches the workplace experience and reflects the diversity of the communities in which the Group operates. The Group strictly adheres to non-discriminatory employment practices and procedures. It also actively promotes diversity and inclusion initiatives, celebrates diverse perspectives and contributions, and encourages collaboration and engagement among its workforce. It is committed to providing a positive work environment that values the wide-ranging perspectives inherent in its diverse workforce, free from all forms of discrimination or harassment.

This Workforce Diversity policy applies to all facets of employment, including recruitment and selection, professional development and training, compensation and benefits, performance evaluation, and career advancement. Please also refer to the Royal Deluxe Group – Supplier Code of Conduct and Sustainability Policy for more details.

Professional Development and Advancement

The Company from time to time provides training and development opportunities that address the specific needs and career aspirations of diverse employees. The Group’s Training and Development Policy also states that subsidies are provided to our employees to facilitate the pursuit of external training courses that align with their job responsibilities. It also supports training programs on diversity and inclusion-related topics.

CORPORATE GOVERNANCE REPORT

Review and Monitoring

This Workforce Diversity Policy is reviewed and amended as required from time to time to ensure its continued effectiveness. The Sustainability Committee will monitor the Company's progress on its effort to embed the principles of diversity and inclusion within its workplace, culture, strategy and processes, and may recommend revisions to the Board for approval.

As at 31 March 2026, the Group had a total workforce of 69 employees (including senior management), of which 72% (50) are male, and 28% (19) are female. The Board considers the gender diversity in the Company's workforce to be satisfactory with reference to the nature of the Group's business, and will continue to pursue gender diversity among all levels of our staff. Also, the Board is not aware of any factors or circumstances which make achieving gender diversity across the workforce (including senior management) of the Group more challenging or less relevant.

The Group will continue to take gender diversity into consideration during recruitment. The Group will continue to take opportunities to increase the proportion of female workforce over time as and when suitable candidates are identified. For details of the gender ratio in the workforce, please refer to the section headed "Performance Data Table – Social" in the ESG Report.

NOMINATION POLICY

The Board adopted a nomination policy (the "**Nomination Policy**") on 28 December 2018. A summary of the Nomination Policy, together with the measurable objectives set for implementing the Nomination Policy, and the progress made towards achieving those objectives are disclosed as below.

Summary of the Nomination Policy

The Nomination Policy aims to set out the approach to guide the Nomination Committee in relation to the selection, appointment and re-appointment of the Directors. This also ensure that the Board has a balance of skills, experience, knowledge and diversity of perspectives appropriate to the requirements of the Company's business.

Measurable Objectives

The Nomination Committee will evaluate, select and recommend candidate(s) for directorships to the Board by giving due consideration to criteria including but not limited to (collectively, the "**Criteria**"):

- (a) Diversity in aspects including but not limited to gender, age, experience, cultural and educational background, expertise, skills and know-how;
- (b) Sufficient time to effectively carry out their duties; their services on other listed and non-listed companies should be limited to reasonable numbers;
- (c) Qualifications, including accomplishment and experience in the relevant industries the Company's business is involved in;
- (d) Independence;
- (e) Reputation for integrity;
- (f) Potential contributions that the individual(s) can bring to the Board; and
- (g) Commitment to enhance and maximize shareholders' value.

CORPORATE GOVERNANCE REPORT

Re-election of Director at General Meeting

The Nomination Committee will evaluate and recommend retiring Director(s) to the Board for re-appointment by giving due consideration to the Criteria including but not limited to:

- (a) the overall contribution and service to the Company of the retiring Director including his attendance of Board meetings and, where applicable, general meetings, and the level of participation and performance on the Board; and
- (b) whether the retiring Director(s) continue(s) to satisfy the Criteria.

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

Nomination Process

The Nomination Committee will recommend to the Board for the appointment of a Director in accordance with the following procedures and process:

- (a) The Nomination Committee will, giving due consideration to the current composition and size of the Board, develop a list of desirable skills, perspectives and experience at the outset to focus the search effort;
- (b) The Nomination Committee may consult any source it deems appropriate in identifying or selecting suitable candidates, such as referrals from existing Directors, advertising, recommendations from an independent agency firm and proposals from shareholders of the Company with due consideration given to the Criteria;
- (c) The Nomination Committee may adopt any process it deems appropriate in evaluating the suitability of the candidates, such as interviews, background checks, presentations and third-party reference checks;
- (d) Upon considering a candidate suitable for the directorship, the Nomination Committee will hold a meeting and/or by way of written resolutions to, if thought fit, approve the recommendation to the Board for appointment;
- (e) The Nomination Committee will thereafter make the recommendation to the Board in relation to the proposed appointment and the proposed remuneration package; and
- (f) The Board will have the final authority on determining the selection of nominees and all appointment of Directors will be confirmed by the filing of the consent to act as Director of the relevant Director (or any other similar filings requiring the relevant Director to acknowledge or accept the appointment as Director, as the case may be) to be filed with the Companies Registry of Hong Kong.

Monitoring and Reporting

The Nomination Committee will assess and report annually, in the corporate governance report, on the composition of the Board, and launch a formal process to monitor the implementation of the Nomination Policy as appropriate.

CORPORATE GOVERNANCE REPORT

Review of Nomination Policy

The Nomination Committee will launch a formal process to review the Nomination Policy periodically to ensure that it is transparent and fair, remains relevant to the Company's needs and reflects the current regulatory requirements and good corporate governance practice. The Nomination Committee will discuss any revisions that may be required and recommend any such revisions to the Board for consideration and approval.

Disclosure of Nomination Policy

A summary of the Nomination Policy including the nomination procedures and the process and Criteria adopted by the Nomination Committee to select and recommend candidates for directorship during the year will be disclosed in the annual corporate governance report.

In the circular to shareholders for proposing a candidate as an independent non-executive Director, it should also set out:

- the process used for identifying the candidate and why the Board believes the candidate should be elected and the reason why it considers the candidate to be independent;
- the perspectives, skills and experience that the candidate can bring to the Board; and
- how the candidate can contribute to the diversity of the Board.

RISK MANAGEMENT AND INTERNAL CONTROL

The Directors acknowledge that they have overall responsibility for overseeing the Company's internal control, financial control and risk management system and shall monitor its effectiveness on an ongoing basis. A review of the effectiveness of the risk management and internal control systems has been conducted by the Board at least annually.

Aimed at providing reasonable assurance against material errors, losses or fraud, the Company has established a risk management procedures which comprised the following steps:

- Identify risks: Identify major and significant risks that could affect the achievement of goals of the Group;
- Risk assessment: Assess and evaluate the identified risk according to its likely impact and the likelihood of occurrence; and
- Risk mitigation: Develop effective control activities to mitigate the risks.

Risk identification and assessment are performed or updated annually, and the results of risk assessment, evaluation and mitigation of each functions or operation are documented in the Risk Registry to communicate to the Board and the management of the Company for reviews.

The Group's risk management and internal control systems are, however, designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

CORPORATE GOVERNANCE REPORT

A review on the internal control systems of the Company, including financial, operational and compliance controls and risk management functions has been carried out by an independent consultancy company with staff in possession of relevant expertise to conduct an independent review.

The Audit Committee reviewed the internal control review report issued by the independent consultancy company and the Company's risk management and internal control systems in respect of the Financial Year 2026 and considered that they are effective and adequate. The Board assessed the effectiveness of internal control systems by considering the internal control review report and reviews performed by the Audit Committee and concurred the same.

The Group has yet to establish its internal audit function during the Financial Year 2026 as required under code provision D.2.5 of CG Code. The Audit Committee and the Board, has considered the internal control review report prepared by an independent consultancy company and communications with the Company's external auditors in respect of any material control deficiencies identified during the course of the financial statements audit to form the basis to review the adequacy and effectiveness of the Group's risk management and internal control systems. The Risk Committee, which was delegated by the Board, will review the effectiveness of the Group's risk management system. The Audit Committee and the Board will continue to review the need for an internal audit function on an annual basis.

Whistleblowing Policy

The Board has set up a whistleblowing policy (the "**Whistleblowing Policy**") since 2018. The purpose of the Whistleblowing Policy is to (i) help detect and address unacceptable conduct; (ii) help provide a complainant with a supportive environment in which he or she feels able to raise issues of legitimate concern to them and to the Company; and (iii) help protect people who report unacceptable conduct in good faith.

The nature, status and the results of the complaints received under the Whistleblowing Policy are reported to the chairman of the Audit Committee. No incident of fraud or misconduct that have material effect on the Group's financial statements or overall operations for the Financial Year 2026 has been discovered. The Whistleblowing Policy is reviewed annually by the Audit Committee to ensure its effectiveness.

Integrity Policy

The Board has adopted an integrity policy (the "**Integrity Policy**") since 2021. The Group is committed to achieving the highest standards of integrity and ethical behaviour in conducting business. The Integrity Policy forms an integral part of the Group's corporate governance framework. The Integrity Policy sets out the specific behavioural guidelines that the Group's personnel and business partners must follow to combat corruption. It demonstrates the Group's commitment to the practice of ethical business conduct and the compliance of the anti-corruption laws and regulations that apply to its local and foreign operations. In line with this commitment and to ensure transparency in the Group's practices, this Integrity Policy has been prepared as a guide to all Group employees and third parties dealing with the Group.

The Integrity Policy is reviewed and updated periodically to align with the applicable laws and regulations as well as the industry best practice.

CORPORATE GOVERNANCE REPORT

AUDITORS' REMUNERATION

During the Financial Year 2026, the remuneration paid or payable to the external auditors of the Company, BDO Limited, in respect of the audit and non-audit services were as follows:

Services rendered	Remuneration paid/payable HK\$'000
Audit services	
– Statutory audit services	1,100
Non-audit services	
– Perform an agreed upon procedures engagement on interim results for the six months ended 30 September 2025	130
	1,230

SHAREHOLDERS' RIGHT

One of the measures to safeguard shareholders' interest and rights is to separate resolutions proposed at shareholders' meetings on each substantial issue, including the election of individual Directors, for shareholders' consideration and voting. All resolutions put forward at shareholders' meeting will be voted by poll pursuant to the Listing Rules and the poll voting results will be posted on the websites of the Stock Exchange and the Company after the relevant shareholders' meeting.

Extraordinary general meeting may be convened by the Board on requisition of shareholders holding not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings, on a one vote per share basis, in the share capital of the Company (the "Requisitionists") (as the case may be) pursuant to article 64 of the Company's memorandum and articles of association. The Requisitionists shall be able to add resolutions to the meeting agenda. Such requisition must state the object of business to be transacted at the meeting and must be signed by the Requisitionists and deposited at the registered office of the Company or the Company's principal place of business in Hong Kong. Shareholders should follow the requirements and procedures as set out in such article for convening an extraordinary general meeting. Shareholders may put forward proposals with general meeting of the Company by sending the same to the Company at the principal office of the Company in Hong Kong.

For putting forward any enquiries to the Board, shareholders may send written enquiries to the Company. Shareholders may send written enquiries or requests in respect of their rights to the Company's principal business address in Hong Kong at Unit A, 22/F, T G Place, 10 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong or email to rdh@royal-deluxe.com.

DISCLOSURE OF INSIDE INFORMATION

The Group has in place a policy on disclosure of inside information which sets out the procedures and internal controls for handling and dissemination of inside information.

The policy provides guidelines to the Directors, officers and all relevant employees of the Group to ensure proper safeguards exist to prevent the Company from breaching the statutory disclosure requirements. It also includes appropriate internal control and reporting systems to identify and assess potential inside information.

CORPORATE GOVERNANCE REPORT

Key procedures in place include:

- defines the requirements of periodic financial and operational reporting to the Board and Company Secretary to enable them to assess inside information and make timely disclosures, if necessary;
- controls the access to inside information by employees on a need-to-know basis, and safeguards the confidentiality of the inside information before it is properly disclosed to public; and
- communicates with the Group's stakeholders, including shareholders, investors, analysts, etc. in accordance with procedures which are in compliance with the Listing Rules.

The Group has also established and implemented procedures to handle enquiries from external parties related to the market rumours and other Group's affairs.

To avoid uneven dissemination of inside information, the dissemination of inside information of the Company shall be conducted by publishing the relevant information on the Stock Exchange's website and the Company's website.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company has adopted a shareholders communication policy (the "**Shareholders' Communication Policy**") with the objective of ensuring that the shareholders and potential investors are provided with ready, equal and timely access to balanced and understandable information about the Company.

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

- (i) Corporate communications such as annual reports, interim reports and circulars are issued in printed form and are available on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.royal-deluxe.com;
- (ii) Periodic announcements are made through the Stock Exchange and published on the respective websites of the Stock Exchange and the Company;
- (iii) Corporate information is made available on the Company's website;
- (iv) Annual and extraordinary general meetings provide a forum for the shareholders to make comments and exchange views with the Directors and senior management; and
- (v) The Company's branch share registrar and transfer office in Hong Kong serves the shareholders in respect of share registration, dividend payment and related matters.

The Company continues to promote investor relations and enhance communication with the existing shareholders and potential investors. It welcomes suggestions from investors, stakeholders and the public. Enquiries to the Board or the Company may be sent by post to the Company's principal place of business in Hong Kong.

The Company has reviewed the implementation and effectiveness of its Shareholders' Communication Policy for the Financial Year 2026. Having considered that effective shareholders communication channels are in place and shareholders are provided with regular updates of the Group's financial performance, strategic direction and material business development, the Board is of view that the Company has established an effective communication channel with its shareholders and considers that the Company's Shareholders' Communication Policy and its implementation are effective.

During the Financial Year 2026, there was no change in the Company's memorandum and articles of association.

DIRECTORS' REPORT

The Board hereby presents the annual report together with the audited consolidated financial statements of the Group for the Financial Year 2026.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The Group is principally engaged in the provision of formwork erection and related ancillary services in Hong Kong. The details of the principal activities of the subsidiaries are set out in note 31 to the consolidated financial statements. There was no significant change in the Group's principal activities during the Financial Year 2026.

PRINCIPAL PLACE OF BUSINESS

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 12 April 2016. Its registered office and principal place of business in Hong Kong are at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and Unit A, 22/F., T G Place, 10 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong, respectively.

DIVIDEND POLICY

The Board adopted a dividend policy (the "**Dividend Policy**") on 28 December 2018. According to the Dividend Policy, in deciding whether to propose any dividend payout, the Board shall also take into account, inter alia:

- the Group's actual and expected financial performance;
- shareholders' interests;
- retained earnings and distributable reserves of the Company and each of the other members of the Group;
- the level of the Group's debts to equity ratio, return on equity and financial covenants to which the Group is subject;
- possible effects on the Group's creditworthiness;
- the Group's expected working capital requirements and future expansion plans;
- liquidity position and future commitments at the time of declaration of dividend;
- taxation considerations;
- statutory and regulatory restrictions;
- general business conditions and strategies;
- general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Company; and
- other factors that the Board deems appropriate.

Pursuant to the Dividend Policy, the declaration and payment of dividends shall remain to be determined at the discretion of the Board and subject to all applicable requirements (including without limitation restrictions on dividend declaration and payment) under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and the memorandum and articles of association of the Company. Except for interim dividend, any dividends declared by the Company must be approved by an ordinary resolution of shareholders at the general meeting and must not exceed the amount recommended by the Board. The Board may from time to time pay to the shareholders such interim dividends as appear to the directors to be justified by the profits of the Company available for distribution.

DIRECTORS' REPORT

The Company will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time, and this Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

RESULTS AND DIVIDEND

The results of the Group for the Financial Year 2026 and the state of affairs of the Company and the Group as at 31 March 2026 are set out in the consolidated statement of profit or loss and other comprehensive income, note 32 to the consolidated financial statements and the consolidated statement of financial position in this annual report respectively.

The Board proposed a final dividend of HK0.5 cents per ordinary share of the Company (the **"Share"**) for the Financial Year 2026 (Financial Year 2025: Nil), amounting to HK\$6.0 million (Financial Year 2025: Nil). The final dividend is subject to approval by the shareholders of the Company in the forthcoming annual general meeting. The Board confirms that any dividend decisions made during the reporting period were in accordance with the Dividend Policy.

CLOSURE OF REGISTER OF MEMBERS

The forthcoming annual general meeting is scheduled to be held on Friday, 21 August 2026 (the **"2026 AGM"**). For determining the entitlement to attend and vote at the 2026 AGM, the register of members of the Company will be closed from Monday, 17 August 2026 to Friday, 21 August 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to attend and vote at the 2026 AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Friday, 14 August 2026. The record date for the attending and voting at the 2026 AGM is Friday, 21 August 2026.

In order to qualify for the entitlement to the proposed final dividend, the register of members of the Company will also be closed from Thursday, 27 August 2026 to Tuesday, 1 September 2026, both days inclusive, during which period no transfer of shares in the Company will be registered. All transfer of shares, accompanied by the relevant share certificates, must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 26 August 2026. If the resolution of the proposed final dividend is passed at the 2026 AGM, the proposed final dividend will be payable to Shareholders whose names appear on the register of members of the Company on Tuesday, 1 September 2026. The proposed final dividend is expected to be paid on or before Friday, 18 September 2026. The record date for determining the entitlement to the final dividend is Tuesday, 1 September 2026.

BUSINESS REVIEW

The review of the Group's business for the Financial Year 2026 and the discussion on the Group's future business development are set out in the sections headed "Chairman's Statement" on pages 3 to 4 and "Management Discussion and Analysis" on pages 7 to 18 of this annual report. The description of principal risks and uncertainties the Group is facing and key performance indicators are set out in the section headed, "Management Discussion and Analysis" of this annual report. The financial risk management objectives and policies of the Group are set out in note 29(b) to the consolidated financial statements.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to minimising the adverse impact to the environment caused by business operations. In order to comply with the applicable environmental protection laws and regulations, the Group established an environmental management policy to ensure proper management of environmental protection and compliance of environmental laws and regulations by both employees and workers of the subcontractors on, among others, air pollution, noise control and waste disposal. The Group will continue to reduce the impacts of its operation on the environment and continue to make efforts to pursue green.

The Group has been certified by the World Institute of Sustainable Development Planners (**"WISDP"**) and awarded membership as a Recognised Sustainable Development Corporation (**"RSDC"**) for 2025-2026. In recognition of the Group's achievement in the promotion of sustainable construction technology in Hong Kong and its commitment to supporting the Sustainable Development Goals of the United Nations.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

As far as the Board is aware, the Group has complied with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the Financial Year 2026, there was no material breach or non-compliance with the applicable laws and regulation by the Group.

RELATIONSHIP WITH SUPPLIERS, CUSTOMERS AND OTHER STAKEHOLDERS

The Group treasures the relationship with all of its stakeholders and attempts to engage them through different initiatives. Human capital is the most valuable asset of the Group. The Group provides and reviews regularly the remuneration packages, training programmes, and staff engagement activities to keep it competitive and attract, nurture and retain talents and employees.

A long-term good relationship with business partners (as well as suppliers and customers) brings benefits for the Group and is important in accomplishing its immediate and long-term goals.

Apart from the connection in business relationship, the Group also engages its customers and suppliers to collaborate and strive for better performance in business operation, environment, and community investment. The Group encourages employees to engage in community activities voluntarily.

PROPERTY, PLANT AND EQUIPMENT

Details of movements of the property, plant and equipment of the Group during the Financial Year 2026 are set out in note 13 to the consolidated financial statements.

SHARE CAPITAL

The Company's total issued share capital as at 31 March 2026 was 1,200,000,000 ordinary shares of HK\$0.01 each.

Details of movements of the share capital of the Company during the Financial Year 2026 are set out in note 23 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Company and the Group during the Financial Year 2026 are set out in note 32 to the consolidated financial statements and in the consolidated statement of changes in equity respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2026, the Company's reserves available for distribution to owners comprising the aggregate amount of share premium less accumulated losses, amounted to approximately HK\$59.7 million.

GROUP FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 108. This summary does not form part of the audited consolidated financial statements of the Group.

DIRECTORS' REPORT

DIRECTORS

The Directors of the Company during the Financial Year 2026 and up to the date of this annual report were as follows:

Executive Directors

Mr. Wang Kei Ming (*Chairman*)

Mr. Wang Yu Hin (*Chief Executive Officer*)

Ms. Chao Lai Heng

Independent Non-executive Directors

Mr. Sio Kam Seng

Mr. Huang Victor (Appointed on 1 February 2026)

Mr. Fok Sheung Wai (Appointed on 1 March 2026)

Information regarding Directors' emoluments are set out in note 10 to the consolidated financial statements.

The Directors' biographical details are set out in the section headed "Biographical Details of Directors and Senior Management" in this annual report.

On 1 February 2026, Mr. Huang was appointed as an independent non-executive Director. After obtaining the legal advice referred to Rule 3.09D of the Listing Rules on 27 January 2026, Mr. Huang confirmed he understood his obligations as a Director.

On 1 March 2026, Mr. Fok was appointed as an independent non-executive Director. After obtaining the legal advice referred to Rule 3.09D of the Listing Rules on 26 February 2026, Mr. Fok confirmed he understood his obligations as a Director.

By virtue of articles 108 and 112 of the memorandum and articles of association of the Company, Mr. Joseph Wang, Mr. Benjamin Wang, Mr. Huang and Mr. Fok will retire at the 2026 AGM and, all being eligible, will offer themselves for re-election at the said meeting.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Directors an annual written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and the Company considers all of the independent non-executive Directors to be independent.

DIRECTORS' SERVICE CONTRACT

None of the Directors proposed for re-election at the forthcoming annual general meeting has an unexpired service contract with the Company and/or any of its subsidiaries, which is not terminable by the Company within one year without payment of compensation, other than statutory compensation.

CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Neither the Company nor any of its subsidiaries had entered into any contract of significance with the Controlling Shareholders or their subsidiaries, or any contract of significance for the provision of services to the Company or any of its subsidiaries by the Controlling Shareholders or their subsidiaries, during the Financial Year 2026.

DIRECTORS' REPORT

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Apart from as disclosed under the paragraph headed "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures" below, at no time during the Financial Year 2026 were rights to acquire benefits by means of the acquisition of shares or debentures of the Company granted to any director or their respective associates, or were any such rights exercised by them; or was the Company or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire the rights in any other body corporate.

EQUITY-LINKED AGREEMENTS

Save as disclosed in this annual report, there was no equity-linked agreement entered into by the Company during the Financial Year 2026.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2026, the interests or short positions of each of the Directors and the 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 the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to the Model Code, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in shares and underlying shares of the Company

Name of director/chief executive	Capacity/Nature of interest	Number of underlying shares of the Company held	Approximate percentage of shareholding
Mr. Joseph Wang (note)	Interested in controlled corporations/ Interest of spouse	850,800,000	70.9%
Ms. Chao (note)	Interested in controlled corporations/ Interest of spouse	850,800,000	70.9%
Mr. Benjamin Wang	Beneficial owner	10,168,000	0.9%

Note:

Each of Mr. Joseph Wang and Ms. Chao holds 50% of the issued share capital of Wang K M Limited ("Wang K M"), which directly holds 66.8% of the shares of the Company. Each of Mr. Joseph Wang and Ms. Chao also holds 50% of the issued share capital of K C Limited, which directly holds 4.1% of the shares of the Company. Ms. Chao is the spouse of Mr. Joseph Wang. Therefore, Each of Mr. Joseph Wang and Ms. Chao is deemed, or taken to be, interested in the same number of shares of the Company in which Wang K M and K C Limited are interested for the purpose of the SFO. Mr. Joseph Wang is the sole director of each of Wang K M and K C Limited.

Save as disclosed above, as at 31 March 2026, none of the Directors or chief executive of the Company had any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under the provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

DIRECTORS' REPORT

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

So far as known to the Directors or chief executive of the Company, as at 31 March 2026, the following persons/entities (other than the Directors or chief executive of the Company) had or were deemed to have an interest or a short position in the shares, the underlying shares and debentures of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the general meeting of the Company or any other member of the Group:

Long positions in shares and underlying shares of the Company

Name of shareholder	Capacity/Nature of interest	Number of underlying shares of the Company held	Approximate percentage of shareholding
Wang K M	Beneficial owner	801,600,000	66.8%
K C Limited	Beneficial owner	49,200,000	4.1%

Save as disclosed above, as at 31 March 2026, there was no person or corporation, other than the Directors and chief executive of the Company whose interests are set out in the section "Directors' and chief executive's interest and short positions in shares, underlying shares and debentures" above, who had or were deemed to have an interest or a short position in the shares, the underlying shares and debentures of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group.

SHARE OPTION AND SHARE AWARD SCHEMES

The Company conditionally adopted a share option scheme on 17 January 2017 (the "**2017 Share Option Scheme**"). The Company terminated the 2017 Share Option Scheme and adopted a new share option scheme (the "**2023 Share Option Scheme**") and a share award scheme (the "**2023 Share Award Scheme**") (together, the "**Share Schemes**") pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 19 September 2023 (the "**Adoption Date**"). Unless otherwise altered or terminated, the Share Schemes will be valid and effective for a period of 10 years commencing on the Adoption Date.

The purpose of the 2023 Share Option Scheme is to recognise and acknowledge the contributions that eligible participants have made or may make to the Group, and to enable the Group to grant options to the eligible participants as incentives or rewards for their contributions with the view of achieving the principal objectives of (i) recruiting and retaining high-calibre personnel and key staff members that are valuable to the Group and whose contributions are important to the long-term growth and profitability of the Group; and (ii) motivate the Eligible Participants whose contributions are, will or expected to be beneficial to the Group. The eligible participant(s) under the 2023 Share Option Scheme include directors and employees of the Group and individuals or entities that provide services to the Group on a continuing or recurring basis in its ordinary and usual course of business (the "**Service Providers**").

DIRECTORS' REPORT

The purpose of the 2023 Share Award Scheme is to recognise the contribution or future contribution of the eligible participants for their contribution to the Group by granting awards to them as incentives or rewards and to attract, retain and motivate high-calibre eligible participants in line with the performance goals of the Group. The 2023 Share Award Scheme is intended to strengthen the long-term relationships that the eligible participants may have with the Group. The eligible participant(s) under the 2023 Share Award Scheme include the directors and employees of the Group (including persons who are granted awards as inducement to enter into employment contracts with the Group).

Pursuant to the terms of the Share Schemes and in compliance with Chapter 17 of the Listing Rules, the total number of shares which may be issued upon exercise of all share options to be granted under the Share Schemes and all other share schemes of the Company shall not exceed 10% of the total number of the Company's issued shares as at the Adoption Date of the Share Schemes (i.e. 120,000,000 Shares) (the **"Scheme Mandate Limit"**). The total number of Shares which may be issued in respect of all options and awards to be granted to the Service Providers under the 2023 Share Option Scheme and any other share schemes of the Company shall not exceed 1% of the total number of Shares in issue on the Adoption Date (i.e. 12,000,000 Shares) (the **"Service Provider Sublimit"**).

The total number of shares issued and to be issued upon exercise of the options and awarded shares granted to each eligible participant under the respective Share Schemes within any twelve-month period, is limited to 1% of the total issued shares of the Company in issue (excluding treasury shares, if any) as at the date of grant. Awarded shares proposed to be granted under the Share Award Scheme to a director, chief executive of the Company, an independent non-executive director or a substantial shareholder, or any of their respective associates in any twelve-month period up to the date of grant shall not exceed 0.1% of the relevant class of shares in issue. Pursuant to the Share Option Scheme, options proposed to be granted to an independent non-executive director or a substantial shareholder, or any of their respective associates within any twelve-month period up to the date of grant shall not exceed 0.1% of the relevant class of shares in issue. Any further grant of share options or awarded shares in excess of the above limits shall be subject to the issue of a circular by the Company and the approval of the shareholders of the Company in a general meeting in accordance with the relevant rules under the Listing Rules.

The principal terms of the Share Schemes are set out in a circular of the Company dated 24 August 2023. As at the date of this annual report, the Share Schemes have a remaining life of approximately 7 years and the total number of shares available for issue under the Share Schemes were 120,000,000 Shares (representing 10% of the issued Shares of the Company as at the date of this annual report). Further details of the Share Schemes are set out in note 24 to the consolidated financial statements.

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

Two non-exempt continuing connected transaction agreements have been renewed on 16 April 2025 and will continue to be carried out between the Company and Genuine Treasure Construction Material Limited (**"GT Material"**) and Genuine Treasure Access and Scaffolding Limited (**"GT Scaffolding"**) respectively for a fixed term from 16 April 2025 to 31 March 2028.

GT Material and GT Scaffolding are companies incorporated in Hong Kong with limited liability on 10 March 2000 and 20 December 2013 respectively. Both GT Material and GT Scaffolding are wholly-owned by Ms. Wang Mung Nien Ann, the sister of Mr. Joseph Wang, the Chairman and an executive Director, the sister-in-law of Ms. Chao, an executive Director; and the aunt of Mr. Benjamin Wang, the chief executive officer and an executive Director. GT Material and GT Scaffolding are therefore connected persons of the Company under the Listing Rules.

GTM Framework Agreement

On 16 April 2025, the Group renewed the agreement between the Company and GT Material for a fixed term from 16 April 2025 to 31 March 2028 (the **"GTM Framework Agreement"**), pursuant to which GT Material agreed to provide and transport construction materials to the Group from time to time upon the request by the Group. The annual cap for the three years ending 31 March 2026, 2027 and 2028 are approximately HK\$20,000,000, HK\$20,000,000 and HK\$20,000,000 respectively and were approved by the independent shareholders of the Company at the extraordinary general meeting held on 16 June 2025.

DIRECTORS' REPORT

The Group has a good and long standing relationship with GT Material and the Group has purchased construction materials from GT Material since 2003. Construction materials purchased from GT Material are used to build timber formwork and GT Material has in the past provided tailor-made services according to the Group's product specifications. The Directors confirm that the quality and delivery of construction materials from GT Material have satisfied the Group's requirements. The GTM Framework Agreement offers no exclusivity rights to GT Material and the Group has the liberty to source any materials that may be supplied by any other supplier. The Group maintains a list of qualified suppliers which the Group acquires construction materials or services from. As the Group also selects other independent suppliers from time to time, the Directors are of the view that it will be in the interest of the Group to continue such transactions with GT Material to diversify its supplier base so as to obtain a stable supply of materials or services.

Taking into account that the services provided to the Group are under normal commercial terms and are reached after arm's length negotiations and are being carried out in the usual and ordinary course of business of each of the parties, the Directors, including the non-executive Directors, is of the view that the terms of the GTM Framework Agreement (including the annual caps) are entered into on normal commercial terms, in the ordinary and usual course of business of the Group and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

GTS Framework Agreement

On 16 April 2025, the Group renewed the agreement between the Company and GT Scaffolding for a fixed term from 16 April 2025 to 31 March 2028 (the **"GTS Framework Agreement"**), pursuant to which GT Scaffolding agreed to provide rental of metal scaffolds, supporting equipment, technical support and transport services to the Group from time to time upon the requested by the Group. The annual cap for the three years ending 31 March 2026, 2027 and 2028 are approximately HK\$30,000,000, HK\$30,000,000 and HK\$30,000,000 respectively and were approved by the independent shareholders of the Company at the extraordinary general meeting held on 16 June 2025.

The Group has established the business relationship with GT Scaffolding since 2014. Having considered (i) the GT Scaffolding's expertise in providing and assembling metal scaffolds; (ii) its knowledge of the properties, loading capacities and correct assembly methods for the metal scaffolds it provides; (iii) its job references from assembling large scale and complex metal scaffolding falsework; and (iv) the more favourable prices generally offered by GT Scaffolding as compared with other independent third parties due to good and long standing relationship with GT Scaffolding, the Directors are of the view that it is in the best interest of the Group to include GT Scaffolding in the qualified list of vendors and renew the transactions for the provision of rental of metal scaffolds, supporting equipment, technical support and transport services from GT Scaffolding.

Taking into account that the services provided to the Group are under normal commercial terms and are reached after arm's length negotiations and are being carried out in the usual and ordinary course of business of each of the parties, the Board is of the view that the terms of the GTS Framework Agreement (including the annual caps) are entered into on normal commercial terms, in the ordinary and usual course of business of the Group and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Directors, including the independent non-executive Directors, consider that all of the continuing connected transactions above and their respective annual caps are fair and reasonable, and that such transactions have been and will be entered into in the ordinary and usual course of the business of the Group, on normal commercial terms, are fair and reasonable, and in the interests of the Company and its shareholders as a whole.

DIRECTORS' REPORT

The Company's auditors were engaged to report on the Group's continuing connected transactions for the year ended 31 March 2026 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 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditors have issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions disclosed by the Group in this annual report in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditors' letter has been provided by the Company to the Stock Exchange.

Save for the non-exempted continuing connected transactions as disclosed above, the Group has also entered into other related party transactions which falls under the definition of "connected transaction" or "continuing connected transaction" in Chapter 14A of the Listing Rules and are fully exempted from shareholder's approval, annual review and all disclosure requirements. For the details of all fully exempted and non-exempted continuing connected transactions, please refer to note 27 to the consolidated financial statements. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

RETIREMENT BENEFIT SCHEME

Details of the Group's retirement benefit scheme are set out in note 25 to the consolidated financial statements.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in the sub-section headed "Related Party Transactions and Connected Transactions" in "Directors' Report" on pages 45 to 47 and note 27 to the consolidated financial statements, no director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the Financial Year 2026.

CONTRACTS OF SIGNIFICANCE BETWEEN THE GROUP AND THE CONTROLLING SHAREHOLDERS AND THEIR RESPECTIVE SUBSIDIARIES

For particulars of the contracts of significance between the Group and the Controlling Shareholders, Wang K M, Mr. Joseph Wang and Ms. Chao or their respective subsidiaries or the contracts of significance for the provision of services to the Group by the Controlling Shareholders or their respective subsidiaries, please refer to the paragraph headed "Related Party Transactions and Connected Transactions" in "Directors' Report" on pages 45 to 47 and note 27 to the consolidated financial statements.

MANAGEMENT CONTRACTS

Save for service contracts, no other contracts, relating to the management and/or administration of the whole or any substantial part of the business of the Company were entered into or subsisting during the Financial Year 2026.

COMPETING BUSINESS

During the Financial Year 2026, none of the Directors or the Controlling Shareholders and their respective associates had any interests in a business, apart from the business of the Group, which competes or may compete with the business of the Group or has any other conflict of interest with the Group which would be required to be disclosed under Rule 8.10 of the Listing Rules.

DIRECTORS' REPORT

Non-Competition Undertaking

In order to avoid any possible future competition between the Group and the Controlling Shareholders, Mr. Joseph Wang and Wang K M (each a **"Covenantor"** and collectively the **"Covenantors"**) have entered into the Deed of Non-competition with the Company (for itself and for the benefit of each other member of the Group) on 17 January 2017. Pursuant to the Deed of Non-competition, each of the Covenantors has irrevocably and unconditionally undertaken to the Company (for itself and as trustee for its subsidiaries) that, during the period that the Deed of Non-competition remains effective, he/it shall not, and shall procure that his/its close associates (other than any member of the Group) not to develop, acquire, invest in, participate in, carry on or be engaged, concerned or interested or otherwise be involved, whether directly or indirectly, in any business in competition with or likely to be in competition with the existing business activity of any member of the Group.

On 13 January 2021, Ms. Chao subscribed for 1 issued share capital of Wang K M, which currently represents 50% shareholdings in Wang K M. Accordingly, Wang K M is beneficially owned as to 50% by Mr. Joseph Wang and 50% by Ms. Chao. Ms. Chao became one of the Controlling Shareholder.

Each of the Covenantors further undertakes that if any of he/she/it or his/her/its close associates other than any member of the Group is offered or becomes aware of any business opportunity which may compete with the business of the Group, he/she/it shall (and he/she/it shall procure his/its close associates to) notify the Group in writing and the Group shall have a right of first refusal to take up such business opportunity. The Group shall, within 6 months after receipt of the written notice (or such longer period if the Group is required to complete any approval procedures as set out under the Listing Rules from time to time), notify the Covenantor(s) whether the Group will exercise the right of first refusal or not.

The Group shall only exercise the right of first refusal upon the approval of all the independent non-executive Directors (who do not have any interest in such opportunity). The relevant Covenantor(s) and the other conflicting Directors (if any) shall abstain from participating in and voting at and shall not be counted as quorum at all meetings of the Board where there is a conflict of interest or potential conflict of interest including but not limited to the relevant meeting of the independent non-executive Directors for considering whether or not to exercise the right of first refusal.

Each of the Covenantors also gave certain non-competition undertakings under the Deed of Non-competition as set out in the paragraph headed "Relationship with our controlling shareholders – Non-competition undertaking" in the Prospectus.

During the Financial Year 2026, the Company had not received any information in writing from any of the Covenantors in respect of any new business opportunity which competed or might compete with the existing and future business of the Group which were offered to or came to be the knowledge of the Covenantors or their associates (other than any member of the Group), and the Company has received an annual written confirmation from the Covenantors in respect of his/her/its associates' compliance with the Deed of Non-competition. The independent non-executive Directors have also reviewed and were satisfied that the Covenantors had complied with the Deed of Non-competition.

PERMITTED INDEMNITY PROVISION

Every Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities secured or sustained by him as a Director in defending any proceedings, whether civil or criminal, in which judgement is given in his favour, or in which he/she is acquitted.

DIRECTORS' REPORT

EMOLUMENT POLICY

The Company's remuneration policy comprises primarily a fixed component (in the form of a base salary) and a variable component (which include discretionary bonus and other merit payments), taking into account other factors such as their experience, level of responsibility, individual performance, the profit performance of the Group and general market conditions.

The Company has not factored climate-related considerations into its remuneration policy. The Board has absolute discretion in determining executive and senior management compensation, which is primarily linked to financial performance, operational targets, strategic objectives, and other key performance indicators relevant to the Company's business.

The Remuneration Committee will meet at least once every year to discuss remuneration related matters (including the remuneration of Directors and senior management) and review the remuneration policy of the Group. It has been decided that Remuneration Committee would determine, with delegated responsibility, the remuneration packages of individual executive Directors and senior management of the Company.

EMOLUMENTS OF DIRECTORS AND SENIOR MANAGEMENT

Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in note 10 to the consolidated financial statements.

The remuneration of the senior management of the Group who are non-Director and non-Chief Executive Officer for the Financial Year 2026 falls within the following bands:

Remuneration Band	Number of Senior Management
Up to HK\$1,000,000	–
HK\$1,000,001 to HK\$2,000,000	1
Above HK\$2,000,000	–

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's memorandum and articles of association or the laws of Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders of the Company.

DONATION

Charitable donations made by the Group during the Financial Year 2026 amounted to approximately HK\$49,000 (2025: approximately HK\$46,000).

SUFFICIENCY OF PUBLIC FLOAT

To the best knowledge of the Directors and based on information publicly available to the Company, throughout the Financial Year 2026 and as at the latest practicable date prior to the issue of this annual report, the Directors confirm that the Company maintained a sufficient public float of at least 25% in the issued share capital of the Company as required under the Listing Rules.

DIRECTORS' REPORT

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities including sale of treasury shares (as defined under the Listing Rules) during the Financial Year 2026. As at 31 March 2026, there were no treasury shares held by the Company.

MAJOR CUSTOMERS

During the Financial Year 2026, the Group's five largest customers accounted for approximately 89.2% (2025: approximately 81.0%) of the total revenue of the Group and the largest customer of the Group accounted for approximately 37.6% (2025: approximately 23.4%) of the total revenue.

None of the Directors or any of their close associates, or any shareholder of the Company (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers.

MAJOR SUPPLIERS

During the Financial Year 2026, the Group's five largest suppliers accounted for approximately 65.1% (2025: approximately 74.0%) of the total purchases of the Group and the largest supplier of the Group accounted for approximately 19.6% (2025: approximately 41.9%) of the total purchases.

None of the Directors or any of their close associates, or any shareholder of the Company (which to the knowledge of the Directors own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest suppliers.

TAX RELIEF AND EXEMPTION

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

CORPORATE GOVERNANCE

Details of the Company's corporate governance practices are set out in the corporate governance report on pages 23 to 38 of this annual report.

AUDITORS

BDO Limited was appointed as the auditors of the Company on 4 November 2024 to fill the casual vacancy following the resignation of Crowe (HK) CPA Limited on 18 October 2024. Details of the change of auditors were set out in the announcements of the Company dated 18 October 2024 and 4 November 2024. Crowe (HK) CPA Limited was appointed as the auditors of the Company on 22 February 2023 to fill the casual vacancy following the resignation of HLB Hodgson Impey Cheng Limited on 13 February 2023. Details of the change of auditors were set out in the announcements of the Company dated 13 February 2023 and 22 February 2023. Saved as disclosed above, the Company had not changed its external auditors in any of the preceding three years.

The financial statements of the Company for the Financial Year 2026 were audited by BDO Limited. A resolution will be proposed at the forthcoming annual general meeting of the Company to re-appoint BDO Limited as auditors of the Company.

On behalf of the Board
Royal Deluxe Holdings Limited
Wang Kei Ming
Chairman and Executive Director

Hong Kong, 26 June 2026

INDEPENDENT AUDITOR'S REPORT



TO THE SHAREHOLDERS OF ROYAL DELUXE HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Royal Deluxe Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 56 to 107, which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

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 issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

INDEPENDENT AUDITOR'S REPORT

RECOGNITION OF REVENUE FROM CONSTRUCTION CONTRACTS

Refer to Note 5 to the consolidated financial statements and the accounting policies on Note 3 to the consolidated financial statements.

We identify the recognition of revenue from construction contracts as a key audit matter due to the significance of the amount to the consolidated financial statements as a whole and estimation uncertainty involved.

As disclosed in Note 5 to the consolidated financial statements, the Group recognised revenue from construction contracts over time of approximately HK\$693,738,000 for the year ended 31 March 2026, based on the progress towards completion of the contract using output method.

Our response:

- Obtaining an understanding of the control over recognition of revenue from construction contracts;
- Agreeing the contract sum to respective signed contracts with customers, on a sample basis;
- Discussing with management to understand the status and progress of completion of construction contracts during the year, on a sample basis; and
- Evaluating the reasonableness of the revenue from construction contracts by checking to latest payment certificates issued by customers or payment applications confirmed by internal surveyors, on a sample basis.

IMPAIRMENT OF TRADE RECEIVABLES AND CONTRACT ASSETS

Refer to Note 16 and Note 17 to the consolidated financial statements and the accounting policies on Note 3 to the consolidated financial statements.

We identified the impairment of trade receivables and contract assets as a key audit matter due to the use of management's judgements and estimates in assessing the expected credit losses of the Group's trade receivables and contract assets at the end of the reporting period.

In determining the expected credit losses of trade receivables and contract assets, the Group takes into consideration the credit quality, past due status and past collection history of customers and are adjusted for forward-looking information which requires management's judgements and estimates.

Our response:

- Obtaining an understanding and evaluating the methodologies and assumptions used by the Group in assessing expected credit losses;
- Testing on a sample basis the accuracy of ageing analysis of trade receivables;
- Examining the reasonableness of the loss rates and forward-looking information used by the management; and
- Testing the accuracy of the calculation of the loss allowances as at 31 March 2026.

INDEPENDENT AUDITOR'S REPORT

OTHER INFORMATION IN THE ANNUAL REPORT

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

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

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

DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of 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 directors are also responsible for overseeing the Group's financial reporting process. The Audit Committee assists the directors in discharging their responsibilities in this regard.

INDEPENDENT AUDITOR'S REPORT

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

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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.

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

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

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

INDEPENDENT AUDITOR'S REPORT

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

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

BDO Limited

Certified Public Accountants

Tang Tak Wah

Practising Certificate no. P06262

Hong Kong, 26 June 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
Revenue from contracts with customers	5	693,738	730,955
Direct costs		(639,636)	(689,413)
Gross profit		54,102	41,542
Other income, other gains and losses, net	6	23,380	16,799
Administration and other operating expenses		(55,789)	(60,527)
Provision of loss allowance on trade and other receivables and contract assets, net		(2,684)	(1,187)
Impairment losses on property, plant and equipment		(671)	–
Finance costs	7	(45)	(19)
Profit/(loss) before tax	8	18,293	(3,392)
Income tax expense	9	(3,678)	(2,654)
Profit/(loss) for the year		14,615	(6,046)
Other comprehensive income:			
Item that will not be reclassified to profit or loss:			
Remeasurement of provision for long service payments	25(ii)	(17)	–
Total comprehensive income for the year attributable to owners of the Company		14,598	(6,046)
		HK cents	HK cents
Earnings/(loss) per share attributable to owners of the Company			
– Basic and diluted	12	1.22	(0.50)

Details of dividend are disclosed in Note 11 to the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
Non-current assets			
Property, plant and equipment	13	15,143	22,157
Right-of-use assets	14	31,310	33,113
Club membership		1,188	1,188
Deferred tax assets	22	2,184	868
		49,825	57,326
Current assets			
Inventories	15	–	1,235
Trade and other receivables	16	88,400	121,873
Contract assets	17	219,664	234,924
Bank balances and cash	18	76,007	48,640
Current tax recoverable		473	3,240
Assets held for sales		580	–
		385,124	409,912
Current liabilities			
Trade and other payables	19	104,542	136,305
Contract liabilities	21	–	16,838
Lease liabilities	20	–	295
Current tax liabilities		4,506	2,023
		109,048	155,461
Net current assets		276,076	254,451
Total assets less current liabilities		325,901	311,777

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
Non-current liabilities			
Deferred tax liabilities	22	230	606
Lease liabilities	20	–	101
Provision for long service payments	25(ii)	492	489
		722	1,196
Net assets		325,179	310,581
Capital and reserves			
Share capital	23	12,000	12,000
Reserves		313,179	298,581
		325,179	310,581

The consolidated financial statements on pages 56 to 107 were approved and authorised for issue by the board of directors on 26 June 2026 and signed on its behalf by:

Mr. Wang Kei Ming
Director

Mr. Wang Yu Hin
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2026

	Share capital HK\$'000 (Note 23)	Share premium HK\$'000	Special reserve HK\$'000 (Note)	Other reserves HK\$'000 (Note)	Retained profits HK\$'000	Total HK\$'000
Balance at 1 April 2024	12,000	94,956	1,020	(46)	208,697	316,627
Loss and total comprehensive income for the year	–	–	–	–	(6,046)	(6,046)
Balance at 31 March 2025 and 1 April 2025	12,000	94,956	1,020	(46)	202,651	310,581
Profit for the year	–	–	–	–	14,615	14,615
Other comprehensive income: Remeasurement of provision for long service payments	–	–	–	–	(17)	(17)
Total comprehensive income	–	–	–	–	14,598	14,598
Balance at 31 March 2026	12,000	94,956	1,020	(46)	217,249	325,179

Note:

Special reserve represents the difference between the aggregate amount of issued and fully paid share capital of the subsidiaries acquired by the Company and the nominal amount of the shares issued by the Company in exchange for the entire equity interests in the subsidiaries as part of the corporate reorganisation undertaken in preparation for the listing of the Company's shares.

Other reserves represent the difference between the consideration paid to acquire additional interest in subsidiaries and the relevant carrying value of non-controlling interests acquired.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
Cash flows from operating activities			
Profit/(loss) before tax		18,293	(3,392)
Adjustments for:			
Depreciation of property, plant and equipment	13	5,852	9,174
Depreciation of right-of-use assets	14	1,714	1,714
(Gain)/loss on disposal of property, plant and equipment	6	(50)	20
Gain on lease termination	6	(11)	–
Provision of loss allowance on trade and other receivables and contract assets, net		2,684	1,187
Write-off of retention receivables		–	537
Impairment loss on property, plant and equipment		671	–
Provision for/(reversal of) long service payments		302	(124)
Finance costs	7	45	19
Interest income	6	(366)	(1,107)
Operating cash flows before movements in working capital		29,134	8,028
Decrease in inventories		1,235	5,162
Decrease/(increase) in trade and other receivables		33,405	(135)
Decrease/(increase) in contract assets		12,645	(42,243)
Decrease in contract liabilities		(16,838)	(28,963)
(Decrease)/increase in trade and other payables		(32,081)	25,182
Cash generated from/(used in) operations		27,500	(32,969)
Hong Kong Profits Tax refunded		3,962	73
Hong Kong Profits Tax paid		(4,082)	(6,824)
Net cash generated from/(used in) operating activities		27,380	(39,720)
Cash flows from investing activities			
Interest received		366	1,107
Purchases of property, plant and equipment		(89)	(719)
Proceeds from disposal of property, plant and equipment		50	10
Decrease in restricted bank deposits		–	30
Net cash generated from investing activities		327	428

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
Cash flows from financing activities	30		
Interest paid on lease liabilities		(45)	(19)
Principal paid on lease liabilities		(295)	(236)
Net cash used in financing activities		(340)	(255)
Net increase/(decrease) in cash and cash equivalents		27,367	(39,547)
Cash and cash equivalents at the beginning of year		38,640	78,187
Cash and cash equivalents at the end of year	18	66,007	38,640

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

1. GENERAL INFORMATION AND BASIS OF PRESENTATION

The Company was incorporated in the Cayman Islands on 12 April 2016 as an exempted company with limited liability under the companies law of the Cayman Islands. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 8 February 2017 (the “**Listing**”). Its parent company and ultimate holding company is Wang K M Limited, a company incorporated in the British Virgin Islands and is owned as to 50% by Mr. Wang Kei Ming, an executive Director, and 50% by Ms. Chao Lai Heng, spouse of Mr. Wang Kei Ming.

The addresses of the registered office and the principal place of business of the Company are Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and Unit A, 22nd Floor, T G Place, 10 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong, respectively.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) is principally engaged in the provision of formwork erection and related ancillary services in Hong Kong.

Items included in the financial statements of each entity in the Group 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 Hong Kong dollars (“**HK\$**”), rounded to the nearest thousand, unless otherwise stated, which is the same as the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (Continued)

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

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

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

¹ Effective for annual periods beginning on or after a date to be determined by the HKICPA.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

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

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements, even though it will not impact the recognition or measurement of items in the financial statement.

The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements and will apply it from its mandatory effective date of 1 January 2027 and retrospective application is required.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("**Listing Rules**") and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost.

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

The material accounting policies information is set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Revenue from contracts with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

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

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

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

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

A contract liability represents the Group’s obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

Contracts with multiple performance obligations (including allocation of transaction price)

For contracts that contain more than one performance obligations (to specify), the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer. If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Revenue from contracts with customers (Continued)

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

The progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the goods or services transferred to the customer to date relative to the remaining goods or services promised under the contract, that best depict the Group's performance in transferring control of goods or services.

Variable consideration

For contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using either (a) the expected value method or (b) the most likely amount, depending on which method better predicts the amount of consideration to which the Group will be entitled.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

Leases

Definition of a lease

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

For contracts entered into or modified on or after the date of initial application or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of premises and plant and equipment that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis or another systematic basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The Group presents right-of-use assets a separate line item on the consolidated statement of financial position.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Taxation

Income tax expense represents the sum of the current and deferred income tax expense.

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

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Taxation (Continued)

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied to the same taxable entity by the same taxation authority.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Property, plant and equipment

Property, plant and equipment including buildings held for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment, right-of-use assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property, plant and equipment, right-of-use assets, and intangible assets are estimated individually. When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In addition, the Group assesses whether there is indication that corporate assets may be impaired. If such indication exists, corporate assets are also allocated to individual cash-generating units, when a reasonable and consistent basis of allocation can be identified, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

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

Before the Group recognises an impairment loss for assets capitalised as contract costs under HKFRS 15, the Group assesses and recognises any impairment loss on other assets related to the relevant contracts in accordance with applicable standards. Then, impairment loss, if any, for assets capitalised as contract costs is recognised to the extent the carrying amounts exceeds the remaining amount of consideration that the Group expects to receive in exchange for related goods or services less the costs which relate directly to providing those goods or services that have not been recognised as expenses. The assets capitalised as contract costs are then included in the carrying amount of the cash-generating unit to which they belong for the purpose of evaluating impairment of that cash-generating unit.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

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

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Provisions

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

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the net cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

When assessing whether a contract is onerous or loss-making, the Group includes costs that relate directly to the contract, consisting of both the incremental costs (to specify, e.g. direct labour and materials) and an allocation of other costs (to specify, e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract) that relate directly to fulfilling contracts.

Contingent liabilities

A contingent liability is a present obligation arising from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Where the Group is jointly and severally liable for an obligation, the part of the obligation that is expected to be met by other parties is treated as a contingent liability and it is not recognised in the consolidated financial statements.

The Group assesses continually to determine whether an outflow of resources embodying economic benefits has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability, a provision is recognised in the consolidated financial statements in the reporting period in which the change in probability occurs, except in the extremely rare circumstances where no reliable estimate can be made.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

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

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

Interest income which are derived from the Group's ordinary course of business are presented as other income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit-impaired.

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including financial assets included in trade and other receivables and bank balances), and contract assets which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables and contract assets without significant financing component. The ECL on these assets are assessed individually.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, in which case the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)

(i) Significant increase in credit risk

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

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)

(ii) Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 60 days past due. The Group has rebutted the 90 days past due presumption of default based on reasonable and supportable information, including the Group's credit risk control practices and the historical recovery rate of financial assets. However, the Group may also consider a financial asset to be in default when internal and external information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

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

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

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (Continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group takes into consideration historical credit loss experience adjusted for forward looking information that is available without undue cost or effort.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

For individual/collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Nature of financial instruments;
- Past-due status;
- Historical repayment basis;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit-impaired, in which case interest income is calculated based on amortised cost of the financial asset.

Derecognition of financial assets

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Financial instruments (Continued)

Financial liabilities

Financial liabilities at amortised cost

Financial liabilities (including trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

Offsetting a financial asset and a financial liability

A financial asset and a financial liability are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Related parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person:

- (i) has control or joint control of the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

- (i) the entity and the Group are members of the same group;
- (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
- (iii) the entity and the Group are joint ventures of the same third party;
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

3. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

Related parties (Continued)

- (b) the party is an entity where any of the following conditions applies: (Continued)
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the management of the Group is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The followings are the key assumptions concerning the futures, and other key sources of estimation uncertainty at the end of each of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Construction contracts revenue recognition

The Group recognises its contract revenue over time by reference to the progress towards complete satisfaction of a performance obligation at the end of the reporting period, measured based on the surveys of work performed to date of the individual contract of construction works relative to total contract value. Because of the nature of the activity undertaken in construction contracts, the date at which the contract activity is entered into and the date when the activity is completed usually fall into different accounting period. The Group reviews and revises the estimates of contract revenue, contract costs and variation orders prepared for each construction contract as the contract progresses. Management regularly reviews the progress of the contracts and the corresponding costs of the contract revenue.

Provision of ECL for trade receivables and contract assets

The management of the Group estimates the amount of lifetime ECL for trade receivables and contract assets after considering credit quality, past due status and repayment history of respective trade receivables and contract assets. Estimated loss rates are based on observable default rates over the expected life of the debtors and are adjusted for forward-looking information. At every reporting date, the default rates are reassessed and changes in forward-looking information are considered.

The provision of ECL is sensitive to changes in estimates. The information about lifetime ECL for the Group's trade receivables and contract assets are disclosed in Note 29(b).

5. REVENUE AND SEGMENT INFORMATION

An analysis of the Group's revenue for the year is as follows:

Disaggregation of revenue from contracts with customers

	2026 HK\$'000	2025 HK\$'000
Revenue from contracts with customers		
– Provision of formwork erection and related ancillary services	693,738	730,955
Timing of revenue recognition		
– Over time	693,738	730,955

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

5. REVENUE AND SEGMENT INFORMATION (Continued)

Performance obligation for contracts with customers

The Group provides formwork erection and related ancillary services and fit-out services to customers. Such services are recognised as a performance obligation satisfied over time. Revenue is recognised for these construction services based on the progress towards completion of the contract using output method.

Retention receivables, prior to expiration of maintenance period, are classified as contract assets, which ranges from one to two years from the date of the practical completion of the construction. The relevant amount of contract asset is reclassified to trade receivables when the maintenance period expires. The maintenance period serves as an assurance that the construction services performed comply with agreed upon specifications and such assurance cannot be purchased separately.

Transaction price allocated to the remaining performance obligation for contracts with customers

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March 2026 amounted to approximately HK\$962,727,000 (2025: approximately HK\$956,936,000). Management expects that all the remaining performance obligations will be recognised as revenue ranging from one to three years (2025: one to three years) from the end of the reporting period.

Segment information

For the purpose of resources allocation and performance assessment, the chief operating decision maker (i.e. the directors of the Company) reviews the overall results and financial position of the Group as a whole. Accordingly, the Group has only one single operating segment and no further analysis of this single segment is presented.

Geographical information

The Company is domiciled in the Cayman Islands with the Group's major operations located in Hong Kong. All of the Group's revenue from external customers are derived from Hong Kong, the place of domicile of the Group's operating subsidiaries. All the non-current assets of the Group are located in Hong Kong. Accordingly, no geographical information is presented.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

5. REVENUE AND SEGMENT INFORMATION (Continued)

Information about major customers

Revenue from customers contributing over 10% of the Group's total revenue during the year are as follows:

	2026 HK\$'000	2025 HK\$'000
Customer A	261,111	N/A ¹
Customer B	138,655	N/A ¹
Customer C	79,136	N/A ¹
Customer D	78,772	170,907
Customer E	N/A ¹	102,825
Customer F	–	132,611
Customer G	–	118,656

¹ The corresponding revenue did not contribute over 10% of the Group's total revenue.

6. OTHER INCOME, OTHER GAINS AND LOSSES, NET

	2026 HK\$'000	2025 HK\$'000
Other income		
Bank interest income	366	1,107
Income from sale of scrap materials	14,300	2,444
Government grants (Note)	–	191
Sundry income	8,653	13,077
	23,319	16,819
Other gains and losses, net		
Gain/(loss) on disposal of property, plant and equipment	50	(20)
Gain on lease termination	11	–
	61	(20)
	23,380	16,799

Note:

During the year ended 31 March 2025, the Group successfully applied for funding support from the Technology Voucher Programme. There are no unfulfilled conditions or contingencies relating to these grants.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

7. FINANCE COSTS

	2026 HK\$'000	2025 HK\$'000
Interest on lease liabilities	45	19

8. PROFIT/(LOSS) BEFORE TAX

	2026 HK\$'000	2025 HK\$'000
Profit/(loss) before tax has been arrived at after charging/(crediting):		
Employee benefits expense (Note (i)):		
Salaries and other benefits in kind	116,261	87,012
Discretionary bonuses	4,499	4,097
Contributions to retirement benefit scheme	3,039	2,096
Total employee benefits expense, including directors' emoluments	123,799	93,205
Auditors' remuneration	1,100	1,100
Depreciation of property, plant and equipment (Note (ii))	5,852	9,174
Depreciation of right-of-use assets (Note (iii))	1,714	1,714
(Gain)/loss on disposal of property, plant and equipment	(50)	20
Gain on lease termination	(11)	–
Provision of loss allowance on trade and other receivables and contract assets	2,684	1,187
Write-off of retention receivables	–	537
Impairment loss on property, plant and equipment	671	–
Short-term lease expenses in respect of:		
– Land and buildings	6,871	6,001
– Plant and equipment	15,032	32,697

Notes:

- (i) During the year ended 31 March 2026, total employee benefits expense amounting to approximately HK\$85,389,000 (2025: approximately HK\$53,357,000), was included in direct costs and amounting to approximately HK\$38,410,000 (2025: approximately HK\$39,848,000) was included in administration and other operating expenses.
- (ii) During the year ended 31 March 2026, depreciation of property, plant and equipment of approximately HK\$1,846,000 (2025: approximately HK\$5,250,000), was charged to direct costs and approximately HK\$4,006,000 (2025: approximately HK\$3,924,000), was charged to administration and other operating expenses.
- (iii) During the year ended 31 March 2026, depreciation of right-of-use assets of approximately HK\$1,714,000 (2025: approximately HK\$1,714,000), was charged to administration and other operating expenses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

9. INCOME TAX EXPENSE

	2026 HK\$'000	2025 HK\$'000
Current income tax:		
– Hong Kong Profits Tax	5,370	2,401
Deferred tax (Note 22)	(1,692)	253
Total income tax expense recognised in profit or loss	3,678	2,654

The Group has no income subject to taxation in Cayman Islands and British Virgin Islands.

The Company and its Hong Kong subsidiaries are subject to Hong Kong Profits Tax, which is calculated at tax rate of 16.5% on the estimated assessable profits arising in Hong Kong, except for one of the subsidiaries of the Company which is calculated at 8.25% on the first HK\$2,000,000 of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2,000,000 under the Two-tiered Profits Tax Rates Regime.

The income tax expense for the year can be reconciled to the profit/(loss) before tax in the consolidated statement of profit or loss and other comprehensive income as follows:

	2026 HK\$'000	2025 HK\$'000
Profit/(loss) before tax	18,293	(3,392)
Tax at Hong Kong Profits Tax rate of 16.5% (2025: 16.5%)	3,018	(559)
Tax effect of temporary differences not recognised	(396)	514
Tax effect of income not taxable for tax purpose	(281)	(1,206)
Tax effect of expenses not deductible for tax purpose	1,633	1,505
Tax effect of tax losses not recognised	972	2,036
Utilisation of tax losses previously not recognised	(1,091)	(296)
Tax effect of the two-tiered profits tax rates regime	(165)	(165)
Over-provision in prior years	–	835
Tax reduction	(12)	(10)
Income tax expense for the year	3,678	2,654

As at 31 March 2026, the Group had unused tax losses of approximately HK\$74,732,000 (2025: approximately HK\$74,851,000), subject to agreement by the Inland Revenue Department, that are available for offset against future profits and may be carried forward indefinitely.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

10. DIRECTORS', HIGHEST PAID EMPLOYEES' EMOLUMENTS

(a) Directors' emoluments

Details of the emoluments to each of the directors are as follows:

	Fees HK\$'000	Salaries and other benefits in kind HK\$'000	Discretionary bonuses HK\$'000	Contributions to retirement benefit scheme HK\$'000	Total HK\$'000
For the year ended 31 March 2026					
Executive directors					
Mr. Wang Kei Ming	–	11,436	–	18	11,454
Mr. Wang Yu Hin	–	3,763	421	18	4,202
Ms. Chao Lai Heng	–	5,082	400	22	5,504
Independent non-executive directors					
Mr. Kwong Ping Man (Resigned on 31 January 2026)	182	–	–	–	182
Mr. Lai Ah Ming Leon (Resigned on 28 February 2026)	198	–	–	–	198
Mr. Sio Kam Seng	198	–	–	–	198
Mr. Huang Victor (Appointed on 1 February 2026)	33	–	–	–	33
Mr. Fok Sheung Wai (Appointed on 1 March 2026)	17	–	–	–	17
	628	20,281	821	58	21,788

For the year ended 31 March 2025

Executive directors					
Mr. Wang Kei Ming	–	12,258	–	18	12,276
Mr. Wang Yu Hin	–	3,555	421	18	3,994
Ms. Chao Lai Heng	–	4,939	–	18	4,957
Independent non-executive directors					
Mr. Kwong Ping Man (Resigned on 31 January 2026)	198	–	–	–	198
Mr. Lai Ah Ming Leon (Resigned on 28 February 2026)	198	–	–	–	198
Mr. Sio Kam Seng	198	–	–	–	198
	594	20,752	421	54	21,821

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

None of the directors waived or agreed to waive any emoluments during the year ended 31 March 2026 (2025: Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

10. DIRECTORS', HIGHEST PAID EMPLOYEES' EMOLUMENTS (Continued)

(b) Five highest paid employees' emoluments

Of the five individuals with the highest emoluments in the Group, three (2025: three) were directors of the Company whose emoluments are disclosed above. The emoluments in respect of the remaining two (2025: two) highest paid individuals are as follows:

	2026 HK\$'000	2025 HK\$'000
Salaries and other benefits in kind	2,859	2,821
Discretionary bonuses	239	234
Contributions to retirement benefit scheme	36	36
	3,134	3,091

The emoluments of the highest paid employees who are non-director whose emoluments fell within the following bands are as follow:

	Number of individuals	
	2026	2025
HK\$1,000,001 to HK\$1,500,000	1	1
HK\$1,500,001 to HK\$2,000,000	1	1
	2	2

During the years ended 31 March 2026 and 2025, no emoluments were paid by the Group to any of the directors of the Company or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

11. DIVIDEND

The board of directors has proposed the payment of a final dividend of HK0.5 cents (2025: Nil) per ordinary share, amounting to approximately HK\$6,000,000 (2025: Nil) for the year ended 31 March 2026. The final dividend is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

12. EARNINGS/(LOSS) PER SHARE

	2026 HK\$'000	2025 HK\$'000
Earnings/(loss)		
Profit/(loss) for the year attributable to owners of the Company for the purpose of basic earnings/(loss) per share	14,598	(6,046)
	2026 '000	2025 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	1,200,000	1,200,000

The diluted earnings/(loss) per share is equal to the basic earnings/(loss) per share as there is no potential ordinary share in issue during the years ended 31 March 2026 and 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

13. PROPERTY, PLANT AND EQUIPMENT

	Buildings HK\$'000	Leasehold improvements HK\$'000	Plant and equipment HK\$'000	Office and other equipment HK\$'000	Furniture and fixtures HK\$'000	Motor vehicles HK\$'000	Total HK\$'000
Cost							
Balance at 1 April 2024	19,067	6,039	40,142	10,035	2,297	2,974	80,554
Additions	–	76	–	532	111	–	719
Disposals/written off	–	–	(240)	(14)	–	(306)	(560)
Balance at 31 March 2025 and 1 April 2025	19,067	6,115	39,902	10,553	2,408	2,668	80,713
Additions	–	–	–	89	–	–	89
Disposals/transfer to assets held for sale	–	(1,208)	–	(1,145)	(54)	(600)	(3,007)
Balance at 31 March 2026	19,067	4,907	39,902	9,497	2,354	2,068	77,795
Accumulated depreciation and impairment							
Balance at 1 April 2024	7,170	4,564	26,879	7,457	2,218	1,624	49,912
Depreciation expense	766	396	6,801	727	54	430	9,174
Eliminated on disposals/ written off	–	–	(210)	(14)	–	(306)	(530)
Balance at 31 March 2025 and 1 April 2025	7,936	4,960	33,470	8,170	2,272	1,748	58,556
Depreciation expense	766	392	3,398	809	57	430	5,852
Impairment loss	–	563	–	108	–	–	671
Eliminated on disposals/ transfer to assets held for sale	–	(1,108)	–	(665)	(54)	(600)	(2,427)
Balance at 31 March 2026	8,702	4,807	36,868	8,422	2,275	1,578	62,652
Carrying amounts							
Balance at 31 March 2026	10,365	100	3,034	1,075	79	490	15,143
Balance at 31 March 2025	11,131	1,155	6,432	2,383	136	920	22,157

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

13. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Buildings	Over the shorter of the terms of the leases and useful life
Leasehold improvements	Over the shorter of lease term and 25%
Plant and equipment	20%
Office and other equipment	20%
Furniture and fixtures	25%
Motor vehicles	25%

14. RIGHT-OF-USE ASSETS

	Leasehold land HK\$'000	Office premise HK\$'000	Total HK\$'000
Carrying amount as at 1 April 2024	34,256	571	34,827
Depreciation charge	(1,473)	(241)	(1,714)
Carrying amount as at 31 March 2025 and 1 April 2025	32,783	330	33,113
Depreciation charge	(1,473)	(241)	(1,714)
Lease termination	–	(89)	(89)
Carrying amount as at 31 March 2026	31,310	–	31,310
		2026 HK\$'000	2025 HK\$'000
Expenses relating to short-term leases, excluding short-term leases of low value assets		21,903	38,698
Total cash outflows for leases			
– within operating cash flows		21,903	38,698
– within financing cash flows		340	255

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

14. RIGHT-OF-USE ASSETS (Continued)

For the year ended 31 March 2026 and 31 March 2025, the Group leased various offices premises for its operations. Lease contracts are entered into for fixed term of 1 to 2 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

In addition, the Group owns certain office buildings. The Group is the registered owner of these property interests, including the underlying leasehold land. Lump sum payments were made upfront to acquire these property interests. The leasehold land components of these owned properties are presented separately only if the payments made can be allocated reliably.

The Group also regularly entered into short-term leases for scaffolding and equipment.

15. INVENTORIES

	2026 HK\$'000	2025 HK\$'000
Raw materials and consumables	–	1,235

16. TRADE AND OTHER RECEIVABLES

	2026 HK\$'000	2025 HK\$'000
Trade receivables	86,701	113,907
Less: loss allowance for trade receivables	(807)	(645)
	85,894	113,262
Deposits, other receivables and prepayments	2,531	8,729
Less: loss allowance for deposits and other receivables	(25)	(118)
	88,400	121,873

The Group allows a credit period ranging from 7 to 45 days (2025: 7 to 45 days) to its customers. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management of the Group.

The ageing analysis of trade receivables presented based on the date of progress certificates issued by customers, at the end of the reporting period, are as follows:

	2026 HK\$'000	2025 HK\$'000
0 – 30 days	75,554	74,574
31 – 60 days	3,318	27,685
91 – 180 days	–	3,828
Over 180 days	7,829	7,820
	86,701	113,907

Details of impairment assessment of trade and other receivables are set out in Note 29(b).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

17. CONTRACT ASSETS

	2026 HK\$'000	2025 HK\$'000
Analysed as current:		
Retention receivables of construction contracts (Note (a))	102,608	94,420
Unbilled revenue of construction contracts (Note (b))	123,115	143,948
Less: loss allowance for contract assets	(6,059)	(3,444)
	219,664	234,924

Notes:

- (a) Retention receivables included in contract assets represent the Group's right to receive consideration for work performed and conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the expiry date of the period for the provision of assurance by the Group on the service quality of the construction work performed by the Group. The due dates for retention receivables are usually one to two years after the completion of construction work.
- (b) Unbilled revenue included in contract assets represents the Group's right to receive consideration for work completed but not yet billed because the rights are conditional upon the satisfaction by the customers on the construction work completed by the Group and the work is pending for the certification by the customers. The contract assets are transferred to trade receivables when the rights become unconditional, which is typically at the time when the Group obtains the certification of the completed construction work from the customers.

The Group classifies these contract assets as current because the Group expects to realise them in its normal operating cycle.

Details of the impairment assessment are set out in Note 29(b).

18. BANK BALANCES AND CASH

	2026 HK\$'000	2025 HK\$'000
Bank balances and cash in the consolidated statement of financial position	76,007	48,640
Less: restricted bank balances	(10,000)	(10,000)
Cash and cash equivalents in the consolidated statement of cash flows	66,007	38,640

Restricted bank balances are short-term fixed deposits with interest rates ranging from 0.12% to 2.91% (2025: 2.65% to 4.48%) per annum and placed in a bank to secure general banking facilities as at 31 March 2026.

Bank balances earn interests at floating rate based on daily bank deposit rates and are placed with creditworthy banks with no recent history of default.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

19. TRADE AND OTHER PAYABLES

	2026 HK\$'000	2025 HK\$'000
Trade payables	28,950	68,636
Retention payables	17,245	16,334
Other payables and accruals	58,347	51,335
	104,542	136,305

The credit period on trade payables is generally 30 to 60 days (2025: 30 to 60 days).

As at 31 March 2026, included in trade payables was approximately HK\$3,800,000 (2025: approximately HK\$4,832,000) payable to a related company, Genuine Treasure Construction Material Limited. Mr. Wang Kei Ming's close family member is the substantial shareholder and director of Genuine Treasure Construction Material Limited.

As at 31 March 2026, included in trade payables was approximately HK\$2,940,000 (2025: approximately HK\$4,241,000) payable to a related company, Genuine Treasure Access and Scaffolding Limited. Mr. Wang Kei Ming's close family member is the substantial shareholder and director of Genuine Treasure Access and Scaffolding Limited.

The ageing analysis of trade payables, presented based on the invoice date, at the end of the reporting period, are as follows:

	2026 HK\$'000	2025 HK\$'000
0 – 30 days	21,997	34,649
31 – 60 days	4,915	15,397
61 – 90 days	1,695	14,822
91 – 180 days	325	3,117
Over 180 days	18	651
	28,950	68,636

Except for retention payables of approximately HK\$11,231,000 (2025: approximately HK\$2,416,000) as at 31 March 2026 which are expected to be settled after one year, all of the remaining retention payables are expected to be settled within one year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

20. LEASE LIABILITIES

	2026 HK\$'000	2025 HK\$'000
Lease liabilities payable		
Within one year	–	295
Within a period of more than one year but not than two years	–	101
	–	396
Less: amount due for settlement within 12 months shown under current liabilities	–	(295)
Amount due for settlement after 12 months shown under non-current liabilities	–	101

21. CONTRACT LIABILITIES

	2026 HK\$'000	2025 HK\$'000
Contract liabilities arising from construction contracts – Billings in advance of performance	–	16,838

When the Group receives payment in advance before the construction activity commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on satisfaction of performance obligation in relevant contract. The decrease in contract liabilities was due to no advance payment received from customers from construction contracts as at 31 March 2026.

The Group classifies the contract liabilities as current because the Group expects to settle them within its normal operating cycle.

The following table shows how much of the revenue recognised relates to brought-forward contract liabilities and how much relates to performance obligations that were satisfied in prior periods:

	2026 HK\$'000	2025 HK\$'000
At the beginning of the year	16,838	45,801
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	(16,838)	(45,801)
Increase in contract liabilities as a result of billing in advance of construction activities	–	16,838
At the end of the year	–	16,838

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

22. DEFERRED TAX

The movements in the Group's deferred tax assets and liabilities during the year are as follows:

Deferred tax assets/(liabilities) arising from:	Lease liabilities HK\$'000	Right-of-use assets HK\$'000	Depreciation allowances in excess of related depreciation HK\$'000	ECL Provision HK\$'000	Total HK\$'000
At 1 April 2024	104	(94)	7	498	515
Credit/(charged) to profit or loss	(39)	40	(657)	403	(253)
At 31 March 2025 and 1 April 2025	65	(54)	(650)	901	262
(Charged)/credit to profit or loss	(65)	54	1,260	443	1,692
At 31 March 2026	–	–	610	1,344	1,954

	2026 HK\$'000	2025 HK\$'000
Represented by:		
Deferred tax assets	2,184	868
Deferred tax liabilities	(230)	(606)
	1,954	262

Deferred tax assets have not been recognised in respect of the remaining tax losses due to the unpredictability of future profit streams in certain group entities.

23. SHARE CAPITAL

	Number of Ordinary shares	Share capital HK\$
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 April 2024, 31 March 2025 and 31 March 2026	2,000,000,000	20,000,000
Issued and fully paid:		
At 1 April 2024, 31 March 2025 and 31 March 2026	1,200,000,000	12,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

24. SHARE OPTION SCHEME AND SHARE AWARD SCHEME

The Company has adopted a share option scheme (the “Share Option Scheme”) and a share award scheme (the “Share Award Scheme”) (together, the Share Schemes”) pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 19 September 2023 (the “Adoption Date”). Unless otherwise altered or terminated, the Share Schemes will be valid and effective for a period of 10 years commencing on the Adoption Date.

The purpose of the Share Option Scheme is to recognise and acknowledge the contributions that eligible participants have made or may make to the Group, and to enable the Group to grant options to the eligible participants as incentives or rewards for their contributions with the view of achieving the principal objectives of (i) recruiting and retaining high-calibre personnel and key staff members that are valuable to the Group and whose contributions are important to the long-term growth and profitability of the Group; and (ii) motivate the eligible participants whose contributions are, will or expected to be beneficial to the Group. The eligible participant(s) under the Share Option Scheme include directors and employees of the Group and individuals or entities that provide services to the Group on a continuing or recurring basis in its ordinary and usual course of business (the “Service Providers”).

The purpose of the Share Award Scheme is to recognise the contribution or future contribution of the eligible participants for their contribution to the Group by granting awards to them as incentives or rewards and to attract, retain and motivate high-calibre eligible participants in line with the performance goals of the Group. The Share Award Scheme is intended to strengthen the long-term relationships that the eligible participants may have with the Group. The eligible participant(s) under the Share Award Scheme include the directors and employees of the Group (including persons who are granted awards as inducement to enter into employment contracts with the Group).

Pursuant to the terms of the Share Schemes and in compliance with Chapter 17 of the Listing Rules, the total number of shares which may be issued upon exercise of all share options and awards to be granted under the Share Schemes and all other share schemes of the Company shall not exceed 10% of the total number of the Company’s issued shares as at the Adoption Date of the Share Schemes (i.e. 120,000,000 Shares) (the “Scheme Mandate Limit”). The total number of shares which may be issued in respect of all options and awards to be granted to the Service Providers under the Share Option Scheme of the Company shall not exceed 1% of the total number of shares in issue on the Adoption Date (i.e. 12,000,000 Shares) (the “Service Provider Sublimit”).

The total number of shares issued and to be issued upon exercise of the options and awarded shares granted to each eligible participant under the respective Share Schemes within any twelve-month period, is limited to 1% of the total issued shares of the Company in issue (excluding treasury shares, if any) as at the date of grant. Awarded shares proposed to be granted under the Share Award Scheme to a director, chief executive of the Company, an independent non-executive director or a substantial shareholder, or any of their respective associates in any twelve-month period up to the date of grant shall not exceed 0.1% of the relevant class of shares in issue. Pursuant to the Share Option Scheme, options proposed to be granted to an independent non-executive director or a substantial shareholder, or any of their respective associates within any twelve-month period up to the date of grant shall not exceed 0.1% of the relevant class of shares in issue. Any further grant of share options or awarded shares in excess of the above limits shall be subject to the issue of a circular by the Company and the approval of the shareholders of the Company in a general meeting in accordance with the relevant rules under the Listing Rules.

Save for certain specific circumstances, the vesting period of the options and the awards granted under the Share Schemes shall generally not be less than 12 months.

The exercise period of any share option shall be such period to be notified by the Board subject to the terms of grant (including but not limited to the vesting period), save that no share option may be exercised on a date exceeding the tenth anniversary of the date of grant in respect of such offer. The Board may determine a minimum period that an option must be held before it can be exercised, if any.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

24. SHARE OPTION SCHEME AND SHARE AWARD SCHEME (Continued)

The subscription price per share payable upon exercise of any share option will be determined by the Board upon the grant of the share option. It will not be less than the higher of (i) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of offer of such share option; (ii) the average closing price per Share as stated in the Stock Exchange's daily quotations sheet for the five (5) business days immediately preceding the date of offer of such share option; or (iii) the nominal value of a share. Meanwhile, the purchase price of the award shares shall be determined from time to time based on considerations such as the prevailing closing price of the shares, the purpose of the award and the characteristics and profile of the grantee.

Each grantee is required to pay HK\$1.0 as consideration for acceptance of the grant of share options in accordance with the Share Option Scheme and no payment is required for acceptance of an award of shares under the Share Award Scheme unless otherwise stated in the relevant award letter as determined by the Board. The offer of share options and share awards must be accepted within 14 and 21 days from the date of the offer, respectively.

The principal terms of the Share Schemes are set out in a circular of the Company dated 24 August 2023. The Share Scheme has a remaining life of approximately 7 years as at 31 March 2026 and the number of shares available for grant under the Scheme Mandate Limit as at 1 April 2024, 31 March 2025 and 2026 was 120,000,000 shares (representing 10% of the issued Shares of the Company as at 31 March 2025 and 2026). The number of shares available for grant under the Service Provider Sublimit as at 1 April 2024 and as at the end of the financial period for the year ended 31 March 2025 and 2026 was 12,000,000 shares (representing 1.0% of the issued shares of the Company as at 31 March 2025 and 2026).

At the date of approval of these financial statements, no share options or awards have been granted, exercised, lapsed, cancelled or expired under the Share Schemes since their adoption.

25. RETIREMENT BENEFIT SCHEMES

(i) Defined contribution scheme

The Group operates a defined contribution scheme which is registered under the Mandatory Provident Fund Scheme (the "MPF scheme") established under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF scheme are held separately from those of the Group, in funds under the control of an independent trustees.

For members of the MPF Scheme, the Group contributes at the lower of HK\$1,500 per month or 5% of relevant payroll costs each month to the MPF Scheme, which contribution is matched by the employee.

The only obligation of the Group in respect of the MPF Scheme is to make the specified contributions. The total expenses recognised in the consolidated statement of profit or loss and other comprehensive income amounted to approximately HK\$3,039,000 (2025: approximately HK\$2,096,000) and represent contributions paid or payable to the MPF Scheme by the Group for the year ended 31 March 2026 and 2025.

No forfeited contribution is available to reduce the contribution payable in the future years as at 31 March 2026 and 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

25. RETIREMENT BENEFIT SCHEMES (Continued)

(ii) Long Service Payments

The Group provides long service payments for its employees in respect of long service payments on cessation of employment in certain circumstances under the Hong Kong Employment Ordinance.

Such provision for long service payment obligation was valued by Long Service Payment (HK) Research Company Limited, an independent qualified valuer, using the projected unit credit method.

Movements in the liability recognised in the consolidated statement of financial position are as follows:

	2026 HK\$'000	2025 HK\$'000
Beginning of the year	489	612
Current service cost	84	62
Past service cost	203	(199)
Interest cost	15	13
Remeasurement of provision of long service payments	17	–
Benefits paid	(316)	–
	492	489

Amounts recognised in the consolidated profit or loss are as follows:

	2026 HK\$'000	2025 HK\$'000
Current service cost	84	62
Past service cost	203	(199)
Interest cost	15	13
	302	(124)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

25. RETIREMENT BENEFIT SCHEMES (Continued)

(ii) Long Service Payments (Continued)

The principal actuarial assumptions used are as follows:

	2026	2025
Discount rate	3.72%	3.19%
Expected rate of increase in future salaries (per annum)	3.00%	3.10%

26. CAPITAL COMMITMENTS

The Group had no significant capital commitments as at 31 March 2026 and 2025.

27. RELATED PARTY TRANSACTIONS

(a) Outstanding balances with related parties

Details of outstanding balances with related parties are set out in Note 19.

(b) Material related party transactions

The Group entered into the following material related party transactions during the years ended 31 March 2026 and 2025:

Name of related parties	Nature	2026 HK\$'000	2025 HK\$'000
Genuine Treasure Construction Material Limited (Note (i))	Purchase of construction materials	5,646	3,198
	Transportation and plant hiring charge	8,837	10,426
Genuine Treasure Access and Scaffolding Limited (Note (ii))	Scaffolding & equipment rental charge and transportation charge	13,158	29,940
Angel Dental Center Limited (Note (iii))	License fee income	—	840

Notes:

- (i) Mr. Wang Kei Ming's close family member was the substantial shareholder and director of Genuine Treasure Construction Material Limited.
- (ii) Mr. Wang Kei Ming's close family member was the substantial shareholder and director of Genuine Treasure Access and Scaffolding Limited.
- (iii) Mr. Wang Yu Hin is the shareholder and director of Angel Dental Center Limited.
- (iv) The transactions were conducted on terms and conditions mutually agreed between the relevant parties. The directors of the Company are of the opinion that these related party transactions were conducted in the ordinary course of business of the Group.

The related party transactions in respect of items (i) to (iii) above also constitute connected transactions and/or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

27. RELATED PARTY TRANSACTIONS (Continued)

(c) Compensation of key management personnel

The remuneration of directors and other members of key management of the Group during the reporting period is as follows:

	2026 HK\$'000	2025 HK\$'000
Short-term employee benefits	23,471	23,480
Post-employment benefits	76	72
	23,547	23,552

28. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes cash and cash equivalents and equity attributable to owners of the Company comprising issued share capital and reserves.

The directors of the Company review the capital structure on a regular basis by considering the cost of capital and the risks associated with the capital. In view of this, the Group manages its overall capital structure through the payment of dividends and the issue of new shares.

The net debt-to-equity ratio at the end of the reporting period is as follows:

	2026 HK\$'000	2025 HK\$'000
Debts (Note (i))	–	396
Less: cash and cash equivalents (Note (ii))	(66,007)	(38,640)
Surplus of cash and cash equivalents over debts	(66,007)	(38,244)
Equity (Note (iii))	325,179	310,581
Surplus of cash and cash equivalents over debts to equity	N/A	N/A

Notes:

- (i) Debts represent lease liabilities as detailed in Note 20.
- (ii) Cash and cash equivalents as detailed in Note 18.
- (iii) Equity includes all capital and reserves.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

29. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	2026 HK\$'000	2025 HK\$'000
Financial assets		
Financial assets at amortised cost	163,905	165,936
Financial liabilities		
Financial liabilities at amortised cost	104,542	136,701

(b) Financial risk management objectives and policies

The Group's major financial instruments include financial assets included in trade and other receivables, bank balances and cash, trade and other payables, borrowings and lease liabilities. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risks (foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Market risk

(i) Foreign currency risk management

The majority of the Group's transactions and balances for the years ended 31 March 2026 and 2025 were denominated in Hong Kong dollars. The directors consider that the currency risk is not significant and the Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

In virtue of the exposure on foreign currency risk being minimal, the respective quantitative disclosures have not been prepared.

(ii) Interest rate risk management

The directors of the Company consider the Group's exposure to interest rate risk is not significant as interest bearing bank balances are within short maturity period and the interest rates of bank deposits are not expected to change significantly.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

29. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Market risk (Continued)

(iii) Price risk

As the Group has no significant investments in financial assets measured at fair value through profit or loss or fair value through other comprehensive income, the Group is not exposed to significant equity price risk.

In virtue of the exposure on equity price risk being minimal, the respective quantitative disclosures have not been prepared.

Credit risk and impairment assessment

At the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position.

At 31 March 2026, the Group had certain concentration of credit risk as 65% (2025: 40%) and 5% (2025: 44%) of the Group's trade receivables and contract assets respectively were due from the Group's largest single customers.

In order to minimise the credit risk, the management of the Group monitored on an ongoing basis and follow-up action is taken to recover overdue debts. In addition, the management reviews the recoverable amount of each individual receivable at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

29. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies or with good reputation.

The Group's internal credit risk grading assessment comprises the following categories:

Internal credit rating	Description	Trade receivables/ contract assets	Bank balances/ Deposits and other receivables
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL – not credit-impaired	12m ECL
Watch list	Debtor frequently repays after due dates but usually settles after due date	Lifetime ECL – not credit-impaired	12m ECL
Doubtful	There have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
Loss	There is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no reasonable expectations of recovery	Amount is written off	Amount is written off

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

29. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The tables below detail the credit risk exposures of the Group's financial assets and contract assets, which are subject to ECL assessment:

	12m or lifetime ECL	2026 Gross carrying amounts	2025 Gross carrying amounts
Financial assets at amortised costs			
Trade receivables (Note (iii))	Lifetime ECL	86,701	113,907
Deposits and other receivables (Note (ii))	12m ECL	2,029	4,150
Bank balances (Note (i))	12m ECL	76,007	48,640
Other items			
Contract assets (Note (iii))	Lifetime ECL	225,723	238,368

Notes:

- (i) All bank balances were placed in banks with high credit rating assigned by international credit-rating agencies or with good reputation. In the opinion of the directors of the Company, credit risk on these bank balances is insignificant.
- (ii) For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition. The balances of these deposits and other receivables are not past due.
- (iii) For trade receivables and contract assets, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items individually, details of which are set out in note 3(v) above.

The loss allowances for trade receivables, deposits and other receivables and contract assets were determined as follows:

	Weighted average loss rate	Gross carrying amounts HK\$'000	Loss allowances HK\$'000	Net carrying amounts HK\$'000
As at 31 March 2026				
Trade receivables	0.93%	86,701	(807)	85,894
Deposits and other receivables	1.23%	2,029	(25)	2,004
Contract assets	2.68%	225,723	(6,059)	219,664
As at 31 March 2025				
Trade receivables	0.57%	113,907	(645)	113,262
Deposits and other receivables	2.84%	4,150	(118)	4,032
Contract assets	1.45%	238,368	(3,444)	234,924

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

29. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort.

The following table shows the movement in lifetime ECL that has been recognised or reversed for trade receivables and contract assets under the simplified approach and ECL that has been recognised or reversed for deposits and other receivables.

	Trade receivable		Contract assets	Deposits and other receivables			
	Lifetime ECL – not credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – not credit-impaired	12m ECL	Lifetime ECL – not credit-impaired	Lifetime ECL – credit-impaired	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
As at 1 April 2024	1,229	–	1,386	405	–	–	3,020
Loss allowance reversed	(584)	–	–	(287)	–	–	(871)
Loss allowance recognised	–	–	2,058	–	–	–	2,058
As at 31 March 2025 and 1 April 2025	645	–	3,444	118	–	–	4,207
Loss allowance reversed	–	–	–	(93)	–	–	(93)
Loss allowance recognised	162	–	2,615	–	–	–	2,777
As at 31 March 2026	807	–	6,059	25	–	–	6,891

Changes in the loss allowances for trade receivables and contract assets are mainly due to changes in the gross amounts of trade receivables and contract assets during the year and impact of changing economic environment and customers' credit risk profile.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the directors of the Company, which has built an appropriate liquidity risk management framework to meet the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

29. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

Liquidity risk management (Continued)

Liquidity tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flow of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights.

	Weighted average effective interest rate	On demand or within one year HK\$'000	One to five years HK\$'000	Total undiscounted cash flow HK\$'000	Total carrying amounts HK\$'000
As at 31 March 2026					
Non-derivative financial liabilities					
Trade and other payables	N/A	104,542	–	104,542	104,542
As at 31 March 2025					
Non-derivative financial liabilities					
Trade and other payables	N/A	136,305	–	136,305	136,305
Lease liabilities	6.9%	340	122	462	396
		136,645	122	136,767	136,701

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

29. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value measurement of financial instruments

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate to their fair values.

30. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Lease liabilities HK\$'000 (Note 20)	Total HK\$'000
At 1 April 2024	632	632
Interest on lease liabilities	19	19
Repayment of lease liabilities	(255)	(255)
At 31 March 2025 and 1 April 2025	396	396
Interest on lease liabilities	45	45
Repayment of lease liabilities	(340)	(340)
Other change:		
Lease termination	(101)	(101)
At 31 March 2026	–	–

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

31. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Details of the Company's subsidiaries as at 31 March 2026 are set out as follows:

Name of subsidiary	Place of incorporation/ operations	Issued and fully paid up share capital	Proportion ownership interest held by the Company	Principal activities
MT Construction Limited	British Virgin Islands (the "BVI")	US\$1	100% (direct)	Investment holding
MT Engineering Limited	BVI	US\$1	100% (direct)	Investment holding
MT Technology Limited	BVI	US\$1	100% (direct)	Investment holding
MT Sunshine Limited	BVI	US\$1	100% (direct)	Dormant
Lucky Profit Enterprises Limited	BVI	US\$100	100% (direct)	Investment holding
Ming Tai Construction Engineering Company Limited	Hong Kong	HK\$1,000,000	100% (indirect)	Provision of formwork erection and related ancillary services
Ming Tai Civil Engineering Company Limited	Hong Kong	HK\$10,000	100% (indirect)	Provision of formwork erection and related ancillary services
Genuine Treasure Construction Technology Company Limited	Hong Kong	HK\$10,000	100% (indirect)	Development of construction technology and rental of tableform and services
Harvest Full Properties Limited	Hong Kong	HK\$100	100% (indirect)	Properties holding and investment
Rich Tone Capital Resources Limited	Hong Kong	HK\$100	100% (indirect)	Investment holding
Win Tai Billion Limited	Hong Kong	HK\$100	100% (indirect)	Dormant
Jadeite Medical Limited	Hong Kong	HK\$100	100% (indirect)	Property rental
Champion Time Engineering Limited	Hong Kong	HK\$100	100% (indirect)	Provision of fit-out services
H.S. Design Service Company Limited	Hong Kong	HK\$100	100% (indirect)	Provision of engineering design services
MTG Formwork Company Limited	Hong Kong	HK\$100	100% (indirect)	Trade and rental of tableform and services
Jadeite Corporation Limited	Hong Kong	HK\$100	100% (indirect)	Provision of formwork erection and related ancillary services
Harvest Rich Properties Limited	Hong Kong	HK\$100	100% (indirect)	Property holding and investment

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

32. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	2026 HK\$'000	2025 HK\$'000
Non-current assets		
Investments in subsidiaries	62,585	62,585
Current assets		
Prepayments and deposits	129	170
Amounts due from subsidiaries	146,967	148,701
Bank balances and cash	3,970	3,620
	151,066	152,491
Current liabilities		
Other payables and accruals	316	656
Amount due to a subsidiary	12,440	9,300
	12,756	9,956
Net current assets	138,310	142,535
Net assets	200,895	205,120
Capital and reserves		
Share capital	12,000	12,000
Reserve	188,895	193,120
Total equity	200,895	205,120

The Company's statement of financial position was approved and authorised for issue by the board of director on 26 June 2026 and is signed on its behalf by:

Mr. Wang Kei Ming
Director

Mr. Wang Yu Hin
Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

32. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

Movement in the company's reserves

	Share premium HK\$'000	Special reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
Balance at 1 April 2024	94,956	129,214	(28,881)	195,289
Loss and total comprehensive income for the year	–	–	(2,169)	(2,169)
Balance at 31 March 2025 and 1 April 2025	94,956	129,214	(31,050)	193,120
Loss and total comprehensive income for the year	–	–	(4,225)	(4,225)
Balance at 31 March 2026	94,956	129,214	(35,275)	188,895

Special reserve

Special reserve represents the difference between the nominal value of shares issued by the Company pursuant to the corporate reorganisation undertaken on 28 June 2016 and the aggregate net asset value of the subsidiaries acquired.

33. CONTINGENT LIABILITIES

As at 31 March 2026 and 2025, the Group has been involved in a number of claims against the Group in relation to work related injuries. The directors are of the opinion that such claims are covered by insurance or otherwise, are not expected to have a material impact on the consolidated financial statements, and the outcome of such claims are uncertain. Accordingly, no provision has been made as at 31 March 2026 and 2025.

FINANCIAL SUMMARY

RESULTS

	For the year ended 31 March				
	2026 HK\$'000	2025 HK\$'000	2024 HK\$'000	2023 HK\$'000	2022 HK\$'000
Revenue	693,738	730,955	783,575	702,112	470,420
Direct costs	(639,636)	(689,413)	(717,123)	(636,487)	(400,672)
Gross profit	54,102	41,542	66,452	65,625	69,748
Profit/(loss) before tax	18,293	(3,392)	13,399	26,669	10,254
Income tax expense	(3,678)	(2,654)	(3,629)	(5,257)	(3,488)
Profit/(loss) for the year	14,615	(6,046)	9,770	21,412	6,766
Other comprehensive income:					
Item that will not reclassified to profit or loss:					
Remeasurement of provision for long service payments	(17)	–	–	–	–
Total comprehensive income	(17)	–	–	–	–
Total comprehensive income for the year	14,598	(6,046)	9,770	21,412	6,766
Attributable to:					
– Owners of the Company	14,598	(6,046)	9,770	21,403	6,778
– Non-controlling interests	–	–	–	9	(12)
	14,598	(6,046)	9,770	21,412	6,766

ASSETS AND LIABILITIES

	As at 31 March				
	2026 HK\$'000	2025 HK\$'000	2024 HK\$'000	2023 HK\$'000	2022 HK\$'000
Total assets	434,949	467,238	479,997	405,366	415,713
Total liabilities	(109,770)	(156,657)	(163,370)	(98,509)	(130,268)
	325,179	310,581	316,627	306,857	285,445
Equity attributable to:					
– Owners of the Company	325,179	310,581	316,627	306,857	285,500
– Non-controlling interests	–	–	–	–	(55)
	325,179	310,581	316,627	306,857	285,445