RYKADAN CAPITAL LIMITED
宏基資本有限公司

(Incorporated in the Cayman Islands with limited liability)

（Stock code : 2288）

2026 ANNUAL REPORT

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

CHAN William *(Chairman and Chief Executive Officer)*
LO Hoi Wah, Heywood *(Chief Financial Officer)*

Non-executive Director

NG Tak Kwan *(resigned on 1 October 2025)*

Independent Non-executive Directors

HO Kwok Wah, George
TO King Yan, Adam
KHAN Sabrina

AUDIT COMMITTEE

HO Kwok Wah, George *(Chairman)*
TO King Yan, Adam
KHAN Sabrina

REMUNERATION COMMITTEE

HO Kwok Wah, George *(Chairman)*
TO King Yan, Adam
KHAN Sabrina

NOMINATION COMMITTEE

CHAN William *(Chairman)*
HO Kwok Wah, George
TO King Yan, Adam *(ceased office on 5 June 2026)*
KHAN Sabrina *(appointed on 5 June 2026)*

COMPANY SECRETARY

LUI Man Kit

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditor
35/F, One Pacific Place
88 Queensway
Hong Kong

LEGAL ADVISORS

Woo, Kwan, Lee & Lo
北京德恒(福州)律師事務所

PRINCIPAL BANKERS

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

REGISTERED OFFICE

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

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

29/F, Rykadan One
23 Wong Chuk Hang Road
Wong Chuk Hang
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

STOCK CODE

2288

COMPANY'S WEBSITE

www.rykadan.com

INVESTOR RELATIONS CONTACT

Email: ir@rykadan.com

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CHAIRMAN'S STATEMENT

William Chan,
Chairman and Chief Executive Officer

Dear Shareholders,

During the past fiscal year, the Group remained focused on protecting long-term shareholder value through disciplined capital management, active portfolio optimisation and a sustained emphasis on liquidity preservation. These priorities were particularly important as the Group was operating against a challenging backdrop characterised by heightened market uncertainties, elevated construction and material costs, tighter financing conditions and a prolonged slow recovery in the real estate sector.

In response to these conditions, the Group continued to streamline non-core holdings, advance asset monetisation initiatives and reposition its investment portfolio with a focus on preserving liquidity, mitigating downside risks and maintaining flexibility for the longer term.

The Group prudently navigated the current environment by actively managing its property portfolio. Our diversified portfolio which comprises commercial, luxury residential and mixed-use property developments across key commercial hubs such as Hong Kong, Los Angeles in the United States of America and London in the United Kingdom, has provided the Group with flexibility and resilience amid localised market downturns. This has been particularly critical as Hong Kong's commercial real estate market continues to face severe headwinds, including downward pressure on valuations and rents, alongside persistently high office vacancy levels.

During the year, the Group continued to reposition its investment portfolio towards prime locations on Hong Kong Island where limited supply and established commercial fundamentals present resilient, high-potential value-adding opportunities. By adhering to its long-established strategy of enhancing asset value and exiting investments within a three-to-five-year horizon, the Group has continued to navigate the current downcycle with discipline while maintaining financial prudence and risk control.

Subsequent to the financial year end, the Group formed a strategic alliance with Jerde Partnership ("JERDE"), an internationally recognised architecture and urban design firm. The collaboration aims to combine the Group's capital discipline and real estate development capabilities with JERDE's design expertise, to support the Group's longer-term vision of pursuing design-led and experience-driven developments. The board of directors (the "Board") believes this alliance may strengthen the Group's ability to identify and participate in urban regeneration and revitalisation opportunities across Asia.

The Group's hospitality business also continued to show signs of gradual recovery. In Bhutan, the reduction in daily tourist tax, coupled with improved travel sentiment and visitor accessibility, supported a double-digit rebound in visitor arrivals during the year, contributing to a more favorable operating environment for the Group's hospitality business.

Looking ahead, we expect investment sentiment to remain influenced by ongoing geopolitical tensions in the Middle East, uncertainties surrounding trade policies and uneven pace of global economic recovery. Nevertheless, we remain cautiously optimistic about the selective opportunities arising from government market stabilisation measures, renewed institutional demand for real estate and potential redevelopments and urban revitalisation projects supported by our strategic partnership with JERDE. The Group will continue to exercise disciplined capital management, optimise its investment portfolio and collaborate closely with strategic partners to drive long-term value creation for shareholders.

On behalf of the Board, I would like to extend my heartfelt gratitude to our staff, business partners and management team for their unwavering dedication and hard work, and to express our deep appreciation to our shareholders for their continuous support and belief in the Group.

WILLIAM CHAN
Chairman and Chief Executive Officer

Hong Kong, 24 June 2026

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS AND FINANCIAL REVIEW

Overview

In the face of a challenging business environment, the Group focused on safeguarding long-term shareholder value, strengthening financial resilience, and repositioning its portfolio to support sustainable recovery. Throughout the year, operating conditions were influenced by geopolitical and macroeconomic uncertainties, tighter liquidity, and elevated financing and construction costs. In response, the Group adopted a disciplined approach to capital allocation, accelerated asset monetisation, achieved key delivery milestones, and streamlined non-core investments. These efforts aimed to preserve liquidity, mitigate downside risks, and maintain flexibility for future opportunities.

The Group continued to execute its long-established strategy of developing promising projects, enhancing asset value through active management, and monetising investments within a three-to-five-year horizon. Through prudent execution of this investment principle, together with a strong emphasis on risk management and the preservation of long-term shareholder value, the Group remained resilient, agile and financially disciplined throughout the current downcycle.

In Hong Kong, the Group accelerated the monetisation of its property redevelopment portfolio by handing over the remaining units to buyers and reselling others to third-party buyers. Meanwhile, the relocation of the Group's headquarters and the optimisation of its investment portfolio towards prime locations in Hong Kong have been completed.

In overseas markets, the Group's minority-owned Graphite Square Project in the United Kingdom (the "U.K.") is completed, with handover scheduled to commence in late May 2026. In the United States of America (the "U.S.A."), the Group continued marketing its completed project and advanced its promising mixed-use redevelopment project.

Following proactive divestments over the past year, the Group mitigated downside risks that have also impacted other indebted real estate developers and repositioned its investment portfolio to generate returns over the longer term. During the year ended 31 March 2026, the Group's investments included commercial and residential property developments in Hong Kong, the U.S.A. and the U.K. It also invested in companies operating in the areas of distribution of construction and interior decorative materials, hospitality operations and asset management.

As of 31 March 2026, the Group's total assets were valued at HK$594 million (2025: HK$813 million), of which HK$492 million (2025: HK$605 million) were current assets, approximately 3.66 times (2025: 3.68 times) of its current liabilities. Equity attributable to owners of the Company was HK$439 million (2025: HK$579 million).

Overall Performance

For the year ended 31 March 2026, the Group's consolidated revenue from business segments under continuing operations amounted to HK$51 million (2025: HK$74 million). The revenue was primarily attributable to the ongoing monetisation of the Group's property redevelopment projects within its portfolio.

The Group recorded a gross loss of HK$88 million (2025: gross profit of HK$8 million), mainly attributable to a one-off write-down of property redevelopment projects and the monetisation of the Group's property portfolio, reflecting prevailing weakness in the property market and subdued market sentiment.

The Group recorded a loss from continuing and discontinued operations of HK$123 million during the year (2025: HK$294 million), while the loss attributable to owners of the Company was HK$144 million (2025: HK$281 million). The loss was mostly attributable to the aforementioned gross loss and the absorption of loss incurred by associates (which are principally engaged in property development business) due to the intense market competition, notwithstanding a gain on disposal under discontinued operation was recognised during the year.

Basic loss per share from continuing and discontinued operations for the year ended 31 March 2026 was 38.3 HK cents (2025: 74.9 HK cents). No diluted loss per share in both years was presented, as there were no potential ordinary shares outstanding during both years.

The board of directors (the "Board") does not recommend the payment of the final dividend for the year ended 31 March 2026 (2025: Nil).

Significant Investment and Material Acquisition and Disposal

On 23 July 2024, Worth Celestial Limited ("Worth Celestial"), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with a director of the Company and his spouse (collectively referred to as the "RH Vendors") to acquire 100% equity interests and take up the assignment of the shareholder loan in Cosmo Kingdom Holdings Limited (a property holding company jointly owned by the RH Vendors, with a luxury residential property in Hong Kong as its principal asset), at an aggregate consideration of approximately HK$57,569,000. As the RH Vendors were connected persons of the Company, the acquisition which constituted connected transaction for the Company under Chapter 14A of the Rules Governing the Listing of Securities on Stock Exchange of Hong Kong Limited (the "Listing Rules") was approved by independent shareholders at an extraordinary general meeting held on 16 September 2024 and was completed on 30 April 2025. Details of the transaction are provided in the announcements of the Company dated 23 July 2024, 31 July 2024 and 29 November 2024, as well as in the circular of the Company dated 30 August 2024.

On 3 December 2024, Win Expo Enterprises Limited and Prime Talent Development Limited, both indirect wholly-owned subsidiaries of the Company, entered into provisional agreements for sale and purchase with German Pool (Hong Kong) Limited, an independent third party, in relation to the disposal of the 27th and 28th floors, together with various car parking spaces of Rykadan Capital Tower at an aggregate consideration of approximately HK$163,526,000. Formal agreements of the disposal were entered by the aforementioned parties on 17 December 2024. The disposal was approved by independent shareholders at an extraordinary general meeting held on 17 April 2025 and was completed on 30 April 2025. Details of the disposal was provided in the announcement of the Company dated 3 December 2024 and the circular of the Company dated 27 March 2025.

On 9 April 2025, Quarella Holdings Limited, a joint venture of the Group, disposed of the entire equity interests in its wholly-owned subsidiary, Quarella Group Limited, for a cash consideration of HK$240,000,000. Accordingly, the Group received its corresponding 50% interest of such consideration, which amounted to HK$120,000,000. Details of this transaction are provided in the announcement of the Company dated 9 April 2025.

On 30 May 2025, Golden Wealth (HK) Investment Limited, an indirect wholly-owned subsidiary of the Company, entered into an agreement with Capital Universal Investment Limited, an associate of the Group, in relation to the purchase of the properties comprising the 29th floor, reserved area and various car parking spaces of Rykadan One, at a consideration of approximately HK$47,594,000. The consideration was settled by offsetting it against the outstanding loans to an associate in the amount of HK$47,040,000, together with accrued interests of approximately HK$554,000. Details of the transaction are provided in the announcement of the Company dated 30 May 2025 and the circular of the Company dated 25 July 2025.

Saved as disclosed above, the Group had no other significant investments and material acquisitions and disposals during the year ended 31 March 2026.

Investment Portfolio

As at 31 March 2026, the Group's bank deposits and cash was HK$28 million (2025: HK$64 million), representing 4.8% (2025: 7.8%) of the Group's total assets.

The following table shows the Group's investments as at 31 March 2026.

Real estate investments

Investment	Location	Type	Group's interest	Status as of 31/3/2026	Area	Area attributable to the Group
Winston Project	1135 Winston Avenue, San Marino, CA 91108, the U.S.A.	Residential property	100%	Completed and being marketed to buyers	4,021 square feet (gross floor)	4,021 square feet (gross floor)
Monterey Park Towne Centre Project	100, 120, 150, 200 South Garfield and 114 East Garvey and City Parking Lot, Monterey Park, CA 91755, the U.S.A.	Residential and retail property	100%	Under planning	237,920 square feet (gross floor)	237,920 square feet (gross floor)
Graphite Square Project	Graphite Square, Vauxhall, London SE11, the U.K.	Residential and commercial property	21.25%	Completed and being marketed to buyers	168,893 square metres (net internal area)	35,890 square metres (net internal area)
Jaffe Road Project	216, 216A, 218, 220 and 222A Jaffe Road, Wanchai, Hong Kong	Commercial and retail property	3.55%	Completed and being marketed to buyers	9,440 square feet (saleable)	335 square feet (saleable)
Rykadan One	23 Wong Chuk Hang Road, Wong Chuk Hang, Hong Kong	Commercial property and car parking space	100%	Completed. 5 units and various car parking spaces being marketed to buyers and/or classified as investment properties	3,423 square feet (saleable)	3,423 square feet (saleable)
Various car parking spaces of Rykadan Capital Tower	135 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong	Car parking space	100%	Completed (classified as investment properties and/or being marketed to buyers)	N/A	N/A
Redhill Project	House No. 53, Cedar Drive, The Redhill Peninsula, No. 18 Pak Pat Shan Road, Hong Kong	Residential property	100%	Completed and being marketed to buyers	2,623 square feet (saleable)	2,623 square feet (saleable)
Shouson Hill Project	House 11 (including two car parking spaces), No. 1 Shouson Hill Road East, Hong Kong	Residential property	20%	Completed (classified as assets held for sale)	2,657 square feet (saleable)	531 square feet (saleable)

Note: The above gross floor area for the project under planning is calculated based on the Group's development plans, which may be subject to change.

Other investments

Investment	Business/type	Group's interest
Q-Stone Building Materials Limited	Distribution of construction and interior decorative materials	87%
RS Hospitality Private Limited ("RS Hospitality")	A joint venture for operating a 24-suite boutique resort in Bhutan	50%

Summary and Review of Investments

Property development/Asset, investment and fund management

During the year under review, the Group continued its focus on asset monetisation, portfolio consolidation and capital discipline amid subdued commercial property market conditions. In Hong Kong, the Group advanced the disposal and handover of completed projects, including units and car parking spaces at Rykadan Capital Tower, Rykadan One and the Jaffe Road Project. These transactions supported the Group's ongoing efforts to strengthen liquidity, reduce exposure to completed inventory and enhance portfolio efficiency.

The Group also continued to optimise its asset holdings by relocating its Hong Kong headquarters to Rykadan One, while selectively retaining assets in prime locations with long-term value potential. As at 31 March 2026, independent third-party buyers and the Group acquired 92% and 8% of all available-for-sale units of the Wong Chuk Hang Project, respectively. The Group subsequently resold and handed over one entire floor, two units and certain car parking spaces to independent third-party buyers during the year, with two additional units are scheduled to be handed over after the year end. Similarly, after one entire floor of office unit of the Jaffe Road Project was sold and handed over to the buyer during the year, a total of approximately 81% of the available-for-sale units have been sold and handed over to buyers. The remaining units and car parking spaces of these completed projects continued to be marketed or were scheduled for handover after the year end.

In parallel, the Group continued to streamline its non-core investments. The Redhill Project is currently being marketed to potential buyers, while the disposal of the Group's 20% interest in the Shouson Hill Project was completed subsequent to the financial year end. These actions reflected the Group's disciplined approach to capital redeployment and risk management, preserving liquidity and maintaining flexibility during the current market downcycle.

In the U.S.A., the Group continued to explore divestment opportunities while selectively advancing projects with promising long-term potential. As at 31 March 2026, the completed Winston Project was actively marketed to prospective buyers. Redevelopment of the Monterey Park Towne Centre Project progressed during the year, following the approval of demolition permits and the completion of site clearing and demolition works. With favourable community engagement, the amended design application was submitted to the local City Council for approval, and the Group expects to obtain the necessary construction permits in the second half of 2026.

In the U.K., the Graphite Square Project, in which the Group holds a minority interest, was successfully completed during the year. Handover to buyers is scheduled to commence in late May 2026.

By divesting non-core assets and consolidating its real estate portfolio, the Group has strengthened its financial flexibility and reinforced its capacity to respond to selective opportunities as market conditions stabilise. These initiatives demonstrate the Group's disciplined approach to capital allocation, risk management and sustainable value creation across market cycles and periods of uncertainty.

Property investment

The Group also holds several properties as investments in Hong Kong and Bhutan.

In Hong Kong, the Group retains one floor and various car parking spaces at Rykadan One, certain car parking spaces at Rykadan Capital Tower (following the divestment during the year) and a minority stake in the Shouson Hill Project (to be disposed of subsequent to the year end). These assets are held for its own use or earning stable rental income or potential capital appreciation.

In Bhutan, the Group holds stakes in a 24-suite boutique resort located in Punakha Valley, operated by RS Hospitality. With the rebound of high-paying visitors following the reduction in daily tourist tax and enhanced visitor accessibility, the resort's turnover has gradually improved, providing support to preserve the value of the Group's assets.

Distribution of construction and interior decorative materials

During the year under review, the Group completed the disposal of its interest in Quarella, which engaged in the manufacturing of quartz and marble-based engineered stone composited surface products, that was held through Quarella Holdings Limited, a joint venture of the Group. The transaction, announced on 9 April 2025, involved the sale of the entire interest in Quarella Group Limited and its subsidiaries for a total consideration of HK$240 million. This strategic divestment enables the Group to streamline its operations, improve liquidity, and redeploy capital towards higher-yield and value-added investment opportunities.

Following the disposal of Quarella, the Group shifted its focus from investing in the design and manufacturing of composite stone to distributing a diverse range of construction and interior decorative materials. Leveraging its accumulated business expertise, client network and industry experience, the Group is proactively expanding its distribution channels and exploring new market opportunities, with a particular focus on the Greater China region and Southeast Asia.

Outlook

Looking ahead, the Group will continue to focus on executing ongoing projects, monetising existing assets and preserving financial flexibility. Despite ongoing geopolitical uncertainties, evolving trade policies, elevated material costs and an uneven global economic recovery, the Group will maintain a disciplined and selective approach to capital redeployment, while actively exploring high-potential opportunities across different markets to support long-term value creation for shareholders.

In line with this approach, subsequent to the financial year end, the Group formed a strategic alliance with Jerde Partnership ("JERDE"), an internationally recognised architecture and urban design firm with a proven track record in Asia, including Rykadan One, Shanghai World Trade Centre Phase III, Shenzhen Dayun TOD and other large-scale mixed-use developments. By combining the Group's capital discipline and real estate development capabilities with JERDE's design expertise, the collaboration is expected to strengthen the Group's ability to explore urban regeneration and revitalisation opportunities across Asia.

CORPORATE FINANCE AND RISK MANAGEMENT

Liquidity and Financial Resources

The treasury policy of the Group adheres to the principle of prudent financial management to minimise financial and operational risks across its various business units in Hong Kong and overseas. In order to implement this principle, the control of the Group's financial, capital management and external financing functions are centralised at its headquarters in Hong Kong. The Group's objective is to maintain a balance between the continuity and flexibility of funds through the effective use of its internal financial resources and bank borrowings to finance its operations and expansion.

The Group mainly relies upon internally generated funds and bank borrowings to finance its operations and expansion.

As of 31 March 2026, the Group's total debts (representing total interest-bearing bank borrowings including bank loans directly associated with assets classified as held for sale) to total assets ratio was 22.1% (2025: 26.8%). The net gearing ratio (net debts, as defined by total debts less unrestricted bank balances and cash, to equity attributable to owners of the Company) was 23.5% (2025: 26.7%) as the Group has net debts of HK$103 million as at 31 March 2026 (2025: HK$155 million).

As of 31 March 2026, the total bank borrowings of the Group amounted to HK$131 million (2025: the total bank borrowings excluding bank loans directly associated with assets classified as held for sale amounted to HK$167 million). The bank borrowings of the Group were mainly used to finance the property redevelopment projects and the Shouson Hill Project. (2025: the property redevelopment projects, its investment in Quarella, and the Shouson Hill Project). Certain portion of the bank borrowings were secured by properties for sale (2025: properties for sale). There are no seasonality of borrowing requirements for the Group. As of 31 March 2026, the Group's current assets and current liabilities were HK$492 million (2025: HK$605 million) and HK$134 million (2025: HK$165 million) respectively. The Group's current ratio decreased to 3.66 (2025: 3.68).

Going forward, the Group expects to fund its working capital, capital expenditures and other capital requirements with a combination of various sources, including but not limited to cash generated from operations and bank and other loans. The Group will cautiously seek new investment and development opportunities in order to balance risks and opportunities and maximise shareholders' value.

Pledge of Assets
For the pledge of assets, please refer to note 28 to the consolidated financial statements.

Commitments and Contingent Liabilities
For commitments and contingent liabilities, please refer to notes 37 and 38 to the consolidated financial statements.

Exposure to Fluctuations in Exchange Rates and Interest Rates and Corresponding Hedging Arrangement
The Group operates in various regions with different foreign currencies mainly including United States Dollars, British Pounds and Renminbi.

Certain of the Group's bank borrowings have been made at floating rates.

The Group has not implemented any foreign currencies and interest rates hedging policy. However, management of the Group will monitor foreign currencies and interest rates exposures of each business segment and consider appropriate hedging policies in the future when necessary.

Credit Exposure
The Group continues to prudently monitor and review from time to time the credit policies to deal with credit exposure under the recent macroeconomic environment, in order to minimise the Group's credit risk exposure. For trade receivables, the Group's management is responsible for determination of credit limits, credit approvals and other monitoring procedures for its customers and regularly assesses the recoverability and the financial position of its customers, such that the Group is not exposed to significant credit risk.

Employees and Remuneration Policies
As at 31 March 2026, the total number of employees of the Group is 19 (2025: 20). The Group is committed to the concept of fair and responsible remuneration for its executive members and prescribed officers in line with the Company's and individual performance, market trends and in the context of overall employee remuneration. Total remuneration for employees (including the directors' remuneration) was HK$32 million for the year (2025: HK$31 million).

CORPORATE GOVERNANCE REPORT

The board (the "Board") of directors (the "Director(s)") would like to present this Corporate Governance Report in the Group's annual report for the year ended 31 March 2026.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance in order to safeguard the interests of shareholders and to enhance corporate value and accountability.

In addition to adhering to the principles and complying with all applicable code provisions and certain recommended best practices set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules"), the Company has, based on its standards and experience, adopted its own Corporate Governance Manual (the "CG Manual") for reference by the Board and management of the Company and its subsidiaries to meet the code provisions as set out in the CG Code. A copy of the CG Manual is posted on the Company's website. In the opinion of the Directors, the Company has complied with all code provisions as set out in the CG Code throughout the year ended 31 March 2026, save for the deviations for code provisions C.2.1 and C.5.1 which deviations are explained in the relevant parts of this report.

The Company will continue to review periodically the CG Manual and enhance its corporate governance practices to ensure the continuous compliance with the requirements of the CG Code.

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board is responsible for leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance. The Board has delegated to the Chief Executive Officer, and through him, to the senior management the authority and responsibility for the day-to-day management and operation of the Group. In addition, the Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference.

All Directors have carried out their duties in good faith, in compliance with applicable laws and regulations and in the interests of the Company and its shareholders at all times.

DELEGATION BY THE BOARD

The Company has formalised and adopted written terms on the division of functions reserved to the Board and delegated to management.

The Board reserves for its decisions on all major matters of the Company, including the formulation and monitoring of all policies and directions, overall strategies and budgets, internal control and risk management systems, material transactions (in particular those may involve conflict of interests), financial information, appointment of directors and other significant financial and operational matters.

All Directors have full and timely access to all relevant information as well as the advice and services of the Company Secretary, with a view to ensuring that the Board procedures and all applicable rules and regulations are followed. Each Director is normally able to seek independent professional advice in appropriate circumstances at the Company's expense, upon making request to the Board.

The day-to-day management, administration and operation of the Company are delegated to the Chief Executive Officer and the senior management. The delegated functions and work tasks are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the abovementioned officers.

BOARD OF DIRECTORS

During the year and up to the date of this report, the Board of the Company comprises the following Directors:

Executive Directors:

Mr. CHAN William
(Chairman of the Board and the Nomination Committee, Chief Executive Officer)
Mr. LO Hoi Wah, Heywood
(Chief Financial Officer)

Non-executive Director:

Mr. NG Tak Kwan *(resigned on 1 October 2025)*

Independent Non-executive Directors:
Mr. HO Kwok Wah, George
(Chairman of the Audit Committee and the Remuneration Committee and member of the Nomination Committee)
Mr. TO King Yan, Adam
(Member of the Audit Committee and the Remuneration Committee)
Ms. KHAN Sabrina
(Member of the Audit Committee, the Remuneration Committee and the Nomination Committee)

A brief description of the background of each Director is presented on pages 49 to 50 of this annual report under the heading of "Profiles of Directors and Senior Management".

The list of Directors (by category) is also disclosed in all corporate communications issued by the Company from time to time pursuant to the Listing Rules. The independent non-executive Directors are expressly identified in all corporate communications pursuant to the Listing Rules.

None of the members of the Board is related to one another.

BOARD DIVERSITY POLICY

The Company adopted a board diversity policy (the "Board Diversity Policy") in accordance with the requirements set out in the code provisions of the CG Code. The Company recognises the benefits of having a diverse Board, and considers diversity at the Board level essential in achieving a sustainable and balanced development. In designing the Board's composition, board diversity has been considered from a number of aspects, including but not limited to gender, age, educational background, ethnicity, professional experience, skills, knowledge, industry experience and expertise. All Board appointments are based on meritocracy and considered against a variety of criteria, having due regard for the benefits of diversity on the Board.

As at 31 March 2026 and up to the date of this report, the Board comprised 5 Directors, consisting of 4 males and 1 female. The Board considered that gender diversity had been achieved.

The Nominations Committee will regularly review the implementation of the Board Diversity Policy. The existing members of the Board possess a diverse range of expertise, with some being professionals in finance, accounting and legal, each bringing extensive experience. While conscious efforts are being taken by the Company to fulfil its Board Diversity Policy, all appointments, including those at mid to senior management, are ultimately made on a merit basis taking into account the availability and suitability of candidates. Gender diversity at workforce levels (including senior management) is disclosed in the section headed "Environment, Social and Governance Report" of this annual report.

In view of the present size and complexities of the operations of the Group and the nature of the risks and challenges it faces, the Board considers that the Group's Board Diversity Policy was effective.

INDEPENDENT NON-EXECUTIVE DIRECTORS

During the year ended 31 March 2026, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise. The Board has maintained, throughout the year ended 31 March 2026, the proportion of the independent non-executive Directors to at least one-third of the Board.

The Company has received written annual confirmation from each independent non-executive Director of his/her independence in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules. The Company considers all such Directors independent.

All Directors, including the independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. Chan William ("Mr. Chan") has been appointed as Chief Executive Officer of the Company on 1 July 2012 and is now both the Chairman and the Chief Executive Officer of the Company, and that the functions of the Chairman and the Chief Executive Officer in the Company's strategic planning and development process overlap. These constitute a deviation from code provision C.2.1 of the CG Code which stipulates that the roles of the Chairman and the Chief Executive should be separated and should not be performed by the same individual. However, in view of the present composition of the Board, the in-depth knowledge of Mr. Chan of the operations of the Group and of the property development and real estate/asset management business, his extensive business network and the scope of operations of the Group, the Board believes it is in the best interests of the Company for Mr. Chan to assume the roles of Chairman and Chief Executive Officer at this time and that such arrangement be subject to review by the Board from time to time.

DIRECTORS' APPOINTMENT AND RE-ELECTION

Code provision B.2.2 of the CG Code stipulates that all Directors shall be appointed for a specific term, subject to retirement by rotation at least once every three years, whereas the articles of association of the Company states that all Directors appointed to fill a casual vacancy shall be subject to election by shareholders at the first general meeting after appointment and that every Director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years.

Each of the executive Directors and the independent non-executive Directors of the Company is engaged on a service agreement (for executive Director) or letter of appointment (for independent non-executive Director) for a term of three years. All Directors are subject to retirement by rotation once every three years.

CONTINUOUS PROFESSIONAL DEVELOPMENT OF DIRECTORS

Every newly appointed director will receive formal, comprehensive 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 directors' responsibilities and obligations under the Listing Rules, common law and relevant statutory requirements.

The Company also provides regular updates and presentations on the business development of the Group. Directors are regularly briefed on the latest development of the Listing Rules and other applicable statutory and regulatory requirements to ensure compliance with and upkeep of good corporate governance practices. All Directors are encouraged by the Company to participate in continuous professional development to develop and refresh their professional knowledge and skills.

During the year ended 31 March 2026, the Company provided continuous professional training to Directors. Such training included, among other initiatives, the circulation of the Stock Exchange and regulatory updates to Directors, to enhance their awareness and compliance with good corporate governance practices, as well as the relevant statutory and regulatory requirements.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE AND INDEMNITY

The Company has arranged appropriate directors' and officers' liability insurance for its Directors and officers covering the costs, losses, expenses and liabilities arising from the performance of their duties. The insurance policy covers legal action against its Directors and officers arising out of corporate activities of the Group. During the year, no claim was made against the Directors and officers of the Company.

BOARD AND COMMITTEE MEETINGS

Board Practices and Conduct of Meetings

Annual meeting schedules and draft agenda of each meeting are normally made available to Directors in advance. Notices of regular Board meetings are served to all Directors at least 14 days before the meetings. For other Board and committee meetings, reasonable notice is generally given.

Board papers together with all appropriate, complete and reliable information are sent to all Directors at least 3 business days before each Board meeting or committee meeting to keep the Directors appraised of the latest developments and financial position of the Company and to enable them to make informed decisions. The Board and each Director also have separate and independent access to the senior management where necessary.

Draft and final versions of minutes are normally circulated to Directors or the committee members for comments and records respectively within a reasonable time after each meeting. Minutes of Board meetings and committee meetings are kept by the Company Secretary or the duly appointed secretaries of the respective meetings (as the case may be) and are available for inspection by all Directors at all reasonable time.

According to the current Board practice, any material transaction, which involves a conflict of interests for a substantial shareholder or a Director, will be considered and dealt with by the Board at a duly convened Board meeting. The Company's articles of association contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions of the Directors, senior management and relevant employees (who, because of their office or employment, is likely to possess inside information in relation to the Company or its securities) of the Group (the "Securities Code") with terms no less exacting than that of the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules.

Having made specific enquiries, all of the Directors and relevant employees of the Group confirmed that they have complied with the Securities Code and the Model Code throughout the year ended 31 March 2026.

BOARD COMMITTEES

The Board has established three committees, namely, the Remuneration Committee, the Nomination Committee and the Audit Committee, for overseeing particular aspects of the Company's affairs. All Board committees of the Company are established with defined written terms of reference which are in line with the CG Code. These terms of reference are posted on the Company's website and the Stock Exchange's website and are available to shareholders upon request. Board committees are provided with sufficient resources to discharge their duties and are required to report back to the Board on their decisions or recommendations.

Remuneration Committee

The Remuneration Committee comprises 3 members, all of them are independent non-executive Directors.

The terms of reference of the Remuneration Committee setting out the committee's authorities and duties, which follow closely the guidelines of the code provisions of the CG Code, are available on the Company's website.

The primary function of the Remuneration Committee is to assist the Board to oversee the Company's remuneration practices to ensure effective policies, processes and practices for compensating Directors and the senior management/heads of departments, and that the remuneration programs are fair and appropriate and managed with integrity and in compliance with the Listing Rules and other applicable rules and regulations. The Remuneration Committee is also responsible for determining the remuneration packages of individual executive Directors and senior management and establishing formal and transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his associates will participate in deciding his own remuneration, which remuneration will be determined by reference to the performance of the individual and the Company as well as market practice and conditions.

No meeting had been held by the Remuneration Committee during the year ended 31 March 2026. However, the Remuneration Committee had recorded their decisions by passing written resolutions determining remuneration packages of the executive Directors and the independent non-executive Directors.

Details of the Directors' remuneration are set out in note 10 to the consolidated financial statements. In addition, pursuant to the code provision E.1.5 of the CG Code, annual remuneration of other members of the senior management by bands for the year ended 31 March 2026 is set out below:

Remuneration Bands	Number of Individuals
HK$1,000,001 to HK$2,000,000	1
HK$2,000,001 to HK$3,000,000	1

Nomination Committee

The Nomination Committee comprises 3 members, the majority of them are independent non-executive Directors. The Nomination Committee is provided with sufficient resources to discharge its responsibilities.

The terms of reference of the Nomination Committee setting out the committee's authorities and duties, which follow closely the guidelines of the code provisions of the CG Code, are available on the Company's website.

The principal duties of the Nomination Committee are as follows:

(i) to review the structure, size and composition (including skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

(ii) to identify individuals suitably qualified to become the Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; and

(iii) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the chairman and the chief executive.

The above principal duties are regarded as the key nomination criteria and principles for the nomination of Directors of the Company, which also form part of the nomination policy of the Company. In selecting and recommending candidates for directorship to the Board, the Nomination Committee would consider various aspects such as candidate's qualification, time commitment to the Company and contributions that will bring to the Board as well as factors concerning board diversity as set out in the Company's board diversity policy, before making recommendation to the Board on the appointment of Directors.

The Nomination Committee is also responsible for assessing the independence of the independent non-executive Directors.

One meeting had been held by the Nomination Committee during the year ended 31 March 2026 which had reviewed the structure, size and composition of the Board and had discussed the appointment of Director.

Audit Committee

The Audit Committee comprises all the three independent non-executive Directors with the chairman of which possesses the appropriate professional qualifications and accounting expertise. None of the committee members is a former partner of the Company's existing external auditor.

The terms of reference of the Audit Committee setting out the committee's authorities and duties, which follow closely the guidelines of the code provisions of the CG Code, are available on the Company's website.

The Audit Committee is responsible for assisting the Board to review and supervise the adequacy and effectiveness of the Group's financial reporting system, internal control systems and risk management system and associated procedures as well as the internal and external audit functions. It is also responsible for reviewing the completeness, accuracy, clarity and fairness of the Group's consolidated financial statements, considering the scope, approach and nature of both internal and external audit reviews and reviewing and monitoring connected transactions. It also reviews the arrangement to enable employees of the Group to raise concerns about possible improprieties. The Board shall in consultation with the chairman of the Audit Committee provide sufficient resources to enable the Audit Committee to discharge its duties. The Audit Committee annually assesses the appointment of the external auditor and reviews the interim and final results of the Group prior to recommending them to the Board for approval.

There were three Audit Committee meetings held during the year ended 31 March 2026. The Audit Committee has performed the following work during the year: (i) to review the financial reporting and compliance procedures; (ii) to review the annual results for the year ended 31 March 2025 and the interim results for the half year ended 30 September 2025; (iii) to meet with the external auditor in the absence of management; (iv) to review the risk management and internal control procedures of the Company; and (v) to consider the re-appointment of auditor.

The Company's annual results for the year ended 31 March 2026 have been reviewed by the Audit Committee.

Corporate Governance

The Board is responsible for performing the functions set out in the code provisions of the CG Code.

During the year ended 31 March 2026, the Board reviewed its CG Manual, the Company's corporate governance policies and practices, training and continuous professional development of Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Model Code and the code of ethics and conduct applicable to the Directors and employees, and the Company's compliance with the CG Code and disclosure in this Corporate Governance Report.

Directors' Attendance Records

Code provision C.5.1 of the CG Code stipulates that regular Board meetings should be held at least four times a year at approximately quarterly intervals. During the year ended 31 March 2026, two regular Board meetings were held (i) to approve the final results for the year ended 31 March 2025, and (ii) to approve the interim results for the period ended 30 September 2025. The Board considers that two regular meetings were sufficient to deal with regular matters of the Company. In addition, apart from the regular Board meetings, the Board also took sufficient measures to ensure there is efficient communication among Directors that the Board shall also meet on other occasions or seek consent of Directors by circulating written resolutions when a Board-level decision on a particular matter is required.

The attendance record of each Director at Board meetings, Audit Committee meetings, Nomination Committee meeting and general meetings of the Company held during the year ended 31 March 2026 is as follows:

Name of Directors	Board Meeting	Attendance/Number of Meetings held during the tenure of directorship Audit Committee Meeting	Nomination Committee Meeting	Annual General Meeting	Extraordinary General Meeting
Executive Directors					
Chan William	5/5	N/A	1/1	1/1	2/2
Lo Hoi Wah, Heywood	5/5	N/A	N/A	1/1	2/2
Non-executive Director					
Ng Tak Kwan *(resigned on 1 October 2025)*	3/3	N/A	N/A	1/1	1/1
Independent Non-executive Directors					
Ho Kwok Wah, George	5/5	3/3	1/1	1/1	2/2
To King Yan, Adam	5/5	3/3	1/1	1/1	2/2
Khan Sabrina	5/5	3/3	N/A	1/1	2/2

Apart from regular Board meetings, the Chairman also held meeting with the independent non-executive Directors of the Company without the presence of other Directors during the year.

Directors' Time Commitment

All Directors should ensure that sufficient time and attention are allocated to the Company to discharge their responsibilities. They are required to disclose to the Company the number and nature of offices held in Hong Kong or overseas public companies or other organisations and his or her significant commitments at the time of his or her appointment, and any subsequent changes thereto in a timely manner.

In June 2026, the Nomination Committee assessed the time commitment and contribution of each Director during the year ended 31 March 2026 and each Director's ability to discharge his or her responsibilities. The assessment took into account, among other things, his or her professional qualifications, work experience and skills, attendance record at the Board and committee meetings, role and positions at the Company and its subsidiaries, as well as his or her external directorships or offices in other companies or organisations and/or other major commitments. The Nomination Committee was of the view that each Director devoted sufficient time and attention to the business and affairs of the Company.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

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

In preparing the consolidated financial statements, the Directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are prudent, fair and reasonable and prepared the consolidated financial statements on a going concern basis.

The Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern.

Management has provided the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Group's consolidated financial statements, which are put to the Board for approval.

The statement of the external auditor of the Group about their reporting responsibilities for the consolidated financial statements is set out in the section headed "Independent Auditor's Report" on pages 57 to 60.

AUDITOR'S REMUNERATION

The remuneration charged by the Company's external auditor in respect of audit services and non-audit services for the year ended 31 March 2026 is set out below:

Category of Services	Fee Paid/Payable (HK$)
Audit Services	1,050,000
Non-audit Services	
– Tax compliance work	110,000
– Others	300,000
TOTAL	1,460,000

DIVIDEND POLICY

The Board has the discretion to declare and distribute dividends to the shareholders of the Company, subject to the articles of association of the Company and all applicable laws and regulations. In recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholder value. The Company has no fixed dividend payout ratio. The Board considers that, in general, the amount of dividends to be declared will depend on the Group's financial results, cash position, capital requirements, business conditions and strategies, and other factors as may be considered relevant at such time by the Board.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for the Group's risk management and internal control systems and overseeing management in the design, implementation and monitoring of the risk management and internal control systems.

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group establishes and maintains appropriate and effective risk management and internal control systems. The Board is also responsible for reviewing the effectiveness of the Group's risk management and internal control systems, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions.

During the year ended 31 March 2026, the Board has engaged an external consultant to perform certain internal control review services and has discussed the scope of work with the external consultant. The Board considers the scope of work to be adequate given the size and complexity of the Group's operations and the Group's risk appetite. For the year ended 31 March 2026, the external consultant has assisted the Group to perform a review of the effectiveness of internal control systems for certain selected processes. The review results and proposed improvement opportunities were discussed and agreed with management and were reported to the Audit Committee.

The Board has adopted the risk management policy as established by management of the Group, which, together with the Group's internal control systems, are designed to manage the risk of failure to achieve business objectives and provide reasonable but not absolute assurance against material misstatement or loss.

The Group's risk management and internal control systems consist of the following main features:

Risk appetite – The Group has established a risk appetite statement that defines the extent of risks that the Group is willing to take in pursuit of its strategic and business objectives. It represents a balance between the potential benefits of business pursuits and the possible threats from the actions.

Risk governance structure – Clear roles and responsibilities are assigned to different levels of management within the Group. The Board sets the tone and provides guidance and governance over risk management. Senior Management is delegated with the responsibility to provide an assessment on the adequacy and effectiveness of the risk management process, as well as review, evaluate and challenge the risks identification and management processes. Risk owners ensure that the risk monitoring and internal control systems are working effectively and risk mitigation actions and internal controls are implemented.

Risk management process – A robust risk management process comprising risk identification, risk analysis, risk evaluation and risk treatment has been established to ensure that the top risks that the Group are facing are monitored and treated on an on-going basis. Risk assessment parameters are developed and applied consistently across the Group to evaluate and prioritise risks. Risk register that sets out the particulars of the Group's top risks together with the control measures is maintained by the Group.

Risk escalation process – Risks that exceed the risk tolerance level set by the Board are escalated to the Board to ensure further risk mitigation actions are taken timely.

The Board delegates the responsibility for reviewing the effectiveness of the Group's risk management and internal control systems to the Audit Committee which monitors the Group's risk management and internal control systems.

The Audit Committee reviews the effectiveness of the Group's internal control procedures and is satisfied that the Group's internal control processes are adequate to meet the business needs of the Group. The Board considers that the risk management and internal control systems of the Group are effective and adequate. The Board is monitoring the risk management and internal control systems on an ongoing basis.

For the handling and dissemination of inside information, an inside information handling policy is in place to enable the Group to handle inside information and, where required, communicate with the Group's stakeholders in a timely manner.

COMPANY SECRETARY

Mr. Lui Man Kit ("Mr. Lui") has been appointed as the Company Secretary of the Company in July 2021. Mr. Lui has taken no less than 15 hours of relevant professional training during the financial year ended 31 March 2026.

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company considers that effective and ongoing communication with shareholders is essential for enhancing investor relations and investor's understanding of the Group's business performance and strategies. The Company also recognises the importance of transparency and timely disclosure of corporate information, which will enable shareholders and investors to evaluate the performance of the Group.

The general meetings of the Company provide a forum for communication between the Board and the shareholders. The Chairman of the Board, all independent non-executive Directors, and the Chairmen of all Board committees (or their delegates) will make themselves available to answer questions at shareholders' meetings.

The Company also communicates with the shareholders, investors and general public through the annual reports, interim reports and other corporate announcements.

To promote effective communication, the Company maintains a website at http://www.rykadan.com, where up-to-date information and updates on the Company's structure, the Board, business developments and operations, financial information, corporate governance practices and other information are posted.

During the financial year ended 31 March 2026, there is no change in the Company's constitutional documents.

An up-to-date version of the Company's constitutional documents are also available on the Company's website and the Stock Exchange's website.

SHAREHOLDERS' RIGHTS

The Board and management shall ensure shareholders' rights and all shareholders are treated equally and fairly. Pursuant to the articles of association of the Company, any shareholder entitled to attend and vote at a general meeting of the Company is entitled to appoint another person as his/her proxy to attend and vote instead of him/her.

To safeguard the shareholders' interests and rights, a separate resolution should be proposed for each substantially separate issue at shareholders' meetings, including the election of individual Directors. All resolutions put forward at shareholders' meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each shareholders' meeting.

Convening an Extraordinary General Meeting by Shareholders

Shareholder(s) holding not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall have the right, by written requisition to the Board or the Company Secretary, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition pursuant to the articles of association of the Company.

Putting Forward Proposals at General Meetings

There are no provisions in the Company's articles of association or the Cayman Islands Companies Law for shareholders to move new resolutions at general meetings. Shareholders who wish to move a resolution may request the Company to convene a general meeting in accordance with the procedures set out in the preceding paragraph.

Putting Forward Enquiries to the Board

For putting forward any enquiries to the Board of the Company, shareholders may send written enquiries to the Company.

Note: The Company will not normally deal with verbal or anonymous enquiries.

Contact Details

Shareholders may send their enquiries or requests as mentioned above to the following:

Address: 29/F, Rykadan One, 23 Wong Chuk Hang Road, Wong Chuk Hang, Hong Kong (For the attention of the Chairman of the Board/Chief Executive Officer/ Company Secretary)
Fax: (852) 2547 0108
Email: ir@rykadan.com

For the avoidance of doubt, shareholders must deposit and send the original duly signed written requisition, notice or statement, or enquiry (as the case may be) to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

ABOUT THE REPORT

Report Introduction

Rykadan Capital Limited (referred to as "we", "Rykadan", or the "Company"), together with its subsidiaries (collectively, the "Group"), would like to publish its Environmental, Social, and Governance ("ESG") Report (the "Report"). This Report outlines the Group's approach to managing environmental and social issues, highlights its performance across these areas, and provides an overview of its ongoing commitment to transparency and sustainable development.

Reporting Period and Scope

This Report covers the Group's sustainability performance for the period from 1 April 2025 to 31 March 2026 (the" Year" or "Reporting Period"). The disclosure presents the Group's ESG policies and initiatives in relation to its property development and investment activities, including asset, investment and fund management, as well as its distribution of construction and interior decorative materials. The Group is headquartered in the Hong Kong Special Administrative Region ("Hong Kong") of the People's Republic of China (the "PRC"), with property projects located in Hong Kong, the United States (the "U.S.A."), and the United Kingdom (the "U.K."), while its distribution business is primarily conducted in Hong Kong and the PRC.

The disclosure scope of this Report covers environmental and social key performance indictors ("KPIs") relating to the Group's head office in Hong Kong and selected property development projects under its management. Unless otherwise stated, all information disclosed has been prepared on this basis.

Region	Investment	Status as of 31 March 2026	ESG Data	Remarks
Hong Kong	Wong Chuk Hang Project	Completed	Y	Sold out during the year
	Jaffe Road Project	Completed	Y	Being marketed to buyers
	Rykadan One	Completed	N	5 units and various car parking spaces being marketed to buyers and/or classified as investment properties.
	Various car parking spaces of Rykadan Capital Tower	Completed	N	Classified as investment properties and/or being marketed to buyers
	Redhill Project	–	N	Being marketed to buyers
	Shouson Hill Project	–	N	Classified as asset held for sale
The U.S.A.	Winston Project	Completed	N	Being marketed to buyers
	Monterey Park Towne Centre Project	Under planning	N	–
The U.K.	Graphite Square Project	Completed	N	Being marketed to buyers

Basis of Preparation

This Report has been prepared in accordance with the Environmental, Social and Governance Reporting Code (the "ESG Code") set out in Appendix C2 to the Listing Rules of the Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange" or "HKEX"). The Report complies with all mandatory disclosure requirements and adheres to the "comply or explain" provisions.

Reporting Principles

This Report has been prepared in accordance with the four reporting principles under the ESG Code, namely "Materiality", "Quantitative", "Balance", and "Consistency", with the aim of presenting the Group's ESG management approach and its effectiveness.

Reporting Principles	Our Response
Materiality	During the Reporting Period, the Group actively engaged with stakeholders through various communication channels and conducted materiality assessments to identify and evaluate key ESG issues. For further information, please refer to "Stakeholder Engagement" and "Materiality Assessment" sections for this Report.
Quantitative	The Report presents quantitative environmental and social KPIs for the Reporting Period, together with relevant explanations and methodologies, to provide stakeholders with a clear understanding of the Group's ESG performance.
Balance	The Group has provided a comprehensive and balanced disclosure of its ESG performance, ensuring that the information presented is objective and free from any bias that could influence readers' decisions or judgements.
Consistency	To maintain consistency and comparability, the Group has adopted methodologies, reporting boundaries, and standards aligned with those used in prior years, unless otherwise indicated.

Feedback

We recognise the importance of stakeholder engagement and have taken stakeholders' interests into account throughout the preparation of this Report. We welcome any feedback and suggestions for future reports. Please contact us at:

Address: 29/F Rykadan One, 23 Wong Chuk Hang Road, Wong Chuk Hang, Hong Kong
Tel: +852 3950 1800
Fax: +852 2547 0180
Email: ir@rykadan.com

Board Statement

The board (the "Board") of directors (the "Director(s)") places strong emphasis on the Group's sustainable development and recognises its importance in achieving long-term and resilient growth. As the highest governing body for ESG matters, the Board is responsible for overseeing the Group's overall ESG strategies, policies, and performance. ESG considerations are integrated into the Group's risk management framework, with a focus on identifying, assessing, and managing material ESG-related risks and opportunities. Taking into account the nature of the Group's business and operating environment, relevant ESG targets have been established, including those aimed at minimizing environmental impact, and the Board regularly reviews and monitors progress against these targets.

To ensure alignment between the Group's ESG strategy and its business operations, the Group conducts ongoing stakeholder engagement and materiality assessments to identify and prioritise ESG issues that are most significant to both the Group and its stakeholders. The outcomes of the materiality assessment, including the evaluation or relevance, impact and prioritization of key ESG topics, are reviewed and approved by the Board, forming the foundation of the Group's ESG governance framework and strategic direction.

The Board confirms that this Report has been reviewed and approved at the Board meeting on 24 June 2026. To the best of its knowledge, the Report addresses all material ESG issues and presents a balanced, fair, and accurate overview of the Group's ESG governance approach and performance.

Stakeholder Engagement

The Group actively engages in regular and meaningful communication with both internal and external stakeholders. To facilitate effective engagement, we utilise a variety of communication channels to gather stakeholders' input and feedback on our ESG initiatives. Insights gained from these interactions are used to identify and prioritise key ESG issues that are relevant to our business operations. These insights are then integrated into our ESG policies, work plans and sustainable development strategy, enabling us to effectively manage ESG-related impacts while ensuring alignment with our business objectives and stakeholder's expectations.

Stakeholders	Concerned Topics	Engagement Channels
Customer	– Product and service quality – Data privacy protection – Responsible marketing	– Customer satisfaction survey and feedback form – Feedback from front-line employees – Company telephone, email, and website
Employees	– Staff training and development – Occupational health and safety – Employee rights protection – Employee salary and benefits	– Performance appraisal – Staff training, team building, and welfare activities
Investors and shareholders	– Corporate governance – Investment return – Risk management – Transparent disclosure of information	– Annual General Meeting – Annual report and public announcement – ESG report – Company website
Government and regulatory authorities	– Employee protection – Business ethics	– Compliance reports – Company website
Community	– Community contribution	– Support charity events

Materiality Assessment

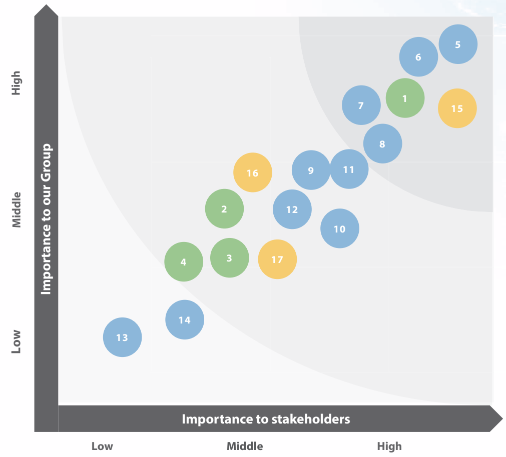
The Group prioritises the identification, evaluation and transparent disclosure of material ESG issues. By considering relevant sustainability frameworks, regulatory requirements, industry trends and investor expectations, and aligning these factors with its business strategy, the Group conducts regular materiality assessments to ensure ongoing relevance and effectiveness. The resulting material topics are reviewed and endorsed by the Board, ensuring consistency with the Group's strategic objectives.

Materiality Analysis Process

1. Identification: With reference to the ESG Code and considering the Group's business characteristics, a comprehensive list of ESG issues relevant to the Group was identified. This process involved systemic research and analysis of applicable local and international sustainability standards, industry trends and key ESG topics, as well as alignment with the Group's strategic direction. Through this approach, a total of 17 material issues with significant impact on the Group's operations, development and stakeholder interests were identified.

2. Assessment: The identified issues are prioritised using a structured scoring approach informed by ongoing stakeholder engagement and internal discussions. Assessment results are benchmarked against historical data and reference frameworks, including regulatory requirements, ESG rating criteria and materiality maps, to determine the issues most critical to operational resilience and long-term ESG value.

3. Confirmation: The outcomes of the materiality assessment are reviewed and approved by the Board, which determines the key ESG issues that are material to the Group's sustainable development.



Environmental

1. Climate change and greenhouse emissions
2. Green building
3. Energy efficiency
4. Use of materials

Governance

15. Anti-corruption
16. Corporate governance and risk management
17. Transparent disclosure of information

Social

5. Product and service quality
6. Customer health and safety
7. Supply chain management
8. Employee training and development
9. Occupational health and safety
10. Employee rights protection and benefits
11. Customer service and satisfaction
12. Customer information and data privacy protection
13. Community Investment and involvement
14. Responsible marketing

1 GOVERNANCE AND COMPLIANCE

1.1 ESG Governance

The Group recognises that effective and well-structured governance forms the foundation of resilient and sustainable development. The Board is responsible for setting the Group's strategic direction, overseeing corporate governance, and ensuring its long-term sustainability. The Board comprises five Directors, including two Executive Directors and three Independent Non-executive Directors.

The Group is committed to embedding sustainable development principles into its overall business strategy and day-to-day operations. Our governance structure comprises the Board, and representatives from the relevant functional departments. This structure facilitates effective ESG coordination, the identification and management of risks and opportunities, and the formulation of strategies, targets and action plans, while ensuring robust implementation and oversight across the Group.

Role	Responsibilities
Board	– Maintain overall responsibility for the Group's ESG strategy, reporting, and governance of ESG matters – Determine and analyse significant ESG topics, including climate-related risks and opportunities – Conduct regular review to assess the effectiveness and performance of the Group's ESG- and climate-related risk management processes and internal control systems – Monitor the execution of ESG strategies and provide appropriate guidance and direction where necessary – Evaluate the ESG Report and provide recommendations for the Board's consideration and approval
Department Representatives	– Execute on the Group's ESG governance requirements and related initiatives – Oversee the data collection, compilation and preparation of information for ESG disclosure – Identify and assess climate-related risks and opportunities within each department's areas of responsibility – Implement specific measures and action plans to support the achievement of the Group's ESG objectives and targets

1.2 Business Ethics

The Group upholds the highest standards of integrity and ethical conduct across all its business operations and adopts a zero-tolerance approach towards any illegal or unethical practices. We strictly comply with all applicable laws, regulations and industry standards in the jurisdictions in which we operate. To reinforce ethical behaviour, we have established a code of ethics and conduct policy and a whistleblowing policy, which set out clear expectations for employees and provides guidance on identifying and preventing improper practices, including bribery, extortion, fraud, money laundering, and conflicts of interest. All Directors and employees are required to comply with these policies and are held accountable for their actions, with any breaches subject to disciplinary measures, including dismissal where appropriate.

We are committed to strengthening awareness of business and compliance across the organisation. Through implementing structured training and internal communication initiatives, including mandatory anti-corruption and integrity training for new hires and regular programs for Directors and employees, we reinforce our zero-tolerance stance towards corruption and enhance employees' ability to identify, prevent, and address unethical conduct. Training topics include ESG-related regulatory developments, anti-money laundering and counter-terrorist financing requirements, customer due diligence, and relevant regulatory case studies issued by authorities such as the Securities and Futures Commission. These initiatives help ensure that Directors and employees remain informed of evolving ethical standards and regulatory expectations. During the Reporting Period, 84% of employees received training, with a total of 140.5 hours completed.

The Group has implemented a robust whistleblowing framework to promote transparency and accountability. Employees and external stakeholders are encouraged to report any suspected misconduct through designated reporting channels such as whistleblowing hotline or written submissions to the head of the human resources department. All reported cases are handled with strict confidentiality, and whistleblowers are protected from retaliation or victimisation. Reported incidents are subject to thorough investigation by management or the Audit Committee, with appropriate follow-up actions taken based on the nature and severity of the case, including referral to relevant authorities where necessary. During the Reporting Period, the Group did not identify any cases of violations or material non-compliance with applicable laws and regulations, nor were there any reports or legal cases related to business ethics or corruption.

Reporting channels info

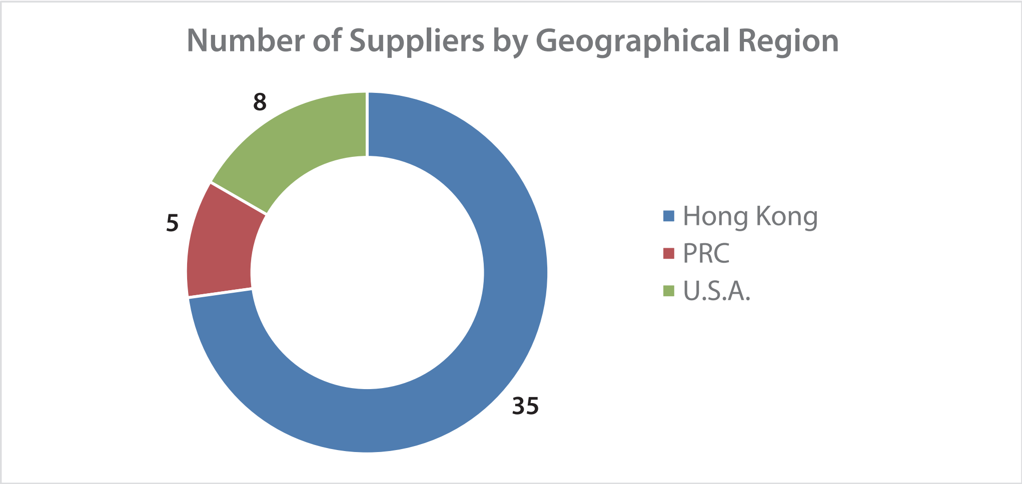
Email: hr@rykadan.com/wb@rykadan.com
Tel: +852 3950 1800

1.3 Sustainable Supply Chain

The Group acknowledges that a sustainable supply chain is essential to supporting long-term growth and operational resilience. We adopt a proactive approach to managing environmental and social risks across the supply chain by integrating ESG considerations into supplier selection, evaluation and ongoing monitoring. Through structured supplier assessments and ESG risk management practices, we aim to minimise potential environmental and social impacts while reinforcing responsible and ethical business practices.

Comprehensive procurement and tendering guidelines have been established to ensure transparency, fairness and accountability. Supplier selection is based on criteria including price, quality, operational requirements and ESG performance, with particular focus on compliance with environmental, labour, health and safety standards. The Group also prioritises sourcing building materials locally or from nearby regions where practicable to reduce transportation-related emissions. To uphold integrity in procurement processes, the Group enforces strict internal controls and monitoring mechanisms to prevent misconduct, including bribery, fraud and conflicts of interest. Employees involved in procurement activities are required to comply with the code of ethics and conduct policy and are prohibited from engaging in any behaviour that may compromise impartial decision-making.

In our property development operations, we engage reputable contractors with proven capabilities in managing environmental and safety risks. Contractor performance is regularly monitored, and compliance with regulatory requirements and on-site health, safety and environmental practices is a key consideration in evaluation and future engagement. For our distribution of construction and interior decorative materials, we emphasise both product quality and supplier sustainability performance. This includes promoting resource-efficient production methods, prioritising environmentally certified materials, and sourcing from locations that minimise environmental impact. The Group also reviews procurement practices, including the use of environmentally preferable office supplies, to identify opportunities for continuous improvement.



2 SUSTAINABLE OPERATION

2.1 Product Quality and Safety

The Group believes that the delivery of high-quality products and services to be essential to its long-term success, business growth and brand reputation. We are committed to continuously enhancing our offerings to respond to evolving customer expectations and market demands.

In the property development segment, we strive to design and deliver premium residential and commercial spaces that reflect both quality and functionality. We recognise our role in shaping the built environment and remain mindful of the impact our projects have on the community. Accordingly, customer needs and preferences are carefully considered throughout the planning process, with a focus on delivering practical and user-oriented developments.

The Group ensures full compliance with all applicable local regulations, industry standards and relevant government requirements, including the Consent Scheme of the Hong Kong Lands Development and the self-regulatory framework of the Real Estate Developers Association of Hong Kong. Building safety remains a top priority, and all developments strictly adhere to regulatory requirements governing building design, including fire safety and other critical provisions. In addition, the Group carefully evaluates the economic feasibility of each project while incorporating energy-efficient and environmentally responsible features where practicable. Demonstrating our commitment to sustainable development, the Jaffe Road project in Hong Kong has been awarded the BEAM Plus Unclassified Rating for its environmentally conscious design and operations. The Group also upholds high standards of transparency and integrity in it marketing practices, strictly prohibiting any misleading or exaggerated representations to ensure that all communications are accurate, fair and reliable.

2.2 Customer Satisfaction

The Group is committed to maintaining a high level of customer satisfaction through proactive and effective engagement. Customer engagement is conducted through formal and established channels, with a focus on delivering a safe and environmentally responsible properties that meet market and end-user expectations. Feedback gathered through these interactions is used to continuously refine and enhance the quality of our products and services. The Group has also established clear and structured procedures for handling customer feedback and complains, ensuring that any concerns are addressed in a timely and professional manner while safeguarding customer's rights and interests. During the Reporting Period, the Group did not initiate any product recalls due to quality issues and did not receive any customer complaints relating to product quality.

2.3 Data Privacy and Intellectual Property Protection

We place strong emphasis on protecting intellectual property rights and ensuring full compliance with applicable laws and regulations. We foster a culture of respect for intellectual property and strictly prohibit any form of infringement. Only properly licensed software is permitted for use within the Group, and the installation or use of unauthorised or pirated software is strictly prohibited. All intellectual property developed by employees during their employment, including reports, systems, software, and related outputs, remains the property of the Group.

We also attach great importance to the protection of customer privacy and confidential information. In compliance with relevant laws, including the Personal Data (Privacy) Ordinance (Cap. 486), we have implemented robust policies and internal controls to prevent unauthorised access, use or disclosure of sensitive data. These safeguards ensure that customer and proprietary information is handled securely and with the highest standards of confidentiality.

3 OUR ENVIRONMENT

3.1 Addressing Climate Change

We recognise that climate change presents significant challenges to its operations and to wider societal development. In response, we have implemented a range of measures to strengthen our ability to manage both physical and transition risks, while supporting national "dual carbon" objectives. Aligned with Part D "Climate-related Disclosures" of the Stock Exchange's ESG Code and referencing the International Financial Reporting Standard S2: Climate-related Disclosures ("IFRS S2") issued by the International Sustainability Board ("ISSB"), the Group continues to identify and assess climate-related factors that may impact its business. A structured climate risk management framework has been established, encompassing four key pillars: governance, strategy, risk management, and metrics and targets.

Governance

Rykadan is dedicated to continuously enhancing its internal climate governance framework. In evaluating the Group's strategy, major investment decisions and risk management processes, the Board takes into account climate-related considerations and carefully assesses associated risks, opportunities, and trade-offs. The Board supervises the implementation of climate-related strategies and initiatives, provides recommendations on the formulation and progress of climate targets, and coordinates relevant departments in executing response measures. At the implementation level, functional departments are responsible for the day-to-day management and monitoring of climate-related initiatives, working collaboratively across functions to ensure effective execution of approved strategies, targets and policies. For further details on the governance structure, please refer to the "1.1 ESG Governance" section above.

Climate-related considerations are integrated into the Group's strategic planning, investment decisions and enterprise risk management processes, with relevant departments assessing potential impacts and trade-offs as part of their responsibilities. To enhance the capability of the Board and employees in managing climate-related risks and opportunities, the Group actively promotes the Board and employee participation in and provides regular ESG-related training programs covering areas such as sustainable development, regulatory requirements and carbon management, promoting the integration of environmental awareness into daily operations.

We are committed to equipping the Board and employees with necessary knowledge to effectively oversee and manage climate-related risks and opportunities. Regular ESG training programs are conducted to enhance understanding across the organization, covering areas such as sustainable development principles and regulatory requirements. These initiatives support the integration of climate-related considerations into everyday operations.

Strategy

The Group addresses climate-related risks and opportunities by assessing their potential direct and indirect financial impacts over short term (within 3 years), medium term (3-5 years), and long term (over 5 years) horizons. During the Reporting Period, the Group identified 6 climate-related risks, comprising 4 transition risks and 2 physical risks, as well as 3 climate-related opportunities. In response, we have implemented tailored mitigation and management measures, with their effectiveness reviewed on an ongoing basis. By continuously strengthening the climate risk management framework, we enhance our capacity to respond to climate change in a proactive and forward-looking manner, while improving our overall resilience to climate-related impacts.

Risk Category	Impact on Business and Value Chain	Potential Financial Impact	Time Horizon	Response Measures
Physical Risks				
Acute Risks (Extreme weather events such as floods, heat waves, typhoons)	Increasing extreme weather events, such as floods and heat waves, may disrupt operations by reducing employee productivity, damaging buildings, and placing additional strain on equipment, leading to potential impacts on employees' health and overall operational efficiency.	– Increased in maintenance and operational costs – Increased insurance premiums – Decrease in revenue	Short term	– Activate the emergency procedures outlined in the employee handbook – Issue internal communication to ensure staff are prepared with appropriate work arrangements during extreme weather conditions – Conduct pre-site assessments to avoid development in high-risk locations – Invest in climate-resilient upgrades and retrofits to reduce weather-related damage
Chronic Risks (Rising average temperature)	Rising average temperatures have increased dependence on cooling systems and air conditioning, resulting in higher electricity consumption and associated emissions	– Increased operating costs – Increased maintenance costs	Medium term	– Upgraded drainage systems across assets to mitigate waterlogging risks – Conducted regular inspections and maintenance of heating, ventilation and air conditioning systems for properties under the Group's management

Risk Category	Impact on Business and Value Chain	Potential Financial Impact	Time Horizon	Response Measures
Transition Risks				
Policy and Regulatory Risks	Governments are tightening climate-related policy frameworks by introducing measures such as higher costs for greenhouse gas (GHG) emissions allowances.	– Increased compliance and operating costs – Reduce profitability	Medium to Long term	– Conduct regular compliance gap assessments across the portfolio – Strengthened ESG and climate-related data collection – Enhance compliance management systems and implement timely improvements in accordance with compliance requirements
Market Risks	Climate change may reshape market supply and demand as customers increasingly favour low-carbon products and services, while rising raw material costs add cost pressure. In addition, these shifts may weaken competitiveness relative to peers with stronger sustainability performance.	– Increased operating costs – Decrease in revenue	Medium to Long term	– Monitor evolving customer expectations for green, low-carbon and sustainable developments – Incorporate carbon emissions consideration into strategic supply chain planning
Reputation Risks	Heightened sustainability expectations around climate change may increase reputational risks by influencing stakeholder perceptions and potentially affecting confidence and value chain relationships.	– Limited access to investor capital – Decrease in revenue	Medium to Long term	– Engage proactively with stakeholders to address expectations and concerns – Enhance internal policies and control measures for the effective management of climate-related risks
Technology Risks	Cost associated with transitioning to lower-emission technologies	– Increased operating costs	Medium to Long term	– Phased transition planning to spread capital expenditure over time

Opportunity Type	Impact on Business and Value Chain	Potential Financial Impact	Time Horizon	Response Measures
Resource Efficiency	Lower consumption of fuel, energy, and water can help reduce operating costs, along with improved efficiency and overall ESG performance	• Increased revenue • Reduced operational costs	Medium to Long term	• Invest in low-emission sources of energy and energy-efficient equipment
Markets	Increasing demand for sustainable and climate-resilient developments strengthens competitiveness, attract sustainable investment and improve sustainability performance across the value chain	• Reduced operational costs	Medium to Long term	• Incorporate sustainability and green building principles throughout project development to deliver energy-efficient, low-carbon properties that meet market expectations
Resilience	Diversify resources to enhance supply chain resilience and maintain operational continuity under varying conditions	• Increased revenue • Reduced operational costs	Medium to Long term	• Increase the use of locally sourced and climate-resilient materials

Risk Management

The Group recognises the importance of incorporating climate-related risks and opportunities into its broader risk management framework. Through gathering input from relevant departments, the Group conducts assessments to evaluate the likelihood and potential financial and operational impacts of these risks and opportunities. This approach enables the prioritization of key issues and supports the development of appropriate mitigation and response measures. During the Reporting Period, the Group did not identify any material climate-related risks and did not make any adjustments to the existing risk management framework in response to climate-related developments.

Steps	Definitions
Risk Identification	The Group performs regular assessments of climate-related risks and opportunities by engaging external experts to analyse industry trends and incorporating insights from various departments. This collaborative approach supports the development of a comprehensive identification and evaluation of climate-related risks and opportunities.
Risk Assessment	Evaluations are conducted regularly to assess the likelihood and potential impacts of identified risks and opportunities. This process enables the Group to determine overall risk levels, prioritise climate-related risks, and identify key areas requiring focused management attention.
Risk Response	Based on the assessed risks, the Group adopts appropriate response strategies and implements targeted action plans to address potential impacts. Risk management measures include elimination, mitigation, and transfer, alongside the proactive management of climate-related opportunities to minimise operational disruptions.
Risk Monitoring	We maintain continuous monitoring of climate-related risks and opportunities, with periodic reviews and updates to the risks and opportunity register. Through a structures reporting mechanism, relevant information is communicated to the Board and senior management in a timely manner to support informed strategic and risk management decision-making.

Metrics and Targets

With reference to the Group's operational profile and relevant industry benchmarks, the Group has established green and low-carbon targets to align with global climate initiatives and national policy directions.

The Group continues to monitor its GHG emissions, including direct emissions from purchased electricity consumption (Scope 2) and other indirect emissions from business travel (Scope 3). During the Reporting Period, total GHG emissions amounted to 806.38 tonnes of carbon dioxide equivalent ("tCO_2e"), with Scope 2 and Scope 3 emissions accounting for approximately 89.8% (723.76 tCO_2e) and 10.2% (82.62 tCO_2e), respectively. GHG emission intensity was approximately 0.0110 tCO_2e per square foot. In alignment with the Paris Agreement, we are committed to reducing carbon emissions to help mitigate the rise in global temperatures and has established FY2024/2025 as the baseline year, with a target to reduce GHG emissions by 20% by 2030 through ongoing carbon management initiatives.

The Group has not yet integrated climate-related considerations into its remuneration and incentive structures, nor has it implemented an internal carbon pricing mechanism. During the Reporting Period, capital expenditure related to climate-related risks and opportunities was limited as the majority of the property development projects under the Group's management were either in planning or completion stage, with fewer operational activity is being carried out. Going forward, the Group will continue to monitor industry developments, explore the feasibility of adopting appropriate carbon pricing approaches, and enhance its carbon management practices to support the transition towards green and low-carbon development.

3.2 Environmental Management

The Group is committed to reducing its environmental impact and fostering sustainable practices across all aspects of its operations. By adhering to applicable environmental laws and implementing focused environmental initiatives, the Group promotes environmental awareness, minimises its operational footprint and strives to enhance environmental performance. During the Reporting Period, the Group did not identify any material non-compliance with environmental laws and regulations and continued to promote green and low-carbon practices.

Offices

We actively foster a green office culture and place strong emphasis on responsible resource management and energy efficiency in our daily operations. Practical measures are implemented to conserve water and electricity, reduce waste and support a low-carbon working environment. Environmental considerations are integrated into routine practices, including the optimisation of business travel to minimise emissions, replacement of physical meetings with virtual alternatives, and the adoption of virtual reality (VR) tools in showrooms to reduce the need for on-site visits and associated carbon footprint.

Property Development

In the property development operations, we continuously promote sustainable development by adopting responsible design and construction practices and ensuring compliance with relevant emission regulations. We also collaborate closely with professional partners, including architects, engineers and contractors, to integrate environmental considerations throughout all stages of project design, construction and operation.

Distribution of Construction and Interior Decorative Materials

The Group's distribution of construction and interior decorative materials operations are primarily office-based, resulting in relatively low electricity and water consumption. Key operational activities, including subcontracting and logistics, are outsourced to third-party service providers. Recognising the importance of promoting sustainability across the value chain, the Group encourages its suppliers to improve resource efficiency, optimise energy use and adopt environmentally sustainable practices, thereby reducing environmental impacts, particularly emissions from production and transportation processes.

3.3 Resources Management & Conservation Measures

We recognise the importance of resource conservation and energy efficiency in supporting environmental sustainability across our operations. By integrating sustainable practices into both construction and daily activities, and embedding green principles throughout the design, construction and operational stages of its projects, we seek to improve resource efficiency and minimise its overall environmental impact.

Energy Use: We encourage energy-efficient practices by switching off lights and office equipment when not in use and setting electronic devices, such as computers and printers, to energy-saving modes during periods of inactivity. In addition, air conditioning systems are maintained at an average temperature of 25°C to reduce energy consumption and extend equipment lifespan. We will continue to explore and invest in more energy-efficient equipment to enhance operational efficiency and reduce energy consumption.

Water Resources: During the Reporting Period, the Group consumed approximately 3,335.40 m^3 of municipal water, with a water consumption intensity of approximately 0.05 m^3 per square foot for development projects. During this Year, The Group did not encounter any difficulties in sourcing water for its operations. To further improve water efficiency, we will continue to explore the use of water-efficient equipment and conduct regular inspections of water pipelines across sites to prevent leakage and minimise unnecessary consumption.

Paper: The Group promotes paper reduction by adopting electronic communication for internal documents, including memoranda and reports. Where printing is unavoidable, environmentally friendly materials such as PEFC[1]-certified paper are used, and practices including duplex printing and the reuse of single-sided paper are encouraged to minimise environmental impact.

Other Resources: The Group promotes efficient resource use by digitalising materials such as sales brochures, building models and plans through online platforms and databases, thereby reducing printing needs and transportation. Environmental and efficiency considerations are also integrated into the procurement of office equipment and supplies to minimise resource consumption and environmental impact. In addition, we conduct regular site assessments and incorporate sustainable design features into projects where practicable. Developments such as the Wong Chuk Hang Project and the Jaffe Road Project include sky gardens to enhance energy efficiency by reducing heat absorption and mitigating stormwater runoff. The Group also promotes green building certifications to support sustainable development.

1 Program for the Endorsement of Forest Certification

3.4 Emission Management

The Group strictly complies with all applicable laws and regulations and is committed to effectively managing the environmental impacts arising from its operations. Relevant regulations include, but are not limited to, the Oil Pollution (Land Use and Requisition) Ordinance (Cap. 247), the Air Pollution Control Ordinance (Cap. 311), the Waste Disposal Ordinance (Cap. 354), the Water Pollution Control Ordinance (Cap. 358), and the Noise Control Ordinance (Cap. 400). Through established monitoring, treatment and control measures, the Group aims to minimise emissions, prevent environmental pollution, and promote responsible and sustainable operations.

Air Emissions

Exhaust emissions from the Group's operations primarily arise from construction activities and office operations. The Group requires contractors to comply with relevant emission regulations and to obtain the necessary permits for on-site equipment. Operational emissions are mainly associated with vehicle fuel consumption and remain relatively limited. The Group also seeks to reduce its carbon footprint by minimising unnecessary travel wherever practicable.

General Waste

General waste is mainly generated at the Group's head office, with paper waste such as office documents, posters and brochures being the primary source. To minimise waste, the Group promotes paper recycling and reuse practices, including the use of single-sided printed paper. Recycling facilities are provided to collect paper, cardboard, packaging materials and toner to ensure proper disposal. During the Reporting Period, a total of 1.85 tonnes of general waste were generated.

Construction Wastes

We strictly manage our waste disposal processes to ensure that all waste is properly collected, treated, and transported, thereby minimising environmental impact. For hazardous waste, the Group works closely with contractors to ensure proper storage and transfer to licensed organisations with the required permits and qualifications, ensuring full regulatory compliance. Non-hazardous waste is segregated according to its nature in line with regulatory requirements and disposed of through designated facilities. In addition, the Group promotes the use of environmentally friendly materials, such as water-based paints, in place of traditional solvent-based alternatives to reduce waste generation at source. During the Reporting Period, no hazardous waste was generated at the Group's offices.

4. PEOPLE-FOCUSED VALUES

4.1 Employment and Labor Standards

The Group adopts a people-focused approach and is committed to fostering a fair, inclusive and supportive workplace. We strictly comply with all applicable labour laws and regulations in our operating regions, including the Employment Ordinance (Cap. 57 of the Laws of Hong Kong), the Labor Law of the PRC and the Fair Labor Standards Act of the United States, to safeguard employees' rights and interests. Our employee handbook sets out clear and transparent policies covering key aspects of employment, including recruitment, performance management, remuneration, welfare and termination, ensuring consistency and accountability in human resources management.

The Group promotes equal opportunity and maintains a zero-tolerance stance towards any form of discrimination, harassment or unfair treatment in the workplace, regardless of race, gender, sexual orientation, family status, religion, age, disability or other personal characteristics. Guidelines on these matters are outlined in the employee handbook to enhance awareness. We also maintain a fair, transparent and merit-based recruitment process, with candidates assessed objectively based on their qualifications, experience and job-related competencies. Employees are encouraged to report any incidents of discrimination or harassment to their supervisors or the human resources department, and all reported cases are promptly investigated, with appropriate disciplinary actions taken depending on the severity of the case. During the Reporting period, no complaints relating to discrimination or harassment were recorded.

The Group places strong emphasis on the protection of labour rights and strictly prohibits child labour and forced labour. Robust verification procedures, including identity and background checks are implemented during recruitment to ensure compliance. In addition, the Group extends these standards to its supply chain by engaging reputable suppliers and contractors with established monitoring framework to ensure adherence to labour regulations. During this Reporting Period, there are no related violations occurred.

Open and effective communication with employees is a key priority. The Group facilitates communication through various channels and encourages feedback and idea sharing to enhance engagement and workplace satisfaction. These measures support a transparent, respectful and collaborative working environment while contributing to the sustainable development of the Group and its workforce.

4.2 Employee Welfare Protection

The Group places strong emphasis on talent management and has established a comprehensive performance appraisal and remuneration framework to support employee development and motivation. A structured performance management system is implemented to align individual contributions with organizational objectives and maximise employee potential. Performance assessments are conducted based on clear and objective criteria following the SMART principles—specific, measurable, achievable, relevant and time-bound. Employees receive regular and constructive feedback from their supervisors on their performance, capabilities and development areas. Appraisal outcomes serve as an important reference for decisions relating to salary adjustments, bonuses, promotions, job rotations and training opportunities. Open communication is encouraged throughout the process, with supervisors engaging in discussions with employees to review performance results and identify areas for improvement. Regular assessments are also conducted during probationary periods and throughout employment to ensure continuous development and alignment.

The Group has also established a remuneration management system guided by principles of fairness, transparency and market competitiveness. Compensation and benefits packages are reviewed annually, considering factors such as job responsibilities, individual performance, the Group's overall performance and prevailing market conditions. In addition to competitive remuneration, full-time employees are entitled to a range of benefits outlined in the Employee Handbook, including medical insurance, long service payments and various types of leave, such as marriage, paternity, compassionate and birthday leave. Clear policies are also in place to ensure fair compensation for overtime work. To further enhance employee engagement and well-being, the Group organises recreational activities that promote team cohesion and foster a positive and harmonious working environment.

4.3 Employee Development and Training

We recognise that providing sufficient training and development opportunities is essential to both company's success and employee's professional growth. We foster an open and supporting environment that encourage continuous learning and enables employees to achieve their professional goals. Employees are encouraged to participate in both internal and external training programs to enhance their skills, knowledge, and competitiveness. Internally, we provide on-the-job training to promote continuous improvement and knowledge sharing, while externally, employees are supported in attending professional courses and programmes to stay updated with the latest industry developments.

The Group has also introduced the Education Sponsorship and Allowance Scheme to support employee's continuous learning and professional development. Through this initiative, employees are provided with financial assistance and study leave to participate in job-related training courses and professional development programs. Each employee may receive sponsorship of up to HK$6,000 per year for relevant external courses or seminars. In addition, employees are entitled to up to three days of examination leave annually, enabling them to further enhance their qualifications while balancing work commitments.

4.4 Employee Health and Safety

We are dedicated to maintaining a safe and healthy working environment for our employees and ensure compliance with all applicable occupational health and safety laws and regulations across both property development projects and office operations. Comprehensive safety management systems, procedures and regular training programmes are in place to effectively identify, assess and mitigate potential workplace risks. Over the past three years (including the Reporting Period), the Group has not experienced any work-related fatalities cases.

In our property development business, we engage experienced and reputable contractors with strong safety track records and closely monitors their performance through regular reviews of health and safety practices. Any significant incidents or instances of non-compliance are documented and taken into consideration in future contractor selection and evaluation processes. Within office operations, the Group implements measures to safeguard employee well-being, including maintaining clean and well-ventilated workspaces, conducting regular disinfection, and ensuring appropriate indoor conditions. Preventive measures, such as routine inspections of first aid supplies and fire safety equipment, as well as periodic evacuation drills, are also implemented to enhance workplace safety and emergency preparedness. In addition, the Group promotes flexible working arrangements, including remote working and flexible hours, to support employee's physical and mental well-being and to foster a balanced and sustainable working environment.

During the Reporting Period, the Group conducted occupational health and safety-related training sessions for all employees, including the organisation of a fire drill to enhance workplace safety awareness and emergency preparedness.

5. COMMUNITY ENGAGEMENT

As a responsible corporate, we are dedicated to contributing positively to society and supporting the communities in which it operates. We actively encourage employees to take part in community service by providing incentives that promote volunteerism outside working hours. Through charitable contributions and community initiatives, we aim to cultivate a culture of giving and compassion, delivering meaningful value to society.

During the Reporting Period, the Group's charitable donations totalled HK$520,000, primarily directed towards supporting vulnerable groups and promoting social inclusion. We have also continued our participation in the Lockton Fearless Dragon Trail Run 2025, contributing HK $10,000 (included in the total charitable donations) to support the development of an inclusive society. Through these initiatives, the Group remains committed to making a positive impact and extending its support to the community.

APPENDIX 1: PERFORMANCE DATA SUMMARY

Category	Indicator	Unit	2025/2026	2024/2025
Environmental	**Greenhouse Gas Emissions[2]**			
	Total greenhouse gas emissions[3] (Scope 1 and Scope 2)	Tonnes of carbon dioxide equivalent	723.76	594.22
	Greenhouse gas emission (Scope 1 and Scope 2) intensity	Tonnes of carbon dioxide equivalent/Square foot	0.0110	0.0152
	Greenhouse gas emission (Scope 1 and Scope 2 and Scope 3)	Tonnes of carbon dioxide equivalent	806.38	617.91
	Greenhouse gas emission (Scope 1)	Tonnes of carbon dioxide equivalent	0	0
	Greenhouse gas emission (Scope 2)[4]	Tonnes of carbon dioxide equivalent	723.76	594.22
	Greenhouse gas emission (Scope 3)[5]	Tonnes of carbon dioxide equivalent	82.62	23.69
	Energy			
	Total energy consumption	kWh	1,022,221	1,009,121
	Energy consumption intensity	kWh/square foot	165.46	25.34
	Indirect energy consumption- purchased electricity	kWh	1,022,221	1,009,121
	Direct energy consumption- unleaded petrol	kWh	0	0
	Air emissions			
	Sulphur oxides	kg	0	0
	Nitrogen oxides	kg	0	0
	Particulate matter	kg	0	0
	Water consumption			
	Total water consumption	m^3	3,335.40	2,911.95
	Water consumption intensity	m^3/square foot	0.05	0.08
	Waste			
	Non-hazardous waste	Tonnes	1.85	3.43
	Non-hazardous waste intensity	kg/Person	88.33	155.58
	Hazardous waste	Tonnes	0	0
	Hazardous waste intensity	kg/Person	0	0

2 Greenhouse gas emissions include both emissions generated from the Hong Kong head office and selected property development projects under Rykadan's management.

3 Greenhouse gases mainly come from purchased electricity. Greenhouse gas emissions are calculated based on the 2021 Emission Reduction Project China Regional Grid Baseline Emission Factors published by the Ministry of Ecology and Environment of China and the 2006 IPCC National Greenhouse Gas Inventory Guidelines published by the Intergovernmental Panel on Climate Change (IPCC), and are presented in carbon dioxide equivalent.

4 The calculation methodology for Scope 2 during the Reporting Period used the location-based method, with factors referencing the "Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors" issued by the Ministry of Ecology and Environment and the factors disclosed by CLP Power Hong Kong Limited and The Hongkong Electric Co., Ltd..

5 According to Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011), our scope 3 greenhouse gas emissions are primarily derived from business travel activities.

Category	Indicator	Unit	2025/2026	2024/2025
Social	**Employment**			
	Total number of employees[6]	Person	19	20
	By gender			
	Male	Person	8	8
	Female	Person	11	12
	By age			
	30 years old or below	Person	1	3
	31–50 years old	Person	14	14
	51 years old or above	Person	4	3
	By employee level			
	Managerial staff	Person	5	5
	General staff	Person	14	15
	By region			
	Hong Kong	Person	17	18
	The PRC	Person	1	1
	The U.S.A.	Person	1	1
	Turnover Rate[7]			
	Total Employee Turnover Rate	%	26.30	28.57
	By gender			
	Male	%	25.00	25.00
	Female	%	27.27	30.77
	By age			
	30 years old or below	%	100.00	85.71
	30–50 years old	%	21.43	14.81
	51 years old or above	%	25.00	25.00
	By region			
	Hong Kong	%	29.41	32.43
	The PRC	%	0	0
	The U.S.A.	%	0	66.67
	Health and Safety			
	Number of deaths due to work	Person	0	0
	Death rate due to work	%	0	0
	Number of working days lost due to injury	Day	0	0
	Percentage of Trained Employee			
	Total percentage of trained employee	%	84.21	35.00
	By gender			
	Male	%	87.50	37.50
	Female	%	81.82	33.33
	By employee level			
	Managerial staff	%	80.00	60.00
	General staff	%	85.71	26.67

6 All employees are full-time employees. No part-time employees appointed as of 31 March 2026.

7 Turnover Rate = (the number of employees who left the Company during the reporting year/the total number of employees at the year end) *100%.

Category	Indicator	Unit	2025/2026	2024/2025
	Average Training Hours Per Employee[8]			
	By gender			
	Male	Hour	8.31	7.31
	Female	Hour	6.73	6.15
	By employee level			
	Managerial staff	Hour	12.20	12.95
	General staff	Hour	5.68	4.50
	Supply Chain Management			
	Total suppliers	Unit	48	85
	By region			
	Hong Kong	Unit	35	68
	The PRC	Unit	5	8
	The U.S.A.	Unit	8	9

8 Average Training Hours Per Employee = The total training hours by type/the total number of employees at year end.

APPENDIX 2: INDEX OF ESG INDICATORS

Subject Areas, Aspects, General Disclosures and KPIs		Corresponding Section	
A.	**Environmental**		
A1	**Emissions**		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.		3.4	Emission Management
A1.1	The types of emissions and respective emissions data.	3.4	Emission Management
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3.4	Emission Management
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	3.4	Emission Management
A1.5	Description of emissions target(s) set and steps taken to achieve them.	3.1	Addressing Climate Change
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	3.4	Emission Management
A2	**Use of Resources**		
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.		3.3	Resources Management & Conservation Measures
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	3.3	Resources Management & Conservation Measures
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	3.3	Resources Management & Conservation Measures
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	3.3	Resources Management & Conservation Measures
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	3.3	Resources Management & Conservation Measures
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	3.3	Resources Management & Conservation Measures
A3	**The Environment and Natural Resources**		
General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.		3.2	Environmental Management
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	3.2	Environmental Management

Subject Areas, Aspects, General Disclosures and KPIs		Corresponding Section
B.	**Social**	
B1	**Employment**	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.		4.1 Employment and Labor Standards 4.2 Employee Welfare Protection
B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Appendix 1: Performance Data Summary
B1.2	Employee turnover rates by gender, age group and region.	Appendix 1: Performance Data Summary
B2	**Health and Safety**	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.		4.4 Employee Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	4.4 Employee Health and Safety
B2.2	Lost days due to work injury.	4.4 Employee Health and Safety
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	4.4 Employee Health and Safety
B3	**Development and Training**	
General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.		4.3 Employee Development and Training
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Appendix 1: Performance Data Summary
B3.2	The average number of hours of training completed per employee by gender and employee category.	Appendix 1: Performance Data Summary
B4	**Labor Standards**	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.		4.1 Employment and Labor Standards
B4.1	Description of measures to review employment practices to avoid child and forced labor.	4.1 Employment and Labor Standards

Subject Areas, Aspects, General Disclosures and KPIs		Corresponding Section	
B4.2	Description of steps taken to eliminate such practices when discovered.	4.1	Employment and Labor Standards
B5	**Supply Chain Management**		
General Disclosure Policies on managing environmental and social risks of the supply chain.		1.3	Sustainable Supply Chain
B5.1	Number of suppliers by geographical region.	1.3	Sustainable Supply Chain
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	1.3	Sustainable Supply Chain
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	1.3	Sustainable Supply Chain
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	1.3	Sustainable Supply Chain
B6	**Product Responsibility**		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.		2.1	Product Quality and Safety
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	2.2	Customer Satisfaction
B6.2	Number of products and service related complaints received and how they are dealt with.	2.2	Customer Satisfaction
B6.3	Description of practices relating to observing and protecting intellectual property rights.	2.3	Data Privacy and Intellectual Property Protection
B6.4	Description of quality assurance process and recall procedures.	2.2	Customer Satisfaction
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	2.3	Data Privacy and Intellectual Property Protection
B7	**Anti-corruption**		
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.		1.2	Business Ethics
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	1.2	Business Ethics
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	1.2	Business Ethics
B7.3	Description of anti-corruption training provided to directors and staff.	1.2	Business Ethics

Subject Areas, Aspects, General Disclosures and KPIs		Corresponding Section	
Community			
B8	**Community Investment**		
General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.		5.	Community Engagement
B8.1	Focus areas of contribution (e.g., education, environmental concerns, labour needs, health, culture, sports).	5.	Community Engagement
B8.2	Resources contributed (e.g., money or time) to the focus areas.	5.	Community Engagement

Part D: Climate-related Disclosures		Reference Section	
Governance	19. (a) An issuer shall disclose the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about: (i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; (ii) how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities; (iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; (iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities, including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and (b) An issuer shall disclose the management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	3.1	Addressing Climate Change – Governance

Part D: Climate-related Disclosures		Reference Section	
Strategy	20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall: (a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term; (b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk; (c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and (d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	3.1	Addressing Climate Change – Strategy
	21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose: (a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and (b) a description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	3.1	Addressing Climate Change – Strategy

Part D: Climate-related Disclosures	Reference Section
22. (a) An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about: (i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities; (ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect); (iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and (iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; (b) An issuer shall disclose information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	3.1 Addressing Climate Change – Strategy
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	3.1 Addressing Climate Change – Strategy
24. (a) An issuer shall disclose qualitative and quantitative information about how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; (b) An issuer shall disclose qualitative and quantitative information about the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	Qualitative information: 3.1 Addressing Climate Change – Strategy Quantitative information: Application of financial effect relief. Company will continue to evaluate the financial implications of climate-related risks and opportunities in the future.

Part D: Climate-related Disclosures	Reference Section
25. (a) The issuer shall provide qualitative and quantitative disclosures about how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; (b) The issuer shall provide qualitative and quantitative disclosures about how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Qualitative information: 3.1 Addressing Climate Change – Strategy Quantitative information: Application of financial effect relief. Company will continue to evaluate the financial implications of climate-related risks and opportunities in the future.
26. (a) An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of: (i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis; (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	Adoption of reasonable information relief. Company currently does not disclose any climate scenario analysis, but will evaluate its feasibility in the future.

Part D: Climate-related Disclosures				Reference Section
		(b) An issuer shall disclose how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate-related scenario analysis was carried out.		
Risk Management	27.	(a) An issuer shall disclose information about the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about: (i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes); (ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks; (iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria); (iv) whether and how the issuer prioritises climate-related risks relative to other types of risks; (v) how the issuer monitors climate-related risks; and (vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period; (b) An issuer shall disclose information about the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); (c) An issuer shall disclose information about the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	3.1	Addressing Climate Change – Risk Management

Part D: Climate-related Disclosures		Reference Section
Metrics and Targets	28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	Appendix 1: Performance Data Summary
	29. An issuer shall: (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions; (b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	Appendix 1: Performance Data Summary
	30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	3.1 Addressing Climate Change – Metrics and Targets
	31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Reasonable Information Relief Adopted
	32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	Reasonable Information Relief Adopted
	33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	3.1 Addressing Climate Change – Metrics and Targets

Part D: Climate-related Disclosures	Reference Section
34. An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	3.1 Addressing Climate Change – Metrics and Targets
35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	3.1 Addressing Climate Change – Metrics and Targets
36. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks	Appendix 1: Performance Data Summary
37. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose: (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	3.1 Addressing Climate Change – Metrics and Targets

Part D: Climate-related Disclosures		Reference Section	
	38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions.	3.1	Addressing Climate Change – Metrics and Targets
	39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	3.1	Addressing Climate Change – Metrics and Targets
	40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose: (a) which greenhouse gases are covered by the target; (b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; (c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target; (d) whether the target was derived using a sectoral decarbonisation approach; and (e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	3.1	Addressing Climate Change – Metrics and Targets
	41. In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of (i) cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	3.1	Addressing Climate Change – Metrics and Targets

Executive Directors

Mr. Chan William (陳偉倫先生), aged 51, is an Executive Director, the Chief Executive Officer and the Chairman of the Company. Mr. Chan also serves as the chairman of the nomination committee of the Company. Mr. Chan joined the Group in 2008. He is primarily responsible for overall strategies, planning, business development and implementation of the strategies of the Group. He also holds other directorships in the Company's subsidiaries. Mr. Chan graduated from the University of La Verne, California of the United States with a Bachelor of Business Administration degree in 2000 and a Master of Business Administration degree in 2002. He was a director of the Tung Wah Group of Hospitals (2003/2004), a director of Yan Chai Hospital (35th Term Board of Directors (2002/2003)) and a committee member of the Central and Sai Ying Poon Area Committee of Home Affairs Department of Hong Kong Government for the two years ended 31 March 2006.

Mr. Lo Hoi Wah, Heywood (勞海華先生), aged 43, is an Executive Director and the Chief Financial Officer of the Company. Mr. Lo has joined us since 2012. He is responsible for overseeing property related investments, managing business operations, exploring new business unit growth and directing banking activities of the Group. He also holds other directorships in the Company's subsidiaries. Mr. Lo has over 15 years' financial accounting experience in the field of building materials, property development and hospitality. Prior to joining us, he had worked at an international audit firm and held senior finance and management position with a private company. Mr. Lo graduated from the University of Hong Kong with a Bachelor of Business Administration degree in 2005. He also graduated from The Hong Kong Polytechnic University in 2013 with a Master of Corporate Finance degree. Mr. Lo is a member of the Hong Kong Institute of Certified Public Accountants.

Independent Non-Executive Directors

Mr. Ho Kwok Wah, George (何國華先生), aged 68, was appointed as an Independent Non-executive Director of the Company in February 2010. He also serves as the chairman of the audit committee and the remuneration committee and a member of the nomination committee of the Company. Mr. Ho has over 35 years of experience in accounting and auditing. Mr. Ho is a practicing certified public accountant in Hong Kong. He is currently the sole proprietor of George K W Ho & Co, Certified Public Accountants, and a director of Yong Zheng CPA Limited, Certified Public Accountants. Mr. Ho is also a director of the Hong Kong Commerce and Industry Associations Limited and the Hong Kong Shatin Industries and Commerce Association Limited. Mr. Ho served as an independent non-executive director of PuraPharm Corporation Limited (stock code: 1498) from June 2015 to July 2025 and of Town Health International Investments Limited (stock code: 3886) from September 2004 to January 2024, the securities of which are listed on the main board of the Stock Exchange of Hong Kong. Mr. Ho was also awarded the Medal of Honour on 1 July 2015 by the Government of HKSAR.

Mr. To King Yan, Adam (杜景仁先生), aged 66, was appointed as an Independent Non-executive Director of the Company in August 2009. Mr. To is also a member of the audit committee and the remuneration committee of the Company. He graduated from the University of London with a Bachelor of Laws degree in 1983. He has been a practicing solicitor of the High Court of Hong Kong since 1986. He is also qualified to practice law in England and Wales and Australia and is a China Appointed Attesting Officer. He is currently a partner of K.B. Chau & Co., a firm of solicitors in Hong Kong with his practice focusing on conveyancing, litigation and corporate finance. Mr. To was an independent non-executive director of Ficus Technology Holdings Limited (stock code: 8107), the securities of which are listed on the GEM board of the Stock Exchange of Hong Kong, from April 2018 to September 2023.

Ms. Khan Sabrina (簡佩詩女士), aged 45, was appointed as an Independent Non-executive Director of the Company in August 2023. She is also a member of the audit committee, the remuneration committee and the nomination committee of the Company. Ms. Khan has over 20 years of experience in finance and accounting. She was the chief financial officer in a well-known appliances, electrical and electronic manufacturing company, Aurabeat Technology Limited, from December 2022 to October 2025 and the chief financial officer and company secretary of Aptorum Group Limited, a clinical stage biopharmaceutical company listed on the NASDAQ (NASDAQ: APM), from October 2017 to October 2022 and served as its financial consultant until August 2023. Ms. Khan had worked at various international audit firms and held senior finance and management positions in various listed companies and private companies in different industries. Ms. Khan graduated from the University of Hong Kong in 2003 with a Bachelor of Business Administration degree in Accounting and Finance. She is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of the Association of Chartered Certified Accountants and was qualified as an Advanced China Certified Taxation Consultant in 2015.

Senior Management

Mr. Lui Man Kit, Chris (呂文傑先生), aged 41, is our Company Secretary and Financial Controller. Mr. Lui has joined us since 2014. He is responsible for overseeing the financial planning and management, accounting activities and compliance matters of the Group. He also holds directorship in one of the Company's subsidiaries. Mr. Lui has over 20 years of experience in financial accounting and auditing. Prior to joining the Group, he had worked at an international audit firm as an audit manager. Mr. Lui obtained a Bachelor of Commerce degree in Accounting and Finance from Curtin University in 2004 and a Master of Laws degree in International and Commercial Law from the University of Greenwich in 2019. He is also a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

Mr. Cheng Tsz Kei, Jacky (鄭子琪先生), aged 49, joined the Group since 2024 as the Managing Director, Asia Pacific. He is responsible for developing business strategies, overseeing operations and execution in the region. Mr. Cheng brings a wealth of global knowledge related to development environment. His strong understanding of the region's development markets and trends, coupled with extensive network in the industry, provide him with an exceptional ability to represent the Group to identify new initiatives and opportunities. Prior to joining the Group, he held the position of Vice President, Director of Project Development – Asia Pacific at the Jerde Partnership, Inc., where for over 20 years, from Los Angeles, to Hong Kong and Singapore. Mr. Cheng holds a Master of Science degree from Columbia University and a Bachelor of Architecture degree from the Illinois Institute of Technology.

The board (the "Board") of directors (the "Director(s)") of the Company would like to present the annual report and the audited consolidated financial statements for the year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company and provides corporate management services. The activities of its principal subsidiaries are set out in note 43 to the consolidated financial statements.

BUSINESS REVIEW

Discussion and review of the Group's business during the year are provided in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" of this annual report. An analysis of the Group's performance during the year using financial key performance indicators is provided in the section headed "Management Discussion and Analysis" of this annual report. An indication of likely future development of the Group's business can be found in the section headed "Chairman's Statement" of this annual report. All the above sections form part of this report.

KEY RELATIONSHIP WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

The Group recognises that employees, customers, suppliers and business partners are the keys to the sustainable development of the Group. The Group is committed to building a close and caring relationship with its employees and business partners, and improving the quality of services and products to the customers.

Employees are regarded as the most vital and valuable assets of the Group. The Group ensures all staff are reasonably remunerated and also continues to improve and regularly review and update its policies on remuneration and benefits, training, occupational health and safety.

The Group stays connected with its customers and suppliers and has ongoing communication with the customers and suppliers through various channels such as telephone, electronic mails and physical meetings to obtain their feedback and suggestions.

The Group also makes effort to build up and maintain good relationship with various commercial banks as the Group's businesses are capital intensive and require ongoing funding to maintain continuous growth.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to maintaining sustainable working practices and pays close attention to ensure all resources are efficiently utilised. Green office practices are encouraged in the operation of the Group's businesses, such as duplex printing and copying, sending and presenting corporate documents or information to the members of the Board in electronic format, and reducing energy consumption by switching off idle lighting and electrical appliances. Further details can be found in the section headed "Environmental, Social and Governance Report" of this annual report.

COMPLIANCE WITH THE APPLICABLE LAWS AND REGULATIONS WHICH HAVE A SIGNIFICANT IMPACT ON THE GROUP

During the year, no non-compliance with the relevant laws and regulations that have a significant impact on the Group was noted. In addition, discussion on the Group's compliance with the Corporate Governance Code (the "CG Code") is included in the Corporate Governance Report. Discussion on the Group's compliance with the relevant environmental and social policies, laws and regulations are included in the section headed "Environmental, Social and Governance Report" of this annual report.

RISK MANAGEMENT

Under the Group's internal control and risk management framework, the Board has entrusted the Audit Committee of the Company with the responsibility to review the internal control and risk management systems of the Group. The Group is exposed to key risk factors including business risks, operational risks and financial risks.

BUSINESS RISKS

The Group operates mainly in Hong Kong, the People's Republic of China and the United States of America. The economic and market conditions including property market sentiment and property values, legislative and regulatory changes, government policies and political considerations in the various regions may impact the Group's operating results and financial conditions.

OPERATIONAL RISKS

The Group's operation is subject to a number of risk factors distinctive to property development and property related businesses. Default on the part of buyers and strategic business partners, and inadequacies or failures of internal processes, people and systems or other external factors may have various levels of negative impact on the Group's operation.

FINANCIAL RISKS

The Group is subject to financial risks in the normal course of business. Details are set out in note 35 to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2026 are set out in the consolidated income statement and consolidated statement of comprehensive income on pages 61 to 62.

No interim dividend had been declared to the shareholders during the year. The Directors do not recommend the payment of a final dividend for the year ended 31 March 2026.

FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the past five financial years is set out on page 128.

An analysis of the Group's results by segment for the year is set out in note 5 to the consolidated financial statements.

OTHER PROPERTIES, PLANT AND EQUIPMENT

Details of movements during the year in the other properties, plant and equipment of the Group are set out in note 16 to the consolidated financial statements.

BANK BORROWINGS

Details of bank borrowings are set out in note 28 to the consolidated financial statements.

SHARE CAPITAL

Details of movements during the year in the share capital of the Company are set out in note 30 to the consolidated financial statements.

DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 March 2026 comprised:

	HK$'000
Share premium	400,859
Retained profits	298,706
	699,565

Under the Companies Law of the Cayman Islands, the share premium of the Company is available for paying distributions or dividends to shareholders subject to the provisions of its memorandum and articles of association and provided that immediately following the distribution of dividend, the Company is able to pay its debts as they fall due in the ordinary course of business. In accordance with the Company's articles of association, dividends shall be distributed out of the retained profits or other reserves, including the share premium of the Company.

Details of movements during the year in the share premium and reserves of the Group are set out in the consolidated statement of changes in equity.

DIRECTORS

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

Executive Directors

Mr. CHAN William *(Chairman and Chief Executive Officer)*
Mr. LO Hoi Wah, Heywood *(Chief Financial Officer)*

Non-executive Director

Mr. NG Tak Kwan *(resigned on 1 October 2025)*

Independent Non-executive Directors

Mr. HO Kwok Wah, George
Mr. TO King Yan, Adam
Ms. KHAN Sabrina

Mr. HO Kwok Wah, George and Mr. TO King Yan, Adam shall retire, and being eligible, offer themselves for re-election at the forthcoming 2026 annual general meeting ("AGM") pursuant to the Company's articles of association.

Pursuant to the code provision B.2.3 of the CG Code, any further appointment of an independent non-executive director serving more than nine years should be subject to a separate resolution to be approved by shareholders. Mr. HO Kwok Wah, George ("Mr. Ho") and Mr. TO King Yan, Adam ("Mr. To") are independent non-executive Directors serving the Company since 2010 and 2009, respectively. Mr. Ho and Mr. To have also met the independence guidelines set out in Rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Listing Rules") and have made an annual confirmation of independence to the Company. The Board is satisfied that Mr. Ho and Mr. To who served the Company for more than nine years, remain independent, and considers that they would be able to continue to discharge their duties as independent non-executive Directors of the Company with their relevant experience and knowledge. Mr. Ho and Mr. To should be re-elected and a separate resolution will be proposed for each of their re-election at the forthcoming AGM.

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

DIRECTORS' PROFILES

Details of the Directors' profiles are set out in the section headed "Profiles of Directors and Senior Management" of this annual report.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive Directors a confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules and has duly reviewed the confirmation of independence of each of these Directors. The Company considers that all of the independent non-executive Directors are independent.

DIRECTORS' SERVICE CONTRACTS

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

MANAGEMENT CONTRACTS

Save for service contracts with the Directors, no contract by which a person undertakes the management and administration of the whole or any substantial part of the Company's business was entered into or subsisted during the year.

DIRECTORS' AND CHIEF EXECUTIVES' INTEREST IN SHARES, UNDERLYING SHARES AND DEBENTURES

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

Name	Long/Short position	Capacity	Number of shares	Approximate percentage of the issued share capital of the Company (%)
CHAN William	Long	Interest in a controlled corporation (1)	97,104,000	25.86
	Long	Beneficial owner	33,700,000	8.98
			130,804,000	34.84
LO Hoi Wah, Heywood	Long	Beneficial owner	64,166	0.02

Notes:

1. Tiger Crown Limited, which beneficially owned 97,104,000 shares of the Company, is 100% owned by Rykadan Holdings Limited which in turn is 100% held by CHAN William. CHAN William is also the sole director of Tiger Crown Limited and Rykadan Holdings Limited.

2. All the shares of the Company shown in the table above are ordinary shares.

Save as disclosed above, as at 31 March 2026, so far as is known to any Director and chief executive of the Company, none of the Directors or chief executive of the Company had any interests 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 would have to be 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 pursuant to such provisions of the SFO), or which were entered in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2026, so far as is known to the Directors or chief executive of the Company, the interests and short positions of the shareholders (other than the Directors or chief executive of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

Name	Long/Short position	Capacity	Number of shares	Approximate percentage of the issued share capital of the Company (%)
Rykadan Holdings Limited	Long	Interest in a controlled corporation [1][2]	130,804,000	34.84
Tiger Crown Limited [1]	Long	Beneficial owner	97,104,000	25.86
	Long	Other interest [2]	33,700,000	8.98
			130,804,000	34.84
NG Tak Kwan	Long	Beneficial owner	63,024,000	16.79

Notes:

1. Tiger Crown Limited is 100% owned by Rykadan Holdings Limited which in turn is 100% held by CHAN William. Rykadan Holdings Limited is therefore deemed to be interested in the 97,104,000 shares of the Company beneficially owned by Tiger Crown Limited as well as the 33,700,000 shares of the Company in which Tiger Crown Limited is deemed to be interested as described in Note 2 below.

2. Since Tiger Crown Limited and CHAN William are regarded as a group of shareholders acting in concert to exercise their voting rights in the Company and are parties to an agreement under Section 317 of the SFO, pursuant to the provisions of the SFO, each of them is deemed to be interested in the shares of the Company owned by the other party to the agreement.

3. All the shares of the Company shown in the table above are ordinary shares.

Save as disclosed above, as at 31 March 2026, so far as is known to any Director and chief executive of the Company, no other persons or companies had any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register required to be kept by the Company pursuant to Section 336 of the SFO.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company, or any of its subsidiaries, a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

CONNECTED AND RELATED PARTY TRANSACTIONS

During the year and up to the date of this report, save as disclosed below, there were no other transactions which constitute connected transaction or continuing connected transaction that are not exempt from the disclosure requirements under Chapter 14A of the Listing Rules.

1. On 23 July 2024, Worth Celestial Limited ("Worth Celestial"), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with Mr. CHAN William (the Chairman, Chief Executive Officer and an Executive Director of the Company) and his spouse (collectively referred to as the "Vendors") in relation to the acquisition of 100% equity interests and taking up the assignment of shareholder loan in Cosmo Kingdom Holdings Limited (a

property holding company jointly owned by the Vendors with a luxury residential property in Hong Kong as its main asset) at an aggregate consideration of approximately HK$57,569,000.

The transaction was completed on 30 April 2025. Further details of the acquisition are set out in the circular of the Company dated 30 August 2024.

2. On 23 January 2026, Worth Celestial entered into a sale and purchase agreement with Harbour Best Investments Limited, a company jointly owned by the abovementioned Vendors. The agreement concerned the disposal of the entire 20% of the issued shares of Vibrant Colour Holdings Limited ("Vibrant Colour") which was an associate of the Group and indirectly owns a luxury residential property in Hong Kong, and the amount of shareholder's loans owing by Vibrant Colour to Worth Celestial at a consideration of approximately HK$15,282,000.

   The transaction was completed on 24 April 2026. Further details of the disposal are set out in the circular of the Company dated 6 March 2026.

Significant related party transactions entered by the Group during the year, which do not constitute connected transactions or continuing connected transactions under the Listing Rules are disclosed in note 40 to the consolidated financial statements.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENT OR CONTRACTS

Save as those disclosed under the paragraph headed "Connected and Related Party Transactions" above and in note 40 to the consolidated financial statements, no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

EQUITY-LINKED AGREEMENT

Other than the information disclosed in this Directors' Report and the consolidated financial statements, no equity-linked agreements were entered into by the Company during the year or subsisted at the end of the financial year under review.

PERMITTED INDEMNITY PROVISIONS

Pursuant to the articles of association of the Company, the Directors shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty, in their respective offices or trusts.

The Company has arranged appropriate directors' liability insurance coverage for the Directors and officers throughout the year.

COMPETING BUSINESS

During the year, none of the Directors or the controlling shareholders of the Company and their respective associates had any interest 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 interests with the Group which would be required to be disclosed under Rule 8.10 of the Listing Rules.

EMOLUMENT POLICY

The emolument policy of the employees of the Group was set up by the Remuneration Committee of the Company. The emolument of the Directors is decided by the Remuneration Committee of the Company, having regard to the Group's operating results, individual performance and comparable market trends.

RETIREMENT BENEFIT SCHEME

Details of the Group's retirement benefit schemes are set out in note 9 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

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

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this report, the Company has maintained sufficient public float throughout the year as required under the Listing Rules.

DISCLOSURE PURSUANT TO RULES 13.20 AND 13.22 OF THE LISTING RULES

The information as required to disclose under Rules 13.20 and 13.22 of the Listing Rules in relation to the Company's advances to entities and the financial assistance and guarantees to affiliated companies provided by the Company are as follows:

(a) Advances to entities

As at 31 March 2026, an aggregate sum of HK$219,265,000 was advanced by the Group to Fastest Runner Limited or its subsidiaries for the purpose of acquiring the property located at No. 23 Wong Chuk Hang Road, Hong Kong and financing its development and general working capital. The advance is non-interest bearing, unsecured and has no fixed terms of repayment, was made pro-rata to the percentage of shareholding of the relevant subsidiary of the Group in Fastest Runner Limited.

(b) Financial assistance and guarantees to affiliated companies

Pursuant to Rule 13.22 of the Listing Rules, a proforma combined balance sheet of those affiliated companies with financial assistance from the Group and the Group's attributable interest in those affiliated companies as at 31 March 2026 are presented as follows:

	HK$'000
Non-current assets	320,954
Current assets	5,206
Current liabilities	(1,411,050)
Non-current liabilities	(284,253)
Net liabilities	(1,369,143)
Share capital	221
Reserves	(1,369,364)
Capital and reserves	(1,369,143)

As at 31 March 2026, the attributable accumulated losses to the Group in these affiliated companies amounted to HK$318,916,000.

CHARITABLE DONATIONS

Charitable donations made by the Group during the year amounted to HK$520,000 (2025: HK$10,000).

MAJOR CUSTOMERS, SUBCONTRACTORS AND SUPPLIERS

For the year, the five largest customers of the Group accounted for 99% of the Group's total revenue and total revenue from the largest customer included therein accounted for 74%. Rykadan Real Estate Prospect Fund LP is one of the five largest customers and Mr. CHAN William is one of the representatives on the Investment Committee of the limited partnership. The aggregate purchase attributable to the five largest suppliers of the Group during the year accounted for 97% of the total purchases of the Group and the largest supplier, Capital Universal Investment Limited (an associate of the Group), included therein accounted for 84%.

Other than disclosed above, at no time during the year did a Director, an associate of a Director or a shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) have an interest in any of the Group's five largest customers or suppliers.

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

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

CORPORATE GOVERNANCE

The Corporate Governance Report is set out on pages 10 to 18.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Environmental, Social and Governance Report is set out on pages 19 to 48.

AUDITOR

The consolidated financial statements have been audited by Deloitte Touche Tohmatsu, who will retire and, being eligible, offer themselves for re-appointment at the forthcoming AGM.

A resolution to re-appoint Deloitte Touche Tohmatsu as the external auditor will be submitted for shareholders' approval at the forthcoming AGM.

On behalf of the Board
Rykadan Capital Limited
CHAN William
Executive Director and Chief Executive Officer

Hong Kong, 24 June 2026

Deloitte. 德勤

TO THE SHAREHOLDERS OF RYKADAN CAPITAL LIMITED
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Rykadan Capital Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 61 to 127, which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other exploratory information.

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

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of the 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.

KEY AUDIT MATTERS (Continued)

Key Audit Matter	How our audit addressed the Key Audit Matter
Assessing the net realisable value of properties for sale	
We identified the net realisable value of properties for sale as a key audit matter due to its significance to the consolidated financial statements as a whole, combined with significant estimates involved in determining the net realisable value. As disclosed in Note 21 to the consolidated financial statements, the carrying amount of the properties for sale amounts to HK$430,036,000. As disclosed in Note 4 to the consolidated financial statements, management's assessment of the net realisable value of the properties for sale requires significant judgement and estimation, in particular in relation to the expected future selling prices. The assessment is also made by reference to the valuation carried out by the independent and qualified property valuer (the "Valuer") for the properties for sale, if any.	Our procedures in relation to assessing the net realisable value of the properties for sale included: • Assessing the competency, capabilities and objectivity of the Valuer; • Assessing the appropriateness and reasonableness of the methodology and significant estimation used by management or the Valuer in the net realisable value assessment; and • Assessing the reasonableness of source data of significant estimation including expected future selling prices underlying the net realisable value assessment carried out by management or the Valuer, by comparing them, on sample basis, to publicly available information of similar comparable properties.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the 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.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards 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.

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

- 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 audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

The engagement partner on the audit resulting in the independent auditor's report is HO Sin Ying (practicing certificate number: P08228).

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
24 June 2026

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2026

	NOTES	2026 HK$'000	2025 HK$'000
Continuing operations			
Revenue	5	51,392	74,451
Cost of sales and services		(139,672)	(66,188)
Gross (loss) profit		(88,280)	8,263
Other revenue	6	2,311	4,934
Other gains or losses, net	7	4,428	(2,180)
Reversal of impairment losses (impairment losses) on trade receivables, net		1,913	(11,730)
Selling and marketing expenses		(4,996)	(2,316)
Administrative and other operating expenses		(45,499)	(40,083)
Loss from operations		(130,123)	(43,112)
Finance costs	11	(2,902)	(9,800)
Share of results of associates		(26,127)	(113,198)
Share of results of joint ventures		(3,081)	(90,921)
Reversal of impairment losses on interests in joint ventures		–	33,200
Loss before taxation		(162,233)	(223,831)
Income tax (expense) credit	12	(11)	109
Loss for the year from continuing operations	8	(162,244)	(223,722)
Discontinued operation			
Profit (loss) for the year from discontinued operation	13	39,407	(69,982)
Loss for the year		(122,837)	(293,704)
(Loss) profit for the year attributable to owners of the Company			
– from continuing operations		(183,024)	(211,377)
– from discontinued operation		39,407	(69,982)
Loss for the year attributable to owners of the Company		(143,617)	(281,359)
Profit (loss) for the year attributable to non-controlling interests			
– from continuing operations		20,780	(12,345)
		(122,837)	(293,704)
Loss per share	14		
From continuing and discontinued operations			
Basic		(38.3) HK cents	(74.9) HK cents
Diluted		N/A	N/A
From continuing operations			
Basic		(48.7) HK cents	(56.3) HK cents
Diluted		N/A	N/A

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2026

	NOTE	2026 HK$'000	2025 HK$'000
Loss for the year		**(122,837)**	(293,704)
Other comprehensive income for the year			
Items that may be reclassified subsequently to profit or loss:			
– Exchange differences arising on translation of foreign operations		**(1,562)**	638
– Share of translation reserve of joint ventures, net of related income tax		**4,997**	(1,298)
		3,435	(660)
Items that will not be reclassified to profit or loss:			
– Share of remeasurement of defined benefit liability of a joint venture, net of related income tax		**–**	(25)
– Gain on revaluation of investment properties upon transfer from other properties, plant and equipment	15	**353**	–
Other comprehensive income for the year		**3,788**	(685)
Total comprehensive income for the year		**(119,049)**	(294,389)
Attributable to:			
– Owners of the Company		**(140,599)**	(281,880)
– Non-controlling interests		**21,550**	(12,509)
		(119,049)	(294,389)
Total comprehensive income for the year attributable to owners of the Company:			
– from continuing operations		**(180,006)**	(211,898)
– from discontinued operation		**39,407**	(69,982)
		(140,599)	(281,880)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2026

	NOTES	2026 HK$'000	2025 HK$'000
NON-CURRENT ASSETS			
Investment properties	15	9,200	2,700
Other properties, plant and equipment	16	46,353	507
Right-of-use assets	17	2,213	2,810
Interests in associates	18	28,057	67,423
Interests in joint ventures	19	16,005	134,939
Financial assets measured at fair value through other comprehensive income	20	–	–
		101,828	208,379
CURRENT ASSETS			
Properties for sale	21	430,036	338,235
Inventories	22	368	807
Trade receivables	23	6,816	11,957
Other receivables, deposits and prepayments	24	3,343	23,499
Loans to an associate	18	–	47,040
Restricted bank balances	25	7,647	–
Bank deposits and cash on hand	25	28,260	63,598
		476,470	485,136
Assets classified as held for sale	13	15,282	119,883
		491,752	605,019
CURRENT LIABILITIES			
Trade and other payables	26	18,310	32,896
Contract liabilities	27	1,494	25
Bank loans	28	112,812	78,627
Lease liabilities	29	619	568
Tax payable		1,215	1,247
		134,450	113,363
Liabilities associated with assets classified as held for sale	13	–	51,166
		134,450	164,529
NET CURRENT ASSETS		357,302	440,490
TOTAL ASSETS LESS CURRENT LIABILITIES		459,130	648,869

	NOTES	2026 HK$'000	2025 HK$'000
NON-CURRENT LIABILITIES			
Bank loans	28	**18,555**	88,645
Lease liabilities	29	**1,837**	2,437
Deferred tax liabilities	32	**1,000**	1,000
		21,392	92,082
		437,738	556,787
CAPITAL AND RESERVES			
Share capital	30	**3,754**	3,754
Reserves		**435,140**	575,739
Equity attributable to owners of the Company		**438,894**	579,493
Non-controlling interests		**(1,156)**	(22,706)
		437,738	556,787

The consolidated financial statements on pages 61 to 127 were approved and authorised for issue by the board of directors on 24 June 2026 and were signed on its behalf by:

CHAN WILLIAM
DIRECTOR

LO HOI WAH, HEYWOOD
DIRECTOR

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2026

	Attributable to owners of the Company											
	Share capital HK$'000	Share premium HK$'000	Statutory reserve HK$'000 (Note (i))	Translation reserve HK$'000	Actuarial reserve HK$'000	Other reserve HK$'000 (Note (ii))	Revaluation reserve HK$'000 (Note (iii))	Fair value reserve (non-recycling) HK$'000 (Note (iv))	Retained profits HK$'000	Total HK$'000	Non-controlling interests HK$'000	Total equity HK$'000
1 April 2024	3,754	400,859	4,433	(8,595)	22	35,440	11,474	(15,850)	429,836	861,373	(9,902)	851,471
Loss for the year	–	–	–	–	–	–	–	–	(281,359)	(281,359)	(12,345)	(293,704)
Exchange differences arising on translation of foreign operations	–	–	–	651	–	–	–	–	–	651	(13)	638
Share of translation reserve of joint ventures, net of related income tax	–	–	–	(1,150)	–	–	–	–	–	(1,150)	(148)	(1,298)
Share of remeasurement of defined benefit liability of a joint venture, net of related income tax	–	–	–	–	(22)	–	–	–	–	(22)	(3)	(25)
Total comprehensive income	–	–	–	(499)	(22)	–	–	–	(281,359)	(281,880)	(12,509)	(294,389)
Distributions paid to non-controlling shareholders upon liquidation of a subsidiary	–	–	–	–	–	–	–	–	–	–	(295)	(295)
At 31 March 2025 and 1 April 2025	3,754	400,859	4,433	(9,094)	–	35,440	11,474	(15,850)	148,477	579,493	(22,706)	556,787
Loss for the year	–	–	–	–	–	–	–	–	(143,617)	(143,617)	20,780	(122,837)
Exchange differences arising on translation of foreign operations	–	–	–	(1,601)	–	–	–	–	–	(1,601)	39	(1,562)
Share of translation reserve of joint ventures, net of related income tax	–	–	–	4,266	–	–	–	–	–	4,266	731	4,997
Gain on revaluation of investment properties upon transfer from other properties, plant and equipment	–	–	–	–	–	–	353	–	–	353	–	353
Total comprehensive income	–	–	–	2,665	–	–	353	–	(143,617)	(140,599)	21,550	(119,049)
Release of revaluation reserve upon the Disposal (as defined in Note 13)	–	–	–	–	–	–	(11,474)	–	11,474	–	–	–
At 31 March 2026	3,754	400,859	4,433	(6,429)	–	35,440	353	(15,850)	16,334	438,894	(1,156)	437,738

Notes:

(i) According to the relevant laws of People's Republic of China (the "PRC"), the PRC subsidiaries are required to transfer at least 10% of its net profit after tax, as determined under the PRC accounting regulation, to a statutory reserve until the reserve balance reaches 50% of the subsidiaries' registered capital. The transfer of this reserve must be made before the distribution of dividends to the subsidiaries' equity owners. The statutory reserve is non-distributable other than upon the liquidation of the subsidiaries.

(ii) Other reserve comprises the differences between the consideration and carrying amount of net assets attributable to the addition and reduction of interests in subsidiaries being acquired from and disposed to non-controlling shareholders respectively.

(iii) The revaluation reserve represents differences resulting between the carrying amount and the fair value when an item of other properties, plant and equipment becomes an investment property at the date of transfer.

(iv) The fair value reserve (non-recycling) comprises the cumulative net change in the fair value of equity investments measured at fair value through other comprehensive income under HKFRS 9 *Financial Instruments* that are held at the end of the reporting period.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

	2026 HK$'000	2025 HK$'000
OPERATING ACTIVITIES		
Loss before taxation	(122,826)	(293,813)
Adjustments for:		
Decrease in fair value of investment properties	1,107	66,900
Depreciation of other properties, plant and equipment	1,129	1,757
Amortisation of right-of-use assets	615	614
Gain on disposal of other properties, plant and equipment	–	(18)
Gain on disposal of assets classified as held for sale and liabilities associated with assets classified as held for sale (Note 13)	(39,680)	–
Interest income on bank deposits	(14)	(386)
Interest income on loan to a joint venture	–	(219)
Interest income on loans to an associate	–	(2,559)
Interest expense on bank loans (Notes 11 and 13)	3,020	11,905
Interest expense on lease liabilities	107	128
Share of results of joint ventures	3,081	90,921
Share of results of associates	26,127	113,198
Impairment losses on trade receivables	–	11,929
Reversal of impairment losses on interest in joint ventures	–	(33,200)
Reversal of impairment losses on trade receivables	(1,913)	(199)
Write-down on properties for sale	71,306	–
Unrealised exchange (gain) loss	(5,121)	1,209
Operating cash flows before movements in working capital	(63,062)	(31,833)
(Increase) decrease in properties for sale	(72,975)	57,849
Decrease in inventories	462	–
Decrease (increase) in trade receivables	7,355	(1,537)
Decrease in other receivables, deposits and prepayments	3,917	1,283
Increase in trade and other payables	1,788	3,047
Increase (decrease) in contract liabilities	969	(590)
Cash (used in) generated from operations	(121,546)	28,219
Interest paid	(8,312)	(12,938)
Overseas tax (paid) refund	(61)	469
Net cash (used in) from operating activities	(129,919)	15,750

	2026 HK$'000	2025 HK$'000
INVESTING ACTIVITIES		
Net proceeds from disposal of properties (Note 13)	159,451	–
Repayment from a joint venture (Note 19)	120,000	9,384
Dividend received from a joint venture	978	1,678
Repayments from associates	570	109
Interest received	14	3,164
Payment for acquisition of assets and liabilities through acquisition of a subsidiary, net of cash acquired (Note 41)	(57,551)	–
Increase in restricted bank balances	(7,610)	–
Purchases of other properties, plant and equipment	(6,633)	(1,211)
Advances to associates	(1,263)	(1,001)
Advance to a joint venture	(91)	–
Capital contribution to a joint venture	(38)	–
Loans to an associate	–	(7,040)
Dividend received from an associate	–	312
Proceeds on disposal of other properties, plant and equipment	–	49
Net cash from investing activities	207,827	5,444
FINANCING ACTIVITIES		
Repayments of bank loans	(112,675)	(127,999)
Repayments of lease liabilities	(569)	(525)
Distributions paid to non-controlling shareholders upon liquidation of a subsidiary	–	(295)
New bank loans raised	–	70,615
Net cash used in financing activities	(113,244)	(58,204)
Net decrease in cash and cash equivalents	(35,336)	(37,010)
Effect of foreign exchange rate changes	(2)	(289)
Cash and cash equivalents at the beginning of the year	63,598	100,897
Cash and cash equivalents at the end of the year, represented by bank deposits and cash on hand	28,260	63,598

1. GENERAL INFORMATION

Rykadan Capital Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 21 August 2009. The addresses of the registered office and principal place of business of the Company are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and 29/F, Rykadan One, 23 Wong Chuk Hang Road, Wong Chuk Hang, Hong Kong respectively.

The Company acts as an investment holding company and provides corporate management services. The activities of its principal subsidiaries are set out in Note 43. The Company and its subsidiaries (the "Group") was also engaged in property investment which was discontinued in the current year (see Note 13).

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is also 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 as 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

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 the consolidated financial statements.

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

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

Amendments to HKFRS 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 21	Translation to a Hyperinflationary Presentation Currency[3]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[3]

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

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

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

HKFRS 18 *Presentation and Disclosure in Financial Statements*

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, 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.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated income statement.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as 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 (the "Listing Rules") and by the Hong Kong Companies Ordinance.

3.2 Material accounting policy information

Subsidiaries

Consolidation

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

Associates and joint ventures

An associate is an entity over which the Group has significant influence but not control or joint control over its management, including participation in the financial and operating policy decision.

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

An investment in associate or joint venture is accounted for in the consolidated financial statements using equity method of accounting. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

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

3.2 Material accounting policy information (Continued)

Associates and joint ventures (Continued)

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with any other long-term interests that in substance form part of the Group's net investment in the associate or the joint venture.

Non-current assets held for sale

Non-current assets (and disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell except for investment properties measured at fair value which continue to be measured in accordance with the accounting policies as set out in respective sections.

Investment properties

Investment properties, principally comprising leasehold land and buildings, are held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group. These include land held for a currently undetermined future use and property. Investment properties are initially measured at cost, including related transaction costs and where applicable borrowing costs. Subsequently, they are carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recognised in profit or loss.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the profit or loss during the financial period in which they are incurred.

If an item of inventories becomes an investment property that will be carried at fair value is consistent with the treatment of sales of inventories. Any difference between the fair value of the property at that date and its previous carrying amount shall be recognised in profit or loss.

Other properties, plant and equipment

Other properties, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

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

3.2 Material accounting policy information (Continued)

Other properties, plant and equipment (Continued)

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

– Buildings	Over the shorter of the unexpired term of lease and their estimated useful lives of no more than 50 years
– Leasehold improvements	Over the shorter of the remaining lease term and useful life of 3 – 10 years
– Furniture, fixtures and equipment	3 – 7 years

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

Gains or losses arising from the retirement or disposal of an item of other properties, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Impairment of other non-current assets

Assets, including other properties, plant and equipment, right-of-use assets, investments in subsidiaries in the Company's statement of financial position and investments in associates and joint ventures accounted for under the equity method in the consolidated financial statements, are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). These assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purpose of allocating resources to, and assessing the performance of, the Group's various lines of business.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

Foreign currency translation

Functional and presentation currency

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

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are generally recognised in profit or loss.

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

3.2 Material accounting policy information (Continued)

Foreign currency translation (Continued)

Transactions and balances (Continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

All foreign exchange gains and losses are presented in the consolidated income statement within other gains or losses, net.

Investments and other financial assets

Classification

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

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

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

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

Recognition and derecognition

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

Measurement

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

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains or losses, net. Impairment losses are recognised in the consolidated income statement. The Group's financial assets carried at amortised cost comprise trade receivables, other receivables and deposits, loans to an associate, restricted bank balances and bank deposits and cash on hand in the consolidated statement of financial position.

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

3.2 Material accounting policy information (Continued)

Investments and other financial assets (Continued)

Impairment

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

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

Structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, and the relevant activities are directed by means of contractual or related arrangements.

The Group determines whether it is an agent or a principal in relation to those structured entities in which the Group acts as an asset manager on management's judgement. If an asset manager is agent, it acts primarily on behalf of others and so does not control the structured entity. It may be principal if it acts primarily for itself, and therefore controls the structured entity.

The Group has determined that the investment in real estate funds, which are not controlled by the Group and classified as interests in associates, are unconsolidated structured entities.

Inventories

Inventories are assets which are held for sale in the ordinary course of business, in the process of production for such sale or in the form of materials or supplies to be consumed in the production process or in the rendering of services.

Inventories are carried at the lower of cost and net realisable value as follows:

(i) Construction and interior decorative materials

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(ii) Property development

Properties under development for sale

The cost of properties under development for sale comprises specifically identified cost, including the acquisition cost of land, aggregate cost of development, materials and supplies, wages and other direct expenses, an appropriate proportion of overheads and borrowing costs capitalised. Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

Completed properties held for sale

The cost of completed properties held for sale comprises all costs of purchase, costs of conversion and other costs incurred in bringing the properties to their present location and condition. In the case of completed properties held for sale developed by the Group, cost is determined by apportionment of the total development costs for that development project, attributable to the unsold properties. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

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

3.2 Material accounting policy information (Continued)

Contract liabilities

A contract liability is recognised when the customer pays non-refundable consideration before the Group recognises the related revenue.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method.

Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents includes cash on hand and cash at bank and other short-term highly liquid investments with original maturity of three months or less.

Borrowings and borrowing costs

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

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

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of that asset. Other borrowing costs are expensed in the period in which they are incurred.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

Current and deferred tax

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

<u>Current tax</u>

The current tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the end of the reporting period in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

<u>Deferred tax</u>

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

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

3.2 Material accounting policy information (Continued)

Current and deferred tax (Continued)

Deferred tax (Continued)

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

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

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

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

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale, except for freehold land, which is always presumed to be recovered entirely through sale.

Employee benefits

Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

Provisions and contingent liabilities

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

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

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

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

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

3.2 Material accounting policy information (Continued)

Revenue recognition

Income is classified by the Group as revenue when it arises from the sale of goods or the provision of services in the ordinary course of the Group's businesses. Revenue is recognised when control over a product or service is transferred/provided to the customer, at the amount of promised consideration to which the Group is expected to be entitled, excluding those amounts collected on behalf of third parties. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

The Group's revenue and other income are primarily derived from as follows:

(i) Sales of properties

Revenue arising from the sale of properties developed for sale in the ordinary course of business is recognised when the legal assignment is completed, which is the point in time when the customer has the ability to direct the use of the property and obtain substantially all of the remaining benefits of the property. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the consolidated statement of financial position under contract liabilities.

When properties are marketed by the Group while the property is still under construction, the Group may offer a discount compared to the listed sales price, provided the customer agrees to pay the balance of the consideration early. In such cases, if the advance payments are regarded as providing a significant financing benefit to the Group, interest expense arising from the adjustment of time value of money will be accrued by the Group during the period between the payment date and the completion date of legal assignment. This accrual increases the balance of the contract liability during the period of construction, and therefore increases the amount of revenue recognised when control of the completed property is transferred to the customer. The interest is expensed as accrued unless it is eligible to be capitalised under HKAS 23 *Borrowing Costs*.

(ii) Sales of goods

Revenue is recognised when the customer takes possession of and accepts the products. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

(iii) Service income

Service income is recognised over time when the relevant services are provided. Service income is recognised net of value added tax.

(iv) Rental income from operating leases

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(v) Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income. For impaired loans, the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowances).

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, the directors of the Company are 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 associated 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 ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation uncertainty

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

Assessment of net realisable value for properties under development for sale and completed properties held for sale

Management's assessment of net realisable value of properties under development for sale and completed properties held for sale held by the Group or through a material associate requires significant management judgement and estimation, in particular in relation to expected future selling prices by reference to valuations performed by the independent and qualified professional valuers not connected with the Group, or recent sale transactions in nearby locations, rate of new property sales, marketing costs (including price discounts required to stimulate sales), the expected costs to completion of properties, the legal and regulatory framework and general market conditions. At 31 March 2026, the carrying amounts of properties under development for sale and completed properties held for sale held by the Group or through associates are disclosed in Notes 18 and 21, respectively.

Based on the management's assessment, the write-down on properties for sale of HK$71,306,000 (2025: HK$Nil) was recognised in profit or loss during the year ended 31 March 2026.

Impairment of trade receivables

The Group's management determines the loss allowances for trade receivables based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past event, existing market conditions as well as forward-looking estimates at the end of each reporting period. At 31 March 2026, the carrying amount of trade receivables, net of loss allowance, is HK$6,816,000 (2025: HK$11,957,000).

The information and the details of ECL are set out in Note 35.

Critical judgements in applying accounting policies

The following is the critical judgement, apart from those involving estimations (see above), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Determination of control over the structured entities

To determine whether the Group controls the structured entities of which the Group acts as an asset manager, management applies judgement based on all relevant facts and circumstances to determine whether the Group is acting as the principal or agent for the structured entities. If the Group is acting as the principal, it has decision-making authority and power over the relevant activities of the fund because the Group, acting as the fund manager, can decide which investments the fund should acquire or dispose of. All facts and circumstances are taken into consideration in the assessment of whether the Group, as an investor, controls the investment funds.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Critical judgements in applying accounting policies (Continued)

Determination of control over the structured entities (Continued)

The principle of control sets out the following three elements of control: (a) power over the investment funds; (b) exposure, or rights, to variable returns from involvement with the investment funds; and (c) the ability to use power over the investment funds to affect the amount of the investor's returns. The Group's initial assessment of control including its status as a principal or an agent would not change simply because of a change in market conditions (e.g. a change in the investee's returns driven by market conditions), unless the change in market conditions changes one or more of the three elements of control listed above or changes the overall relationship between a principal and an agent. For these investment funds, the Group assesses whether (i) there are any other holders in these investment funds which have practical ability to remove the Group, and prevent the Group from directing the relevant activities of the investment funds; and (ii) the combination of investments it holds together with its remuneration creates exposure to variability of returns from the activities of the investment funds.

The Group will perform reassessment once the fact and circumstance changes leading to changes in above factors.

At 31 March 2026 and 31 March 2025, management of the Group concluded that the Group does not have control over RREFLP and RREPFLP (as defined in Note 18) and acted as an agent for RREFLP and RREPFLP.

5. REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group's continuing operations are property development, asset, investment and fund management and distribution of construction and interior decorative materials.

(i) *Disaggregation of revenue*

Disaggregation of revenue from contracts with customers by major products or service lines from continuing operations is as follows:

Continuing operations

	2026 **HK$'000**	2025 HK$'000
Revenue from contracts with customers within the scope of HKFRS 15		
– Sales of completed properties	**50,910**	70,773
– Distribution of construction and interior decorative materials	**345**	–
– Asset, investment and fund management income	**137**	3,678
	51,392	74,451

Disaggregation of revenue from contracts with customers by timing of revenue recognition and by geographical markets are disclosed in Note 5(b).

For the year ended 31 March 2026, revenue from sales of completed properties to two customers (2025: one customer) in Hong Kong (2025: United States of America (the "U.S.A.")) was approximately HK$50,910,000 (2025: HK$70,773,000), which has exceeded 10% of the Group's revenue.

5. REVENUE AND SEGMENT REPORTING (Continued)

(a) Revenue (Continued)

(ii) Revenue from continuing operations expected to be recognised in the future arising from contracts with customers in existence at the reporting date

At 31 March 2026, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts from continuing operations is HK$15,114,000 (2025: HK$137,000). This amount mainly represents revenue expected to be recognised in the future from pre-completion contracts entered into by the customers with the Group for sales of completed properties and construction and interior decorative materials (2025: provision of services) during the year. The Group will recognise the expected revenue in the future when the properties are assigned to the customers, the customer takes possession of and accepts the products or the relevant services are provided to the customers within the next 3 months (2025: within the next 2 months).

(b) Segment reporting

The Group manages its businesses by divisions, which are organised by business lines (products and services). The Group has presented the following three reportable segments, which is consistent with how information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment. No operating segments have been aggregated to form the following reportable segments.

(i) Property development

This segment derives its revenue from repositioning and value enhancement of properties with a focus on development projects in prime locations in Hong Kong and the U.S.A..

(ii) Asset, investment and fund management

This segment derives its revenue from investing in and managing a portfolio of real estates in Hong Kong.

(iii) Distribution of construction and interior decorative materials

This segment derives its revenue from distribution of stone composite surfaces products in the Greater China region and Southeast Asia.

An operating segment regarding property investment was discontinued during both years ended 31 March 2026 and 31 March 2025. The segment information reported below does not include any amounts for this discontinued operation, which is described in more details in Note 13.

For the purposes of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment (loss) profit represents (loss from) profit earned by each operating segment, excluding income and expenses of the corporate function, such as certain other revenue, certain other gains or losses, net, certain administrative and other operating expenses, finance costs, share of results of associates, share of results of joint ventures and reversal of impairment losses on interests in joint ventures.

All assets are allocated to operating segments other than investment properties, certain other properties, plant and equipment, right-of-use assets, interests in associates, interests in joint ventures, financial assets measured at fair value through other comprehensive income, certain other receivables, deposits and prepayments, loans to an associate, bank deposits and cash on hand and assets classified as held for sale that are not managed directly by segments.

All liabilities are allocated to operating segments other than certain other payables, lease liabilities, certain bank loans and deferred tax liabilities and liabilities associated with assets classified as held for sale that are not managed directly by segments.

5. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

In addition, management is provided with segment results and information concerning additions of/transfer to other properties, plant and equipment/investment properties at fair value, depreciation of other properties, plant and equipment, amortisation of right-of-use assets, gain on disposal of other properties, plant and equipment and reversal of impairment losses on interests in joint ventures.

Disaggregation of revenue from contracts with customers by the timing of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the years ended 31 March 2026 and 2025 is set out below.

Segment revenues and results

The following is an analysis of the Group's revenue and results from continuing operations by reportable and operating segments:

For the year ended 31 March 2026
Continuing operations

	Property development HK$'000	Asset, investment and fund management HK$'000	Distribution of construction and interior decorative materials HK$'000	Total HK$'000
Disaggregated by timing of revenue recognition				
Point in time	50,910	–	345	51,255
Over time	–	137	–	137
Total	50,910	137	345	51,392
Segment (loss) profit from operations	(92,444)	(5,977)	1,994	(96,427)
Corporate expenses				(39,583)
Corporate income				5,887
Finance costs				(2,902)
Share of results of associates				(26,127)
Share of results of joint ventures				(3,081)
Loss before taxation from continuing operations				(162,233)

5. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

Segment revenues and results (Continued)

For the year ended 31 March 2025
Continuing operations

	Property development HK$'000	Asset, investment and fund management HK$'000	Distribution of construction and interior decorative materials HK$'000	Total HK$'000
Disaggregated by timing of revenue recognition				
Point in time	70,773	–	–	70,773
Over time	–	3,678	–	3,678
Total	70,773	3,678	–	74,451
Segment profit (loss) from operations	5,421	(14,765)	(1,488)	(10,832)
Corporate expenses				(37,232)
Corporate income				4,952
Finance costs				(9,800)
Share of results of associates				(113,198)
Share of results of joint ventures				(90,921)
Reversal of impairment losses on interest in joint ventures				33,200
Loss before taxation from continuing operations				(223,831)

5. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

	2026 HK$'000	2025 HK$'000
Segment assets		
Property development	437,962	338,394
Asset, investment and fund management	456	6,197
Distribution of construction and interior decorative materials	8,217	7,874
Total segment assets	446,635	352,465
Investment properties	9,200	2,700
Other properties, plant and equipment	46,339	486
Right-of-use assets	2,213	2,810
Interests in associates	28,057	67,423
Interests in joint ventures	16,005	134,939
Financial assets measured at fair value through other comprehensive income	–	–
Other receivables, deposits and prepayments	1,589	22,054
Loans to an associate	–	47,040
Bank deposits and cash on hand	28,260	63,598
Assets classified as held for sale	15,282	119,883
Total consolidated assets of the Group	593,580	813,398
Segment liabilities		
Property development	118,708	89,882
Asset, investment and fund management	1,614	767
Distribution of construction and interior decorative materials	1,941	2,999
Total segment liabilities	122,263	93,648
Other payables	11,496	29,165
Lease liabilities	2,456	3,005
Bank loans	18,627	78,627
Deferred tax liabilities	1,000	1,000
Liabilities associated with assets classified as held for sale	–	51,166
Total consolidated liabilities of the Group	155,842	256,611

5. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

Other segment information

For the year ended 31 March 2026
Continuing operations

	Property development HK$'000	Asset, investment and fund management HK$'000	Distribution of construction and interior decorative materials HK$'000	Segment total HK$'000	Unallocated HK$'000	Total HK$'000
Amounts included in the measure of segment results or segment assets:						
Additions of/transfer to other properties, plant and equipment/investment properties at fair value	–	–	–	–	53,987	53,987
Depreciation of other properties, plant and equipment	–	(6)	(2)	(8)	(1,121)	(1,129)
Amortisation of right-of-use assets	–	–	–	–	(615)	(615)

For the year ended 31 March 2025
Continuing operations

	Property development HK$'000	Asset, investment and fund management HK$'000	Distribution of construction and interior decorative materials HK$'000	Segment total HK$'000	Unallocated HK$'000	Total HK$'000
Amounts included in the measure of segment results or segment assets:						
Additions of other properties, plant and equipment	–	10	5	15	1,196	1,211
Depreciation of other properties, plant and equipment	–	(10)	(1)	(11)	(1,746)	(1,757)
Amortisation of right-of-use assets	–	–	–	–	(614)	(614)
Gain on disposal of other properties, plant and equipment	–	–	18	18	–	18
Reversal of impairment losses on interest in joint ventures	–	–	–	–	33,200	33,200

5. REVENUE AND SEGMENT REPORTING (Continued)

(b) Segment reporting (Continued)

Geographical segment information

The Group's revenue from continuing operations from external customers attributed to the geographical areas based on the location at which the services were provided or the goods were delivered is as follows:

	2026 HK$'000	2025 HK$'000
Hong Kong	51,047	3,678
The U.S.A.	–	70,773
Others	345	–
	51,392	74,451

The Group's information about its non-current assets by location of the assets or by location of the related operations are detailed below:

	2026 HK$'000	2025 HK$'000
Hong Kong	83,308	190,152
The PRC	6	8
The U.S.A.	2,486	3,280
Others	16,028	14,939
	101,828	208,379

6. OTHER REVENUE

	2026 HK$'000	2025 HK$'000
Continuing operations		
Interest income on loan to a joint venture	–	219
Interest income on loans to an associate	–	2,559
Interest income on bank deposits	14	386
Rental income	338	–
Others	1,959	1,770
	2,311	4,934

7. OTHER GAINS OR LOSSES, NET

	2026 HK$'000	2025 HK$'000
Continuing operations		
Net foreign exchange gain (loss)	**5,535**	(1,728)
Gain on disposal of other properties, plant and equipment	**–**	18
Decrease in fair value of investment properties	**(1,107)**	–
Others	**–**	(470)
	4,428	(2,180)

8. LOSS FOR THE YEAR FROM CONTINUING OPERATIONS

Loss for the year from continuing operations has been arrived at after charging (crediting):

	2026 HK$'000	2025 HK$'000
Auditor's remuneration		
– Audit services	**1,050**	950
– Non-audit services	**410**	696
Cost of construction and interior decorative materials	**210**	–
Cost of properties for recognised sales (Note (a))	**135,858**	62,173
Direct cost for management services provided (Note (b))	**3,604**	4,015
Depreciation of other properties, plant and equipment (Note 16)	**1,129**	1,757
Amortisation of right-of-use assets (Note 17)	**615**	614
Employee benefit expenses (Note 9)	**31,513**	30,979
Operating lease payments in respect of leased properties	**304**	301
(Reversal of impairment losses) impairment losses on trade receivables, net	**(1,913)**	11,730

Notes:

(a) During the year ended 31 March 2026, write-down on properties for sale of HK$71,306,000 (2025: HK$Nil) included in cost of properties for recognised sales is charged to profit or loss.

(b) Direct cost for management services provided of HK$3,604,000 (2025: HK$4,015,000) is related to staff costs which are also included in the respective total amount disclosed separately above.

9. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

Employee benefit expenses

	2026 HK$'000	2025 HK$'000
Salaries, wages and other benefits	**31,062**	30,474
Retirement benefit schemes contributions (Note)	**451**	505
	31,513	30,979

Note:

The Group operates a mandatory provident fund scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes at the lower of HK$1,500 or 5% of the relevant payroll costs to the scheme per month, which contribution is matched by employees.

The employees of the subsidiaries operated in the PRC are members of a state-managed retirement benefit scheme operated by the PRC government. Those subsidiaries are required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

The U.S.A. subsidiary, which participates in U.S.A. government benefit schemes, is required to contribute to the schemes for the retirement benefits of eligible employees. The government authorities are responsible for the entire benefit obligations payable to the retired employees. The only obligation of the Group with respect to the schemes is to pay the ongoing contributions required by the schemes. The Group's contributions to the aforesaid defined contribution retirement schemes are calculated either based on certain percentages of the applicable payroll costs or fixed sums that are determined with reference to salary scale as stipulated under the requirements of the respective territories and are charged to the consolidated income statement as incurred.

Five highest paid individuals

For the year ended 31 March 2026, the five individuals whose emoluments were the highest in the Group include two (2025: two) directors whose emolument are reflected in the analysis in Note 10. During the year ended 31 March 2026, the emolument paid/payable to the remaining three (2025: three) individuals is as follows:

	2026 HK$'000	2025 HK$'000
Salaries, wages and other benefits	**5,382**	4,610
Retirement benefit scheme contribution	**54**	41
	5,436	4,651

	Number of individuals 2026	 2025
Emolument bands:		
HK$Nil to HK$1,000,000	**1**	–
HK$1,000,001 to HK$1,500,000	**–**	1
HK$1,500,001 to HK$2,000,000	**1**	2
HK$2,000,001 to HK$2,500,000	**–**	–
HK$2,500,001 to HK$3,000,000	**1**	–
	3	3

10. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS

Directors' and chief executive officer's remuneration for the year, disclosed pursuant to the applicable Listing Rules and Companies Ordinance, were as follows:

2026	Fee HK$'000	Salary HK$'000	Discretionary bonuses HK$'000	Allowances and benefits in kind HK$'000	Contribution to a retirement benefit scheme HK$'000	Total HK$'000
Executive directors						
Mr. Chan William	–	12,000	3,000	–	18	15,018
Mr. Lo Hoi Wah, Heywood	–	2,760	690	–	18	3,468
	–	14,760	3,690	–	36	18,486
Non-executive director						
Mr. Ng Tak Kwan (Note)	384	–	–	–	–	384
Independent non-executive directors						
Mr. To King Yan, Adam	216	–	–	–	–	216
Mr. Ho Kwok Wah, George	216	–	–	–	–	216
Ms. Khan Sabrina	180	–	–	–	–	180
	612	–	–	–	–	612
Total	996	14,760	3,690	–	36	19,482

Note: Mr. Ng Tak Kwan has resigned as a non-executive director of the Company with effect from 1 October 2025.

10. DIRECTORS' AND CHIEF EXECUTIVE OFFICER'S EMOLUMENTS (Continued)

2025	Fee HK$'000	Salary HK$'000	Discretionary bonuses HK$'000	Allowances and benefits in kind HK$'000	Contribution to a retirement benefit scheme HK$'000	Total HK$'000
Executive directors						
Mr. Chan William	–	12,000	2,000	–	18	14,018
Mr. Lo Hoi Wah, Heywood	–	2,760	460	–	18	3,238
	–	14,760	2,460	–	36	17,256
Non-executive director						
Mr. Ng Tak Kwan	768	–	–	–	–	768
Independent non-executive directors						
Mr. To King Yan, Adam	216	–	–	–	–	216
Mr. Ho Kwok Wah, George	216	–	–	–	–	216
Ms. Khan Sabrina	180	–	–	–	–	180
	612	–	–	–	–	612
Total	1,380	14,760	2,460	–	36	18,636

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 and for their services as directors of the Company.

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

Mr. Chan William is also the chief executive officer of the Company and his emoluments disclosed above include those for services rendered by him as the chief executive officer of the Company.

The discretionary bonus is determined by reference to the performance of the individual directors and the Group and approved by the remuneration committee.

For the years ended 31 March 2026 and 2025, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as a compensation for loss of office. No directors waived any emoluments during both years.

11. FINANCE COSTS

	2026 HK$'000	2025 HK$'000
Continuing operations		
Interest expense on bank loans	**7,980**	10,577
Interest expense on lease liabilities	**107**	128
Less: interest expense capitalised into properties under development for sale (Note)	**(5,185)**	(905)
	2,902	9,800

Note: Borrowing costs capitalised during the year are calculated by applying capitalisation rates of approximately 7.3% (2025: 6.4%) per annum to expenditures on qualifying assets.

12. INCOME TAX (EXPENSE) CREDIT

	2026 HK$'000	2025 HK$'000
Continuing operations		
Income tax recognised in profit or loss:		
Current tax		
– Withholding tax on dividend distributions	**–**	(71)
– Other jurisdictions	**(3)**	(46)
	(3)	(117)
(Under) over provision in previous year		
– Other jurisdictions	**(8)**	168
Deferred tax (Note 32)		
– Credited to profit or loss	**–**	58
	(11)	109

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group did not have any assessable profits for both years.

Overseas tax is calculated at the rates prevailing in the relevant jurisdictions.

During the year ended 31 March 2025, a withholding tax of HK$71,000 was recognised upon distribution of dividends from a subsidiary in Canada of the Group.

12. INCOME TAX (EXPENSE) CREDIT (Continued)

The tax (expense) credit for the year can be reconciled to the loss before taxation from continuing operations per consolidated income statement as follows:

	2026 **HK$'000**	2025 HK$'000
Loss before taxation from continuing operations	**(162,233)**	(223,831)
Notional tax on loss before taxation, calculated at rates applicable to loss in the jurisdictions concerned	**29,105**	37,196
Tax effects of:		
Share of results of joint ventures	**(508)**	(15,002)
Share of results of associates	**(4,311)**	(18,678)
Non-taxable income	**2,950**	6,762
Non-deductible expenses	**(5,887)**	(3,414)
(Under) over provision in prior year	**(8)**	168
Tax losses not recognised	**(21,860)**	(7,846)
Utilisation of tax losses previously not recognised	**94**	897
Deferred tax liabilities arising on undistributed profit	**–**	58
Others	**414**	(32)
Income tax (expense) credit for the year relating to continuing operations	**(11)**	109

For the year ended 31 March 2026, share of joint ventures' income tax expenses of approximately HK$838,000 (2025: HK$6,102,000) was included in the share of results of joint ventures.

13. DISCONTINUED OPERATION/ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE

For the year ended 31 March 2026

Assets classified as held for sale

On 23 January 2026, Worth Celestial Limited ("WCL"), a direct wholly-owned subsidiary of the Company and Harbour Best Investments Limited ("Harbour Best"), a company ultimately beneficially owned as to 50% by each of a director of the Company and his spouse entered into a sales and purchase agreement pursuant to which WCL has conditionally agreed to sell, and Harbour Best has conditionally agreed to purchase the entire 20% of the issued share of Vibrant Colour Holdings Limited ("VCH"), an associate of the Group and indirectly owns a residential property in Shouson Hill, Hong Kong, and the shareholder's loan owing by the VCH to WCL (the "VCH Disposal"). The transaction was approved by independent shareholders at an extraordinary general meeting held on 27 March 2026, and was completed on 24 April 2026.

13. DISCONTINUED OPERATION/ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

For the year ended 31 March 2026 (Continued)

Assets classified as held for sale (Continued)

WCL's respective interest in VCH and loan to VCH of approximately HK$15,282,000, are expected to be sold within twelve months, have been classified as "assets classified as held for sale" in the consolidated financial statements of the Group at 31 March 2026.

The assets at 31 March 2026, which have been presented separately in the consolidated statement of financial position, are as follows:

	2026 HK$'000
Amount due from an associate	35,520
Share of net liabilities	(20,238)
Assets classified as held for sale	15,282

Discontinued operation

On 17 December 2024, the Group entered into sale and purchase agreements with German Pool (Hong Kong) Limited (the "Purchaser"), an independent third party, in relation to the disposal of the 27th and 28th floors together with various car parking spaces of Rykadan Capital Tower (the "Disposal") which mainly represented the Group's property investment operation. The completion of the Disposal was subject to certain precedent conditions which included but not limited to obtaining approval from shareholders at the shareholders' meeting of the Company. Such approval was obtained on 17 April 2025 and the Disposal was completed on 30 April 2025. The net proceeds from the Disposal (after deducting all related expenses) is approximately HK$159,451,000.

As a result of the Disposal, the operating segment information of property investment is no longer included in Note 5 and is classified as a "discontinued operation" in the consolidated financial statements of the Group for the year ended 31 March 2026.

The profit (loss) for the year from the discontinued property investment operation is set out below.

	2026 HK$'000	2025 HK$'000
Revenue	20	997
Cost of sales	(11)	(160)
Gain on the Disposal	39,680	–
Administrative and other operating expenses	(57)	(1,686)
Decrease in fair value of investment properties	–	(66,900)
Finance costs	(225)	(2,233)
Profit (loss) for the year from discontinued operation	39,407	(69,982)

13. DISCONTINUED OPERATION/ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

For the year ended 31 March 2026 (Continued)

Discontinued operation (Continued)

	2026 HK$'000	2025 HK$'000
Profit (loss) for the year from discontinued operation includes the following:		
Auditor's remuneration	–	100

Cash flows from discontinued operation:

	2026 HK$'000	2025 HK$'000
Net cash used in operating activities	(274)	(2,045)
Net cash generated from investing activities	159,451	–
Net cash used in financing activities	(51,054)	(6,913)

The assets and liabilities relating to the Disposal at 30 April 2025, the date of the Disposal, are the same as those presented as "assets classified as held for sale and liabilities associated with assets classified as held for sale" at 31 March 2025 below.

The details of the Disposal as at 30 April 2025, the date of the Disposal, were as follows:

	HK$'000
Investment properties	84,900
Other properties, plant and equipment	32,875
Properties for sale	1,805
Other receivables, deposits and prepayments	303
Other payables	(112)
Net assets disposed	119,771
Gain on the Disposal	
Consideration received	159,451
Net assets disposed	(119,771)
	39,680

13. DISCONTINUED OPERATION/ASSETS CLASSIFIED AS HELD FOR SALE AND LIABILITIES ASSOCIATED WITH ASSETS CLASSIFIED AS HELD FOR SALE (Continued)

For the year ended 31 March 2025

Assets classified as held for sale and Liabilities associated with assets classified as held for sales

The assets and liabilities of the discontinued property investment operation at 31 March 2025, which have been presented separately in the consolidated statement of financial position, are as follows:

	2025 HK$'000
Investment properties (Note (a))	84,900
Other properties, plant and equipment	32,875
Properties for sale	1,805
Other receivables, deposits and prepayments	303
Assets classified as held for sale	119,883
Other payables	(112)
Bank loans (Note (b))	(51,054)
Liabilities associated with assets classified as held for sale	(51,166)

Notes:

(a) The investment properties in Hong Kong were revalued at 31 March 2025 by Knight Frank Petty Limited, an independent firm of surveyors who has among their staff are Fellows of the Hong Kong Institute of Surveyors with recent experience in the locations and categories of the properties being valued. The information about Level 3 fair value measurement is disclosed in Note 15.

(b) At 31 March 2025, the bank loans drawn in Hong Kong bore interest at rates ranging from 1.5% to 2.3% per annum over the Hong Kong Interbank Offered Rate. The interest payments were repriced monthly.

At 31 March 2025, the entire investment properties included in held for sale, HK$1,000,000 out of the investment properties of $2,700,000, HK$31,786,000 of other properties, plant and equipment included in held for sale, the entire properties for sale included in held for sale and HK$4,778,000 out of the properties for sale of HK$338,235,000 were pledged as securities for the bank loans. Such banking facilities amounted to HK$96,054,000 were utilised to the extent of HK$51,054,000 at 31 March 2025. The pledge was released upon the completion of the Disposal.

One of these banking facilities was subject to fulfilment of covenants related to certain of the Group's statement of financial position ratios. If the Group was to breach the covenants, the utilised facilities would become repayable on demand. The Group regularly monitors its compliance with these covenants.

None of the covenants relating to the utilised facilities had been breached during the year ended 31 March 2025.

The entire bank loans were repayable within one year and contained repayment on demand clauses.

14. LOSS PER SHARE

From continuing operations

The calculation of the basic loss per share from continuing operations attributable to owners of the Company is based on the following data:

Loss figures are calculated as follows:

	2026 HK$'000	2025 HK$'000
Loss for the year attributable to owners of the Company	143,617	281,359
Less: (Profit) loss for the year from discontinued operation	(39,407)	69,982
Loss for the purpose of basic loss per share from continuing operations	183,024	211,377

Number of shares

	2026	2025
Number of ordinary shares for the purpose of basic loss per share	375,447,000	375,447,000

From continuing and discontinued operations

The calculation of the basic loss per share from continuing and discontinued operations attributable to the owners of the Company is based on the following data:

Loss figures are calculated as follows:

	2026 HK$'000	2025 HK$'000
Loss for the purpose of basic loss per share	143,617	281,359

Number of shares

	2026	2025
Number of ordinary shares for the purpose of basic loss per share	375,447,000	375,447,000

From discontinued operation

Basic earnings per share from the discontinued operation is 10.4 HK cents (2025: basic loss per share is 18.6 HK cents), based on the profit for the year from discontinued operation attributable to owners of the Company of HK$39,407,000 (2025: loss for the year from discontinued operation attributable to owners of the Company of HK$69,982,000) and 375,447,000 (2025: 375,447,000) ordinary shares in issue during the year.

No diluted loss per share in both years was presented as there were no potential ordinary shares outstanding during both years.

15. INVESTMENT PROPERTIES

	2026 HK$'000	2025 HK$'000
At valuation:		
At the beginning of the year	**2,700**	154,500
Decrease in fair value of investment properties	**(600)**	(66,900)
Transfer (Note)	**7,100**	–
Transfer to assets classified as held for sale (Note 13)	**–**	(84,900)
At the end of the year	**9,200**	2,700

Note: During the year ended 31 March 2026, properties held for own use at carrying amount of approximately HK$7,254,000 were transferred from "other properties, plant and equipment" to "investment properties" as a result of change in use. The properties were measured at fair value at the time of transfer amounting to HK$7,100,000 and revaluation surplus of HK$353,000 related to certain transferred properties has been dealt with in other comprehensive income while the revaluation deficit of HK$507,000 for the remaining transferred properties has been dealt with in the profit or loss directly.

At 31 March 2025, investment properties of HK$1,000,000 were pledged as securities for bank loans directly associated with assets classified as held for sale (Note 13). The pledge was released upon the completion of the Disposal.

Valuation processes

The investment properties in Hong Kong were revalued at 31 March 2026 by Asset Appraisal Limited (2025: Asset Appraisal Limited), an independent firm of surveyors who has among their staff are Fellows of the Hong Kong Institute of Surveyors with recent experience in the locations and categories of the properties being valued.

The board of directors reviews the valuations performed by the independent valuer for financial reporting purposes by verifying all major inputs and assessing the reasonableness of the property valuations. Valuation reports with an analysis of changes in fair value measurement are prepared at each interim and annual reporting date, and are reviewed and approved by the board of directors.

Information about Level 3 fair value measurements

	Valuation approach	Significant unobservable inputs
Investment properties – Hong Kong (2025: Investment properties/ Investment properties classified as assets held for sale – Hong Kong)	Direct comparison approach	Market price of HK$1,300,000 per car parking space and HK$200,000 per motorcycle parking space (2025: Adjusted market price per square foot HK$7,530 to HK$7,640 for properties and market price of HK$1,700,000 per car parking space and HK$250,000 per motorcycle parking space)

16. OTHER PROPERTIES, PLANT AND EQUIPMENT

	Buildings HK$'000	Leasehold improvements HK$'000	Furniture, fixtures and equipment HK$'000	Total HK$'000
AT COST				
At 1 April 2024	47,485	7,592	3,731	58,808
Additions	–	1,190	21	1,211
Transfer to assets classified as held for sale (Note 13)	(47,485)	(8,227)	–	(55,712)
Disposals	–	(267)	(414)	(681)
Exchange adjustments	–	(5)	(5)	(10)
At 31 March 2025 and 1 April 2025	**–**	**283**	**3,333**	**3,616**
Additions	**53,829**	**–**	**398**	**54,227**
Transfer to investment properties	**(7,340)**	**–**	**–**	**(7,340)**
Disposals	**–**	**(88)**	**(307)**	**(395)**
Exchange adjustments	**–**	**1**	**6**	**7**
At 31 March 2026	**46,489**	**196**	**3,430**	**50,115**
ACCUMULATED DEPRECIATION				
At 1 April 2024	14,272	7,405	3,167	24,844
Charged for the year	1,427	138	192	1,757
Transfer to assets classified as held for sale (Note 13)	(15,699)	(7,138)	–	(22,837)
Disposals	–	(241)	(409)	(650)
Exchange adjustments	–	(2)	(3)	(5)
At 31 March 2025 and 1 April 2025	**–**	**162**	**2,947**	**3,109**
Charged for the year	**860**	**39**	**230**	**1,129**
Transfer to investment properties	**(86)**	**–**	**–**	**(86)**
Disposals	**–**	**(88)**	**(307)**	**(395)**
Exchange adjustments	**–**	**1**	**4**	**5**
At 31 March 2026	**774**	**114**	**2,874**	**3,762**
NET BOOK VALUE				
At 31 March 2026	**45,715**	**82**	**556**	**46,353**
At 31 March 2025	–	121	386	507

17. RIGHT-OF-USE ASSETS

	Office premise HK$'000
At 31 March 2026	
Carrying amount	**2,213**
At 31 March 2025	
Carrying amount	2,810
For the year ended 31 March 2026	
Amortisation charge	**615**
For the year ended 31 March 2025	
Amortisation charge	614

	Year ended 31 March	
	2026 HK$'000	2025 HK$'000
Expense relating to short-term leases	**304**	301
Total cash outflows for leases	**980**	954

During the year ended 31 March 2024, the Group entered into a lease for office premise. Lease contract was entered into for a fixed term of approximately 7 years. 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.

The Group regularly entered into short-term leases for car parking spaces, warehouses and office premises with the corresponding short-term lease expense disclosed above.

Restrictions or covenants on leases

As at 31 March 2026, lease liabilities of HK$2,456,000 (2025: HK$3,005,000) are recognised with related right-of-use assets in respect of a leased office premise amounting to HK$2,213,000 (2025: HK$2,810,000). The lease agreement for leased office premise does not impose any covenants other than the security deposit in the leased office premise that is held by the lessor. Leased office premise may not be used as security for borrowing purposes.

18. INTERESTS IN ASSOCIATES AND LOANS TO AN ASSOCIATE

	2026 HK$'000	2025 HK$'000
Share of net assets	**1,063**	1,357
Amounts due from associates (Note (g))	**291,111**	326,121
Share of net liabilities	**(264,117)**	(260,055)
	26,994	66,066
	28,057	67,423
Dividend received from an associate	**–**	312
Loans to an associate (Note (h))	**–**	47,040

Set out below are details of the associates of the Group at 31 March 2026 and 2025 which, in the opinion of the directors of the Company, are material to the Group. All of which are unlisted corporate entities or limited partnerships whose quoted market prices are not available.

Name of entity	Form of business structure	Place of incorporation and business	Particulars of issued and paid up capital	Proportion of effective interest held by the Group 2026	Proportion of effective interest held by the Group 2025	Proportion of voting power held at the board of directors 2026	Proportion of voting power held at the board of directors 2025	Principal activity
Fastest Runner Limited ("Fastest Runner") (Note (a))	Incorporated	British Virgin Islands ("BVI")	United States Dollar (US$)100	**24.2%**	24.2%	**33%**	33%	Investment holding
Dynamic Power Global Limited (Note (a))	Incorporated	BVI	US$1	**24.2%**	24.2%	**33%**	33%	Investment holding
Capital Universal Investment Limited (Note (a))	Incorporated	Hong Kong	HK$10,000,000	**24.2%**	24.2%	**33%**	33%	Property development
Rykadan Real Estate Fund LP ("RREFLP") (Notes (a) and (c))	Limited partnership	Cayman Islands	–	**5.3%**	5.3%	**33%**	33%	Investment holding
Rykadan Real Estate Prospect Fund LP ("RREPFLP") (Notes (b) and (d))	Limited partnership	Cayman Islands	–	**1%**	1%	**33%**	33%	Investment holding
Waltz Delight Limited ("Waltz Delight") (Note (b))	Incorporated	BVI	US$1,000	**12.5%**	12.5%	**33%**	33%	Investment holding
Graphite Square Investment Holding Limited ("GSIH") (Note (e))	Incorporated	Hong Kong	HK$212,500	**25%**	25%	**25%**	25%	Investment holding
VCH (Note (f))	Incorporated	BVI	US$100	**20%**	20%	**33%**	33%	Investment holding

18. INTERESTS IN ASSOCIATES AND LOANS TO AN ASSOCIATE (Continued)

Notes:

(a) Dynamic Power Global Limited and Capital Universal Investment Limited which held the Wong Chuk Hang Project, are the wholly-owned subsidiaries of Fastest Runner. The 20% equity interest in Fastest Runner held by the Group is accounted for as interests in associates in the consolidated financial statements using equity method. The remaining 80% equity interest in Fastest Runner is held by RREFLP. Moreover, given that the Group is able to exercise significant influence over RREFLP as the Group has one representative on the Investment Committee which comprised of three members, pursuant to the limited partnership agreement that was entered into by the Group acting as general partner with other limited partners, the 5.26% equity interest in RREFLP is accounted for as interests in associates in the consolidated financial statements using equity method.

At 31 March 2026, the Group's effective interest in Fastest Runner is approximately 24.21% (2025: 24.21%).

(b) As part of the arrangement between the Group and RREPFLP, in which the Group had 1% equity interest, for the sole purpose of the development of the Jaffe Road Project, on 26 April 2018, a wholly-owned subsidiary of the Group transferred 88.4% equity interest in Waltz Delight, an indirectly wholly-owned subsidiary of the Company at 31 March 2018, to RREPFLP at a consideration of US$884 (equivalent to approximately HK$6,950). After the transfer of equity interest in Waltz Delight mentioned above, Waltz Delight became an associate of the Group and Waltz Delight had not carried on any business prior to the transfer. The remaining 11.6% equity interest in Waltz Delight is accounted for as interests in associates in the consolidated financial statements using equity method as the Group had power to appoint one out of three directors of Waltz Delight pursuant to the shareholders' agreement. Moreover, given that the Group is able to exercise significant influence over RREPFLP as the Group has one representative on the Investment Committee which comprised of three members, pursuant to the limited partnership agreement that was entered into by the Group acting as general partner with other limited partners, the 1% equity interest in RREPFLP is accounted for as interests in associates in the consolidated financial statements using equity method.

(c) At 31 March 2026, RREFLP's aggregate capital contribution was HK$909,545,000 (2025: HK$909,545,000).

(d) At 31 March 2026, RREPFLP's aggregate capital contribution was HK$149,353,000 (2025: HK$149,353,000).

(e) During the year ended 31 March 2022, Brisk City Developments Limited ("Brisk City"), an indirect wholly-owned subsidiary of the Company, Excel Arrow Limited and Ocean Field Industries Limited which are independent third parties of the Company (collectively, the "Independent Third-party Co-investors"), acquired 25%, 25% and 50% equity interest in GSIH with cash consideration of HK$53,125, HK$53,125 and HK$106,250, respectively. Given that the Group is able to exercise significant influence over GSIH since it has the power to appoint one out of four directors of GSIH pursuant to the shareholders' agreement entered between Brisk City and the Independent Third-party Co-investors, the 25% equity interest in GSIH is accounted for as interests in associates in the consolidated financial statements using equity method. GSIH formed a partnership, Graphite Square LLP, with Graphite Square Holdings Limited, an independent third party, for the sole purpose of developing a property located in the United Kingdom.

(f) The Group is able to exercise significant influence over VCH because it has the power to appoint one out of three directors of VCH pursuant to the shareholders' deed, as such the 20% equity interest in VCH and its subsidiaries are accounted for as interests in associates in the consolidated financial statements using equity method. VCH and its subsidiary own a residential property in Shouson Hill, Hong Kong.

At 31 March 2026, the interest in VCH and its subsidiaries and the loan to VCH have been classified as "assets classified as held for sale" in the consolidated financial statements of the Group (Note 13).

(g) At 31 March 2026 and 31 March 2025, the amounts due from associates are interest-free, unsecured and have no fixed terms of repayment. As the settlement is neither planned nor likely to occur in the foreseeable future, the directors of the Company consider the amounts due from associates in substance form part of the net investment.

(h) At 31 March 2025, the loans to an associate of HK$47,040,000 was interest-free, unsecured and repayable within one year. The entire amount was settled by offsetting the addition of other properties, plant and equipment and no cash was made in connection with this transaction during the year ended 31 March 2026.

(i) Summarised consolidated financial information of a material associate

Set out below is the summarised financial information of a material associate, Fastest Runner and its subsidiaries ("Fastest Runner Group") at 31 March 2026 and 2025, adjusted for any differences in accounting policies of the Group and reconciled to the carrying amounts in the consolidated financial statements.

18. INTERESTS IN ASSOCIATES AND LOANS TO AN ASSOCIATE (Continued)

Notes: (Continued)

(i) Summarised consolidated financial information of a material associate (Continued)

	Fastest Runner Group 2026 HK$'000	Fastest Runner Group 2025 HK$'000
Current assets	**30**	397,215
Current liabilities	**(1,096,370)**	(1,524,002)
Net liabilities	**(1,096,340)**	(1,126,787)
Revenue	**351,717**	123,339
Profit (loss) for the year	**30,447**	(428,844)
Total comprehensive income for the year	**30,447**	(428,844)
The above amounts of assets include the following:		
Properties for sale	**–**	336,019
Reconciled to the Group's interest in the associate		
Gross amounts of consolidated net liabilities of the associate	**(1,096,340)**	(1,126,787)
The Group's interest held through an indirect wholly-owned subsidiary of the Company	**20%**	20%
The Group's share of consolidated net liabilities of the associate	**(219,268)**	(225,357)
The unrecognised share of loss of the associate for the year	**3**	5,956
Amount due from Fastest Runner Group	**219,265**	219,401
Carrying amount of the Group's interest in the associate	**–**	–
The Group's share of associate's profit (loss) for the year	**–**	(79,812)

(j) Aggregate information of associates that are not individually material:

	2026 HK$'000	2025 HK$'000
Aggregate carrying amount of individually immaterial associates in the consolidated financial statements	**(43,789)**	(39,297)
Aggregate amounts due from associates	**71,846**	106,720
	28,057	67,423
Aggregate amounts of the Group's share of these associates' loss and total comprehensive income for the year	**(26,127)**	(33,386)
Dividend received from an associate	**–**	312

19. INTERESTS IN JOINT VENTURES

	2026 HK$'000	2025 HK$'000
Share of net assets	**15,976**	14,939
Amount due from a joint venture (Note (d))	**91**	283,116
Share of net liabilities	**(62)**	(163,116)
	29	120,000
	16,005	134,939
Dividend received from a joint venture	**978**	1,678

At 31 March 2026, the Group had interests in the following material joint ventures, all of which are unlisted corporate entities whose quoted market prices are not available.

Name of entity	Form of business structure	Place of incorporation and business	Particulars of issued and paid up capital/ registered capital	Proportion of effective equity interest held by the Group 2026	Proportion of effective equity interest held by the Group 2025	Principal activity
RS Hospitality Private Limited	Incorporated	Bhutan	Bhutan Ngultrum 239,400,000	**50%**	50%	Operation of boutique resorts
Quarella Holdings Limited	Incorporated	BVI	US$2	**43.5%**	43.5%	Investment holding
Quarella Group Limited (Note (a))	Incorporated	Hong Kong	HK$1	**–**	43.5%	Distribution of construction and interior decorative materials
Q.R.B.G. S.r.L. (Note (a))	Incorporated	Italy	Euro ("EUR") 5,000,000	**–**	43.5%	Manufacturing and distribution of engineered stone composite surfaces products
廈門可維萊石材有限公司 (Notes (a) and (b))	Incorporated	The PRC	Renminbi ("RMB") 100,000,000	**–**	43.5%	Distribution of construction and interior decorative materials
意特利建材(深圳)有限公司 (Notes (a) and (b))	Incorporated	The PRC	RMB10,000,000	**–**	43.5%	Distribution of construction and interior decorative materials
Star Wonder Investments Limited (Note (a))	Incorporated	Hong Kong	HK$1	**–**	43.5%	Investment holding

19. INTERESTS IN JOINT VENTURES (Continued)

Notes:

(a) These companies were wholly-owned subsidiaries of Quarella Holdings Limited and were disposed by Quarella Holdings Limited on 9 April 2025.

(b) These entities are foreign owned enterprises established in the PRC.

(c) Summarised consolidated financial information of a material joint venture

Set out below is the summarised financial information of a material joint venture, Quarella Holdings Limited and its subsidiaries (the "Quarella Group") at 31 March 2026 and 2025, adjusted for any differences in accounting policies of the Group and reconciled to the carrying amount in the consolidated financial statements.

	Quarella Group	
	2026	2025
	HK$'000	HK$'000
Current assets	**–**	240,000
Non-current assets	**–**	–
Current liabilities	**(42)**	(566,231)
Non-current liabilities	**–**	–
Net liabilities	**(42)**	(326,231)
Included in the above assets and liabilities:		
Current financial liabilities (excluding trade and other payables)	**(42)**	(566,195)
Revenue	**–**	262,417
Profit (loss) for the year	**314,946**	(186,761)
Other comprehensive income	**11,243**	(2,328)
Total comprehensive income for the year	**326,189**	(189,089)
Included in the above profit (loss):		
Depreciation and amortisation	**–**	(20,683)
Interest income	**–**	490
Interest expense	**–**	(394)
Income tax expense	**–**	(12,204)

19. INTERESTS IN JOINT VENTURES (Continued)

Notes: (Continued)

(c) Summarised consolidated financial information of a material joint venture (Continued)

	Quarella Group	
	2026	2025
	HK$'000	HK$'000
Reconciled to the Group's interest in the joint venture		
Gross amounts of consolidated net liabilities of the joint venture	**(42)**	(326,231)
The Group's effective interest	**43.5%**	43.5%
The Group's share of consolidated net liabilities of the joint venture (effective interest)	**(18)**	(141,910)
Non-controlling interests' share of consolidated net liabilities of the joint venture	**(3)**	(21,206)
Amount due from Quarella Group	**–**	283,116
Carrying amount in the consolidated financial statements	**(21)**	120,000
Group's share of joint venture's loss	**(5,643)**	(93,242)

On 9 April 2025, Quarella Holdings Limited disposed of the entire equity interests in its wholly owned subsidiaries, Quarella Group Limited and its subsidiaries, for a cash consideration of HK$240,000,000.

During the year ended 31 March 2026, the Group received the corresponding 50% share of this consideration, amounting to HK$120,000,000 from Quarella Holdings Limited for such disposal. The Group's share of the loss from the Quarella Group includes a write-off of HK$163,116,000, arising from the shortfall between the amount due from the Quarella Group and the consideration received.

At 31 March 2025, the recoverable amount of Quarella Holdings Limited and its subsidiaries was determined with reference to such cash consideration and a reversal of impairment of HK$33,200,000 had been recognised in profit and loss during the year ended 31 March 2025.

(d) At 31 March 2026 and 2025, the amount due from a joint venture is interest-free, unsecured and has no fixed terms of repayment. As the settlement is neither planned nor likely to occur in the foreseeable future, the directors of the Company consider the amount due from a joint venture in substance form part of the net investment.

19. INTERESTS IN JOINT VENTURES (Continued)

Notes: (Continued)

(e) Aggregate information of joint ventures that are not individually material:

	2026 HK$'000	2025 HK$'000
Aggregate carrying amount of individually immaterial joint ventures in the consolidated financial statements	**15,935**	14,939
Amount due from a joint venture	**91**	–
	16,026	14,939
Aggregate amounts of the Group's share of these joint ventures:		
Profit for the year	**2,562**	2,321
Other comprehensive income for the year	**(625)**	(159)
Total comprehensive income for the year	**1,937**	2,162
Dividend received from a joint venture	**978**	1,678

20. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Unlisted equity securities designated at fair value through other comprehensive income ("FVTOCI") (non-recycling)

The unlisted equity securities of HK$15,850,000 are shares in a company incorporated in Hong Kong and engaged in investment holding and rendering of co-working space services. The Group designated this investment at FVTOCI (non-recycling) as the investment is held for strategic purposes. The aggregate net fair value loss of HK$15,850,000 was charged to equity in prior years. No dividends were received from this investment during the years ended 31 March 2026 and 31 March 2025.

21. PROPERTIES FOR SALE

	2026 HK$'000	2025 HK$'000
Completed properties held for sale	**153,076**	38,178
Properties under development for sale	**276,960**	300,057
	430,036	338,235

Properties for sale of the Group are located:

	2026 HK$'000	2025 HK$'000
In Hong Kong	**119,423**	4,778
Outside Hong Kong	**310,613**	333,457
	430,036	338,235

21. PROPERTIES FOR SALE (Continued)

At 31 March 2026, properties under development for sale of HK$276,960,000 (2025: HK$300,057,000) are expected to be completed after more than one year.

At 31 March 2026, properties for sale of HK$374,013,000 (2025: HK$333,457,000) were pledged as securities for bank loans. (Note 28(d)).

At 31 March 2025, properties for sale of HK$4,778,000 were pledged as securities for bank loans directly associated with assets classified as held for sale (Note 13).

22. INVENTORIES

	2026 **HK$'000**	2025 HK$'000
Construction and interior decorative materials:		
Finished goods	**368**	807

23. TRADE RECEIVABLES

	2026 **HK$'000**	2025 HK$'000
Trade receivables	**38,670**	58,338
Less: loss allowance	**(31,854)**	(46,381)
	6,816	11,957

At 1 April 2024, trade receivables, net of loss allowance for contracts with customers amounted to HK$22,277,000.

The ageing analysis of the trade receivables based on invoice date, net of loss allowance, is as follows:

	2026 **HK$'000**	2025 HK$'000
1 – 30 days	**–**	209
31 – 60 days	**–**	94
61 – 90 days	**–**	94
Over 90 days	**6,816**	11,560
	6,816	11,957

23. TRADE RECEIVABLES (Continued)

The Group negotiates with customers on individual basis in accordance with contract terms, i.e. an average credit period of 90 days (2025: 90 days) after the issuance of invoices, except for sales of properties the proceeds from which are receivable pursuant to the terms of agreements and asset, investment and fund management income which are receivable in the month the Group provides the services.

The Group applies the HKFRS 9 simplified approach to measuring ECLs which uses a lifetime expected loss allowance for all trade receivables.

Information about the Group's exposure to credit risk are set out in Note 35.

Movements in the loss allowance account in respect of trade receivables is as follows:

	2026 HK$'000	2025 HK$'000
At the beginning of the year	**46,381**	44,316
Impairment losses recognised during the year	**–**	11,929
Reversal of impairment loss on trade receivables	**(1,913)**	(199)
Uncollectible amounts written off	**(12,604)**	(9,664)
Exchange differences	**(10)**	(1)
At the end of the year	**31,854**	46,381

The creation and release of loss allowance for impaired trade receivables was charged to the profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering the amount.

24. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2026 HK$'000	2025 HK$'000
Deposits and prepayments	**1,576**	6,009
Other receivables	**1,767**	17,490
	3,343	23,499

25. RESTRICTED BANK BALANCES AND BANK DEPOSITS AND CASH ON HAND

	2026 HK$'000	2025 HK$'000
Restricted bank balances	**7,647**	–
Cash at banks and on hand	**28,260**	63,598

As of 31 March 2026, a bank balance amounting to US$973,000 (equivalent to approximately HK$7,647,000) was placed in a designated bank account for securing the performance bond for the property development project in the U.S.A..

At 31 March 2026, bank deposits and cash comprise cash at banks held by the Group that are interest-bearing at market interest rates of 0.01% (2025: 0.01%) per annum.

At 31 March 2026, bank deposits and cash on hand include HK$10,930,000 (2025: HK$8,407,000) which are denominated in RMB, the remittance of which is subject to relevant rules and regulations of foreign exchange control promulgated by the PRC government.

26. TRADE AND OTHER PAYABLES

	2026 HK$'000	2025 HK$'000
Trade payables	**3,343**	–
Deposits received from tenants	**5**	57
Deposits received from Harbour Best	**1,507**	–
Deposits received from the Purchaser of the Disposal (Note)	**–**	16,353
Other payables and accruals	**13,455**	16,486
	18,310	32,896

Note: Since such deposits received from the Purchaser of the Disposal were held by the solicitor at 31 March 2025, the corresponding other receivables were recognised in the consolidated statement of financial position.

At 31 March 2026, the ageing analysis of trade payables, based on invoice date, is as follows:

	2026 HK$'000	2025 HK$'000
1 – 30 days	**2,649**	–
31 – 60 days	**298**	–
61 – 90 days	**239**	–
Over 90 days	**157**	–
	3,343	–

27. CONTRACT LIABILITIES

	2026 HK$'000	2025 HK$'000
Sales of completed properties		
– Deposits received from sale of properties	**1,494**	–
Asset, investment and fund management services		
– Receipt in advance from customers	**–**	25

Notes:

(i) As at 1 April 2024, contract liabilities amounted to HK$615,000.

(ii) All the contract liabilities are expected to be recognised as income within one year.

(iii) Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

– Sales of completed properties
The Group receives contract value as deposits from customers when they sign the sale and purchase agreements. These deposits are recognised as contract liabilities until the legal titles of the completed properties are transferred to buyers. The rest of the consideration is typically paid when legal assignment is completed.

– Assets, investment and fund management services
The Group would receive advance payments from customers in accordance with the services agreements. These advance payments received are recognised as contract liabilities for unsatisfied performance obligations and are recognised as revenue when the Group provides the services to the customers.

(iv) The following table shows how much of the revenue recognised in the current year relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in prior periods.

	2026 HK$'000	2025 HK$'000
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	**25**	615

28. BANK LOANS

The analysis of the carrying amount of bank loans is as follows:

	2026 HK$'000	2025 HK$'000
Current liabilities		
Portion of bank loans due for repayment within one year (Note (f))	**91,154**	60,000
Portion of bank loans due for repayment after one year which contain a repayment on demand clause	**21,658**	18,627
	112,812	78,627
Non-current liabilities		
Bank loans	**18,555**	88,645
	131,367	167,272

28. BANK LOANS (Continued)

At 31 March 2026, the bank loans are due for repayment as follows:

	2026 HK$'000	2025 HK$'000
Portion of bank loans due for repayment within one year	**91,154**	60,000
Bank loans due for repayment after one year (Notes (g) and (h)):		
After one year but within two years	**20,323**	88,857
After two years but within five years	**19,890**	18,415
	40,213	107,272
	131,367	167,272

At 31 March 2026, the secured bank loans and unsecured bank loan are as follows:

	2026 HK$'000	2025 HK$'000
Secured bank loans	**112,740**	88,645
Unsecured bank loan	**18,627**	78,627
	131,367	167,272

Notes:

(a) At 31 March 2026, bank loan drawn in Hong Kong bears interest at 1.3% per annum over Hong Kong Interbank Offered Rate. The interest is repriced monthly.

(b) At 31 March 2026 an 31 March 2025, bank loan drawn in Macau bears interest at prime rate determined by the lending bank.

(c) At 31 March 2026 and 31 March 2025, bank loans drawn in the U.S.A. bear interests at a fixed rate of 3.8% per annum and Wall Street Journal Prime Rate subject to a floor of 7% per annum respectively.

(d) At 31 March, certain of the banking facilities of the Group were secured by mortgages over:

	2026 HK$'000	2025 HK$'000
Properties for sale (Note 21)	**374,013**	333,457

Such banking facilities amounted to HK$112,741,000 (2025: HK$88,645,000) were utilised to the extent of HK$112,741,000 at 31 March 2026 (2025: HK$88,645,000).

28. BANK LOANS (Continued)

Notes: (Continued)

(e) Certain of the Group's banking facilities are subject to the fulfilment of covenants including certain of the Group's statement of financial position ratios. If the Group was to breach the covenants, the utilised facilities would become repayable on demand. The Group regularly monitors its compliance with these covenants.

None of the covenants relating to the utilised facilities had been breached during the years ended 31 March 2026 and 31 March 2025.

(f) For the bank loans amounted to HK$91,154,000 (2025: HK$60,000,000) which are repayable within one year, HK$20,395,000 (2025: all) of which contain repayment on demand clauses.

(g) The amounts due are based on the scheduled repayment dates set out in bank loan agreements and ignore the effect of any repayment on demand clause.

(h) Certain of the Group's bank loan agreements contain clauses which give the lenders the right at their sole discretion to demand immediate repayment at any time irrespective of whether the Group has met the scheduled repayment obligations.

The Group does not consider it probably that the banks will exercise their discretion to demand immediate repayment so long as the Group continues to meet the scheduled repayment obligations.

29. LEASE LIABILITIES

	2026 **HK$'000**	2025 HK$'000
Lease liabilities payable:		
Within one year	**619**	568
After one year but within two years	**668**	614
After two years but within five years	**1,169**	1,823
	2,456	3,005
Less: Amount due for settlement within 12 months shown under current liabilities	**(619)**	(568)
Amount due for settlement after 12 months shown under non-current liabilities	**1,837**	2,437

The weighted average incremental borrowing rates applied to lease liabilities is 3.88% (2025: 3.88%).

30. SHARE CAPITAL

	Number of ordinary shares of HK$0.01 each '000	Share capital HK$'000
Ordinary shares, issued and fully paid		
At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026	**375,447**	**3,754**

There was no movement in the Company's share capital during both years.

31. DIVIDENDS

No dividend had been paid or declared during both years. The board of directors does not recommend the payment of a dividend for the year ended 31 March 2026 (2025: Nil).

32. DEFERRED TAX

(a) Deferred tax (assets) liabilities recognised:

The movements in deferred tax during the year are as follows:

Deferred income tax (assets) liabilities	**Accelerated tax depreciation** HK$'000	**Tax losses** HK$'000	**Distributable profits of subsidiaries** HK$'000	**Total** HK$'000
At 1 April 2024	5,458	(5,458)	1,058	1,058
Charged (credited) to profit or loss	(5,458)	5,458	(58)	(58)
At 31 March 2025, 1 April 2025 and 31 March 2026	**–**	**–**	**1,000**	**1,000**

32. DEFERRED TAX (Continued)

(b) Deferred tax assets not recognised:

Deferred tax assets have not been recognised in respect of the following items:

	2026		2025	
	Tax losses HK$'000	**Deferred tax assets not recognised HK$'000**	Tax losses HK$'000	Deferred tax assets not recognised HK$'000
Hong Kong	**385,496**	**63,607**	353,965	58,404
Outside Hong Kong	**139,487**	**29,724**	74,100	15,964
	524,983	**93,331**	428,065	74,368

The Group has not recognised the deferred tax assets attributable to the future benefit of tax losses sustained in the operations of certain subsidiaries as the availability of future taxable profits against which the assets can be utilised is uncertain at the end of the reporting period. Except for the tax losses arising from the operations in the PRC can be carried forward to offset against taxable profits of subsequent years for up to five years from the year in which they arose and the tax losses arising in tax years ending before 1 January 2018 from the operations in the U.S.A. will be expired in twenty years after the relevant accounting year end date, the remaining tax losses can be carried forward indefinitely and have no expiry date.

33. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities within 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 debts, which include the bank loans and lease liabilities, and equity attributable to owners of the Company, comprising issued share capital and various reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through payment of dividends, new share issues, share buy-backs as well as the raise of new debts or redemption of existing debts.

Furthermore, consistent with others in the industry, the Group monitors capital on the basis of the net gearing ratio. This ratio is calculated as net debts divided by equity attributable to owners of the Company. Net debts is calculated as total interest-bearing bank loans (including bank loans directly associated with assets classified as held for sale) less unrestricted bank deposits and cash on hand.

At 31 March 2026, the net gearing ratio was 23.5% (2025: 26.7%) as the Group has net debts of HK$103,107,000 (2025: HK$154,728,000).

34. EVENTS AFTER THE REPORTING PERIOD

On 23 January 2026, WCL entered into a sale and purchase agreement with Harbour Best, a company jointly owned by a director of the Company and his spouse. The agreement concerned the disposal of the entire 20% of the issued shares of VCH which was an associate of the Group and indirectly owns a residential property in Shouson Hill, Hong Kong, and the amount of shareholder's loans owing by VCH to WCL at a consideration of approximately HK$15,282,000. Given that the VCH Disposal as defined in Note 13 is expected to be sold within twelve months, the respective interest in VCH and the loan to VCH have been classified as "assets classified as held for sale" as set out in Note 13.

As Harbour Best is ultimately beneficially owned as to 50% by each of the director of the Company and his spouse, it is regarded as a connected person of the Company. Accordingly, the VCH Disposal constituted a connected transaction for the Company under Chapter 14A of the Listing Rules and was approved by independent shareholders at an extraordinary general meeting held on 27 March 2026. Details of the transaction are provided in the announcement of the Company dated 23 January 2026 and the circular of the Company dated 6 March 2026. The VCH Disposal was completed on 24 April 2026.

35. FINANCIAL INSTRUMENTS

Categories of financial instruments

	2026 HK$'000	2025 HK$'000
Financial assets at amortised cost		
Trade receivables	6,816	11,957
Other receivables and deposits	2,389	20,374
Loans to an associate	–	47,040
Restricted bank balances	7,647	–
Bank deposits and cash on hand	28,260	63,598
	45,112	142,969
Financial liabilities at amortised cost		
Trade and other payables	14,329	15,265
Bank loans	131,367	167,272
	145,696	182,537

Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, other receivables and deposits, loans to an associate, restricted bank balances, bank deposits and cash on hand, trade and other payables and bank loans. Details of the financial instruments are disclosed in the respective notes. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Currency risk

The Group is exposed to currency risk primarily through sales and purchases giving rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. currency other than the functional currency of the operations to which the transactions relates. The currencies giving rise to this risk are primarily US$, RMB, British Pound ("GBP"), Singaporean Dollar ("SGD") and Canadian Dollar ("CAD").

The Group currently does not have a foreign currencies hedging policy. However, management of the Group monitors the foreign currencies exposure of each business segment and will consider hedging significant currency risk exposure should the need arise.

35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Currency risk (Continued)

Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities (other than inter-company balances) denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in HK$, translated using the spot rate at the year end date. Differences resulting from the translation of the financial statements of foreign operations into the Group's presentation currency are excluded.

	Exposure to foreign currencies			
	CAD	**US$**	**GBP**	**SGD**
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**
At 31 March 2026				
Amount due from an associate	**–**	**–**	**55,322**	**–**
Bank deposits and cash on hand	**45**	**13**	**15**	**274**
	45	**13**	**55,337**	**274**

	Exposure to foreign currencies			
	CAD	US$	GBP	SGD
	HK$'000	HK$'000	HK$'000	HK$'000
At 31 March 2025				
Amount due from an associate	–	–	53,942	–
Bank deposits and cash on hand	3,264	4,155	14	307
	3,264	4,155	53,956	307

In addition, at 31 March 2026, the Group is exposed to currency risk arising from inter-company receivables/payables amounting to US$46,924,000, RMB9,131,000 and SGD2,343,000 (in aggregate equivalent to HK$364,953,000) (2025: US$45,968,000, RMB9,131,000, and SGD2,593,000 (in aggregate equivalent to HK$353,452,000)) which are not denominated in the functional currency of the relevant companies.

Sensitivity analysis

The following table indicates the instantaneous change in the Group's results (and retained profits) that would arise if foreign exchange rates to which the Group has significant exposure at the end of the reporting period had changed at that date, assuming all other risk variables remained constant.

As HK$ is pegged to US$, the Group does not expect any significant foreign currency exposure arising from the fluctuation of the US$/HK$ exchange rates. As a result, management considers that the sensitivity of the Group's exposure towards the changes in exchange rates between US$/HK$ is minimal.

35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Currency risk (Continued)

Sensitivity analysis (Continued)

	2026		2025	
	Increase (decrease) in foreign exchange rates	Increase (decrease) in post-tax result and retained profits HK$'000	Increase (decrease) in foreign exchange rates	Increase (decrease) in post-tax result and retained profits HK$'000
RMB	5%	432	5%	413
	(5%)	(432)	(5)%	(413)
GBP	5%	2,310	5%	2,253
	(5%)	(2,310)	(5)%	(2,253)
SGD	5%	(587)	5%	(619)
	(5%)	587	(5)%	619
CAD	5%	2	5%	136
	(5)%	(2)	(5)%	(136)

Results of the analysis as presented in the above table represent an aggregation of the instantaneous effects on each of the group entities' results after tax measured in the respective functional currencies, translated into HK$ at the exchange rate ruling at the end of the reporting period for presentation purposes.

The sensitivity analysis assumes that the change in foreign exchange rates had been applied to remeasure those financial instruments held by the Group which expose the Group to foreign currency risk at the end of the reporting period, including inter-company payables and receivables within the Group which are denominated in a currency other than the functional currency of the lender or the borrower. The analysis excludes differences that would result from the translation of the financial statements of foreign operations into the Group's presentation currency. The analysis is performed on the same basis for 2025.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent currency risk as the year end exposure does not reflect the exposure during the reporting period.

35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Management does not anticipate significant impact resulted from the reasonable possible change in interest rates.

The Group's interest rate risk mainly arises from banks deposits and bank loans at floating interest rates. At 31 March 2026, if interest rates of bank loans had been 50 basis points higher/lower and all other variables were held constant, the Group's post-tax result for the year would have been approximately HK$455,000 (2025: HK$606,000) lower/higher.

Credit risk

The credit risk of the Group mainly arises from trade receivables, other receivables, deposits and prepayments, loans to an associate, restricted bank balances and bank deposits and cash on hand. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the consolidated statement of financial position.

Risk management

The credit risk of restricted bank balances and bank deposits and cash on hand is limited because the counterparties are reputable commercial banks which are high-credit-quality financial institutions located in Hong Kong, the PRC and the U.S.A..

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer rather than the industry or country in which the customers operate and therefore significant concentrations of credit risk primarily arise when the Group has significant exposure to individual customers.

At the end of the reporting period, the Group's largest and the five largest trade receivables represents 100% (2025: 55%) and 100% (2025: 100%) of the total trade receivables respectively, which are within the distribution of construction and interior decorative materials business segment (2025: asset, investment and fund management and distribution of construction and interior decorative materials business segments).

In order to minimise the credit risk arising from trade receivables, the Group's management is responsible for determination of credit limits, credit approvals and other monitoring procedures for its customers and regularly assesses the recoverability and the financial position of its customers. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group regularly reviews the recoverability of each individual trade receivable to ensure that adequate impairment losses are made for irrecoverable amounts.

35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

Impairment of financial assets

The Group has three types of financial assets that are subject to the ECL model:

- trade receivables;
- loans to an associate and amounts due from associates and joint ventures; and
- other financial assets carried at amortised cost

While restricted bank balances and bank deposits and cash on hand is also subject to the impairment requirements of HKFRS 9, management considers that the impairment loss is immaterial.

Trade receivables

The Group applies the simplified approach to provide for ECLs prescribed by HKFRS 9, which permits the use of the lifetime expected losses for all trade receivables.

To measure the ECLs, trade receivables have been grouped based on shared credit risk characteristics and the days past due. Future cash flows for each group receivables are estimated on the basis of historical loss experience, adjusted to reflect the effects of current conditions as well as forward looking information on economic factors affecting the ability of the customers to settle the receivables. Trade receivables in dispute are assessed individually for impairment allowance and determined whether specific provisions are required. Trade receivables are written off when there is no reasonable expectation of recovery.

Loans to an associate and amounts due from associates and joint ventures

The impairment loss of loans to an associate and amounts due from associates and joint ventures carried at amortised cost is measured based on the 12-month ECL. Because the Group's involvement in the management of the associates and joint ventures, the Group is in a position to monitor their financial performance and would take timely actions to safeguard its assets and/or to minimise its losses. Accordingly, management believes that the Group's exposure to the credit risk associated with loans to an associate and amounts due from associates and joint ventures is low and ECL, if any, is not material.

Other financial assets carried at amortised cost

The Group's other financial assets carried at amortised cost include other receivables and deposits in the consolidated statement of financial position. The impairment loss of other financial assets carried at amortised cost is measured based on the 12-month ECL. The 12-month ECL is the portion of lifetime ECL that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. Management has closely monitored the credit qualities and the collectability of the other financial assets carried at amortised cost and considers the ECL of other financial assets is insignificant at 31 March 2026 and 31 March 2025. No impairment loss has been provided for both years.

35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

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

Internal credit rating	Description	Trade receivables	Other financial assets, loans to an associate
Low risk	The counterparty has a low risk of default and/or does not have any past-due amounts	Lifetime ECL – not credit-impaired	12-month ECL – not credit-impaired
Watch list	Debtor frequently repays after due dates but usually settle in full	Lifetime ECL – not credit-impaired	12-month ECL – not credit-impaired
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 realistic prospect of recovery	Amount is written off	Amount is written off

The following table details the credit risk exposures of the Group's trade receivables, other receivables and deposits, loans to an associate, restricted bank balances and bank deposits and cash on hand which are subject to ECL assessment:

	Notes	External credit rating	Internal credit rating	12-month or lifetime ECL	**2026 Gross carrying amount HK$'000**	2025 Gross carrying amount HK$'000
Trade receivables	23	N/A	Low risk	Lifetime ECL – (Not credit-impaired)	**38,670**	42,411
	23	N/A	Loss	Lifetime ECL – (Credit-impaired)	**–**	15,927
Other receivables and deposits	24	N/A	Low risk	12-month ECL	**2,389**	20,374
Loans to an associate	18	N/A	Low risk	12-month ECL	**–**	47,040
Restricted bank balances	25	A3	N/A	12-month ECL	**7,647**	–
Bank deposits and cash on hand	25	Aa3 to A3	N/A	12-month ECL	**28,260**	63,598

35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk (Continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables.

	Lifetime ECL (not credit-impaired) HK$'000	Lifetime ECL (credit-impaired) HK$'000	Total HK$'000
At 1 April 2024	34,019	10,297	44,316
Changes due to financial instruments recognised as at 1 April 2024:			
– Impairment losses reversed	(199)	–	(199)
– Write-offs	–	(9,664)	(9,664)
– Impairment losses recognised	–	11,929	11,929
Exchange adjustments	(1)	–	(1)
At 31 March 2025 and 1 April 2025	**33,819**	**12,562**	**46,381**
Changes due to financial instruments recognised as at 1 April 2025:			
– Impairment losses reversed	**(1,913)**	**–**	**(1,913)**
– Write-offs	**(42)**	**(12,562)**	**(12,604)**
Exchange adjustments	**(10)**	**–**	**(10)**
At 31 March 2026	**31,854**	**–**	**31,854**

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and bank balances, the availability of funding from an adequate amount of committed credit facilities from lending banks and the ability to close out market position.

The Group maintains liquidity by a number of sources including orderly realisation of short-term financial assets, receivables and certain assets that the Group considers appropriate and long-term financing including long-term borrowings are also considered by the Group in its capital structuring. The Group aims to maintain flexibility in funding by keeping sufficient bank balances, committed credit lines available and interest-bearing borrowings which enable the Group to continue its business for the foreseeable future.

The table below analyses the financial liabilities of the Group into relevant maturity groupings based on the remaining period at the consolidated statement of financial position date to the contractual maturity date. The amounts disclosed in the table were based on the contractual undiscounted cash flows and the earliest date the Group can be required to pay. 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. Balance within 12 months equal their carrying balances as impact at discounting is not significant.

35. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

	Within 1 year or on demand HK$'000	Between 1 and 2 years HK$'000	Between 2 and 5 years HK$'000	Total HK$'000	Total carrying amount HK$'000
At 31 March 2026					
Trade and other payables (excluding non-financial liabilities)	**14,329**	**–**	**–**	**14,329**	**14,329**
Bank loans	**117,746**	**18,555**	**–**	**136,301**	**131,367**
Lease liabilities	**703**	**705**	**1,229**	**2,637**	**2,456**
	132,778	**19,260**	**1,229**	**153,267**	**148,152**
At 31 March 2025					
Trade and other payables (excluding non-financial liabilities)	14,108	–	–	14,108	14,108
Bank loans	84,684	74,707	18,418	177,809	167,272
Lease liabilities	674	698	1,920	3,292	3,005
	99,466	75,405	20,338	195,209	184,385

The following table summarises the maturity analysis of bank loans, including those subject to repayment on demand clause, based on agreed scheduled repayments set out in the loan agreements. The amounts include interest payments computed using contractual rates. As a result, these amounts were greater than the amounts disclosed in the "within 1 year or on demand" time band in the maturity analysis contained in the above tables. Taking into account the Group's financial position, the directors of the Company do not consider that it is probable that the banks will exercise their discretion to demand immediate repayment. The directors of the Company believe that such bank loans will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

	Maturity analysis -Bank loans, including those subject to repayment on demand clause based on scheduled repayment dates			
	Within 1 year HK$'000	Between 1 and 2 years HK$'000	Between 2 and 5 years HK$'000	Total undiscounted cash flow HK$'000
31 March 2026	**97,036**	**21,129**	**20,944**	**139,109**
31 March 2025	68,184	94,118	18,418	180,720

35. FINANCIAL INSTRUMENTS (Continued)

Fair value estimation

Financial instruments carried at fair values

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

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

There was no transfer between Levels 1, 2 and 3 during the years ended 31 March 2026 and 31 March 2025.

Financial instruments carried at other than fair values

The carrying amounts of the Group's financial assets and liabilities carried at other than fair value are not materially different from their fair values at 31 March 2026 and 31 March 2025.

Interests in unconsolidated structured entities

The Group's maximum exposure to the unconsolidated structured entities

As part of its investment activities, the Group invests in unconsolidated structured entities. At 31 March 2026, the Group's total interest in unconsolidated structured entities were HK$660,000 (2025: HK$806,000) on the Group's consolidated statement of financial position. The Group's total interest in unconsolidated structured entities is classified as interests in associates.

At 31 March, a summary of the Group's interest in unconsolidated structured entities is as follows:

	2026 HK$'000	2025 HK$'000
Interests in associates:		
RREPFLP	**660**	806

The Group's maximum exposure to loss related to the interests in unconsolidated structured entities is HK$660,000 (2025: HK$806,000).

Other interests in unconsolidated structured entities

The Group received management fee in respect of its asset, investment and fund management business. Management fee received for investments that the Group manages, also represent an interest in unconsolidated structured entities. The Group's maximum exposure to loss relates to future management fee income. The table below shows the assets under management of entities that the Group manages and the fees earned from those entities.

	2026 HK$'000	2025 HK$'000
Investment management fee income:		
RREFLP	**–**	1,982
RREPFLP	**112**	1,107
	112	3,089

36. 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$'000	Bank loans HK$'000	Bank loans included in liabilities associated with assets classified as held for sale HK$'000	Total HK$'000
At 1 April 2024	3,549	276,093	–	279,642
Financing cash flows	(525)	(57,384)	–	(57,909)
Exchange adjustments	(19)	(383)	–	(402)
Interest expenses (Notes 11 and 13)	128	11,905	–	12,033
Capitalised borrowing costs (Note 11)	–	905	–	905
Interest paid	(128)	(12,810)	–	(12,938)
Transfer to assets classified as held for sale (Note 13)	–	(51,054)	51,054	–
At 31 March 2025 and 1 April 2025	**3,005**	**167,272**	**51,054**	**221,331**
Financing cash flows	**(569)**	**(61,621)**	**(51,054)**	**(113,244)**
Exchange adjustments	**20**	**669**	**–**	**689**
Interest expenses (Notes 11 and 13)	**107**	**3,020**	**–**	**3,127**
Capitalised borrowing costs (Note 11)	**–**	**5,185**	**–**	**5,185**
Interest paid	**(107)**	**(8,205)**	**–**	**(8,312)**
Acquisition of liabilities through acquisition of a subsidiary (Note 41)	**–**	**25,047**	**–**	**25,047**
At 31 March 2026	**2,456**	**131,367**	**–**	**133,823**

37. COMMITMENTS

The Group's capital commitments outstanding and not provided for in the consolidated financial statements were as follows:

	2026 HK$'000	2025 HK$'000
Authorised but not contracted for	**660,708**	643,448
Contracted for	**5,110**	87,224
	665,818	730,672

The above commitments mainly include the construction related costs to be incurred (2025: the acquisition of a property development project and the construction related costs to be incurred) in respect of the Group's development properties in various locations.

38. CONTINGENT LIABILITIES AND FINANCIAL GUARANTEES

At the end of the reporting period, the Company has issued guarantees to banks in respect of banking facilities granted to certain indirect subsidiaries and an associate of HK$112,741,000 (2025: HK$188,645,000) and HK$12,600,000 (2025: HK$12,600,000) respectively. Such banking facilities were utilised by the subsidiaries and the associate to the extent of HK$112,741,000 (2025: HK$119,699,000) and HK$10,584,000 (2025: HK$11,088,000) respectively.

As of 31 March 2025, HK$100,000,000 out of the HK$188,645,000 guarantees issued by the Company in respect of the banking facilities granted to certain indirect subsidiaries were related to the bank loans classified as "liabilities associated with assets classified as held for sale" which were utilised to the extent of HK$31,054,000.

The directors of the Company do not consider it is probable that a claim will be made against the Company under any of the guarantees and have not recognised any deferred income in respect of these guarantees and no transaction price was incurred.

At 31 March 2026 and 2025, the Group did not recognise any liabilities in respect of each corporate financial guarantees as the amounts of loss allowance estimated under the expected credit loss model were insignificant.

39. MAJOR NON-CASH TRANSACTION

On 30 May 2025, Golden Wealth (HK) Investment Limited, an indirect wholly-owned subsidiary of the Company, entered into the agreement with Capital Universal Investment Limited, an associate of the Group, in respect of the purchase of the properties comprising the 29th floor, reserved area and various car parking spaces of Rykadan One, at a consideration of approximately HK$47,594,000. The consideration was settled by offsetting it against the outstanding loans to an associate in the amount of HK$47,040,000, together with accrued interests of approximately HK$554,000 and no cash was made in connection with this acquisition.

40. RELATED PARTY TRANSACTIONS

(a) Apart from those disclosed elsewhere in the consolidated financial statements, the Group had entered into the following significant transactions with the related parties during the year:

	2026 **HK$'000**	2025 HK$'000
Investment management fee income from associates	**112**	3,089
Management fee income from a joint venture	**–**	1,770
Rental expenses to an associate	**(116)**	–
Purchase of other properties, plant and equipment from an associate	**(47,594)**	–
Purchase of properties for sale from an associate	**(115,133)**	–
Acquisition of a subsidiary from related parties (Note (i))	**(57,569)**	–
Trade receivables from associates, net of loss allowance	**–**	5,404
Trade receivables from a joint venture, net of loss allowance	**–**	6,522
Deposit received from a related company (Note (ii))	**(1,507)**	–
Deposit paid to related parties (Note (i))	**–**	2,804

Notes:

(i) A director of the Company and his spouse are the shareholders of this entity. This transaction in relation to the acquisition of Cosmo Kingdom Holdings Limited ("Cosmo") constituted a connected transaction as defined in Chapter 14A of the Listing Rules. Details of the transaction are disclosed in Note 41.

(ii) A director of the Company is also a director of this entity.

40. RELATED PARTY TRANSACTIONS (Continued)

(b) Compensation of key management personnel

The remuneration of key management personnel of the Group during the year is as follows:

	2026 HK$'000	2025 HK$'000
Salaries and short-term employee benefits	23,665	22,180
Post-employment benefits	90	95
	23,755	22,275

Total remuneration is included in employee benefit expenses (Note 9).

41. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF A SUBSIDIARY

On 23 July 2024, WCL, a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement with a director of the Company and his spouse (collectively referred to as the "RH Vendors") to acquire 100% equity interests and take up the assignment of the shareholder loan in Cosmo, a property holding company jointly owned by the RH Vendors, at an aggregated consideration of approximately HK$57,569,000. The transaction was approved by independent shareholders at an extraordinary general meeting of the Company on 16 September 2024 and was completed on 30 April 2025. The acquisition has been accounted for using the acquisition method. Cosmo is a property holding company and its major asset is its legal and beneficial interest in a residential property in Hong Kong.

The Group has fully settled the consideration during the year.

The net assets of Cosmo as at the date of acquisition were as follows:

	At 30 April 2025 HK$'000
Current assets	
Properties for sale	82,550
Other receivables, deposits and prepayments	54
Bank deposits	18
	82,622
Current liabilities	
Other payables and accruals	6
Bank loan	25,047
	25,053
Net assets acquired	57,569
Consideration paid	(57,569)
Bank deposits acquired	18
Net cash outflow	(57,551)

41. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF A SUBSIDIARY (Continued)

In the opinion of the directors of the Company, the acquisition did not constitute a business combination in accordance with HKFRS 3 *Business Combination*, as the major underlying asset to be acquired through the acquisition is the property located in Hong Kong held for sale. Therefore, the acquisition has been accounted for as an acquisition of assets and liabilities through acquisition of a subsidiary.

42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	2026 HK$'000	2025 HK$'000
Non-current assets		
Investments in subsidiaries	35,559	40,351
Amount due from a joint venture	–	120,000
Right-of-use assets	1,749	539
	37,308	160,890
Current assets		
Other receivables, deposits and prepayments	402	544
Amounts due from subsidiaries	728,506	738,895
Bank deposits	4,197	16,742
	733,105	756,181
Current liabilities		
Payables and accruals	5,555	8,277
Amounts due to subsidiaries	40,969	44,443
Bank loans	18,627	98,627
Lease liability	1,943	550
	67,094	151,897
Net current assets	666,011	604,284
NET ASSETS	703,319	765,174
CAPITAL AND RESERVES		
Share capital	3,754	3,754
Share premium	400,859	400,859
Retained earnings (Note)	298,706	360,561
TOTAL EQUITY	703,319	765,174

The financial statements were approved by the Board of Directors on 24 June 2026 and were signed on its behalf by:

CHAN WILLIAM
Director

LO HOI WAH, HEYWOOD
Director

42. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note: The movements in retained earnings of the Company are as follows:

	HK$'000
At 1 April 2024	655,148
Loss and total comprehensive income for the year	(294,587)
At 31 March 2025 and 1 April 2025	360,561
Loss and total comprehensive income for the year	(61,855)
At 31 March 2026	298,706

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the Company's principal subsidiaries at 31 March 2026 and 2025 are as follows.

Name of companies	Place of incorporation and business	Class of shares held	Fully paid-up issued/registered capital	Proportion of issued capital/ registered capital held by the Company 2026	2025	Principal activities
Joint Champ International Limited	BVI	Ordinary	US$100	87%	87%	Investment holding
Prime Talent Development Limited*	Hong Kong	Ordinary	HK$1	100%	100%	Property holding
Win Expo Enterprises Limited*	Hong Kong	Ordinary	HK$1	100%	100%	Property holding
Keen Virtue Group Limited	BVI	Ordinary	US$1	100%	100%	Investment holding
Rykadan Management Services Limited*	Hong Kong	Ordinary	HK$1	100%	100%	Provision of management services
Rykadan Capital Asset Management Limited*	Hong Kong	Ordinary	HK$1	100%	100%	Provision of assets management services
Rykadan Project Management Limited*	Hong Kong	Ordinary	HK$1	100%	100%	Provision of project management services
Rykadan 001 LLC*	The U.S.A.	Capital contribution	US$100	100%	100%	Property development
Rykadan 005 LLC*	The U.S.A.	Capital contribution	US$100	100%	100%	Property development
Rykadan Carlyle South LLC*	The U.S.A.	Capital contribution	US$10,000	100%	100%	Property development
Q-Stone Building Materials Limited*	Hong Kong	Ordinary	HK$10,000	87%	87%	Distribution of construction and interior decorative materials
格利來建材(北京)有限公司*#	The PRC	Registered capital	RMB7,000,000	87%	87%	Distribution of construction and interior decorative materials
格利來建材(深圳)有限公司*#	The PRC	Registered capital	RMB8,000,000	87%	87%	Distribution of construction and interior decorative materials

43. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

Details of the Company's principal subsidiaries at 31 March 2026 and 2025 are as follows. (Continued)

Name of companies	Place of incorporation and business	Class of shares held	Fully paid-up issued/registered capital	Proportion of issued capital/ registered capital held by the Company		Principal activities
				2026	2025	
Cosmo*	BVI	Ordinary	US$2	100%	N/A	Property holding
Golden Wealth (HK) Investment Limited*	Hong Kong	Ordinary	HK$1	100%	N/A	Property holding

Notes:

* These entities are indirectly held by the Company.

These entities are foreign-owned enterprises established in the PRC.

None of the subsidiaries had issued any debt securities at the end of the year.

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

FINANCIAL SUMMARY

RESULTS

	Year ended 31 March				
	2022 HK$'000 (Note (a))	2023 HK$'000 (Note (a))	2024 HK$'000 (Re-presented)	2025 HK$'000	**2026** **HK$'000**
Revenue from continuing operations	86,942	87,695	103,343	74,451	**51,392**
Loss for the year from continuing operations	N/A	N/A	(166,963)	(223,722)	**(162,244)**
(Loss) profit for the year from discontinued operation	N/A	N/A	(9,203)	(69,982)	**39,407**
Loss for the year	(38,985)	(192,222)	(176,166)	(293,704)	**(122,837)**
Loss for the year attributable to:					
Owners of the Company	(34,870)	(189,329)	(173,886)	(281,359)	**(143,617)**
Non-controlling interests	(4,115)	(2,893)	(2,280)	(12,345)	**20,780**
	(38,985)	(192,222)	(176,166)	(293,704)	**(122,837)**

ASSETS AND LIABILITIES

	As at 31 March				
	2022 HK$'000	2023 HK$'000	2024 HK$'000	2025 HK$'000	**2026** **HK$'000**
Total assets	1,591,071	1,358,091	1,147,602	813,398	**593,580**
Total liabilities	359,284	328,199	296,131	256,611	**155,842**
	1,231,787	1,029,892	851,471	556,787	**437,738**
Equity attributable to owners of the Company	1,233,921	1,035,877	861,373	579,493	**438,894**
Non-controlling interests	(2,134)	(5,985)	(9,902)	(22,706)	**(1,156)**
	1,231,787	1,029,892	851,471	556,787	**437,738**

Note:

(a) The results for the years ended 31 March 2022 and 2023 have not been re-presented for the operation discontinued in 2025.