Thelloy Development Group Limited

德 萊 建 業 集 團 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1546

Annual Report 2026

Contents

Corporate Information

Registered Office

PO Box 309
Ugland House
Grand Cayman
KY1-1104, Cayman Islands

Head Office and Principal Place of Business

19/F, The Globe
79 Wing Hong Street, Lai Chi Kok
Kowloon, Hong Kong

Executive Directors

Mr. Ng Jonathan Yee*
(Chairman and Chief Executive Officer#)
Mr. Choi Sheung Yi Derek*
Ms. Soong Wing Suen*
Mr. Lam Arthur Chi Ping
Mr. Lam Kin Wing Eddie *(Chairman)*^
Mr. Shut Yu Hang^

Independent Non-executive Directors

Mr. Ip Yik Nam *JP*#
Mr. Tso Ping Cheong Brian#
Ms. Leung Wai Yan#
Mr. Tang Chi Wang^
Mr. Tse Ting Kwan^
Mr. Wong Kwong On^
Ms. Yeung Cheuk Chi Vivian^

Company Secretary

Ms. Wong Tze Ling#
Mr. Fung Nam Shan^

Authorised Representatives

Mr. Ng Jonathan Yee#
Ms. Wong Tze Ling#
Mr. Lam Kin Wing Eddie^^
Mr. Shut Yu Hang^^

Audit Committee

Mr. Tso Ping Cheong Brian *(Chairman)*#
Mr. Ip Yik Nam *JP*#
Ms. Leung Wai Yan#
Mr. Tse Ting Kwan *(Chairman)*^^
Mr. Tang Chi Wang^^
Mr. Wong Kwong On^^

* Appointed on 20 March 2026
\# Appointed on 10 April 2026
^ Resigned on 10 April 2026
^^ Ceased on 10 April 2026

Remuneration Committee

Mr. Ip Yik Nam *JP (Chairman)*#
Mr. Ng Jonathan Yee#
Ms. Soong Wing Suen#
Mr. Tso Ping Cheong Brian#
Ms. Leung Wai Yan#
Mr. Wong Kwong On *(Chairman)*^^
Mr. Tse Ting Kwan^^
Mr. Lam Kin Wing Eddie^^
Mr. Lam Arthur Chi Ping^
Ms. Yeung Cheuk Chi Vivian^^

Nomination Committee

Mr. Ng Jonathan Yee *(Chairman)*#
Mr. Choi Sheung Yi Derek#
Mr. Ip Yik Nam *JP*#
Mr. Tso Ping Cheong Brian#
Ms. Leung Wai Yan#
Mr. Tang Chi Wang *(Chairman)*^^
Mr. Shut Yu Hang^^
Mr. Tse Ting Kwan^^
Mr. Lam Arthur Chi Ping^
Ms. Yeung Cheuk Chi Vivian^^

Legal Adviser as to Hong Kong Law

P.C. Woo & Co.

Principal Share Registrar and Transfer Office

Maples Fund Services (Cayman) Limited
PO Box 1093, Boundary Hall
Cricket Square, Grand Cayman
KY1-1102
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

Principal Banker

Hang Seng Bank Limited
20/F, 83 Des Voeux Road Central
Hong Kong

Independent Auditor

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditors

Company Website

www.thelloy.com

Stock Code

1546

Chairman's Statement

Dear Shareholders,

On behalf of the board (the "**Board**") of directors (the "**Directors**") of Thelloy Development Group Limited (the "**Company**") and its subsidiaries (collectively the "**Group**"), I am delighted to present the annual report of the Group for the year ended 31 March 2026 (the "**Year**") to you.

Review

Hong Kong's economy recorded moderate growth during the Year, reflecting resilience in the face of escalating tariff pressures and persistent global trade uncertainties. Real GDP expanded by 5.9% year-on-year in Q1 2026, up from 4.0% growth in the preceding quarter, supported by stronger exports of goods and services and robust cross-boundary investment activity.

Nevertheless, activities in the Hong Kong construction sector remained subdued. Although output of public-sector works increased by 7.4%, this growth was insufficient to offset the sharp 22.3% contraction in private-sector projects, which continued to weigh heavily on industry sentiment. Private developers maintained a cautious stance, slowing or deferring development momentum in response to prevailing market conditions. Public works therefore remained as the principal growth driver for the industry, with the 2026-27 Budget by The Government of the Hong Kong Special Administrative Region of the People's Republic of China (the "**Government**") reaffirming high-level capital works spending. With initiatives such as the Northern Metropolis and the "Eight Vertical and Eight Horizontal" transport network, capital works expenditure is estimated at about HK$128 billion in FY2026/27, with an average of around HK$130 billion per annum from 2026-27 to 2030-31.

The construction industry continues to face significant structural challenges. The prolonged downturn in private development has led to excess industry capacity and sustaining intense competition in tendering. Geopolitical tensions from the Middle East have further strained global supply chains, driving up fuel costs, causing intermittent delays along key shipping routes and ultimately pushing production and logistics costs higher for materials such as steel, cement, mechanical and electrical equipment, and various manufactured components. Financial conditions also remained demanding, as inflationary pressures are expected to keep financing costs elevated and continue to test working-capital management.

Against this backdrop, the Group remained focused on public-sector and government-funded works, where our proven track record, project delivery capability and compliance standards represent key competitive advantages. During the Year, the Group achieved healthy revenue growth from ongoing projects and reported a considerable improvement in gross profit margin. However, overall profitability remains under pressure due to: (a) projects secured in the past few years carrying limited tender margins amid intense market competition; (b) rising energy, production and logistics costs brought about by geopolitical tensions and trade uncertainties; and (c) tightened cash flow conditions among subcontractors, which in turn increased the Group's financing needs to support the wider supply chain.

Chairman's Statement (Continued)

Forward

Looking ahead, geopolitical tensions, trade protectionism and regional conflicts are expected to continue disrupting supply chains and contributing to market volatility. The slower pace of interest rate cuts and subdued demand will present ongoing challenges for the construction sector. Despite these near-term headwinds, the Group believes that Hong Kong's construction market will continue to benefit, over the medium to long term, from the substantial pipeline of public works driven by the Government's strategic focus on public housing and infrastructure, particularly within the Northern Metropolis Development. These initiatives are expected to remain the primary drivers of construction activities in the years ahead.

Equipped with the necessary licences and established expertise in public-sector works, the Group is confident in its ability to capture significant business opportunities from public capital projects and further strengthen its competitive position in the market. Financial prudence and cash flow management have become more critical than ever. The Group will implement disciplined fiscal controls, streamline operations to progressively reduce costs, and actively adopt innovative construction technologies to enhance productivity and efficiency. We will also seek to minimize subcontracting layers to reduce project disruptions and expand our reach through joint-venture tendering arrangements. These strategies are designed to reinforce the Group's operational resilience and lay a solid foundation for sustainable and long-term growth.

A Note of Appreciation

On behalf of the Board, I wish to take this opportunity to express my gratitude to the shareholders (the "**Shareholders**"), business partners and suppliers of the Company who trust and remain faithful to the Group. I would also like to express our sincere thanks to the management and staff for their diligence, commitment and contribution throughout the years.

Thelloy Development Group Limited
Ng Jonathan Yee
Chairman

Hong Kong, 29 June 2026

Management Discussion and Analysis

Business Review and Outlook

Construction

The Hong Kong construction sector experienced a marked divergence between private and public activity during the Year. Private-sector projects recorded a sharp 22.3% contraction in output, which continued to weigh on market sentiment and project pipelines. Private developers maintained a cautious stance, deferring or scaling back development activity in response to soft demand, elevated financing costs and on-going uncertainty in the property market. In this environment, public works remained as the principal growth driver for the industry. The 2026-27 Budget by the Government of the Hong Kong Special Administrative Region of the People's Republic of China (the "**Government**") reaffirmed a high level of capital works spending, with capital works expenditure estimated at about HK$128 billion in FY2026/27 and an average of around HK$130 billion per annum from FY2026/27 to FY2030/31. This is underpinned by the Northern Metropolis Development, transport-connectivity projects and continued investment in public housing and infrastructure, which together form a substantial forward pipeline of construction opportunities for contractors.

The construction industry continues to face structural headwinds. Geopolitical tensions, particularly those affecting the Middle East, have further disrupted global supply chains, driving up fuel costs and causing intermittent delays along key shipping routes. These disruptions have translated into higher production and logistics costs for critical materials such as steel, cement, mechanical and electrical equipment and various manufactured components. Inflationary pressures have kept financing costs elevated, with many contractors facing tighter cash flow and a more demanding financing environment. At the same time, the prolonged downturn in private-sector development has led to excess industry capacity, sustaining intense competition in public works tendering and constraining tender margins. As a result, market consolidation among major building contractors has accelerated as participants face operational and financial challenges.

Against this backdrop, the Group remained focused on public-sector and government-funded works, where our proven track record, project delivery capability and compliance standards represent key competitive advantages. During the Year, the Group achieved healthy revenue growth from ongoing projects and recorded a meaningful improvement in gross profit margin. Nevertheless, overall profitability remained under pressure, primarily due to limited tender margins on existing projects, rising production and logistics costs linked to supply-chain disruptions and tightened cash flow conditions across the supply chain.

To position itself for future opportunities, the Group has continued to strengthen its capabilities in Modular Integrated Construction (MiC) design-and-build and Building Information Modeling (BIM) technology to enhance planning accuracy and productivity. With safety as a core value, the Group has also implemented artificial intelligence and the Smart Site Safety System (4S) for real-time site monitoring, enabling early detection of safety risks and helping to reduce accidents.

While the external environment remains complex, the Group's strategy of focusing on high-quality public-sector and government-related projects, supported by prudent financial management and established expertise in public-sector works, is expected to support sustainable growth and an enhanced competitive position in Hong Kong's construction market in the years ahead.

Management Discussion and Analysis (Continued)

Property

The Group is also involved in the property business through its interests in Great Glory Developments Limited (the "**JV Company**", which is owed as to 49% by the Group), which can achieve synergy with the Group's existing business in building construction. The flagship project under the JV Company, through its interest in World Partners Limited ("**JV Subsidiary**") is to redevelop an industrial building in Tsuen Wan. Town planning approval for redevelopment into hotel and/or student accommodation use was obtained in February 2026, positioning the project to capture growing interest and market demand for such asset types.

In addition, the JV Company holds interests in various land lots in Yuen Long, which were sold in May 2025, contributing to the Group's overall financial management strategy and providing an additional source of cash proceeds.

Outlook

Looking forward, uncertainties surrounding geopolitical tensions, trade protectionism and local conflicts are expected to continue disrupting supply chains and causing market volatility. The slowdown in interest rate cuts and weak demand will present challenges for local businesses and asset markets. Consequently, on-going constraints in the property market are likely to dampen private-sector construction activities in Hong Kong, with public sector projects remaining as the main driver of growth in the near-term construction industry. However, competition for tender prices is expected to intensify, adding to the existing challenges of labor shortages, rising labor costs, and fluctuating material prices. Despite these obstacles, the Government's strategic focus on public housing and infrastructure projects, such as the Northern Metropolis Development, is expected to support the construction industry in the coming years. Additionally, fiscal spending by the Government aimed at stimulating the economy will benefit the construction sector. Our Group, equipped with the necessary licences and expertise in public works, is confident in seizing significant business opportunities from public capital projects and enhancing our competitive position in the market.

Our top priorities for the upcoming year will be on securing financial stability through disciplined fiscal management and streamlining operations to restore profitability. We will also (i) actively adopt innovative technologies to modernize construction processes, (ii) minimize subcontracting layers to reduce project disruptions and save costs, and (iii) expand business opportunities by joining approved contractors lists and exploring more fitting-out and maintenance projects. These strategies will strengthen the Group's operational resilience and position us for sustainable growth.

FINANCIAL REVIEW

Revenue

During the Year, revenue of the Group increased from approximately HK$400.2 million for the Previous Year to approximately HK$470.4 million for the Year, representing an increase of approximately 17.5%. The increase was mainly attributable to the combined effect of (i) the increase in revenue from the building construction services from approximately HK$369.5 million for the Previous Year to approximately HK$443.4 million for the Year, representing an increase of approximately 20%; (ii) a decrease in revenue from design and build services from approximately HK$0.57 million for the Previous Year to approximately HK$0.03 million for the Year, representing a decrease of approximately 94.7%; and (iii) a decrease in revenue from RMAA services from approximately HK$30.1 million for the Previous Year to approximately HK$27.0 million for the Year, representing a decrease of approximately 10.3%. The significant increase in revenue from building construction services was mainly due to a project completed during the Year while the drop in revenue from design and build services and RMMA services was due to the completion of several projects on hand during the Year.

Direct Costs

The Group's direct costs increased from approximately HK$391.9 million for the Previous Year to approximately HK$458.8 million for the Year, representing an increase of approximately 17.1% as compared to the Previous Year. Such increase was in line with the increase of revenue during the Year.

Gross Profit and Gross Profit Margin

The Group's gross profit amounted to approximately HK$11.7 million and HK$8.3 million for the Year and the Previous Year respectively, representing an increase of approximately 41.0%. The increase was mainly in line with the increase of revenue during the Year.

The overall gross profit margin remained stable at approximately 2.1% for the Previous Year and 2.5% for the Year.

Other Income

During the Year, the Group's other income mainly represented bank interest income, rental income and government grants, which increased by approximately HK$1.8 million from approximately HK$2.1 million for the Previous Year to approximately HK$3.9 million for the Year, representing an increase of approximately 85.7%. This was mainly attributable to an increase in the Government grants from Construction Innovation and Technology Fund during the Year.

Administrative Expenses

The Group's administrative expenses amounted to approximately HK$35.1 million and HK$34.8 million for the Year and the Previous Year respectively, representing an increase of approximately 0.9%, which remained stable as compared to the Previous Year.

Finance Costs

For the Year and the Previous Year, the Group's finance costs amounted to approximately HK$7.1 million and HK$7.4 million respectively, representing a decrease of approximately 4.1%. The decrease in finance costs was mainly due to the decrease in interest rate and bank borrowings during the Year.

Income Tax Credit

For the Year, an income tax credit of HK$0.1 million was recorded for the Group as it sustained a taxation loss (Previous Year: income tax credit of HK$0.2 million).

Loss and Total Comprehensive Expense for the Year

The Group incurred a loss and total comprehensive expense of HK$33.5 million for the Year, as compared to a loss and total comprehensive expense of HK$51.4 million for the Previous Year. The reduction in loss was mainly due to the combined effect of an increase in revenue and gross profit; a decrease of share of losses of joint ventures and an increase in other income due to increase in Government grants from Construction Innovation and Technology Fund during the Year.

Dividends

The Board does not recommend the payment of a final dividend for the Year (the Previous Year: Nil).

Liquidity and Financial Resources

The Group generally finances its operation with internally generated cash flows and credit facilities provided by banks. As at 31 March 2026, the Group had bank balances and cash (including pledged bank deposits) of approximately HK$31.7 million (as at 31 March 2025: approximately HK$33.5 million) and the current ratio was approximately 0.78 (as at 31 March 2025: approximately 0.71). As at 31 March 2026, bank borrowings of HK$138.9 million (as at 31 March 2025: HK$154.4 million) were secured by the Group's pledged bank deposits and properties, repayable within one year, borne floating interest rate at Hong Kong Interbank Offered Rate plus a spread of range from 1.38% to 2.8% (as at 31 March 2025: 1.35% to 2.5%) with an effective rate of 4.33% (as at 31 March 2025: 5.96%) per annum and denominated in Hong Kong dollars.

Gearing Ratio

The gearing ratio of the Group as at 31 March 2026 was approximately 235.6% (as at 31 March 2025: 131.7%). The gearing ratio is calculated as total borrowings and lease liabilities divided by total equity as at the end of the reporting period.

The increase in gearing ratio was due to increase in other loans and loans from a shareholder.

Contingent Liabilities

On 5 March 2021, the Group provided a guarantee to a bank in respect of a bank facility to the JV Subsidiary up to a maximum amount of HK$124.0 million, provided that the liability of the Group in respect of any part of the guaranteed indebtedness shall be several with that of other joint venture partners, and be limited to 34.3% of the guaranteed indebtedness, representing the effective interest of the Group in the JV Subsidiary. As at 31 March 2026, the JV Company had settled HK$50.0 million, and its outstanding loan principal under the abovementioned bank facility as at 31 March 2026 was HK$74.0 million.

Treasury Policy

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the Year. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Pledge of Assets

As at 31 March 2026, the Group had pledged bank deposits of approximately HK$1.0 million (as at 31 March 2025: approximately HK$2.1 million), where all properties with carrying amount of approximately HK$71.7 million (as at 31 March 2025: approximately HK$74.5 million) have been pledged to secure the banking facilities granted to the Group.

Capital Structure

There has been no change in capital structure of the Company during the Year. The capital of the Company comprises ordinary shares ("**Shares**") and other reserves.

Capital and Other Commitment

On 5 March 2021, in order to finance the land acquisition plan of the JV Company, the Group agreed to provide the additional capital contribution in the aggregate amount of HK$188,650,000 to the JV Company and such contributions shall be payable upon request of the the JV Company from time to time. As at 31 March 2026, the outstanding commitment was HK$62,628,000 (as at 31 March 2025: HK$77,632,000). Save as disclosed, as at 31 March 2026 and 30 September 2025, the Group had no other significant capital commitment.

Human Resources Management

As at 31 March 2026, the Group had a total of 141 employees (2025: 164 employees). To ensure that the Group can attract and retain staff capable of attaining the best performance levels, remuneration packages are reviewed on a regular basis. The total staff costs (including Directors' remuneration) incurred for the Year were approximately HK$97.6 million (as at 31 March 2025: HK$79.6 million). In addition, discretionary bonus was granted to eligible employees by reference to the Group's operating results and employees' individual performance. During the Year, the Group also sponsored staff to attend seminars and training courses for professional development.

Foreign Currency Risk

The Group's business operations were conducted in Hong Kong. The transactions, monetary assets and liabilities of the Group were mainly denominated in Hong Kong dollars. During the Year, there was no material impact on the Group arising from the fluctuation in the foreign exchange rates between the currencies. The Group did not engage in any derivatives agreement and did not commit to any financial instruments to hedge its foreign exchange exposure during the Year.

Significant Investments, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

As at 31 March 2026, the Company held a significant investment, with a value of over 5% of the Company's total assets as at 31 March 2026, in the JV Company. The Group's total investment in the JV Company is HK$188,650,000, and the amount provided up to 31 March 2026 was approximately HK$126,022,000. As at 31 March 2026, the Group owned 49 shares in the JV Company, representing 49% equity interests in the JV Company with a carrying amount of the Group's interests in the JV Company of approximately HK$99,943,000, representing approximately 27.2% of the total assets of the Company as at 31 March 2026. No market value was available for this investment as at 31 March 2026.

On 15 May 2025, the JV Company, which is owned as to 49% by the Group, disposed of its entire equity interests in Profit Apex Developments Limited and Sky Glory Properties Limited for a total cash consideration of HK$42,000,000.

As the Group held 49% of the paid-up share capital of the disposed entities, the attributable consideration to the Group amounted to HK$20,580,000. The financial effects of the disposal were included in the share of losses of joint ventures.

The JV Company is a company established in the British Virgin Islands with limited liability and mainly carries on the business of property investment and development in Hong Kong.

Please refer to the section headed "Management Discussion and Analysis – Business Review and Outlook – Property" above for further details of the progress of the property project under the JV Company. The Board considers that the investments in the JV Company can expand the Group's business interests in Hong Kong's property market and can achieve synergy with the Group's existing business in building construction.

Save as disclosed above, there were no other significant investment held, material acquisition and disposal of subsidiaries, associated companies or joint ventures by the Group during the Year.

Future Plans for Materials Investments and Capital Assets

The Group does not have any plans for material investments and capital assets acquisitions for the coming 12 months.

Performance Guarantees

As at 31 March 2026, performance guarantees of approximately HK$6.4 million (as at 31 March 2025: HK$14.1 million) were issued by certain banks in favour of the Group's customers as security for the observance of the Group's obligations under various contracts entered into between the Group and its customers.

As at 31 March 2025, a performance guarantee of approximately HK$0.9 million was issued by a bank in favour of the Group's landlord as security for a premise leased by the Group. As at 31 March 2026, such performance guarantee was no longer required by the landlord.

Save as disclosed, the Group had no other material performance guarantees at the end of the reporting period.

SHARE OPTION SCHEME

The Company's share option scheme (the "**Share Option Scheme**") was conditionally approved by the Company pursuant to the written resolutions of the then sole shareholder of the Company on 22 September 2015.

No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption.

The Share Option Scheme has expired on 21 September 2025 and the Company has no Share Option Scheme currently in force.

CHANGE OF CONTROLLING SHAREHOLDER

On 23 January 2026, Cheers Mate Holding Limited ("**Cheers Mate**", the then immediate holding company of the Company), Mr. Lam Kin Wing Eddie ("**Mr. Eddie Lam**") and World Nexus Holdings Limited ("**World Nexus**") entered into a sale and purchase agreement on the sale and purchase of 500,800,000 Shares from Cheers Mate to World Nexus, representing 62.6% of the total issued Shares. Following the completion of the sale and purchase on 12 February 2026, World Nexus became the immediate holding company of the Company holding 62.6% shareholding interest in the Company and Cheers Mate held a remaining 9.9% shareholding interest in the Company. Subsequent to the end of the Year and immediately after the close of the mandatory unconditional cash offer by World Nexus to acquire all the issued Shares (other than the shares held by World Nexus and its concert parties) on 10 April 2026, World Nexus held 62.7% of the total issued Shares. World Nexus is ultimately beneficially owned as to 60% by Mr. Ng Wing Chiu Raymond, 20% by Mr. Choi Chi Wan and 20% by Mr. Soong Tze Man. Further details have been disclosed in the announcements of the Company dated 28 January 2026, 12 February 2026 and 10 April 2026, respectively.

AUDIT COMMITTEE

The Company has set up an audit committee (the "**Audit Committee**") on 22 September 2015 with terms of reference as revised by the Board with effect from 24 January 2019. The primary duties of the Audit Committee are to, inter alia, review relationship with the Company's external auditors, review the Company's financial information, oversee the Company's financial reporting system and internal control procedures and oversee the Company's connected transactions. During the Year, the Audit Committee comprises all three Independent non-executive Directors (the "**INED(s)**"), namely Mr. Tse Ting Kwan, who was the chairman of the Audit Committee, Mr. Tang Chi Wang and Mr. Wong Kwong On, and they resigned as INEDs and ceased to be members of the Audit Committee on 10 April 2026. Up to the date of this annual report, Mr. Tso Ping Cheong Brian, who is the chairman of the Audit Committee, Mr. Ip Yik Nam *JP*, Ms. Leung Wai Yan have been appointed as INEDs and members of the Audit Committee on 10 April 2026. The consolidated financial statements of the Group for the Year have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and legal requirements, and adequate disclosures have been made.

SUBSEQUENT EVENT

Proposed Change of Company Name

The Company has proposed to change its English name and Chinese name from "Thelloy Development Group Limited 德萊建業集團有限公司" to "Fortune Peace Development Group Limited 裕和建業集團有限公司" (the "**Change of Company Name**"). An extraordinary general meeting of the Company (the "**EGM**") will be convened and held for the Shareholders to consider and, if thought fit, approve the Change of Company Name. Details have been disclosed in the announcement of the Company dated 12 June 2026. A circular containing, among other things, details of the proposed Change of Company Name, together with the notice of the EGM and the related proxy form will be despatched to the Shareholders as soon as practicable.

Save as disclosed above, the Group had no material event subsequent to the end of the Year and up to the date of this annual report.

Biographies of Directors, Senior Management and Company Secretary

Executive Directors

Mr. Ng Jonathan Yee ("**Mr. Ng**"), aged 35, was appointed as the executive Director on 20 March 2026 and appointed as the chairman of the Board (the "**Chairman**"), the chief executive officer of the Company (the "**Chief Executive Officer**"), the chairman of the nomination committee of the Company (the "**Nomination Committee**") and a member of the remuneration committee of the Company (the "**Remuneration Committee**") on 10 April 2026. Mr. Ng has almost 10 years of experience in the construction and building services engineering industry. From March 2020 to March 2026, he was a director of various companies principally engaged in construction and engineering.

Mr. Ng obtained a Bachelor of Science degree in Electrical Engineering from the University of California Los Angeles, the United States of America, in 2013, a Master of Science degree in High Performance Buildings from The Hong Kong Polytechnic University in 2016 and a Master of Corporate Governance degree from The Hong Kong Polytechnic University in 2024.

Mr. Ng is the son of Mr. Ng Wing Chiu Raymond, who is one of the ultimate beneficial owners of World Nexus Holdings Limited ("**World Nexus**") (holding 62.70% equity interests in the Company as at the date of this annual report).

Mr. Choi Sheung Yi Derek ("**Mr. Choi**"), aged 34, was appointed as the executive Director on 20 March 2026 and appointed as a member of the Nomination Committee on 10 April 2026. Mr. Choi has approximately seven years of experience in the construction and building services engineering industry. From August 2020 to March 2026, he was a director of various companies principally engaged in construction and engineering.

Mr. Choi obtained a Bachelor of Arts degree in Economics and Psychology from The University of British Columbia, Kelowna, Canada, in 2015 and a Master of Business Administration degree in Finance Concentration from City University of Hong Kong in 2019. He also achieved NEC4: TSC Service Manager Accreditation in 2024.

Mr. Choi is the son of Mr. Choi Chi Wan, who is one of the ultimate beneficial owners of World Nexus (holding 62.70% equity interests in the Company as at the date of this annual report).

Ms. Soong Wing Suen (alias Chantal Soong) ("**Ms. Soong**"), aged 30, was appointed as the executive Director on 20 March 2026 and appointed as a member of the Remuneration Committee on 10 April 2026. Ms. Soong has worked for a main contractor since 2019. From August 2020 to March 2026, she was a director of various companies principally engaged in construction and engineering.

Ms. Soong obtained a Bachelor of Laws degree with honours from Swansea University, the United Kingdom, in 2017 and a Master of Science degree in construction project management from the University of Hong Kong in 2023. She also achieved NEC4: ECC Project Manager Accreditation in 2024.

Ms. Soong is the daughter of Mr. Soong Tze Man, who is one of the ultimate beneficial owners of World Nexus (holding 62.70% equity interests in the Company as at the date of this annual report).

Mr. Lam Arthur Chi Ping ("**Mr. Lam**"), aged 35, is an Executive Director and resigned as a member of each of the Remuneration Committee and Nomination Committee on 10 April 2026. Mr. Lam is currently a director of Techoy Construction Company Limited ("**Techoy Construction**"), and a director of a number of other subsidiaries of the Company. He is responsible for new ventures and property development and corporate affairs of the Group.

Mr. Lam holds a Bachelor degree in Economics from the University of Warwick, a Master's degree in Real Estate Economics and Finance from the London School of Economics and Political Science and a Master's degree in Construction Project Management from the University of Hong Kong. In 2017, he was elected as a professional member of the Royal Institute of Chartered Surveyors. He first joined the Group as a new ventures manager of Techoy Construction in 2018 and he has worked at various real estate consultancy firms, namely Savills (Hong Kong) Limited and CBRE Limited prior to joining the Group. Further, Mr. Lam is currently serving as a member of the Appeal Tribunal Panel (Buildings), a member of the CIC Youth Affairs Committee and the First Vice-Chairman of the HKCA Young Members Society.

Mr. Lam is the son of Mr. Eddie Lam who had been an executive Director and the Chairman from 28 May 2015 to 10 April 2026.

Independent Non-Executive Directors

Mr. Ip Yik Nam, ***JP*** ("**Mr. Ip**"), aged 46, was appointed as the INED, the chairman of the Remuneration Committee and a member of each of the Audit Committee and the Nomination Committee on 10 April 2026. Mr. Ip has over 20 years of management experience through assuming various management roles in companies in the United States of America (the "**USA**") and Hong Kong.

Mr. Ip has been appointed as an executive director of Seven Elements Investment Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1660) from 2 June 2026. From September 2016 to February 2020 and from September 2016 to April 2022, Mr. Ip was the chief executive officer and an executive director of Able Engineering Holdings Limited, the issued shares of which are listed on Main Board of the Stock Exchange (stock code: 1627), respectively. Mr. Ip is currently a director of Arrano Group Holdings Limited, which is principally engaged in the provision of security solutions (including facility management and AI-integrated technology-based security systems) for public and private sectors, such as airport operators, contractors and non-profit organisations.

Mr. Ip graduated from Hong Kong Baptist University with a Bachelor of Business Administration degree in Human Resources Management in December 2002. He further obtained a Master of Business Administration degree from Long Island University, the USA, in May 2004 and a Bachelor of Laws degree from University of London in August 2011.

Mr. Ip is currently a District Council member of the Central and Western District and a member of each of the Fight Crime Committee, Action Committee Against Narcotics, Security and Guarding Services Industry Authority, District Fire Safety Committee of the Central and Western District, and Correctional Services Department Complaints Appeal Board.

Mr. Tso Ping Cheong Brian ("**Mr. Tso**"), aged 46, was appointed as the INED, the chairman of the Audit Committee and a member of each of the Nomination Committee and the Remuneration Committee on 10 April 2026. Mr. Tso has over 20 years of experience in finance and accounting. Mr. Tso founded Teton CPA Company, an accounting firm, in January 2013 and has served as a sole proprietor since then.

Mr. Tso is currently a practising member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants, a fellow member of each of the Hong Kong Chartered Governance Institute (formerly known as the Hong Kong Institute of Chartered Secretaries) and the Chartered Governance Institute (formerly known as the Institute of Chartered Secretaries and Administrators).

Mr. Tso has been an independent non-executive director of each of (i) Huasheng International Holding Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1323), since February 2015; (ii) Maxicity Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 2295), since November 2019; and (iii) Shenglong Splendecor International Limited, a company listed on GEM of the Stock Exchange (stock code: 8481), since June 2018.

Mr. Tso also served as an independent non-executive director of each of (i) EFT Solutions Holdings Limited, a company listed on GEM of the Stock Exchange (stock code: 8062), from September 2019 to January 2024; and (ii) Guoen Holdings Limited, a company listed on GEM of the Stock Exchange (stock code: 8121), from May 2014 to May 2023.

Mr. Tso received a degree of Bachelor of Arts in accountancy and a degree of master of corporate governance from the Hong Kong Polytechnic University in 2003 and 2013, respectively.

Ms. Leung Wai Yan ("**Ms. Leung**"), aged 41, was appointed as the INED and a member of each of the Audit Committee, the Nomination Committee and the Remuneration Committee on 10 April 2026. Ms. Leung has over 15 years of experience in catering, retail and corporate management, with a focus on online and offline business development in both the PRC and Hong Kong.

Since founding Evvoke (Hong Kong) Limited and Evvoke Catering Limited in 2014 and 2018, respectively, Ms. Leung has served as the founder, responsible for the overall strategic planning and business expansion of the companies. Prior to that, she worked as Strategy Development Manager at China South City Holdings Limited ("China South City"), the issued shares of which are listed on Main Board of the Stock Exchange (stock code: 1668), from 2012 to 2014, in charge of strategic planning and business development. From 2008 to 2012, she was Assistant General Manager and Executive Director at Splendid City Hotel under China South City, accumulating experience in corporate management and operations.

Ms. Leung obtained her Master of Business Administration degree from The Chinese University of Hong Kong in 2011. She also earned her Bachelor of Business Administration degree in International Hotel Management with Finance from Les Roches International School of Hotel Management, Switzerland, in 2007.

Senior Management

Mr. Hui Man Ho, Terence ("**Mr. Hui**"), aged 44, is the general manager of real estate ventures and digital transformation of the Company. He joined the Group in 2021 and is responsible for general management of the Company's real estate development and improvement on the Company's productivity by digital transformation and innovation adoption.

Mr. Hui has 19 years of experience in the building industry across consultant, contractor and developer roles. He holds degrees of Bachelor of Arts in Architectural Studies, Master in Architecture and Master of Science in Integrated Project Delivery from the University of Hong Kong. He is an architect and a construction manager, a member of Hong Kong Institute of Architects, a Chartered Member of Royal Institute of Architects, and a member of the Hong Kong Institute of Construction Managers. He possesses comprehensive and professional knowledge in BIM, BEAM and NEC, as a Certified BIM Manager of Construction Industry Council, a BIM Pro certified by HKIA, a BEAM Professional in New Building and Existing Building categories certified by Hong Kong Green Building Council and a Certified NEC Professional by Character Institution of Civil Engineering Surveyors. He was also appointed as a Member of the Committee on Productivity of the Construction Industry Council from April 2022 to January 2024.

Ms. Choi Yuen Fong, aged 56, is currently an administration and personnel manager of Techoy Construction, and a member of the senior management of the Group. She joined the Group in March 1997 and is mainly responsible for administrative and human resources matters of the Group.

Ms. Chan Kwai Fong, aged 54, is currently an accounting manager of Techoy Construction, and a member of the senior management of the Group. She joined the Group in March 1998 and is primarily responsible for financial management of the Group.

Company Secretary

Ms. Wong Tze Ling ("**Ms. Wong**"), aged 47, was appointed as the company secretary of the Company (the "**Company Secretary**") on 10 April 2026. Ms. Wong has over 20 years of experience in auditing, accounting, financial management and corporate finance.

Ms. Wong obtained a degree of Bachelor of Arts in Accountancy from the Hong Kong Polytechnic University in 2006. She is also a practising member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

Currently, Ms. Wong is the Chief Financial Officer of Unistress Building Construction Limited, being a subsidiary of Fortune Peace Holdings Limited ("**Fortune Peace**"), and works for Fortune Peace and its other subsidiaries since March 2021. Prior to this, she served as financial controller for a listed company and its subsidiaries and as senior audit manager at an international audit firm.

Corporate Governance Report

Corporate Governance

The Company's corporate governance code are based on the principles and code provisions of the Corporate Governance Code (the "**CG Code**") set out in Part 2 of Appendix C1 to the Listing Rules. The Company is committed to ensuring a quality board as well as transparency and accountability to Shareholders. The code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separated and should not be performed by the same individual. During the Year, Mr. Eddie Lam served as the Chairman and also acted as the Chief Executive Officer, which constituted a deviation from the code provision C.2.1 of the CG Code. Subsequent to the end of the Year, Mr. Eddie Lam resigned as the Chairman and the Chief Executive Officer with effect from 10 April 2026 (the "**Resignation**").

The Board is of the view that vesting both roles in Mr. Eddie Lam during his tenure in the Year allowed for more effective planning and execution of business strategies. During Mr. Eddie Lam's tenure in the Year, the Board had four INEDs who were qualified professionals and/or experienced individuals. As all major decisions of the Board were made in consultation with all the members of the Board which met on a regular quarterly basis to review the operations of the Group, and shall be approved by a majority vote of the Board, with the four INEDs on the Board scrutinising important decisions and offering independent perspectives, the Board believed that there were adequate safeguards in place to ensure a sufficient balance of power and authority within the Board.

Following Mr. Eddie Lam's Resignation, Mr. Ng has been appointed as the Chairman and Chief Executive Officer with effect from 10 April 2026. As Mr. Ng has been appointed as both the Chairman and the Chief Executive Officer, such practice deviates from code provision C.2.1 of the CG Code. The Board is of the view that vesting both roles in Mr. Ng allows for more effective planning and execution of business strategies. Under the supervision by the Board, which consists of four executive Directors and three INEDs during Mr. Ng's tenure, the interests of the Shareholders are adequately and fairly represented. In addition, as all major decisions are made in consultation with and approved by the members of the Board, the Board believes that this arrangement does not have a negative influence on the balance of power and authorisation between the Board and the management of the Company. Therefore, the Board considers that the deviation from the code provision C.2.1 of the CG Code is appropriate in such circumstances.

The Company applied the principles and complied with all applicable code provisions in the CG Code during the Year, save for code provision C.2.1 of the CG Code.

The Board has reserved for its decision and consideration of issues in relation to (i) formulating the strategic objectives of the Group; (ii) considering and deciding the Group's significant operational and financial matters, including but not limited to substantial mergers and acquisitions and disposals; (iii) overseeing the Group's corporate governance practices; (iv) ensuring that a risk management control system are in place; (v) directing and monitoring senior management in pursuit of the Group's strategic objectives; and (vi) determining the remuneration packages of all Directors and the Group's senior management, including benefits in kind, pension rights and compensation payments for loss or termination of their office or appointment. Implementation and execution of Board policies and strategies and the daily administrative matters are delegated to the respective Board committees and the management team of the Company.

The Board conducts at least four regular Board meetings a year and additional meetings will be held or resolutions in writing signed by all Directors in lieu of a meeting will be arranged as and when required. If a substantial Shareholder or a Director has a conflict of interest in a transaction which the Board determines to be material, it will be considered and dealt with by the Board at a duly convened Board meeting with the presence of the INEDs without material interest in that transaction. Comprehensive information on matters to be discussed at the Board meeting will be supplied to the Directors in a timely manner to facilitate discussion and decision-making.

Composition of the Board

During the Year and as at the date of this annual report, the name and office of each of the members of the Board and the Board committees of the Company are as follows:

Board members	**Office**
Mr. Ng Jonathan Yee* *(Chairman and Chief Executive Officer#)*	Executive Director
Mr. Choi Sheung Yi Derek*	Executive Director
Ms. Soong Wing Suen*	Executive Director
Mr. Lam Arthur Chi Ping	Executive Director
Mr. Lam Kin Wing Eddie *(Chairman)*^	Executive Director
Mr. Shut Yu Hang^	Executive Director
Mr. Ip Yik Nam *JP*#	INED
Mr. Tso Ping Cheong Brian#	INED
Ms. Leung Wai Yan#	INED
Mr. Tang Chi Wang^	INED
Mr. Tse Ting Kwan^	INED
Mr. Wong Kwong On^	INED
Ms. Yeung Cheuk Chi Vivian^	INED

Audit Committee members	**Office**
Mr. Tso Ping Cheong Brian# *(Chairman)*	INED
Mr. Ip Yik Nam *JP*#	INED
Ms. Leung Wai Yan#	INED
Mr. Tse Ting Kwan *(Chairman)*^^	INED
Mr. Tang Chi Wang^^	INED
Mr. Wong Kwong On^^	INED

Remuneration Committee members	**Office**
Mr. Ip Yik Nam *JP*# *(Chairman)*	INED
Mr. Ng Jonathan Yee#	Executive Director
Ms. Soong Wing Suen#	Executive Director
Mr. Tso Ping Cheong Brian#	INED
Ms. Leung Wai Yan#	INED
Mr. Wong Kwong On *(Chairman)*^^	INED
Mr. Tse Ting Kwan^^	INED
Mr. Lam Kin Wing Eddie^^	Executive Director
Mr. Lam Arthur Chi Ping^	Executive Director
Ms. Yeung Cheuk Chi Vivian^^	INED

Nomination Committee members	Office
Mr. Ng Jonathan Yee# *(Chairman)*	Executive Director
Mr. Choi Sheung Yi Derek#	Executive Director
Mr. Ip Yik Nam *JP*#	INED
Mr. Tso Ping Cheong Brian#	INED
Ms. Leung Wai Yan#	INED
Mr. Tang Chi Wang *(Chairman)*^^	INED
Mr. Shut Yu Hang^^	Executive Director
Mr. Tse Ting Kwan^^	INED
Mr. Lam Arthur Chi Ping^	Executive Director
Ms. Yeung Cheuk Chi Vivian^^	INED

* Appointed on 20 March 2026
\# Appointed on 10 April 2026
^ Resigned on 10 April 2026
^^ Ceased on 10 April 2026

On 20 March 2026, Mr. Ng, Mr. Choi and Ms. Soong have been appointed as the executive Directors and have obtained legal advice referred to Rule 3.09D of the Listing Rules on 6 March 2026. They have confirmed they understood their obligations as a director.

On 10 April 2026, Mr. Ip, Mr. Tso and Ms. Leung have been appointed as the INEDs and have obtained legal advice referred to Rule 3.09D of the Listing Rules on 6 March 2026. They have confirmed they understood their obligations as a director.

All Directors (including INEDs) were appointed for an initial term of 3 years and are subject to retirement by rotation at least once every three years in accordance with the memorandum and articles of association of the Company (the "**Articles**").

Save as disclosed in "Biographies of Directors, Senior Management and Company Secretary", as at the date of this annual report, there is no other financial, business, family or other material/relevant relationship(s) among the members of the Board.

The Board composition is regularly reviewed to ensure that it has a balance of skills and experience appropriate for the business needs of the Group. A balanced composition of executive Directors and INEDs is maintained to ensure independence and effective management. During the Year, the Company has satisfied the Rules 3.10(1) and (2) and 3.10(A) of the Listing Rules in having at least three INEDs, representing more than one third of the Board and at least one of the INEDs with appropriate professional qualifications or accounting or related financial management expertise.

The appointment of new Directors is recommended by the Remuneration Committee and the Nomination Committee and approved by the Board or by the Shareholders in a general meeting of the Company based on a formal written procedure and policy for the appointment of new Directors. When selecting potential candidates for the Directors, their skills, experience, expertise, devotion of time and non-conflicts of interests are the key factors.

In considering the re-appointment of Directors, the Board, with the assistance and recommendation from the Nomination Committee, will also take into account a number of factors, including but not limited to the structure, size and composition of the Board, the candidates' qualifications and their ability to devote sufficient time as and when required to discharge their responsibilities as a Director and to make positive contribution to the development of the Company's strategy, policies and performance.

Pursuant to article 16.18 of the Articles, at every annual general meeting of the Company one-third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years and any Director required to stand for re-election pursuant to article 16.2 of the Articles shall not be taken into account in determining the number of Directors and which Directors are to retire by rotation.

Pursuant to article 16.2 of the Articles, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his/her appointment and shall then be eligible for re-election at that meeting.

The daily operation and management of the business of the Group, among other matters, the implementation of strategies, are delegated to the executive Directors. They report periodically to the Board on their work and business decisions.

All Directors have been fully consulted about any matters proposed for inclusion in the agenda for regular Board meetings. The Chairman has delegated the responsibility for drawing up the agenda for each Board meeting to the Company Secretary.

With the assistance of the executive Directors and the Company Secretary, the Chairman seeks to ensure that all Directors are properly briefed on issues arising at Board meetings and have received adequate and reliable information in a timely manner.

Notices of at least fourteen days are given to the Directors for regular Board meetings, while Board papers are sent to the Directors not less than three days before the intended date of a Board or Board committee meeting. With respect to other meetings, the Directors are given as much notice as is reasonable and practicable in the circumstances. The Directors can attend meetings in person or through other means of electronic communication in accordance with the Articles. The Company Secretary ensures that the procedures and all applicable rules and regulations are complied with. Minutes of Board meetings and meetings of Board committees are kept by the Company Secretary and are available for inspection at any time on reasonable notice by any Director.

The Directors have full access to information of the Group and are able to obtain independent professional advice whenever they deem necessary. Memorandums are issued to the Directors from time to time to update them with legal and regulatory changes and matters of relevance to the Directors in the discharge of their duties.

Draft minutes are normally circulated to Directors or members of the relevant Board committees for comments within a reasonable time after each meeting.

According to the current Board's practice, any material transaction, which involves a conflict of interests between a substantial Shareholder or a Director and the Company, will be considered and dealt with by the Board at a duly convened Board meeting with the presence of the INEDs who have no material interest in that transaction. Directors will abstain from voting and will not be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

The Company has received from each of the INEDs, who were appointed during the Year, an annual confirmation of their independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the INEDs were independent during the Year.

Pursuant to code provision B.1.4 of the CG Code, the Board has established mechanism(s) to ensure independent views and input are available to the Board, in particular, (i) INEDs are encouraged to actively participate in the Board meetings; (ii) the number of INEDs must comply with the requirements under the Listing Rules; and (iii) the INEDs shall devote sufficient time to discharge their duties as a Director. Furthermore, the Directors may access external independent professional advice to assist their performance of duties at the expense of the Company. The Board has reviewed the implementation and effectiveness of such mechanism on an annual basis.

Responsibilities

In the course of discharging their duties, the Directors act in good faith, with due diligence and care, and in the best interests of the Company and its Shareholders. Their responsibilities include (i) attending regular Board meetings focusing on business strategy, operational issues and financial performance of the Group; (ii) monitoring the quality, timeliness, relevance and reliability of internal and external reporting; (iii) monitoring and managing potential conflicts of interest of management, Board members and Shareholders, including misuse of corporate assets and abuse in connected transactions; and (iv) ensuring processes are in place to maintain the overall integrity of the Group, including financial statements, relationships with suppliers, customers and other stakeholders, and compliance with all laws.

Director's Responsibilities for the Consolidated Financial Statements

The Directors acknowledge their responsibilities for the preparation of the consolidated financial statements of the Group and ensure that the consolidated financial statements of the Group are in accordance with statutory requirements and applicable accounting standards. The Directors also ensure the timely publication of the consolidated financial statements of the Group. In preparing the accounts for the Year, the Directors have, among other things:

- selected suitable accounting policies and applied them consistently;
- approved adoption of all Hong Kong Financial Reporting Standards which are in conformity with the International Financial Reporting Standards;
- satisfied the disclosure requirements under the Companies Ordinance (Chapter 622 of the laws of Hong Kong); and
- made judgments and estimates that are prudent and reasonable; and prepared the accounts on the going concern basis.

The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, save as disclosed in note 3.1 of the Consolidated Financial Statements, they 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.

The reporting responsibilities of the Group's external auditor, Deloitte Touche Tohmatsu ("**DTT**"), are set out in the Independent Auditor's Report on pages 98 to 102 to this annual report.

Delegation by the Board

The Board has established three committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee. Specific responsibilities of each committee are described below. All committees are chaired by an INED except the Nomination Committee. All committees have their respective terms of reference which are no less exacting than those set out in the CG Code.

During the Year, the Board held four meetings in total and an annual general meeting of the Company on 25 August 2025 (the "**2025 AGM**"), and the individual attendance record of each Director at the meetings of the Board and the 2025 AGM is set out below:

Name of Directors	Attendance/ Number of Board Meetings(1)	Attendance/ Number of General Meeting(s)(1)
Executive Directors:		
Mr. Lam Kin Wing Eddie *(Chairman)*^	4/4	1/1
Mr. Shut Yu Hang^	4/4	1/1
Mr. Ng Jonathan Yee* *(Chairman and Chief Executive Officer#)*	0/0(2)	0/0(3)
Mr. Choi Sheung Yi Derek*	0/0(2)	0/0(3)
Ms. Soong Wing Suen*	0/0(2)	0/0(3)
Mr. Lam Arthur Chi Ping	4/4	1/1
INEDs:		
Mr. Tang Chi Wang^	4/4	1/1
Mr. Tse Ting Kwan^	4/4	1/1
Mr. Wong Kwong On^	4/4	1/1
Ms. Yeung Cheuk Chi Vivian^	4/4	1/1
Mr. Ip Yik Nam *JP*#	0/0(2)	0/0(3)
Mr. Tso Ping Cheong Brian#	0/0(2)	0/0(3)
Ms. Leung Wai Yan#	0/0(2)	0/0(3)

Note:

(1) The attendance figure represents the actual attendance/the number of meetings a Director was required to attend.

(2) There was no Board meeting held during his/her appointment.

(3) There was no general meeting of the Company held during his/her appointment.

* Appointed on 20 March 2026

\# Appointed on 10 April 2026

^ Resigned on 10 April 2026

Apart from the regular Board meetings, the Chairman also held a meeting with the INEDs without the presence of the executive Directors pursuant to the CG Code during the Year.

Audit Committee

The Audit Committee was established on 22 September 2015 with terms of reference as revised by the Board with effect from 24 January 2019. During the Year, the Company fully complied with Rule 3.21 of the Listing Rules. During the Year and as at the date of this annual report, the Audit Committee comprised INEDs and the name and office of each of the members of the Audit Committee are as follows:

Audit Committee Members

Name	Office
Mr. Tso Ping Cheong Brian *(Chairman)* (Appointed on 10 April 2026)	INED
Mr. Ip Yik Nam *JP* (Appointed on 10 April 2026)	INED
Ms. Leung Wai Yan (Appointed on 10 April 2026)	INED
Mr. Tse Ting Kwan *(Chairman)* (Ceased on 10 April 2026)	INED
Mr. Tang Chi Wang (Ceased on 10 April 2026)	INED
Mr. Wong Kwong On (Ceased on 10 April 2026)	INED

The primary responsibilities of the Audit Committee are to (i) review the financial reporting process of the Group, its internal control and risk management systems and the effectiveness of the Company's internal audit function; (ii) oversee the audit process, (iii) review the Company's compliance with the CG Code; (iv) review and supervise the Company's financial reporting process and internal control systems; and (v) perform other duties assigned by the Board. There is at least one of the members of the Audit Committee possessing appropriate professional qualifications or accounting or related financial management expertise as required by the Listing Rules.

During the Year, the Audit Committee reviewed the financial results of the Group (including the Group's annual and half-yearly reports), audit plans and fees proposed by the external auditor of the Group (the "**Auditor**"), the independence of the external Auditor, accounting principles and practices of the Group, the Listing Rules and statutory compliance, the report on internal controls, risk management, effectiveness of the Company's accounting, internal audit function, financial reporting matters and adequacy of resources, staff qualifications and experience, training programmes as well as those relating to the Group's environmental, social and governance's performance and reporting and made recommendations to the Board to improve the quality of financial information to be disclosed and internal control and other matters in accordance with its terms of reference. The Audit Committee has also reviewed and approved the engagement of the external Auditor to perform statutory audit and approved their fees and re-appointment at the 2025 AGM. There was no disagreement between the Board and the Audit Committee on the selection and re-appointment of the external Auditor.

The Group's financial statements for the Year have been reviewed by the Audit Committee. The Audit Committee considered that the relevant financial statements have been prepared in compliance with the applicable accounting principles and requirements of the Stock Exchange and disclosures have been fully made.

During the Year, the Audit Committee held two meetings. The individual attendance record of each member at the meetings of the Audit Committee during the Year is set out below:

Name of Members	Attendance/ Number of Meetings[1]
Mr. Tse Ting Kwan *(Chairman)* (Ceased on 10 April 2026)	2/2
Mr. Tang Chi Wang (Ceased on 10 April 2026)	2/2
Mr. Wong Kwong On (Ceased on 10 April 2026)	2/2
Mr. Tso Ping Cheong Brian *(Chairman)* (Appointed on 10 April 2026)	0/0[2]
Mr. Ip Yik Nam *JP* (Appointed on 10 April 2026)	0/0[2]
Ms. Leung Wai Yan (Appointed on 10 April 2026)	0/0[2]

Note: (1) The attendance figure represents the actual attendance/the number of meetings a member was required to attend.
(2) There was no Audit Committee meetings held during his/her appointment.

Nomination Committee

The Nomination Committee was established on 22 September 2015 with terms of reference as revised by the Board with effect from 26 June 2025. During the Year and as at the date of this annual report, the Nomination Committee comprised a majority of INEDs and the name and office of each of the members of the Nomination Committee are as follows:

Nomination Committee Members

Name	Office
Mr. Ng Jonathan Yee *(Chairman)* (Appointed on 10 April 2026)	Executive Director
Mr. Choi Sheung Yi Derek (Appointed on 10 April 2026)	Executive Director
Mr. Ip Yik Nam *JP* (Appointed on 10 April 2026)	INED
Mr. Tso Ping Cheong Brian (Appointed on 10 April 2026)	INED
Ms. Leung Wai Yan (Appointed on 10 April 2026)	INED
Mr. Tang Chi Wang *(Chairman)* (Ceased on 10 April 2026)	INED
Mr. Shut Yu Hang (Ceased on 10 April 2026)	Executive Director
Mr. Tse Ting Kwan (Ceased on 10 April 2026)	INED
Mr. Lam Arthur Chi Ping (Resigned on 10 April 2026)	Executive Director
Ms. Yeung Cheuk Chi Vivian (Ceased on 10 April 2026)	INED

The Nomination Committee is mainly responsible for (i) reviewing the Board's structure, size, composition (including the skills, knowledge and experience) and diversity against factors including but not limited to gender, age, nationality, cultural and educational background, professional experience, skills, knowledge, industry experience and length of service, having regard to the Group's business activities, assets and management portfolio, and assisting the Board in maintaining a board skills matrix; (ii) selecting Board members and ensuring transparency of the selection process; (iii) reviewing and monitoring the training and continuous professional development of the Directors and senior management; (iv) assessing the independence of the INEDs, having regard to the requirements under the Listing Rules; (v) making recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors; and (vi) supporting the regular evaluation of the performance of the Board. The Nomination Committee identifies individuals suitably qualified to become or continue to be the Board members by taking into consideration criteria like expertise, experience and commitment and makes recommendations to the Board on the selection of individuals as nomination for directorships.

Nomination Policy

When making recommendations regarding the appointment of any proposed candidate to the Board, the Nomination Committee shall consider a variety of factors including without limitation the following in assessing the suitability of the proposed candidate:–

(i) reputation for integrity;

(ii) accomplishment, experience and reputation in the business and other relevant sectors relating to the Company and/or its subsidiaries;

(iii) commitment in respect of sufficient time and attention to the Company's business;

(iv) diversity in all aspects, including but not limited to gender, age, cultural/educational and professional background, skills, knowledge and experience;

(v) the ability to assist and support management and make significant contributions to the Company's success;

(vi) compliance with the criteria of independence as prescribed under Rule 3.13 of the Listing Rules for the appointment of an INED; and

(vii) any other relevant factors as may be determined by the Nomination Committee or the Board from time to time.

On 20 March 2026, Mr. Ng, Mr. Choi and Ms. Soong have been appointed as the executive Directors and on 10 April 2026, Mr. Ng has been appointed as the chairman of the Board, the Chief Executive Officer, the chairman of the Nomination Committee and a member of the Remuneration Committee; Mr. Choi has been appointed as a member of the Nomination Committee; Ms. Soong has been appointed as a member of the Remuneration Committee; Mr. Ip has been appointed as an INED, the chairman of the Remuneration Committee and a member of each of the Audit Committee and Nomination Committee; Mr. Tso has been appointed as an INED, the chairman of the Audit Committee and a member of each of the Nomination Committee and Remuneration Committee and Ms. Leung has been appointed as an INED and a member of each of the Audit Committee, Nomination Committee and Remuneration Committee.

Save as disclosed above, during the Year and up to the date of this annual report, no candidate was nominated for directorship.

The Nomination Committee and the Board review the terms of reference of the Nomination Committee at least annually. The terms of reference of the Nomination Committee are in line with the requirements of the Listing Rules.

During the Year, one Nomination Committee meeting was held. The individual attendance record of each member at the meeting of the Nomination Committee during the Year is set out below:

Name of Members	**Attendance/ Number of Meetings(1)**
Mr. Tang Chi Wang *(Chairman)* (Ceased on 10 April 2026)	1/1
Mr. Shut Yu Hang (Ceased on 10 April 2026)	1/1
Mr. Tse Ting Kwan (Ceased on 10 April 2026)	1/1
Mr. Lam Arthur Chi Ping (Resigned on 10 April 2026)	1/1
Ms. Yeung Cheuk Chi Vivian (Ceased on 10 April 2026)	1/1
Mr. Ng Jonathan Yee *(Chairman)* (Appointed on 10 April 2026)	0/0(2)
Mr. Choi Sheung Yi Derek (Appointed on 10 April 2026)	0/0(2)
Mr. Ip Yik Nam *JP* (Appointed on 10 April 2026)	0/0(2)
Mr. Tso Ping Cheong Brian (Appointed on 10 April 2026)	0/0(2)
Ms. Leung Wai Yan (Appointed on 10 April 2026)	0/0(2)

Note: (1) The attendance figure represents the actual attendance/the number of meetings a member was required to attend.
(2) There was no Nomination Committee meetings held during his/her appointment.

During the Year, the Nomination Committee members (i) reviewed and considered the structure, size, diversity and composition of the Board and the Board Diversity Policy (as defined thereunder); (ii) assessed the independence of INEDs; (iii) recommended the re-appointments of the retiring Directors at the AGM; and (iv) considering other matters in accordance with its terms of reference.

The Nomination Committee will review the Board composition by considering the benefits of all aspects of diversity, including but not limited to those described under the heading of Board Diversity Policy in this annual report. The board diversity policy of the Company (the "**Board Diversity Policy**") shall be reviewed by the Nomination Committee, as appropriate, to ensure its effectiveness. During the Year, the Board composition has been reviewed and is considered to be satisfied, having regard to the independence and the Board Diversity Policy.

Pursuant to code provision C.1.5 of the CG Code, the Directors have disclosed to the Company at the time of their appointments and from time to time thereafter the number and nature of offices held in public companies or organisations, other significant commitments, and the identity of the public companies or organisations involved.

Board Diversity Policy

The Board has adopted the Board Diversity Policy which sets out the approach to achieve a sustainable and balanced development of the Company and also to enhance the quality of performance of the Company.

The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. By adopting such criteria, it facilitates the Company to develop a pipeline of candidates to the Board to achieve gender diversity.

Measurable objectives have been set to implement the Board Diversity Policy and selection of candidates will be based on a range of factors as stated above. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

As at the date of this annual report, the Board comprises seven Directors. Three of the Directors are INEDs and independent of management, thereby promoting critical review and control of the management process. The Board is also characterised by significant diversity in terms of professional background and skills.

During the Year, the Board, via the Nomination Committee, conducted an annual review of the implementation and effectiveness of the Board Diversity Policy and is satisfied that the Board Diversity Policy has been properly implemented and is effective.

Gender Diversity

The proportion of female Board representation is a measurable objective of the Company in assessing the implementation of the Board Diversity Policy. The Board recognises the importance of the Board gender diversity for enhancing the corporate governance system and strategic decisions in the boardroom.

Ms. Soong and Ms. Leung have been appointed as an executive Director on 20 March 2026 and an INED on 10 April 2026 respectively and Ms. Yeung Cheuk Chi Vivian resigned as an INED on 10 April 2026. After their appointments, the Board is no longer composed of a single gender, achieving the gender diversity of the Board at 28.6%. The Board targets to maintain at least the current level of female representation on the Board, with the ultimate goal of increasing the proportion of female Board members over time as and when suitable candidates are identified.

The Board will continue to ensure that appropriate balance of gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices, with the ultimate goal of bringing the Board to gender parity.

In striving to maintain gender diversity, similar considerations are used when recruiting and selecting senior management and general staff. As of 31 March 2026, a 69.7:30.3 male to female gender ratio, being a measurable objective for gender diversity, has been achieved in the workforce (including senior management).

While we believe our future employee recruitment should predominantly be merit-based and do not consider it appropriate to set any target gender ratio for our workforce, we recognise and embrace the benefits of having a diverse workforce, and will continue to enhance the diversity of our workforce, subject to availability of suitable candidates.

Further information about the composition of the Group's workforce can be found in the "Environmental, Social and Governance Report" on pages 34 to 82 to this annual report.

Remuneration Committee

The Remuneration Committee was established on 22 September 2015 with terms of reference as revised by the Board with effect from 12 January 2023. During the Year and as at the date of this annual report, the Remuneration Committee comprised a majority of INEDs and the name and office of each of the members of the Remuneration Committee are as follows:

Remuneration Committee Members

Name	Office
Mr. Ip Yik Nam *JP (Chairman)* (Appointed on 10 April 2026)	INED
Mr. Ng Jonathan Yee (Appointed on 10 April 2026)	Executive Director
Ms. Soong Wing Suen (Appointed on 10 April 2026)	Executive Director
Mr. Tso Ping Cheong Brian (Appointed on 10 April 2026)	INED
Ms. Leung Wai Yan (Appointed on 10 April 2026)	INED
Mr. Wong Kwong On *(Chairman)* (Ceased on 10 April 2026)	INED
Mr. Tse Ting Kwan (Ceased on 10 April 2026)	INED
Mr. Lam Kin Wing Eddie (Ceased on 10 April 2026)	Executive Director
Mr. Lam Arthur Chi Ping (Resigned on 10 April 2026)	Executive Director
Ms. Yeung Cheuk Chi Vivian (Ceased on 10 April 2026)	INED

The primary duties of the Remuneration Committee are to (i) make recommendations to the Board on the Company's policy and structure of all remuneration of Directors and senior management and the establishment of a formal and transparent procedure for developing a policy on such remuneration, (ii) assess performance of executive Directors and approve the terms of executive Directors' service contracts and (iii) review and/or approve matters relating to share schemes under Chapter 17 of the Listing Rules.

During the Year, since there were no shares granted under the Share Option Scheme (as stated in the Report of the Directors), no material matters relating to the Share Option Scheme under Chapter 17 of the Listing Rules were required to be reviewed or approved by the Remuneration Committee. The Share Option Scheme has expired on 21 September 2025 and the Company has no Share Option Scheme currently in force.

The Remuneration Committee and the Board review the terms of reference of the Remuneration Committee from time to time. The terms of reference of the Remuneration Committee are in line with the requirements of the Listing Rules.

According to the terms of reference of the Remuneration Committee, the Remuneration Committee makes recommendation to the Board for its final determination of the remuneration packages of all executive Directors and senior management, including benefits in kind, pension rights and compensation payments, consisting of any compensation payable for loss or termination of their office or appointment; and make recommendations to the Board about the Directors' fee of INEDs. In determining the emoluments payable to the Directors, the Remuneration Committee takes into consideration factors such as salaries paid by comparable companies, responsibilities and performance of the Directors.

The Remuneration Committee members held two meetings during the Year. During the Year, the Remuneration Committee has discussed, reviewed and recommended the remuneration packages and recommended the proposed bonus for the Directors and the senior management to the Board for approval and assessed the performance of executive Directors. The remuneration policy of the Company enables the Company to retain and motivate employees (including executive Directors) to meet corporate objectives. A Director is not allowed to approve his/her own remuneration. The remuneration package of an executive Director includes basic salary, allowance, discretionary bonus and share-based benefits, which are all covered by a service contract. The Director's fee of INEDs is subject to annual assessment. Remuneration surveys on companies operating in similar business, inflation rates, industry trends and performance of the Company are referred to when the Remuneration Committee is considering the remuneration packages of the Directors.

The individual attendance record of each member at the meetings of the Remuneration Committee during the Year is set out below:

Name of Members	Attendance/ Number of Meetings[1]
Mr. Wong Kwong On *(Chairman)* (Ceased on 10 April 2026)	2/2
Mr. Tse Ting Kwan (Ceased on 10 April 2026)	2/2
Ms. Yeung Cheuk Chi Vivian (Ceased on 10 April 2026)	2/2
Mr. Lam Kin Wing Eddie (Ceased on 10 April 2026)	2/2
Mr. Lam Arthur Chi Ping (Resigned on 10 April 2026)	2/2
Mr. Ip Yik Nam *JP (Chairman)* (Appointed on 10 April 2026)	0/0[2]
Mr. Ng Jonathan Yee (Appointed on 10 April 2026)	0/0[2]
Ms. Soong Wing Suen (Appointed on 10 April 2026)	0/0[2]
Mr. Tso Ping Cheong Brian (Appointed on 10 April 2026)	0/0[2]
Ms. Leung Wai Yan (Appointed on 10 April 2026)	0/0[2]

Note: (1) The attendance figure represents the actual attendance/the number of meetings a member was required to attend.
(2) There was no Remuneration Committee meeting held during his/her appointment.

Details of the Directors' remuneration and the five highest paid individuals for the Year as regarded to be disclosed pursuant to the CG Code are provided in note 6 to the consolidated financial statements.

Remuneration of the Senior Management

During the Year, the remuneration of the senior management is listed below by bands:

	Number of individuals
Nil to HK$1,500,000	2
HK$1,500,001 to HK$2,000,000	1

Corporate Governance Functions

The Board did not establish a corporate governance committee but has delegated its responsibility for performing corporate governance duties to the Audit Committee under code provision A.2.1 of the CG Code. During the Year, the Audit Committee has (i) reviewed the Company's policies and practices on corporate governance and made relevant recommendations to the Board; (ii) reviewed and monitored the training and continuous professional development of the Directors and senior management; (iii) reviewed and monitored the Company's policies and practices on compliance with legal and regulatory requirements; (iv) reviewed and monitored the code of conduct applicable to employees and the Directors; and (v) reviewed the Company's compliance with the CG Code and disclosure in this annual report.

Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as code of conduct governing Directors' securities transaction. In response to the specific enquiry made by the Company of the Directors, all Directors have confirmed that they had complied with the required standard set out in the Model Code throughout the Year.

Continuous Professional Development for Directors

Directors must keep abreast of their collective responsibilities. Each newly appointed Director receives an induction package covering the Group's businesses and the statutory and regulatory obligations of a director of a listed company. The Directors are continually updated with business and market changes, and legal and regulatory developments to facilitate the discharge of their responsibilities through various Board meetings, resolutions, memoranda, Board papers, and updates on corporate governance practices and director's responsibilities under the Listing Rules, applicable laws and other relevant statutory requirements.

During the Year, the Board members participated in the following training programs in accordance with code provision C.1.4 of the CG Code:

Name of Directors	Types of training: Attending training	Types of training: Reading materials updating on new rules and regulations
Executive Directors		
Mr. Lam Kin Wing Eddie *(Chairman) (Resigned on 10 April 2026)*	✓	✓
Mr. Shut Yu Hang (Resigned on 10 April 2026)	✓	✓
Mr. Ng Jonathan Yee *(Chairman and Chief Executive Officer)* (Appointed on 20 March 2026)	✓	✓
Mr. Choi Sheung Yi Derek (Appointed on 20 March 2026)	✓	✓
Ms. Soong Wing Suen (Appointed on 20 March 2026)	✓	✓
Mr. Lam Arthur Chi Ping	✓	✓
INEDs		
Mr. Tang Chi Wang (Resigned on 10 April 2026)	✓	✓
Mr. Wong Kwong On (Resigned on 10 April 2026)	✓	✓
Mr. Tse Ting Kwan (Resigned on 10 April 2026)	✓	✓
Ms. Yeung Cheuk Chi Vivian (Resigned on 10 April 2026)	✓	✓
Mr. Ip Yik Nam *JP* (Appointed on 10 April 2026)	N/A	N/A
Mr. Tso Ping Cheong Brian (Appointed on 10 April 2026)	N/A	N/A
Ms. Leung Wai Yan (Appointed on 10 April 2026)	N/A	N/A

Directors and Officers Insurance

Appropriate insurance policies that cover Directors' and officers' liabilities have been in force to protect the Directors and officers of the Group from their risk exposure arising from the business of the Group and, as at the date of this annual report, the Directors and officers of the Company are indemnified under a directors' and officers' liability insurance against any liability incurred by them in discharge of their duties while holding office as the Directors and officers of the Company. The Directors and officers of the Company shall not be indemnified where there is any fraud, breach of duty or breach of trust proven against them.

Company Secretary

The Company Secretary is to ensure a good information flow within the Board and between the Board and senior management of the Company, to provide advice to the Board in relation to the Directors' obligations under the Listing Rules and applicable laws and regulations and to assist the Board in implementing the corporate governance practices. The Company Secretary during the Year is an external service provider, and his primary corporate contact person is Mr. Eddie Lam, an executive Director and the Chairman during the Year, for the purpose of code provision C.6.1 of the CG Code. Mr. Fung Nam Shan, the Company Secretary during the Year, has attended 15-hour relevant professional training as per the requirement under Rule 3.29 of the Listing Rules.

Risk Management and Internal Control

The Company has an internal audit function.

The Directors are responsible for maintaining and reviewing the effectiveness of the internal controls of the Company, including material financial, operational and compliance controls, risk management functions and particularly the adequacy of resources, staff qualifications and experience, training programs and budget of the accounting and financial reporting functions, internal audit as well as those relating to the Group's environmental, social and governance performance and reporting. The Directors assess the effectiveness of the risk management and internal control systems on an ongoing basis. Appropriate policies and control procedures have been designed and established to ensure that assets are safeguarded against improper use or disposal, relevant rules and regulations are adhered to and complied with, reliable financial and accounting records are maintained in accordance with relevant accounting standards and regulatory reporting requirements, and key risks that may impact on the Company performance are appropriately identified and managed. In the case of the Company, such procedures are designed to manage, rather than eliminate, the risk of failure to achieve business objectives. These procedures can only provide reasonable, and not absolute, assurance against material misstatement or losses.

During the Year, the Board, through the Audit Committee, has conducted an annual review under code provisions D.2.1, D.2.2 and D.2.3 of the CG Code on the effectiveness of the risk management and internal control system covering (i) all material controls in the financial, operational and compliance controls, various functions for risks management as well as physical and information systems security; and (ii) matters covered in code provisions D.2.2 and D.2.3 of the CG Code.

The Board considered such risk management and internal control system effective and adequate. A discussion on the principal types of risk which the Group is facing is included in note 34(b) to the consolidated financial statements and the "Principal Risks and Uncertainties Facing the Company" section contained in the Report of the Directors on pages 85 to 86 to this annual report.

Policy on Disclosure of Inside Information

The Group has set out the procedures and internal controls for handling and dissemination of inside information in order to comply with code provision D.2.4(e) of the CG Code as elaborated below.

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

Key procedures in place include:

– defines the requirements of periodic financial and operational reporting to the Board and Company Secretary to enable them to assess inside information and make timely disclosures, if necessary;

– controls the access to inside information by employees on a need-to-know basis, and safeguarding the confidentiality of the inside information before it is properly disclosed to public; and

– procedures of communicating with the Group's stakeholders, including but not limited to shareholders, investors, and business partners in ways which are in compliance with the Listing Rules.

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

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

Independent Auditor's Remuneration & Responsibilities

The Company has appointed DTT as the external Auditor. For the Year, DTT received HK$950,000 for audit services.

The Audit Committee recommended to the Board the re-appointment of DTT as the external Auditor and that the related resolution will be put forth for the Shareholder's consideration and approval at the annual general meeting of the Company to be held on Tuesday, 25 August 2026 (the "**2026 AGM**").

There was no disagreement between the Board and the Audit Committee on the selection and re-appointment of DTT as the external Auditor during the Year.

Policy of Communications with Shareholders and Investors

The Company considers that effective communication with its Shareholders is essential for enhancing investor relations and investor 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 make the best investment decisions.

The disclosure of the Group's information in a reasonable and timely manner by the Board is to facilitate the Shareholders as well as the investors to have a better understanding of the business performance, operations and strategies of the Group.

Our website at www.thelloy.com allows the Company's potential and existing investors as well as the public to access and acquire the Company's up-to-date corporate and financial information.

Shareholders are provided with contact details of the Company, in order to enable them to make any query that they may have with respect to the Company. They can also send their enquiries to the Board through these means. The contact details of the Company are provided in the "Corporate Information" section of this annual report and the Company's website.

The Board welcomes views of Shareholders and encourages them to attend general meetings to raise any concerns that they may have with the Board or the management directly. Board members and appropriate senior staff of the Group are available at the meetings to answer any questions raised by Shareholders.

During the Year, the Board conducted a review of the implementation and effectiveness of the Policy of Communications with Shareholders and Investors (the "**Policy**") as described above. Having considered the available channels of communication in place as detailed above, the Board is satisfied that the Policy has been properly implemented and is effective.

Procedures for Shareholders to Convene an Extraordinary General Meeting

To safeguard Shareholders' interests and rights, separate resolutions are proposed at general meetings on each substantial issue, including the election of individual Directors, for Shareholders' consideration and voting. Besides, pursuant to article 12.3 of the Articles, any one or more Shareholder(s) holding together, as at the date of deposit of the requisition, shares representing not less than one-tenth of the voting rights in the share capital of the Company which carry the right of voting at general meetings of the Company shall at all times have the right, by written requisition to require general meetings to be convened for the transaction of any business specified in such requisition. If within twenty-one (21) days of such deposit the Board does not proceed duly to convene the meeting to be held within a further twenty-one (21) days, the requisitionists themselves may do so.

Shareholders may send written enquiries to the Company or put forward any enquiries or proposals to the Board. The contact details are as follows:

Company Secretary
Thelloy Development Group Limited
Address: 19/F, The Globe
79 Wing Hong Street
Lai Chi Kok
Kowloon, Hong Kong
Fax no.: (852) 2529 9898

To put forward proposals at an annual general meeting or an extraordinary general meeting of the Company, the Shareholders shall submit a written notice of those proposals with detailed contact information to the Company Secretary at the Company's registered office.

The request will be verified with the Company's branch share registrar in Hong Kong and upon its confirmation that the request is proper and in order, the Company Secretary will ask the Board to include the proposed resolution in the agenda for the general meeting of the Company.

Moreover, the notice period concerning the notice to be given to all the Shareholders for consideration of the proposals submitted by the Shareholders concerned varies as follows pursuant to article 12.4 of the Articles:

(a) for an annual general meeting it shall be called by at least twenty-one (21) days' notice in writing; and

(b) any extraordinary general meetings, they may be called by not less than fourteen (14) days' notice in writing.

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

Constitutional Documents

The Company has adopted a new set of memorandum and articles of association by way of a special resolution passed at the 2025 AGM. An up-to-date version of the Article is available on the Company's website and the Stock Exchange's website. Save as disclosed above, there were no change in the constitutional documents of the Company during the Year.

Environmental, Social and Governance Report

About this Report

This Environmental, Social and Governance ("**ESG**") Report ("**this Report**") sets out the ESG initiatives, plans and performance of Thelloy Development Group Limited and its subsidiaries (hereinafter collectively referred to as "Thelloy", "**the Group**" or "**we**"), and demonstrates the Group's commitment to sustainable development. This Report is the Group's tenth sustainability report, reflecting our commitments and practices regarding environmental, social and governance issues, and describing our sustainability strategies and management measures in relation to material issues. The content focuses on the Group's core and principal business activities, namely the provision, as a main contractor in Hong Kong, of: (i) building construction services; and (ii) repair, maintenance, alteration and addition ('RMAA') works services.

Reporting Period

This report covers progress made on ESG initiatives during the period from 1 April 2025 to 31 March 2026 (the "**Year**" or "**Reporting Period**") and discloses, in a transparent and open manner, the Group's ESG policies, measures and performance beyond its financial performance, in response to the concerns and expectations of various stakeholders regarding the Group's sustainable development.

Reporting Scope

This report sets out the key performance indicators (KPIs) for the Group's offices ('Offices') and flagship projects ('Projects').

Basis of Preparation

This report has been prepared in accordance with the 'Mandatory Disclosure Requirements' and the 'Explain or Comply' principle set out in the Environmental, Social and Governance Reporting Code ('ESG Reporting Code') contained in Appendix C2 to the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited ('HKEX').

Reporting Principles

In preparing this report, the Group has adhered to the four fundamental reporting principles set out in the ESG Reporting Code. These principles and the manner in which the Group has applied them in this report are set out below:

- Materiality: Through stakeholder engagement and materiality assessment, the Group has identified and determined the ESG issues that have a significant impact on investors and other stakeholders; details are set out in the 'Stakeholder Engagement' and 'Materiality Assessment' sections.

- Quantification: Where practicable, this report discloses key performance indicators using quantitative methods, explains the standards, methodologies and assumptions applied, and provides comparative data.

- Balance: This report reflects the Group's overall performance in a fair and objective manner, avoiding any influence on the reader's understanding or judgement arising from the selection, omission or presentation of information.

- Consistency: This report adopts a consistent methodology, facilitating meaningful year-on-year comparisons of ESG performance.

Access to the Report

The online version of this report is available on the Stock Exchange's website. This report is available in both Chinese and English; in the event of any discrepancy between the two versions, the English version shall prevail.

Contact Details

We welcome valuable feedback and suggestions from all stakeholders. Should you have any enquiries or comments, please contact the Group at:

Address: 19/F. The Globe, 79 Wing Hong Street, Lai Chi Kok, Kowloon, Hong Kong
Telephone: +852 2525 9333
Email: info@thelloy.com

The Board's Statement

The Group's Board of Directors (the "**Board**") is committed to promoting sustainable development and attaches great importance to related work. The Board is responsible for overseeing the Group's material issues in the areas of environmental, social and governance (ESG) and climate-related matters, continuously reviewing their management and implementation, and bears ultimate responsibility for the formulation of the overall ESG strategy and the disclosure of information.

The Group values the views and feedback of its stakeholders and has established diverse communication channels to maintain close contact with key stakeholders, with a view to identifying and discussing key ESG issues and related potential risks, thereby continuously optimising the Group's ESG strategy and policy framework. During the Reporting Period, the Board reviewed key ESG issues to ensure that the materiality matrix remains relevant and up to date; details are set out in the 'Materiality Assessment' section.

Furthermore, the Group has established a systematic ESG target management framework covering key areas such as emissions control, energy use and water resource management. The Board reviews the achievement of these targets annually and makes appropriate adjustments as necessary to ensure continuous improvement; further details are set out in the 'Green Operations' section.

The information disclosed in this report is primarily derived from the Group's internal documents, statistical data and consolidated information from subsidiaries. The Board oversees the content of this report to ensure that it contains no false or misleading statements or material omissions, and is responsible for its accuracy, truthfulness and completeness.

This report provides comprehensive disclosure on the ESG matters and was reviewed and formally approved by the Board on 29 June 2026.

Chairman's Message

Dear Stakeholders,

We are pleased to present our tenth ESG Report for the fiscal year ended 31 March 2026.

Thelloy understands that sustainability is becoming increasingly important for businesses as the world faces major challenges like climate change, resource shortages, and threats to human rights. There is growing pressure on companies to take action and lead on sustainability efforts.

The Group stays updated on global trends and actively responds to calls for carbon neutrality by incorporating sustainable development into our daily operations. We strive to align with and support the Hong Kong government's climate action plan, which aims to achieve carbon neutrality before 2050. We received the Sustainability Contribution Gold Seal Award from the Hong Kong Quality Assurance Agency (HKQAA) for promoting ecofriendly construction and we were also one of the first group of companies to join the ESG Recognition Scheme by the Hong Kong Construction Association (HKCA), adopting green technologies and engaging employees and workers to contribute to sustainable construction together.

Pursuing a people-oriented approach, we deem employees as partners along the path to sustainable development. We strive to create a fair, inclusive workplace, offering diverse training programmes to foster mutual growth with our employees. We adhere to stringent safety regulations and implement robust safety management practices to eliminate unsafe conditions and behaviours. Thelloy remains committed to generating long-term value and positive impact for our community.

To remain competitive for the upcoming opportunities and to respond to the call for "New Quality Productive Forces", we are committed to driving technological innovation to advance productivity and to promote sustainable development. The Group has continued efforts in developing its capabilities in innovative Modular Integrated Construction (MIC) design, expanding application of Building Information Modelling (BIM) technology, and adopting artificial intelligence for site safety. Apart from safety, we are also committed to introducing energy-efficient initiatives and striving to achieve our waste and emissions mitigation targets. Our relentless efforts were being recognised by the Environmental Campaign Committee as a Hong Kong Green Organisation, and we have also recently obtained green financing for a project with recognition under the CIC Sustainable Finance Certification Scheme.

Going forward, we will remain rooted in our vision to Build for More, providing services characterised by high-end technology, high efficiency and high quality. We will provide even more insights in our future reports, keep incorporating sustainability into our business operations, to forge a long-term sustainable business.

Yours faithfully,
For and on behalf of the Board

Ng Jonathan Yee
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 29 June 2026

Stakeholder Engagement

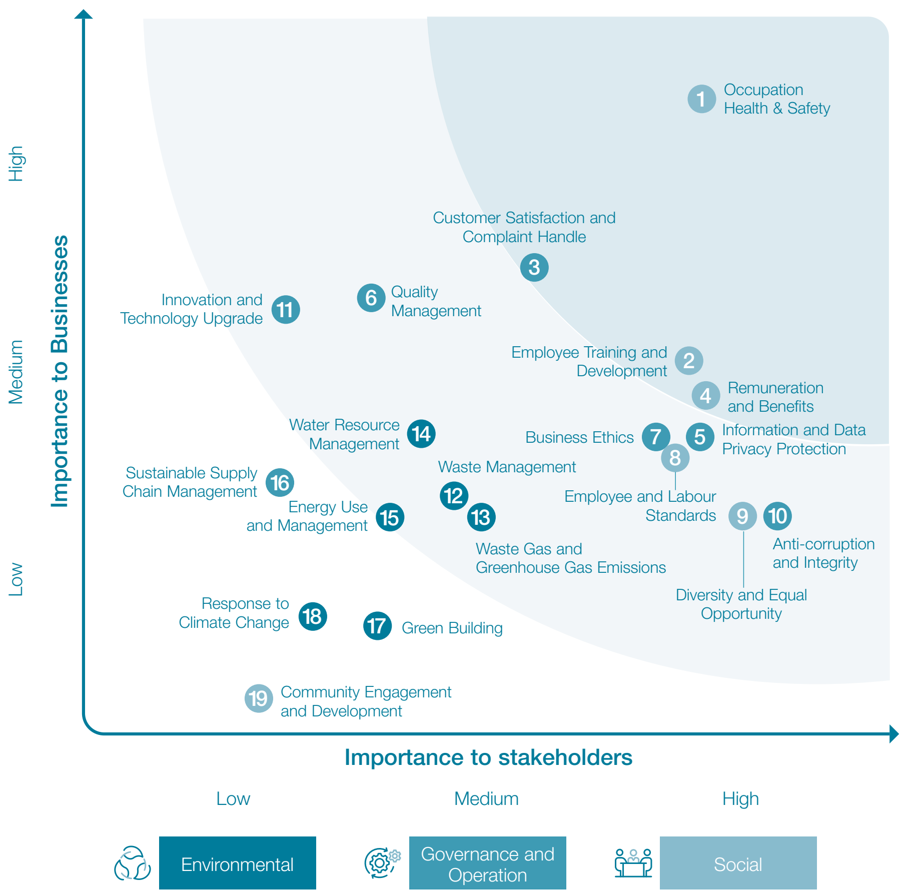
The Group places great importance on close communication with key stakeholders and recognises the importance of understanding their perspectives and expectations in enhancing our environmental, social and governance performance. By actively gathering stakeholders' views and concerns, we continuously optimise our ESG management strategies and refine our relevant policies and practices. At the same time, the Group engages with key stakeholders and communities affected by our operations through a variety of communication channels (as shown in the table below) to gain a comprehensive understanding of their expectations and concerns, thereby supporting more effective decision-making and driving continuous improvement in our ESG performance.

Stakeholders	Expectations and demands	Engagement Channels
Government and regulatory agency	• Comply with relevant laws and regulations • Fulfil tax obligations • Maintain integrity in operations	• Cooperate with government monitoring and inspections • Publish regular reports • Maintain communication with regulatory authorities • Comply with relevant laws, regulations and policies
Shareholder and investor	• Shareholders' rights • Return on investment • Disclosure and transparency • Business stability and sustainable Development • Compliance operations	• Annual General Meetings • Email and telephone enquiries • Company website • Annual reports and announcements • ESG reports
Employee	• Employees' rights protection • Remuneration and benefits scheme • Occupational health and safety • Professional development opportunities	• Staff training • Surveys and intranet platform • Regular meetings and progress reports • Company events
Customer	• Quality of products and services • Protection of consumer rights • Privacy protection • Business ethics • Compliance operations	• Customer communication • Feedback and complaints channels • Customer engagement activities • Email, hotline, and social media platforms
Supplier/Subcontractor/ Business Partner/Industry Association	• Honest and faithful performance of contracts • Principle of fair competition • Cooperation and mutual benefit	• Supplier selection, monitoring and evaluation • Standardised procurement and tendering processes • Annual performance appraisal
Community	• Community investment • Environmental protection	• Community services • Charity and donation programmes

Materiality Assessment

During the Reporting Period, as there were no significant changes in the Group's business operations or the external market environment that would have materially affected the materiality of the various environmental, social and governance issues, the materiality assessment results from the previous year were retained for this Reporting Period. This assessment is regularly updated through peer benchmarking, trend analysis and stakeholder engagement, with input sought from various stakeholders. The results are presented in the materiality matrix below and serve as a key reference for the Group in formulating strategies, setting targets and disclosing information, thereby ensuring that stakeholder concerns are consistently addressed.

The Board has reviewed and confirmed the materiality assessment results adopted and verified the prioritisation of various sustainability issues. Based on these results, the Group will continue to implement targeted improvement measures and enhance the transparency of its disclosures, with a view to improving its environmental, social and governance performance, whilst effectively addressing relevant risks and meeting stakeholder expectations.



The table below highlights the ESG issues which were determined to be material to the Group:

Environmental Issues	Social Issues	Governance and Operation Issues
12. Waste Management	1. Occupation Health & Safety	3. Customer Satisfaction and Complaint Handle
13. Waste Gas and Greenhouse Gas Emissions	2. Employee Training and Development	5. Information and Data Privacy Protection
14. Water Resource Management	4. Remuneration and Benefits	6. Quality Management
15. Energy Use and Management	8. Employee and Labour Standards	7. Business Ethics
17. Green Building	9. Diversity and Equal Opportunity	10. Anti-Corruption and Integrity
18. Response to Climate Change	19. Community Engagement and Development	11. Innovation and Technology Upgrade
		16. Sustainable Supply Chain Management

1. Sustainable Development Management

1.1 Sustainable Governance Framework

We fully recognise the importance of a robust sustainability governance framework in promoting long-term development, effectively managing risks and capitalising on opportunities. To this end, Thelloy continues to optimise its three-tier ESG governance framework, establishing a closed-loop management mechanism that encompasses decision-making, communication, implementation and reporting.

The Board

The Board bears ultimate responsibility for the Group's ESG strategy and reporting, and is committed to promoting sustainable development through green operations. The Board integrates ESG considerations into business operations and ensures that ESG principles are embedded throughout the Group's overall business strategy through a robust governance framework, effective oversight and relevant training.

The Board is responsible for overseeing the Group's ESG management direction and reviewing material ESG issues and related follow-up matters identified through stakeholder engagement and materiality assessments. At the same time, the Board formulates ESG management plans and continuously monitors the implementation of various objectives and measures.

Executive Directors convene regular ESG-related meetings as required to review ESG-related risks and issues and drive the implementation of corresponding measures through the Compliance Team. The Compliance Team is responsible for executing the relevant actions and reports directly to the Board on the progress and effectiveness of these measures.

The Audit Committee

The Audit Committee is responsible for overseeing the identification, assessment and management of ESG-related risks, and for regularly reviewing the effectiveness of the ESG governance framework. In addition, the Audit Committee regularly reviews progress against ESG targets to ensure that relevant strategies, objectives and management policies are effectively implemented. The Audit Committee also coordinates the implementation of various ESG initiatives and reports to the Board at least once a year on any significant ESG matters.

The Compliance Team

The Compliance Team, which reports to the Audit Committee, is responsible for coordinating and driving forward ESG initiatives. It ensures that the Group complies with applicable environmental regulations, implements occupational health and safety measures, and conducts regular risk assessments, including the identification and analysis of climate-related risks facing the company, whilst promoting sustainable development practices and fulfilling corporate social responsibility.

The ESG Working Group

The ESG Working Group is responsible for driving and implementing the Group's ESG strategy and related initiatives, as well as for data collection, collation and the preparation of ESG reports. In addition, the Working Group reports on relevant progress to the Audit Committee at least once a year. During the Reporting Period, the Working Group has implemented and reviewed several ESG-related initiatives, including the establishment of a carbon emissions baseline and the formulation of a carbon emissions strategy, the implementation and optimisation of an energy management system, and the assessment of supply chain sustainability.

1.2 Anti-Corruption and Business Ethics

The Group maintains a zero-tolerance policy towards fraud, corruption and misconduct, and is committed to upholding the highest standards of business ethics and integrity. We have established the 'Prevention of Bribery, Extortion, Fraud and Money Laundering Policy' to prevent acts of bribery, extortion, fraud and money laundering. We also strictly adhere to established ethical guidelines and codes of conduct, including the Prevention of Bribery Ordinance (Chapter 201) and the Competition Ordinance (Chapter 619) of the Laws of Hong Kong, to promote a culture of integrity within the construction industry. During the Reporting Period, the Group did not identify any material breaches of laws and regulations relating to bribery, extortion, fraud or money laundering, nor were there any concluded corruption cases involving the Company or its employees.

Given that the construction industry involves high-value contracts, the Group pays particular attention to the risks of bid-rigging and bribery. It regulates processes such as project tendering, budgeting, execution and delivery through the Project Tendering and Management Policies and Procedures, strengthens selection and monitoring procedures via a supplier and subcontractor assessment mechanism. Furthermore, the Group regularly conducts comparative analyses of tenders to identify potential bid-rigging or misconduct. Should any suspicious circumstances be identified, relevant information, including dates, personnel involved and other records, will be meticulously documented and reported to the relevant regulatory authorities as required.

To mitigate the risks of fraud, extortion and money laundering, the Group requires employees to carry out customer due diligence, maintain appropriate transaction records and establish a robust internal control system. Any suspicious transactions are reported to the Joint Financial Intelligence Unit (JFIU) to strengthen safeguards against money laundering and terrorist financing. The Group also places great importance on the management of conflicts of interest and requires staff to avoid any actual or potential conflicts of interest. Should such situations arise, they must be declared in writing via their line manager, and approval must be obtained before undertaking external work that may give rise to a conflict of interest.

To promote a culture of integrity, the Group regularly provides anti-corruption and integrity training for directors and staff, including the adoption of recommendations from the Independent Commission Against Corruption (ICAC) and professional bodies, and enhances the ability to identify misconduct through measures such as tender checklists and cost analysis. During the Reporting Period, the Group organised several anti-corruption training sessions, such as the Integrity Management Webinar hosted by the Hong Kong Construction Association, and was not subject to any allegations of corruption or legal proceedings against the Group or its employees.

The Group has established a comprehensive whistleblowing mechanism to encourage employees, subcontractors, clients and business partners to report any breaches of the Code of Conduct or business ethics. All cases are treated with strict confidentiality, and no form of harassment, threats, retaliation or unfair treatment will be tolerated. Reports may be submitted via the dedicated hotline (+852 2371 8111) or by email (info@thelloy.com). All cases are investigated promptly and once verified, are reported to the Audit Committee for follow-up on relevant remedial measures and to ensure continuous improvement.

1.3 Supply Chain Management

The Group recognise that effective supply chain management is a vital foundation for delivering high-quality products and services, and is committed to establishing long-term, mutually trusting partnerships with suppliers and subcontractors. Through our 'Procurement Controls and Procedures Policy' and relevant internal guidelines, we ensure that the procurement process is fair, impartial and transparent, whilst upholding the principles of business ethics and environmental protection.

The Group's suppliers primarily provide building materials, machinery hire services and other site-related services, with concrete and reinforcing steel being the main building materials procured. We assess new suppliers and regularly review and screen potential and approved suppliers; our assessment criteria cover the quality of products and services, on-time delivery, corporate reputation, the use of environmentally friendly materials, and safety management performance.

Regarding subcontractor management, the Group engages nominated or local subcontractors as required by the project and is responsible for overall project management and on-site supervision. To ensure the quality of works and service standards, we regularly review our internal list of approved subcontractors and assess and screen them based on factors such as recent performance, technical capabilities and resources, quality assurance systems, and relevant licences and qualifications. The Group selects suitable subcontractors from the approved list based on project requirements and quotation terms.

The Group has established a comprehensive monitoring mechanism for suppliers and subcontractors; all potential partners must pass a rigorous assessment to be included on the approved list, and their performance is continuously monitored through regular performance appraisals, site inspections and service verification. To effectively identify environmental and social risks within the supply chain, the Group also regularly reviews relevant reports and certifications, and, by incorporating feedback from staff and the community, strengthens risk management and promotes sustainable development within the supply chain. Whether a partner remains on the approved list depends on their continued compliance with requirements in areas such as quality, safety, environmental performance and delivery capability. For suppliers or subcontractors whose performance falls short of standards, the Group will take follow-up measures, including issuing warnings or making a record of the issue; if no sustained improvement is achieved, they will be removed from the list.

1.3.1 Sustainable Material Sourcing

The Group is committed to procuring materials, products and services that comply with relevant environmental regulations, and, where technically feasible and cost-effective, incorporates environmental considerations into procurement decisions to minimise the environmental impact of the items procured. Such measures include sourcing timber certified by the Forest Stewardship Council (FSC®）, procuring steel and concrete from within the local region, and using bricks and lightweight concrete containing recycled content.

Furthermore, when selecting suppliers and subcontractors, the Group also takes their environmental performance into account in its assessment. Suppliers and subcontractors are required to comply with the BEAM Plus requirements for the relevant projects, give priority to equipment bearing energy labels or Energy Star ratings (such as site ventilation and air-conditioning systems and computer equipment), and promote the use of low-flow water fixtures to enhance energy efficiency and reduce water consumption.

At the same time, the Group maintains close cooperation with potential suppliers and subcontractors to identify relevant risks and to assess and control health and safety risks, including the impact of their business activities on the Group's operations, the impact of the Group's business on their employees, and the impact of their operations on other persons in the workplace, in order to ensure the overall safety and sustainable development of operations.

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2. Quality Service and Development

2.1 Product Quality and Safety

Rigorous quality management is crucial to the Group's ability to maintain its good reputation and ensure its sustainable development. We have established the "Control of Inspection, Measuring and Test Equipment Procedure" and the "Company Quality Policy" and have implemented comprehensive quality control measures covering policies relating to occupational health and safety, advertising and labelling management, and data protection. We ensure that all operations strictly comply with applicable laws and regulations to maintain a high standard of service quality. The Group is committed to striking a balance between cost control, project timelines and quality performance, whilst continuously monitoring the performance of suppliers and subcontractors throughout the procurement and quality control processes. During the Reporting Period, one of our construction projects was awarded the 2025 Building Surveyor Award by the Hong Kong Institute of Surveyors, highlighting our excellence in construction quality management.

To ensure the effective implementation of projects, the Group has established a comprehensive tendering and project management system. Prior to the commencement of works, detailed assessments are carried out across several key areas, including ensuring that the materials used meet established standards, the rational allocation of human resources to align with the project schedule, and confirming that equipment and tools are in good working order. In addition, we carry out environmental impact assessments and risk identification and formulate corresponding mitigation measures. These are complemented by a comprehensive safety management programme, including risk assessments, contingency plans and staff safety training, to ensure the project complies with safety and regulatory requirements.

Throughout the project's execution, the project management team conducts ongoing quality inspections to ensure that all works comply with the requirements of the ISO 9001 Quality Management System. We also hold regular progress meetings with clients, during which the project manager reports on the project's progress, discusses key issues and gathers client feedback. Upon project completion, a debriefing meeting is held, to which key stakeholders are invited to jointly review the project outcomes, assess progress control, quality management, subcontractor performance and safety records, and summarise lessons learnt to facilitate continuous improvement.

During the Reporting Period, the Group did not carry out any product recalls due to product quality or health and safety-related issues.

2.2 Customer Satisfaction

The Group is committed to providing high-quality and reliable customer service, proactively understanding customer needs and responding promptly to their comments and feedback, whilst establishing a comprehensive complaints-handling mechanism to continuously improve service standards and the overall customer experience. The Complaints Committee is responsible for coordinating and supervising the progress of all complaint cases and convenes annual meetings to review them. The relevant meeting minutes and case details are also submitted to management meetings and circulated to all independent non-executive directors to ensure transparency of information and strengthen accountability mechanisms.

During the Reporting Period, the Group did not receive any project-related complaints. Should any such cases arise in the future, the Group will take prompt follow-up action to address the issues appropriately, thereby maintaining a high standard of service quality.

2.3 Data Privacy and Intellectual Property Protection

The Group attaches great importance to the protection of personal data and privacy. During the Year, we formulated the “Protection of Consumer Privacy Policy” to safeguard the privacy and personal data of our clients, customers and stakeholders. We have established relevant policies covering intellectual property protection, consumer privacy and compliance requirements, and strictly adhere to the applicable laws and regulations in the jurisdictions where we operate, including the Personal Data (Privacy) Ordinance (Cap. 486 of the Laws of Hong Kong), to ensure that data is properly managed throughout its entire lifecycle.

Regarding data collection, the Group collects only the necessary personal data for lawful and business-related purposes and ensures that the methods of collection are fair and reasonable. We then take appropriate measures to ensure the accuracy of data and use it only for the intended or directly related purposes, unless consent has been obtained from the data subject or it is required by law.

Regarding data protection and use, the Group implements appropriate security measures to prevent unauthorised access, disclosure or misuse of data, and ensures that relevant parties clearly understand the purposes and categories of data. Furthermore, we have established mechanisms to enable data subjects to access and rectify their personal data, and we handle such requests appropriately in accordance with regulations.

About data retention and processing, the Group retains data only for the period necessary to fulfil the specified purposes and securely destroys it in accordance with established procedures when it is no longer required, thereby mitigating data risks.

The Group’s business does not involve research and development or product labelling, nor does it rely on extensive marketing activities. During the Reporting Period, no intellectual property, advertising or labelling-related matters were identified as having a material impact on the business. However, the Group will continue to monitor relevant risks to ensure it can respond in a timely manner should the operating environment change.

3. Environmentally Conscious Operations

Guided by the principle of green operations, the Group is committed to achieving low-carbon, sustainable development. We have implemented various measures to ensure that our operations are environmentally responsible across a range of areas, including greenhouse gas (GHG) emissions, energy use, pollution control, and the management of water, waste and noise. The Group complies with all applicable environmental laws and regulations, including but not limited to:

- Air Pollution Control Ordinance (Cap.311)
- Waste Disposal Ordinance (Cap.354)
- Waste Disposal (Chemical Waste) (General) Regulation (Cap.354C)
- Water Pollution Control Ordinance (Cap.358)
- Noise Control Ordinance (Cap.400)

3.1 Environmental Management

The Group has established a comprehensive Environmental Management System (EMS) to ensure that all operations strictly comply with relevant laws and regulations, covering noise control, air pollution prevention and control, solid waste management and wastewater management. We regard every employee and subcontractor as a key partner in environmental protection and require all team members to strictly adhere to EMS standards in their business activities. Driven by our pursuit of excellence in management, the Group has held ISO 14001 Environmental Management System certification since 2009 and ISO 50001 Energy Management System certification since 2016.

To continuously optimise our environmental performance, we appoint a dedicated Environmental Officer for each construction project, who is responsible for implementing environmental management policies and devising targeted measures. The Environmental Officer proactively identifies potential risks through regular inspections and designs and delivers professional training programmes for staff and site personnel to ensure that construction processes comply with environmental standards. Furthermore, we maintain a transparent communication mechanism, reporting environmental performance to the Group monthly to ensure that management is kept fully informed and can continuously improve the effectiveness of our environmental initiatives.

During the Reporting Period, we were awarded the 2025 Environmental Merit Award by the Hong Kong Construction Association and recognised as a Hong Kong Green Organisation in recognition of our environmental management and performance.

3.2 Emissions Control

As a contractor providing construction engineering services, the Group is fully aware that operations at construction sites generate various types of emissions and pollution. The Group's direct greenhouse gas emissions (Scope 1) primarily stem from fuel consumption by vehicles or at construction sites; indirect greenhouse gas emissions from energy use (Scope 2) mainly arise from electricity consumption at our head office and construction sites. We are committed to reducing greenhouse gas emissions, particularly in relation to the diesel generators commonly used at construction sites. To this end, we are actively promoting the electrification of construction sites, increasing the use of electrical equipment where feasible to reduce fossil fuel consumption, and have adopted solar-powered flashing lights, lighting and mosquito-repellent lamps to ensure the effective use of clean energy.

We have implemented the following emission reduction measures to minimise greenhouse gas emissions:

- Construction site generators have been switched to D5 diesel, which has a lower sulphur content and emits fewer pollutants compared to conventional diesel fuel;
- We encourage drivers to switch off engines whilst idling and ensure that company vehicles are only operated when necessary to minimise fuel consumption;
- We arrange regular vehicle maintenance checks to ensure they are in optimal condition;
- We also promote the use of unleaded and low-sulphur petrol, and take the shortest routes to destinations;
- We are promoting the electrification of construction sites, for example by increasing the use of electrical equipment to minimise the use of fossil fuels as much as possible;
- All air-conditioning systems on construction sites use refrigerants that do not contain chlorofluorocarbons ("**CFCs**").

Furthermore, emissions such as nitrogen oxides (NOx), sulphur oxides (SOx) and particulate matter (PM) generated by the Group are strictly regulated by national laws and regulations. In accordance with green building assessment criteria and local standards, we regularly monitor total suspended particulate (TSP) levels in the vicinity of construction sites to ensure that pollutants generated during construction do not adversely affect the surrounding environment. During the Reporting Period, the Group did not receive any complaints from the public regarding air pollution from its construction projects.

We have implemented the following emission reduction measures to minimise emissions of air pollutants:

Emissions Reduction at Source	• To minimise dust emissions, minimise soil exposure and the potential for dust generation as far as possible • Regularly spray water onto all stockpiles of dust-prone materials to keep the entire surface damp • Minimise the drop height of dust-prone materials to limit dust generation during loading and unloading • All diesel-powered construction plant must use ultra-low-sulphur diesel • All non-road mobile machinery is fitted with a non-road mobile machinery label to ensure that emissions do not exceed the permitted limits
Dust Control	• Stocks of dust-generating materials are confined within designated pedestrian barriers, fencing or traffic cones to minimise dispersion. • All stocks of dust-generating materials are either fully covered with impermeable sheeting or stored in areas sheltered from the top and on three sides to prevent dust emissions. • Construction waste is regularly wetted with water and transported via chutes to suppress dust. • Vehicles transporting materials likely to generate dust during transit have been fitted with appropriate side panels and tailgates to control the material. • Materials transported by vehicle are fully covered; the covers are securely fastened and extend to the edges of the side panels and tailgates to prevent spillage and dust generation during transit. • Vehicle speeds on site are limited to 5 km/h or less to minimise the resuspension and dispersion of dust. • Wheel-washing facilities have been installed at all vehicle exits to prevent dust from being carried off-site by vehicles and accumulating on public roads.
Regular monitoring	• Install air-quality sensors near the construction site to measure the concentration of total suspended particulates on a regular basis.

3.3 Waste Management

The Group attaches great importance to environmental management and is committed to minimising the environmental impact of its operations by strictly controlling waste generation and continuously optimising monitoring mechanisms. Prior to the commencement of any project, we ensure that all necessary waste disposal licences and approvals have been obtained in accordance with relevant laws and regulations. In accordance with the Group's Waste Management Policy, we have established clear guidelines to minimise construction and demolition waste, and senior management conducts an annual review of the policy, or as required. We also communicate the importance of waste reduction to all staff, subcontractors and site personnel; currently, some projects have successfully achieved a 30% reduction in waste or recycling rate.

3.3.1 Non-Hazardous Waste Management

In pursuit of continuous improvement in waste management performance, the Group has set a target of reducing non-hazardous waste by 3% annually. We have implemented waste sorting facilities at construction sites, where reusable or recyclable materials are sorted and stored in temporary warehouses before being transported to designated recycling facilities; materials unsuitable for recycling are disposed of at designated public fill sites or landfills. Furthermore, reusable modular offices and hoardings are utilised on site to facilitate their circulation amongst different construction projects. Materials such as foam boards and cardboard are returned to suppliers for reuse where appropriate.

All Group staff and subcontractors are required to take reasonable measures to avoid the generation of non-hazardous waste through proper project planning. The following approaches should be considered in the management of non-hazardous waste:

Elimination	• Complete elimination of wastes.
Reduction at source	• Avoidance, reduction, or elimination of waste, typically within the production unit, through changes in processes or procedures.
Reuse/Recycling	• Using, reusing, and recycling wastes for their original purposes or for other purposes such as input material or material recovery.

During the Reporting Period, we achieved outstanding results and were awarded the ‘Wastewi$e Certificate’ by the Hong Kong Green Organisation Certification Scheme.

3.3.2 Hazardous Waste Management

During the Reporting Period, neither the Group's projects nor its offices generated any hazardous waste. Nevertheless, we have established comprehensive guidelines to address the management and disposal of any hazardous waste that may be generated in the future. Each project is overseen by a registered, licensed chemical waste generator. All chemical waste generated during construction is properly labelled, packaged and temporarily stored in designated on-site chemical waste storage areas, before being transported by a licensed waste collector to authorised disposal facilities, ensuring full compliance with regulatory requirements throughout the process. Regarding asbestos waste, we handle it strictly in accordance with chemical waste standards and engage professionals to carry out sampling and testing; should any asbestos-containing materials be identified, we will commission specialist contractors to remove them and transport them to a chemical waste treatment centre or an authorised facility for disposal.

The following options should be considered for hazardous waste management:

Elimination	• Complete elimination of wastes.
Reduction at source	• Avoidance, reduction, or elimination of waste, typically within the production unit, through changes in processes or procedures.
Reuse/Recycling	• Use, reuse, and recycling wastes for their original purposes or for other purposes such as input material or material recovery.
Treatment	• Destruction, detoxification, and neutralisation of wastes into less harmful substances.
Disposal	• Safe and controlled release of wastes to air, water, or land, often involving volume reduction, encapsulation, leach containment, and monitoring techniques to render them harmless.

During the Reporting Period, there were no breaches of regulations regarding the generation and disposal of waste. We will continue to implement best practice to maintain our commitment to preventing the unauthorised discharge of hazardous waste.

3.4 Energy Management

The Group is committed to reducing electricity consumption through comprehensive energy management and has implemented a series of energy-saving measures at construction sites and office premises.

Regarding construction sites, we have taken several initiatives that comply with the BEAM Plus or LEED green building certification standards. We have installed LED spotlights and T5 fluorescent tubes in key areas such as site entrances, walkways and work zones, significantly reducing electricity consumption compared to traditional lighting. To meet operational requirements during the early morning or late at night, we have provided solar-powered torches to make the most of renewable energy. Furthermore, air-conditioning units and computer equipment with Grade 1 energy labels have been fully deployed in site offices, and timers have been installed to automatically regulate electricity consumption, effectively preventing unnecessary energy wastage outside working hours.

In terms of office management, the Group has implemented a comprehensive Internet of Things (IoT) system to monitor and optimise energy usage. This system collects real-time movement and brightness data from office areas and, through data analysis, proactively adjusts energy output to enhance overall energy efficiency. We also actively procure energy-efficient equipment, including LED lights, T5 fluorescent tubes, air-conditioning units with a Grade 1 energy label and computers bearing the 'Energy Star' label. Individual switches have been installed in offices to control lighting and air-conditioning on a zone-by-zone basis, and staff are encouraged to switch off unnecessary lights and electrical appliances during off-peak hours, thereby collectively fostering a corporate culture of energy conservation.

3.5 Water Management

The Group's water consumption stems primarily from the day-to-day operations of its construction sites. We regard water resource management as a key aspect of sustainable development and are committed to improving overall water efficiency. Currently, water supplies to the Group's construction sites and offices are sourced from the government water supply system; consequently, we do not face any challenges in securing an adequate water supply.

To fulfil our commitment to water conservation, we have implemented water-saving measures to optimise resource utilisation. We have installed various water-saving devices in appropriate locations across our construction sites and offices, including dual-flush toilets, sensor-operated urinals, appliances bearing the Grade 1 water efficiency label, automatic sensor taps and leak detectors. Furthermore, our sites are equipped with chemical treatment facilities to recycle treated water for general cleaning purposes. We also provide regular training for workers on water-saving operating procedures, with the aim of fostering good water usage practices and a culture of conservation.

Attributable to these initiatives, the Group's overall water consumption is expected to be lowered by 3% annually.

Regarding wastewater discharge management, the Group adopts stringent measures to minimise environmental pollution caused by surface runoff. Before discharge, construction site wastewater must be treated through facilities such as wastewater treatment systems, sedimentation tanks, neutralisation tanks, oil separators, septic tanks and sand traps. All facilities comply with the discharge standards stipulated in the Environmental Protection Department's Wastewater Discharge Permit. We also carry out regular maintenance and cleaning of the wastewater treatment facilities to ensure their continued effective operation. Furthermore, we regularly collect wastewater samples and submit them to laboratories accredited under the Hong Kong Laboratory Accreditation Scheme for testing, ensuring that levels of all pollutants are strictly controlled within the limits specified in the permit.

3.6 The Environment and Natural Resources

The Group is fully aware of the significant impact that construction activities can have on ecosystems and is therefore committed to conserving natural resources and protecting the environment. Whilst delivering high-quality projects, we actively take measures to minimise our environmental footprint and are committed to reducing the adverse impact of our operations on the natural environment.

3.6.1 Noise Management

Regarding noise management, we have implemented mitigation measures to minimise disruption to neighbouring communities. The Group strictly complies with the Noise Control Ordinance (Cap. 400) and carries out works during the permitted hours of 7.00 am to 7.00 pm. We plan construction schedules scientifically, scheduling high-noise operations during non-sensitive periods; for example, near schools, we avoid carrying out noisy works during teaching hours. Where work is required on public holidays or Sundays, we apply for a building noise permit in accordance with the law. Furthermore, we install movable noise barriers or sound enclosures around the construction site and prioritise the use of low-noise equipment (such as replacing pneumatic breakers with hand-held jackhammers). We also regularly monitor site noise levels to ensure compliance with limits. Through a robust complaint-handling mechanism and communication with the local community, we can resolve any issues promptly. During the Reporting Period, the Group did not receive any complaints regarding site noise.

3.6.2 Tree Preservation

The Group also attaches great importance to the protection of trees on construction sites. We engage registered arborists to carry out detailed surveys, documenting tree species, dimensions, health status and landscape value, and to compile reports. In accordance with their recommendations, we establish tree protection zones and modify site fencing to accommodate the trees. We conduct tree surveys every two months to continuously monitor their condition and ensure that maintenance work is effective. These reports enhance transparency, enabling stakeholders to understand the effectiveness of our efforts to protect the natural environment.

3.7 Climate Change

We have a deep understanding of the challenges that climate risks pose to our business. We are committed to strengthening our capacity to manage physical and transition risks, formulating sector-specific response strategies to enhance corporate climate resilience, and actively supporting the nation's "Dual Carbon" targets. We have aligned our practices with Part D "Climate-related Disclosures "of the Hong Kong Stock Exchange's ESG Code, and have drawn upon the International Financial Reporting Standard S2: Climate-related Disclosures ("**IFRS S2**") framework issued by the International Sustainability Standards Board ("**ISSB**"), we have established a climate risk management mechanism centred on four core dimensions: governance, strategy, risk management, and metrics and targets.

3.7.1 Governance

The Group attaches great importance to climate governance; we continuously refine our internal management mechanisms and set clear carbon emissions management targets. As the highest decision-making body for climate matters, the Board of Directors bears ultimate responsibility for climate-related strategies and reporting. The Audit Committee, established under the Board, oversees the identification, assessment and management of climate risks, provides expert advice on the formulation and implementation of climate targets, and monitors the relevant departments' implementation of response measures. When deliberating on corporate strategy, major transaction decisions and risk management, the Audit Committee comprehensively considers climate-related risks and opportunities and weighs up the relevant trade-offs. The Committee meets at least once a year and reports on its annual progress to the Board in the form of a written thematic report, ensuring that information on climate risks and opportunities is communicated to the decision-making level on a regular and standardised basis. At the operational level, the ESG Working Group is responsible for the day-to-day management and oversight of ESG governance. The ESG Working Group meets at least once a year to liaise and coordinate with members of the ESG Working Group, ensuring that all strategies, objectives and management policies are effectively implemented.

To achieve our environmental objectives and long-term sustainable development, we organised environmental management training courses for Committee and Board members during the Reporting Period. These courses covered knowledge relating to climate risks and management, ensuring they possess the appropriate skills and competence to oversee strategies for addressing climate-related risks and opportunities. Through such internal training, we have further strengthened the professional expertise of management and the executive team in environmental management, laying a solid foundation for achieving green operations. For details regarding the governance framework, please refer to the section '1.1 Sustainable Governance Framework' above.

3.7.2 Strategy

The Group regularly identifies and manages climate-related risks and opportunities, conducting in-depth assessments of their direct or indirect financial impacts across short-term (within 3 years), medium-term (3-6 years) and long-term (over 6 years) horizons. During the Reporting Period, we have identified a total of six climate risks (including four transition risks and two physical risks) and two climate opportunities. To mitigate negative impacts, we have established specific preventive measures and regularly review their timeliness and effectiveness, whilst continuously enhancing our professional capabilities in addressing climate change. By continually optimising our risk control mechanisms, we ensure that our management remains proactive and forward-looking, thereby comprehensively enhancing the Group's resilience.

Climate-related risks

Type of Risk		Description of Risk	Time Period	Financial Impact of Risk	Mitigation and Adaptation Strategies
Physical Risks	Acute Risks	• Extreme weather events such as blizzards, typhoons and torrential rain may disrupt the Group's normal operations. • Suppliers may be affected by extreme weather, leading to delays or disruptions in the supply of building materials, which could impact the stability of the supply chain.	Short-term	• Damage to facilities caused by extreme weather events • Reduced revenue due to project delays • Increased capital expenditure on mitigation measures • Higher operating costs due to health and safety incidents • Rising labour costs due to an increase in health issues • Higher operating costs due to the purchase of additional cooling equipment	• Provide preventive training and emergency drills for employees • Implement flexible working arrangements where necessary • Carry out climate risk assessments and studies on climate-resilient design • Equip facilities with water tanks wherever possible • Maintain cooling equipment in good working order • Take out property and accident insurance • Regularly review workers' working hours and improve working conditions • Organise health and safety awareness campaigns to promote heatstroke prevention • Promote the use of energy-efficient cooling systems
	Chronic Risks	• As average temperatures rise, workers carrying out outdoor tasks face an increased risk of heatstroke and a decline in productivity.	Medium-term, Long-term	• Rising labour costs due to an increase in health issues • Increased operating costs resulting from the purchase of additional cooling equipment	• Regularly review workers' working hours and improve working conditions • Organise health and safety awareness campaigns to help prevent heatstroke • Promote the use of energy-efficient cooling systems
Transition Risks	Policy and Legal Risk	• Strict climate-related regulations may lead to more onerous compliance requirements.	Short-term, Medium-term	• Increased compliance and operational costs • Legal proceedings and penalties should the Group fail to meet the requirements	• Committed to sustainability initiatives and compliance with all applicable laws and regulations
	Technology Risk	• Existing technologies may become obsolete, and low-carbon construction methods or more environmentally friendly building materials may disrupt the current business model.	Medium-term, Long-term	• New technologies may disrupt current business models • Adopting low-carbon construction methods or sourcing building materials may lead to increased capital expenditure	• Investing in research and development of new technologies • Keeping abreast of the latest smart construction technologies on the market
	Market Risk	• Shifts in consumer trends and stakeholder demands may necessitate the adoption of green practices.	Medium-term, Long-term	• Analysing and responding to changes in consumer trends and preferences • Growing demand from stakeholders for the adoption of green practices	• Communicate sustainability measures to stakeholders in a timely manner • Digitise operations and implement energy-saving initiatives • Enhance communication with customers and stakeholders • Continue to implement certified ISO management systems
	Reputation Risk	• A failure to commit to achieving climate targets and indicators may undermine commitments to social responsibility	Medium-term, Long-term	• A decline in revenue resulting from a loss of customer trust or stakeholder support	• Enhance transparency in reporting and communication • Build a strong brand centred on sustainability and ethical practices

Climate-related opportunities

Type of opportunities	Time period	Financial Impact on Business and Value Chain	Response Measures
Sustainable product	Medium-term, Long-term	By adopting low-carbon construction solutions such as Modular Integrated Construction (MiC), our company can make the construction process easier to manage and control, whilst streamlining construction procedures, thereby effectively reducing waste of building materials and saving on capital expenditure. Furthermore, as the main construction processes are carried out indoors, the project schedule is shielded from disruption caused by extreme weather conditions such as heavy rain and extreme heat, significantly reducing the risk of work stoppages due to weather events and the associated financial losses.	The company is actively developing innovative MiC design capabilities and comprehensively expanding the scope of application of Building Information Modelling (BIM) technology, whilst utilising laser scanning technology to enhance overall productivity. We have introduced artificial intelligence and smart site safety systems for real-time site monitoring, using technology to ensure construction safety and project efficiency.
Resource Efficiency	Medium-term	By utilising renewable energy on construction sites and promoting the use of electronic equipment, it is possible to effectively reduce reliance on fossil fuels during the early stages of construction, thereby lowering the costs associated with fuel transport and reducing carbon emissions, and further optimising capital expenditure.	This Year, the company has procured approximately 945 photovoltaic panels for on-site power generation. Where feasible, we actively prioritise the use of high-efficiency, energy-saving equipment during construction, or require subcontractors to do the same.

3.7.3 Risk Management

The Group is committed to establishing a comprehensive climate risk management framework. It has incorporated climate risk management requirements into the ‘ESG Working Group Procedures’ and fully integrated them into the enterprise risk management framework. By establishing a climate risk identification checklist, the ESG Working Group regularly assesses the materiality of various climate risks. The Group comprehensively assesses the likelihood of risks occurring and the extent of their financial and operational impact, prioritises each issue, and formulates targeted response measures to strengthen corporate resilience.

At a strategic level, we have incorporated climate considerations into our long-term development plans, prioritising the effective mitigation of climate-related risks through optimising R&D initiatives, adopting energy-saving and low-carbon principles, and strengthening supplier management. During the Reporting Period, following comprehensive identification and assessment, the Group did not identify any significant climate-related risks that had a material impact on its business development, operations or financial position.

Steps	Definitions
Risk Identification	• Conduct climate risk identification exercises on a regular basis, collecting and analysing historical climate-related data and considering industry trends and relevant policy documents, in order to identify climate risks and opportunities that may have a potential impact on business operations. • Through internal communication, draw up a list of climate-related risks and opportunities.
Risk Assessment	• Assess the likelihood of risks, the severity of their impact, the extent to which they affect the company's financial planning, and the extent to which they impact the company's strategic development; determine a comprehensive risk rating; thereby prioritise climate change risks and identify material risks. • The prioritisation list is first subject to preliminary review by the heads of each business division, then submitted to the Managing Director for final approval, resulting in the final annual risk prioritisation table, ensuring that the prioritisation of climate risks aligns with the company's overall risk appetite.
Risk Response	• In response to identified significant climate-related risks, the Group systematically formulates corresponding risk mitigation measures. Through various approaches, such as elimination, reduction or transfer, the Group effectively minimises the negative impact of these risks on its operations and safeguards the stability of its business.
Risk Monitoring	• Continuously monitor changes in various climate-related risks and development opportunities, regularly update the list of climate risks and opportunities, ensure that management has a timely and comprehensive understanding of the latest developments regarding climate-related risks and opportunities, and report to the relevant management on a regular basis.

3.7.4 Metrics and Targets

The Group is committed to continuously improving the transparency and effectiveness of its climate change response through quantitative indicators. In active response to Hong Kong's Climate Action Blueprint for achieving carbon neutrality by 2050, we have established both qualitative and quantitative targets for greenhouse gas emissions and conduct annual performance reviews. By continuously optimising our energy mix and improving resource efficiency, we are making every effort to reduce carbon emissions from our operations, with the aim of achieving the following greenhouse gas emission intensity reduction targets by 2027. To realise these reduction targets, we are actively investing in emission reduction strategies and technologies. This Year, we have invested approximately HK$4 million in the procurement of solar panels, which will enable us to generate around 395,800 kilowatt-hours of renewable energy annually, fully demonstrating our firm commitment to achieving our carbon reduction targets. With all the above reduction measures, we have successfully achieved over 40% of Scope 1&2 emission intensity reduction for our Head Office area compared to the baseline year. We will continue our efforts to ensure our reduction target in 2027 can be achieved.

Target	Baseline Year	2027 Target	2026 Emission Reduction
Scope 1 and 2 greenhouse gas emission intensity (tonnes of CO_2 equivalent/HK$1 million in revenue)	2024	Reduce 3%	Over 40% reduction compared to baseline year

The Group is currently working on developing a Scope 3 emissions reduction roadmap and has begun identifying key emission sources within its value chain. We will continue to strengthen communication and collaboration with our suppliers and partners to jointly develop emission reduction plans, and we plan to set preliminary emission reduction targets in the next reporting year. Furthermore, we have disclosed key environmental indicators related to climate change, including energy consumption and intensity, as well as greenhouse gas emissions and intensity; please refer to the 'KPI Performance Summary' section of this report for further details.

Although the Group has not yet incorporated climate considerations into its remuneration incentive schemes, nor adopted an internal carbon pricing strategy, we fully recognise the importance of such mechanisms in driving the transition to a low-carbon economy. We will continue to explore the feasibility of implementing these measures within our business operations and will progressively refine the relevant management mechanisms in future reports, with a view to further enhancing our environmental governance standards and fulfilling our commitment to sustainable development.

4. People-Oriented, Safety First

4.1 Employment and Labour Standards

Adhering to its core philosophy of 'people-oriented', Thelloy is committed to fostering a fair, safe and healthy working environment, and continues to invest resources in staff development and the enhancement of staff wellbeing. The Group actively addresses various labour-related issues, including occupational safety and health, the protection of labour rights, the opposition to child labour and forced labour, and the promotion of diversity, inclusion and good labour-management relations.

The Group strictly complies with the current employment laws and regulations in Hong Kong, including but not limited to:

- The Employment Ordinance (Chapter 57 of the Laws of Hong Kong);
- The Sex Discrimination Ordinance (Chapter 480 of the Laws of Hong Kong);
- The Disability Discrimination Ordinance (Chapter 487 of the Laws of Hong Kong);
- The Family Status Discrimination Ordinance (Chapter 527 of the Laws of Hong Kong);
- The Race Discrimination Ordinance (Chapter 602 of the Laws of Hong Kong);
- The Employees' Compensation Ordinance (Chapter 282 of the Laws of Hong Kong); and
- Minimum Wage Ordinance (Chapter 608 of the Laws of Hong Kong).

We place great emphasis on talent management and resource allocation, and are committed to creating a diverse, inclusive and non-discriminatory working environment in which employees from all backgrounds can fulfil their potential. We clearly set out all employment policies in our staff handbook to ensure that recruitment, promotion and training processes are conducted in accordance with the principles of fairness, impartiality and transparency. Selection is based on individual ability, qualifications and performance, rather than on gender, race, religion or other personal characteristics. As of 31 March 2026, the Group had a total of 141 full-time employees, with a male-to-female ratio of 4:1, reflecting our commitment to maintaining a balanced and diverse workforce.

With regard to the prevention of child labour and forced labour, the Group strictly adheres to relevant regulations and high labour standards. During the recruitment process, the Administration and Human Resources Department verify applicants' age, identity documents and work permits to prevent illegal employment. All employment records are properly maintained and made available for inspection by authorised personnel or regulatory bodies. Furthermore, the Group assesses the effectiveness of relevant systems annually through internal audits and compliance reviews. Should any breaches be identified, immediate action will be taken, including suspending the work of the relevant personnel or contractors, conducting investigations, documenting the incident and notifying the relevant departments; where necessary, the relevant employment or contractual relationship will be terminated, whilst appropriate support will be provided to those affected.

Furthermore, the Group extends these requirements to suppliers and contractors, strictly prohibiting any form of child labour or forced labour, and has established response mechanisms to address potential risks. All employees are required to hold valid identification documents and to comply with an access control system combining card management and biometric authentication to verify personnel identity and attendance records. This system is also integrated with the Construction Workers Registration Scheme to ensure compliance with the Construction Workers Registration Ordinance (Cap. 583). During the Reporting Period, the Group did not identify any cases of non-compliance relating to child labour or forced labour.

The Group also places great importance on its employees' work-life balance. The staff handbook clearly sets out working hours and leave arrangements to ensure fair treatment for staff at all levels. Furthermore, dismissal procedures are conducted transparently, with probationary staff required to give seven days' notice and permanent staff one month's notice, thereby fostering mutual respect and good labour-management relations.

4.2 Employee Welfare and Benefits

The Group has established a comprehensive and transparent remuneration system to ensure that remuneration arrangements are fair and reasonable, and, through a performance management mechanism, closely links individual and team performance to business objectives. We employ a system of regular appraisals to provide clear performance feedback and incentives, thereby enhancing staff engagement and overall performance. The Staff Handbook sets out comprehensive remuneration and benefits policies, including a thirteenth month's salary, paid annual leave and sick leave, as well as a range of leave arrangements such as marriage leave, maternity leave and compassionate leave, alongside job-related allowances. Furthermore, the Group provides employees with group life insurance and medical cover, including reimbursement for outpatient and inpatient treatment, to support them in meeting their healthcare needs. To recognise employees' contributions during project periods, the Group has established a project bonus scheme to encourage outstanding performance and promote staff retention.

About employee wellbeing, the Group is committed to fostering a healthy and dynamic working environment, viewing the physical and mental wellbeing of employees as a vital component of sustainable development. We share health information, exercise advice and details of relevant activities via our internal communication platform to encourage staff to adopt healthy lifestyle habits. At the same time, the Group regularly organises a variety of team-building activities, such as badminton, bowling and outdoor hikes, to foster communication and team cohesion amongst staff. We also encourage staff to put forward suggestions and participate in health-related activities, with a view to continuously optimising our staff care initiatives and fostering a positive and caring corporate culture.

4.3 Employee Training and Development

The Group places great importance on the continuous development of its staff and is committed to providing a diverse range of training and growth opportunities to ensure that staff possess the professional knowledge and skills required to fulfil their job responsibilities. We have established a comprehensive training and development framework to foster a culture of lifelong learning and to continuously enhance our staff's professional capabilities and overall competitiveness.

The Group supports staff development through a variety of training models, including participation in external seminars, professional courses and qualification programmes, as well as internal on-the-job training and practical project-based learning. Furthermore, we promote the transfer of knowledge and the exchange of experience through mentoring schemes, coaching, job shadowing and cross-departmental secondments, whilst ensuring that staff maintain comprehensive and accurate records throughout all stages of a project, including design, construction, installation and testing. In addition, the Group participates in relevant programmes organised by the Hong Kong Institute of Surveyors and the Occupational Safety and Health Council to enhance staff standards in professional conduct and safety management.

Regarding training planning, the Group has formulated a 'Training and Development Policy' to ensure that all staff have equal access to learning, development and training opportunities. We regularly review the level of investment in staff training and development to ensure adequate resource support is provided. This is not only aimed at enhancing staff's professional skills so that they can meet the company's ever-changing business needs, but also at helping the Group achieve its long-term strategic objectives and promoting the mutual growth of the organisation and its staff. All new recruits are required to undergo induction training to help them understand the Group's policies and work requirements, and to facilitate their smooth integration into the working environment. During the Reporting Period, approximately 51% of staff undertook relevant training, with an average of 8.83 hours of training per employee, reflecting the Group's commitment to talent development and continuous learning.

4.4 Occupational Health and Safety

The Group has always strictly complied with all applicable occupational health and safety regulations and has established management standards that exceed statutory requirements. Our system has also been certified to the ISO 45001 Occupational Health and Safety Management System standard, reflecting our commitment to safety management. As a participating organisation for the Joyful@Healthy Workplace and Mental Health Friendly Supreme Organisation schemes launched by the Department of Health, the Labour Department and the Occupational Safety and Health Council, we have fully integrated the principles of health, safety and environmental protection into our operations, and have put in place adequate resources, training and supervision mechanisms to ensure the effective implementation of relevant measures. All staff are required to comply with established safety regulations and policies, and we continuously improve overall safety standards through robust safety procedures, regular reviews and on-site assessment mechanisms.

The Group attaches great importance to safety training and has incorporated it into the key framework for staff development. All site staff are required to complete basic site safety training and to participate regularly in site training sessions and toolbox meetings to enhance safety awareness and operational knowledge. Management and safety personnel also undergo continuous professional training and enhance their practical skills through external seminars. Furthermore, the Group promotes a 'zero-harm' culture, striving to minimise the likelihood of accidents by strengthening risk prevention, improving reporting mechanisms and raising safety awareness. At the same time, regular internal safety audits are conducted to ensure that all construction sites maintain a high standard of safety performance.

Over the past three years (including the Reporting Period), the Group has not recorded any work-related fatalities, nor has it breached any relevant occupational safety regulations. Clear safety objectives and performance indicators are in place at all workplaces, and relevant records are properly maintained. Employees are required to take responsibility for their own safety and that of others, and to comply with all safety requirements; any breaches will be dealt with in accordance with established procedures.

Our target	FY 25-26 Performance
The accident frequency rate is below 0.6 per 100,000 person-hours worked	Frequency rate: 0.018 per 100,000 person-hours worked

During the Reporting Period, the Group was awarded the 'Worker-Friendly Construction Site' certificate by the Hong Kong Construction Industry Council in recognition of our efforts to continuously improve the working environment and well-being of our frontline staff, and to actively promote a people-centred and sustainable culture within the construction industry. Furthermore, the Group was awarded the 'Proactive Safety Contractor Award' by the Hong Kong Construction Association in recognition of our proactive practices in safety management, staff training and the promotion of a safety culture, highlighting our outstanding performance in enhancing safety standard.

5. Community Investment

As a socially responsible corporate citizen, the Group fully recognises the importance of creating long-term value for the community. We have therefore established our Corporate Social Responsibility Policy, through which we are committed to giving back to society by organising and participating in a wide range of charitable activities. We also encourage our staff to actively engage in various community service initiatives, working together to fulfil our corporate social responsibility. During the Reporting Period, in addition to continuing our support for charitable projects, the Group also took part in voluntary activities to convey care and support to the community. During this Reporting Period, the Group donated a total of HK$200,000, was allocated to educational projects. Furthermore, during the Mid-Autumn Festival and winter months, the Group joined the community in sharing the warmth and joy of the festive seasons. Our volunteer team, in collaboration with the Methodist Yang Zhen Social Service Centre, visited elderly residents and distributed care parcels containing packaged food and personal hygiene items, conveying care and blessings to the community. In recognition of the Group's ongoing commitment to fostering a caring community and environment, we were honoured this Year with the "Advanced Performance" award from the Hong Kong Council of Social Service, in acknowledgement of our long-term contribution over the past eight years to consistently practising and promoting a culture of care in the workplace.

KPI Performance Summary

Aspects		KPIs	Unit	2025/26	2024/25
A1.1	**Emissions**	Nitrogen oxides ("**NOx**")	kg	11.79	6.52
		Sulphur oxides ("**SOx**")	kg	0.31	0.21
		Particulate matter ("**PM**")	kg	1.15	0.48
A1.2	**Greenhouse gas**	**Scope 1 GHG emission – Combustion of fuels**	Tonnes of CO_2 equivalent	1,202[1]	49
		Scope 2 GHG emission – Purchased electricity[2]	Tonnes of CO_2 equivalent	106	85
		Scope 3 – Other Indirect emissions[3]	Tonnes of CO_2 equivalent	413	N/A
		Scope 1&2 GHG emissions	Tonnes of CO_2 equivalent	1,308	134
		Intensity[4] of Scope 1&2 GHG emission	Tonnes of CO_2e per million HK$ revenue	2.78	0.34
		Scope 1,2&3 GHG emissions	Tonnes of CO_2 equivalent	1,721	N/A
		Intensity[4] of total Scope 1,2&3 GHG emission	Tonnes of CO_2e per million HK$ revenue	3.66	N/A
A1.3	**Hazardous waste**	Total hazardous waste produced	Tonnes	0	0

1 Since one of our construction sites located in a remote area where local grid is not available, a high volume of diesel is adopted during the Reporting Period.

2 Scope 2 GHG emission are indirect emissions calculated based on the local-base method. Formula and emission factors are referenced to the "How to prepare an ESG Report? – Appendix II: Reporting Guidance on Environmental KPIs" issued by the HKEX and the CLP ESG Report.

3 According to Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011), our scope 3 greenhouse gas emission covers Category 5: Waste Generated in Operations. We cover the non-inert waste and waste generated from Head Office.

4 Intensities are calculated by dividing the emission emitted by the tonnes of CO2e per million HK$ revenue during the Reporting Period.

Aspects		KPIs	Unit	2025/26	2024/25
A1.4	Non-hazardous waste	Total non-hazardous waste produced	Tonnes	73,232[5]	20,113
		Intensities of non-hazardous waste produced	Tonnes of CO_2e per million HK$ revenue	156	50
		Inert waste from Construction sites	Tonnes	71,475[5]	19,233
		Non-inert waste from Construction sites and general refuse from Head Office	Tonnes	1,721	880
		Sorting facilities	Tonnes	36	0
A2.1	Energy	Electricity	kWh	312,701	201,100
		Intensities of electricity consumption[6]	kWh per million HK$ revenue	665	503
		Construction sites	kWh	252,341	146,100
		Head Office	kWh	60,360	55,000
		Diesel	Litre	448,484	5,800
		Intensities of diesel consumption[7]	Litre per million HK$ revenue	953	15
		Construction sites	Litre	448,484	5,722
		Head Office	Litre	0	28
		Petrol	Litre	10,779	12,180
		Intensities of petrol consumption[8]	Litre per million HK$ revenue	23	30
		Construction sites	Litre	9,402	2,680
		Head Office	Litre	10,779	9,500

5 A construction site has undergo excavation phase during the Reporting Period, resulting a high volume of inert waste. Due to the cyclicity of the construction industry, construction sites may vary from different reporting years.

6 Intensities of electricity consumption are calculated by dividing kWh of electricity consumed per million HK$ revenue during the Reporting Period.

7 Intensities of diesel are calculated by dividing litres of diesel consumed per million HK$ revenue during the Reporting Period.

8 Intensities of petrol are calculated by dividing litres of petrol consumed per million HK$ revenue during the Reporting Period.

Aspects		KPIs	Unit	2025/26	2024/25
A2.2	Water	**Water**	**Tonnes**	**22,355**	**5,200**
		Intensities of water consumption[9]	**Tonnes per million HK$ revenue**	**48**	**13**
		Construction sites	metric tonnes	22,331	5,200
		Head Office	metric tonnes	24	0
B1.1	Employee	**By gender**			
		Male	Person	120	134
		Female	Person	28	37
		By age group			
		Below 30	Person	14	26
		30-50	Person	69	75
		Over 50	Person	65	70
		By employee type			
		Permanent	Person	96	113
		Contract	Person	52	58
		By location			
		Hong Kong	Person	148	171
B1.2	Employee turnover rate[10]	**Overall**	%	**44.06%**	**35.7%**
		By gender			
		Male	%	44.58%	33.33%
		Female	%	41.30%	43.08%
		By age group			
		Below 30	%	37.5%	17.5%
		30-50	%	42.7%	35.2%
		Over 50	%	47.3%	42.1%
		By geographical region			
		Hong Kong	%	44.06%	35.7%
B.2.1	Number and rate of work-related fatalities occurred	Number of reportable accidents	Number	3	6
		Number of work-related fatalities	Person	0	0
		Rate of work-related fatalities	Number of work-related fatalities/1,000 Employee and Workers	0	0

9 Intensities of water are calculated by dividing tonnes of water consumed per million HK$ revenue during the Reporting Period.

10 During the Reporting Period, the Group made revisions to the employee turnover rate. The Employee turnover rate = total number of turnover employees / (total number of staff at the beginning of the Reporting Period + total new employees during the Reporting Period)

Aspects		KPIs	Unit	2025/26	2024/25
B2.2	**Lost days due to work injury**	Number of lost-days as a result of work injuries day	Days	120	909
		Number of work-related injuries	Number	3	6
B3.1	**Percentage of employees trained**	**Total percentage of employees trained[11]**	%	51%	16%
		By gender			
		Male	%	65%	72%
		Female	%	35%	28%
		By employee role			
		Management or above	%	43%	17%
		Supervisor or above	%	41%	66%
		Operator/Support Level	%	16%	17%
B3.2	**Average training hours**	**Average training hours per employee**	Hours	8.83	5.26
		By gender			
		Male	Hours	10.5	2.9
		Female	Hours	3.4	12.9
		By employee role			
		Management or above	Hours	2.3	18.2
		Supervisor or above	Hours	12	10
		Operator/Support Level	Hours	10.1	42.5
B5.1	**Number of suppliers**	**By geographical region**			
		Hong Kong	Number	431	370
		Mainland China	Number	0	0
	Number of subcontractors	**By geographical region**			
		Hong Kong	Number	736	1,260
		Mainland China	Number	0	0

[11] During the Reporting Period, the training percentage and training hours are updated and calculated with reference to the "How to prepare an ESG Report? – Appendix III: Reporting Guidance on Social KPIs" issued by the HKEX. There are therefore some differences from previous year's data.

Aspects		KPIs	Unit	2025/26	2024/25
B6.1	**Percentage of total products sold or shipped subject to recalls for safety and health reasons**	Percentage of total products sold or shipped subject to recalls for safety and health reasons	%	0	0
B6.2	**Number of products related complaints received**	Number of products and service-related complaints received	Number	0	0
B7.1	**Legal cases regarding corrupt practices**	Number of concluded legal cases regarding corrupt practices brought	Number	0	0
B8.1 & B8.2	**Community investment**	Total donations	HKD	200,000	115,000
		Total volunteering hours	Hours	129	104
		Total number of staff volunteers	People	55	32

HKEX ESG Reporting Guide Content Index

Subject Areas, Aspects, General Disclosures and KPIs	Description	Corresponding Section
A. Environmental		
Aspect 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 and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmentally Conscious Operations
KPI A1.1	The types of emissions and respective emissions data.	KPI Performance Summary
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	KPI Performance Summary
KPI A1.3	Total hazardous waste produced (in tonnes) and,where appropriate, intensity (e.g. per unit of production volume, per facility).	KPI Performance Summary
KPI A1.4	Total non-hazardous waste produced (in tonnes) and,where appropriate, intensity (e.g. per unit of production volume, per facility.	KPI Performance Summary
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them.	Emissions Control
KPI 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.	Waste Management

Subject Areas, Aspects, General Disclosures and KPIs	Description	Corresponding Section
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials.	Energy Management, Water Management
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in'000s) and intensity (e.g. per unit of production volume, per facility).	KPI Performance Summary
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	KPI Performance Summary
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Energy Management
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Water Management
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	During the Reporting Period, the Group had no packaging material for finished products.
Aspect A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer's significant impacts on the environment and natural resources.	The Environment and Natural Resources
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources
Aspect A4: Climate Change		
General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Climate Change

Subject Areas, Aspects, General Disclosures and KPIs	Description	Corresponding Section
B. Social		
Employment and Labour Practices		
Aspect 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.	Employment and Labour Standards
KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	KPI Performance Summary
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	KPI Performance Summary
Aspect 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.	Occupational Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	KPI Performance Summary, Occupational Health and Safety
KPI B2.2	Lost days due to work injury.	KPI Performance Summary
KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety

Subject Areas, Aspects, General Disclosures and KPIs	Description	Corresponding Section
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Employee Training and Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	KPI Performance Summary
KPI B3.2	The average training hours completed per employee by gender and employee category.	KPI Performance Summary
Aspect B4: Labour 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.	Employment and Labour Standards
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment and Labour Standards
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Employment and Labour Standards
Operating Practices		
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	KPI Performance Summary
KPI 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.	Supply Chain Management

Subject Areas, Aspects, General Disclosures and KPIs	Description	Corresponding Section
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Sustainable Material Sourcing
Aspect 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.	Product Quality and Safety
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Quality and Safety, KPI Performance Summary
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Customer Satisfaction, KPI Performance Summary
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Data Privacy and Intellectual Property Protection
KPI B6.4	Description of quality assurance process and recall procedures.	Product Quality and Safety
KPI B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Data Privacy and Intellectual Property Protection

Subject Areas, Aspects, General Disclosures and KPIs	Description	Corresponding Section
Aspect 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.	Anti-Corruption and Business Ethics
KPI 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.	Anti-Corruption and Business Ethics, KPI Performance Summary
KPI B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-Corruption and Business Ethics
KPI B7.3	Description of anti-corruption training provided to directors and staff.	Anti-Corruption and Business Ethics
Community		
Aspect 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.	Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	KPI Performance Summary

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;	Climate Change – Governance
	19 (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.	

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.	Climate Change – Governance
	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).	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; 22 (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). 23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	Climate Change – Strategy

Part D: Climate-related Disclosures	Reference Section
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;	Qualitative information: 3.7.2 Climate Change — Strategy Quantitative information: Application of financial effect relief. Company currently does not have the capability to track and record the relevant financial data in a complete and accurate manner.
24 (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.	
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;	3.7.2 Climate Change — Strategy Quantitative information: Application of financial effect relief. Company currently does not have the capability to track and record the relevant financial data in a complete and accurate manner.
25 (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.	

Part D: Climate-related Disclosures	Reference Section
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; 26 (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.	Adoption of reasonable information and capabilities relief. Company currently does not have the capability to conduct climate scenario analysis in a complete and accurate manner.

Part D: Climate-related Disclosures		Reference Section
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;	Climate Change — Risk Management
	27 (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);	
	27 (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.	
Metrics and Targets	28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as: (a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	KPI Performance Summary

Part D: Climate-related Disclosures		Reference Section
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).	KPI Performance Summary
30.	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Reasonable Information Relief Adopted
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.	
33.	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	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.	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).	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.	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.	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.	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.	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).	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 (i) the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	Climate Change — Metrics and Targets

Report of the Directors

The Directors submit their report together with the audited consolidated financial statements of the Group for the Year.

Principal Activities

The principal activity of the Company is investment holding. The Company's subsidiaries principally provide (i) building construction services; (ii) RMAA works services and (iii) Design and Build services in Hong Kong as main contractor.

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

Results and Dividends

Details of the audited consolidated results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 103 of this annual report.

The Board does not recommend the payment of a final dividend for the Year (2025: Nil).

No arrangement under which a Shareholder has waived or agreed to waive any dividends was made by the Company for the Year.

Business Review

A fair review of the business of the Group as well as discussion and analysis of the Group's performance during the Year and the material factors underlying its financial performance and financial position can be found in the "Chairman's Statement" and "Management Discussion and Analysis" set out on pages 3 to 4 and pages 5 to 11 respectively. Details of the Company's share option scheme are provided on page 10 of the "Management Discussion and Analysis" and pages 90 to 91 in this Report of the Directors. An analysis of the Group's financial risk management is provided in note 34(b) to the consolidated financial statements. An indication of likely future development in the Company's business is set out on page 4 of the "Chairman's Statement" and on pages 5 to 6 of the "Management Discussion and Analysis".

Environmental Policies and Performance

The Group is committed to minimise any negative impact on the environment which may be resulted from business activities. The Group has established an environmental management system and was certified by SGS to be in compliance with the requirements of ISO 14001:2015 since 2009.

The Group adopts the following environmental protection measures in order to ensure proper management of environmental protection and compliance with statutory requirement in our daily operation:

– setting environmental goals and objectives and periodically reviewing such goals and objectives;

– giving priority to minimising environmental impacts and setting environmental friendly construction processes when devising the construction plans;

– monitoring all site operations which have significant environmental impact and ensure compliance with environmental legislations, regulations and requirements to which the Group subscribes;

– encouraging the reduction in disposal and emission of construction wastes, dusts, noise and water pollution at sites;

- taking into account previous environmental performance of the sub-contractors and suppliers when selecting the appropriate sub-contractors and suppliers to be engaged;
- providing education and training to the workers, sub-contractors and suppliers to ensure that they conduct their operations in an environmentally friendly and responsible manner; and
- encouraging feedbacks and suggestions from the customer, workers, sub-contractors, suppliers and public for improvements in the environmental management system.

During the Year, the Group was not subject to any material environmental claims, lawsuits, penalty, administrative or disciplinary actions, further information on the Group's environmental policies and performance are detailed in the "Environmental, Social and Governance Report" on pages 34 to 82 to this annual report.

Compliance with Law and Regulation

The Group recognises the importance of compliance with regulatory requirements to keep the licences and various construction related qualifications granted by respective government departments and quasi-Government organisations and that the risk of non-compliance with such requirements could lead to (i) removal from all categories in which the contractor is listed or a particular category under the current contractors registration scheme; (ii) suspension from tendering in all categories of the contractor lists; and (iii) termination of the business. The Group has been allocating staff and resources to ensure ongoing compliance with relevant rules and regulations and to maintain cordial working relationships with relevant authorities through effective communications.

A review was undertaken against the procurement processes, procedures and practices for compliance with the new Competition Ordinance (Chapter 619 of the laws of Hong Kong) that came into force in December 2015. No significant amendments were required as the pre-existing approach was already consistent with the ethos and requirements of the Ordinance.

To ensure compliance with the Competition Ordinance, the Group has conducted trainings for the staff. The Group has also step up measures to increase safety awareness amongst the management and staff to prevent accidents in contravention of safety regulations.

The Group also complies with the requirements under the Companies Law (2013 Revision) of the Cayman Islands Company Limited by shares, the Listing Rules and the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (the "**SFO**") for the disclosure of information and corporate governance.

Key Relationships with Employees and Subcontractors

The Group's success is contributed by, amongst other matters, the support from key stakeholders which comprise employees, Shareholders and subcontractors.

Employees are regarded as the most important and valuable assets of the Group. The objectives of the Group's human resources management is to reward and recognise staff by providing a competitive remuneration package and implementing a sound performance appraisal system with appropriate incentives, and to promote career development and progression by providing appropriate training and opportunities within the Group for career advancement. One of the corporate goals of the Group is to enhance corporate value to Shareholders. The Group is poised to foster business developments for improving the Group's financial performance and rewarding Shareholders by stable dividend payouts in the foreseeable future when sustainable earnings growth can be achieved, taking into account the capital adequacy levels, liquidity positions and business expansion needs of the Group.

Subcontracting is a common practice in the building construction services and RMAA work services industry in Hong Kong as it minimises the number of employees employed directly by main contractors, increases labour mobility and brings about cost efficiency. As such, maintaining good relations with subcontractors is crucial. The Group has established long-term business relationships with our subcontractors who are closely monitored and supervised by the Group.

The five largest subcontractors (in terms of cost of services) during the Year have maintained business relationships with the Group for a period ranging from 1 to 17 years. Through the past dealings with the subcontractors, the Group has acquired sufficient appreciation of their expertise and strengths for maintaining our internal list of approved subcontractors that are able to meet our safety and quality standards.

Customers

During the Year, the business opportunities generally arose from reviewing the tender invitations from various Government bodies published on the Gazette or receiving invitation for tender from customers in the private sector.

The major customers include the Government, quasi-Government organisations, universities, schools, institutions and incorporated owners of private buildings. During the Year, revenue derived from the Group's top five largest customers amounted to approximately HK$467.6 million (2025: HK$391.1 million), representing approximately 99.4% of the total revenue (2025: 97.7%).

Principal Risks and Uncertainties Facing the Company

A number of factors may affect the results and business operations of the Group, the principal risks and uncertainties faced by the Group are set out below:

Most of the revenue is derived from contracts awarded through competitive tendering. There is no guarantee that the existing contracts may continue upon expiry or new contracts may be awarded to the Group to maintain or expand the business.

There are a large number of qualified building construction service providers and RMAA service providers in Hong Kong. Building construction service providers and RMAA service providers must be licensed to be registered general building contractors under the Buildings Ordinance (Chapter 123 of the laws of Hong Kong) and must have obtained other requisite licences, depending on the skills and technical capabilities required for relevant projects. New participants may be admitted to compete with us provided that they attain the required technical and management capabilities and skills and are granted the required licences. Due to the large number of competitors, the Group may face significant downward pricing pressure which would reduce our profit margins.

Thus, if the Group fails to compete effectively or maintain our competitiveness in the market, the business, financial condition and results of operations will be adversely affected.

The Group continues to take advantage of its various licences and qualifications and extensive experience in construction industry to solidify and expand the market share in the public construction industry and RMAA service in Hong Kong.

The Group's cash flows may fluctuate due to the payment practice applied to the projects

As at 31 March 2026 and 2025, the cash and cash equivalents were approximately HK$30.7 million and HK$31.4 million respectively. As a main contractor, the Group normally incurs net cash outflows at the early stage of carrying out the works when the Group are required to pay the setting up expenditures in advance of payments from the customers. The customers will pay progress payments after the works commence and such works and payments are certified by the architects of the customers. Accordingly, the cash flows of a particular project will turn from net outflows at the early stage into accumulative net inflows gradually as the works progress.

The Group undertakes a number of projects at any given period, and the cash outflow of a particular project could be compensated by the cash inflows of other projects. If the Group takes up too many significant projects, which require substantial initial setting up costs without cash inflow from other projects at a particular point of time, our corresponding cash flow position may be adversely affected.

The Group will continue to closely monitor the capital and cash flow positions, particularly the sub-contracting fees which have augmented in recent years. In the process of identifying and capturing emerging opportunities, the Group will continue to deploy the resources on a selective and prudent basis to focus on projects which are more profitable in nature. The Group will continue to focus on the internal control system to ensure adequate cash flow for the ongoing capital requirements, and to achieve maximum cost savings.

A significant percentage of the revenue and trade receivable is derived from the major customers

The revenue derived from the five largest customers amounted to approximately 99.4% of the total revenue in the Year (2025: 97.7%). The Group will broaden the customer base by an expansion in RMAA service and building construction service capacity to cover design and build projects.

The Group may take a long time to collect the trade receivables

The Group normally receive progress payment from the customers on a monthly basis, with reference to the value of the works completed in the preceding month. Generally, the value of the works completed is assessed by the architects of the customers who will issue an interim certificate certifying the work progress in the preceding month.

In line with industry practice, there is generally a contract term for the customer to secure the Group's due performance by holding up retention money from the progress payment. As for contracts with the Government and quasi-Government organisations, the certified value retained at each stage is generally 1% of the progress payment, subject to a limit of retention fund of not more than 1% of the total contract sum. As for contracts with private sector customers, the certified value retained at each stage is generally 5–10%, subject to a limit of retention fund of not more than 5% of the total contract sum. In general, the retention money will be fully released to the Group after expiry of the defect liability period subject to the confirmation from the architect of the customers regarding satisfaction with our works.

There can be no assurance that the progress payment is paid to the Group on time and in full, or the retention money or any future retention money will be remitted by the customers to the Group on a timely basis and in full or that the level of bad debt arising from such payment practice can be maintained at the same level as during the Year. Any failure by the customers to make remittance on time and in full may have an adverse effect on our future liquidity position.

In order to minimise the credit risk, the Group carries out credit investigation on such customer which includes conducting of credit search, assessing and reviewing its financial information and obtaining advice from business partners in relation to the potential customer. The level of credit granted must not exceed a predetermined level set by the Directors and the approval for providing credit facilities to the customer must be documented in writing. The Group also performs on-going credit evaluations of the customers. In addition, our accounts department follows a set of monitoring procedures to ensure that follow-up steps are taken for collection of receivables.

Subsidiaries

Details (including the principal activities) of the Company's principal subsidiaries as at 31 March 2026 are set out in note 37 to the consolidated financial statements.

Reserves

Movements in the reserves of the Group and the Company during the Year are set out in the consolidated statement of changes in equity on page 106 of this annual report and note 36 to the consolidated financial statements, respectively.

Distributable Reserves

As at 31 March 2026, reserves available for distribution to owners of the Company as calculated in accordance with statutory provisions applicable in the Cayman Islands amounted to approximately HK$32,717,000 (2025: HK$35,671,000).

Property, Plant and Equipment

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

Charitable Donations

Charitable and other donations made by the Group during the Year amounted to HK$200,000 (2025: HK$115,000).

Pre-emptive Rights

No pre-emptive rights exist under the Articles or under the laws in Cayman Islands, being the jurisdiction in which the Company was incorporated.

Tax Relief and Exemption

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

Group Financial Summary

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on page 162 of this annual report.

Share Capital and Equity-linked Agreement

Details of the movements in share capital of the Company during the Year, if any, are set out in note 27 to the consolidated financial statements.

Save as disclosed under the section headed "Share Option Scheme", no equity-linked agreements were entered into during the Year or subsisted at the end of the Year.

Report of the Directors (Continued)

Directors

During the Year and thereafter up to the date of this report, the Directors are named as follows:

Executive Directors:

Mr. Ng Jonathan Yee* *(Chairman and Chief Executive Officer#)*
Mr. Choi Sheung Yi Derek*
Ms. Soong Wing Suen*
Mr. Lam Kin Wing Eddie *(Chairman)*^
Mr. Shut Yu Hang^
Mr. Lam Arthur Chi Ping

INEDs:

Mr. Ip Yik Nam *JP*#
Mr. Tso Ping Cheong Brian#
Ms. Leung Wai Yan#
Mr. Tang Chi Wang^
Mr. Wong Kwong On^
Mr. Tse Ting Kwan^
Ms. Yeung Cheuk Chi Vivian^

* Appointed on 20 March 2026
\# Appointed on 10 April 2026
^ Resigned on 10 April 2026

Pursuant to Article 16.18 of the Articles, at every AGM one-third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years and any Director required to stand for re-election pursuant to article 16.2 of the Articles shall not be taken into account in determining the number of Directors and which Directors are to retire by rotation. Accordingly, Mr. Lam will retire from office at the 2026 AGM and, being eligible, will offer himself for re-election.

Pursuant to Article 16.2 of the Articles, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the next following AGM and shall then be eligible for re-election at that meeting. Accordingly, Mr. Ng, Mr. Choi and Ms. Soong, who were appointed as executive Directors by the Board with effect from 20 March 2026, and Mr. Ip, Mr. Tso and Ms. Leung, who were appointed as INEDs by the Board with effect from 10 April 2026, shall hold office until the 2026 AGM and all of them, being eligible, will offer themselves for re-election at the 2026 AGM.

Confirmation of Independence of INEDs

The Company has received an annual written confirmation of independence pursuant to Rule 3.13 of the Listing Rules from each of the INEDs, namely Mr. Tang Chi Wang, Mr. Wong Kwong On, Mr. Tse Ting Kwan and Ms. Yeung Cheuk Chi Vivian, and all of them have resigned on 10 April 2026. The Company considers that all the INEDs were independent during the Year.

Biographies of Directors

The biographical details of the Directors are set out on pages 12 to 15 of this annual report.

Directors' Service Contracts

The Company has entered into service contracts with all executive Directors for a term of 3 years. The contracts shall be continuing thereafter unless and until terminated by either party thereto giving to the other not less than two months written notice.

In addition, the Company has entered into letters of appointment with INEDs for a term of 3 years, which shall be continuing unless and until terminated by not less than two months written notice served by either party.

None of the Directors who are proposed for re-election at the 2026 AGM has entered into a service contract with the Company, which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Directors' Interests in Transactions, Arrangements or Contracts of Significance, and Contracts of Significance with Controlling Shareholders

No transactions, arrangements or contracts of significance to which the Company, or any of its holding companies, or any of its subsidiaries or fellow subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year, nor was there any transaction, arrangements or contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling Shareholder (as defined in the Listing Rules) or any of its subsidiaries for the Year. There was also no contract of significance between the Company or one of the subsidiaries and the controlling Shareholders or any of its subsidiaries.

Management Contract

Save for employment contracts and/or service contracts with Directors, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company or its subsidiaries were entered into or existed during the Year.

Directors' Emoluments

Details of the remuneration of the Directors on named basis during the Year are set out in note 6(a) to the consolidated financial statements.

Remuneration Policy

The remuneration policy of the Company is reviewed regularly, making reference primarily to the market conditions and performance of the Company and individual staff (including the Directors). The remuneration policy and remuneration packages of the Directors and senior management are reviewed by the Remuneration Committee and the Board, which are detailed in the paragraph headed "Remuneration Committee" under the Corporate Governance Report on pages 26 to 27 of this annual report.

The Company provides a comprehensive benefit package for all employees as well as career development opportunities. This includes retirement schemes, Share Option Scheme, medical insurance, other insurances, in-house training, on-the job training, external seminars and programs organised by professional bodies and educational institutes.

Dividend Policy

The Company has adopted a dividend policy (the "**Dividend Policy**"), pursuant to which the Company will give priority to distributing dividend in cash and shares its profits with its Shareholders. The dividend payout ratio shall be determined or recommended, as appropriate, by the Board at its absolute discretion after taking into account the Company's financial results, future prospects and other factors, and subject to:

- the Articles of the Company;
- the applicable restrictions and requirements under the laws of the Cayman Islands;
- any banking or other funding covenants by which the Company is bound from time to time;
- the investment and operating requirements of the Company; and
- any other factors that have material impact on the Company.

Equity-Linked Agreements

Save as and except for the Share Option Scheme as disclosed below, no equity-linked agreement that (i) will or may result in the Company issuing shares or (ii) requires the Company issuing shares, was entered into by the Company during the Year or subsisted at the end of the reporting year.

Share Option Scheme

The following is a summary of the principal terms of the Share Option Scheme.

(1) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide additional incentive to employees (full-time and part-time), Directors, consultants or advisers of the Group and to promote the success of the Group.

(2) Who may join and basis of eligibility

The Board may, at its absolute discretion and on such terms as it may think fit, grant an employee (full-time or part-time), a Director, consultant and adviser of the Group, or any substantial Shareholder of the Group, options to subscribe at a price calculated in accordance with paragraph (3) below for such number of Shares as it may determine in accordance with the terms of the Share Option Scheme.

The basis of eligibility of any participant to the grant of any option shall be determined by the Board (or as the case may be, the INEDs) from time to time on the basis of his/her contribution or potential contribution to the development and growth of the Group.

(3) Price of Shares

The subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option; (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of a Share on the date of grant of the option.

(4) Grant of options and acceptance of offers

An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK$1.00 with no deadline specified.

(5) Maximum number of Shares

The total number of Shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Group (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Group) must not in aggregate exceed 10% of the total number of Shares in issue as at the listing of the shares of Company on the Stock Exchange on 9 October 2015. The number of Shares available for issue under the Share Option Scheme at the beginning and the end of the Year is 80,000,000 Shares, representing 10% of the issued Shares as at the date of this report. The number of options available for grant under the share option scheme mandate at the beginning and the end of 31 March 2025 was 80,000,000. The Company may refresh this limit at any time, subject to the Shareholders' approval and the issue of a circular and in accordance with the Listing Rules provided that the total number of Shares which may be allotted and issued upon exercise of all outstanding options to be granted under the Share Option Scheme and any other share option schemes of the Group must not exceed 10% of the Shares in issue as at the date of approval of the refreshed limit and for such purpose, options (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option schemes of the Group) previously granted under the Share Option Scheme and any other share option schemes of the Group will not be counted. The above is subject to the condition that the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Group shall not exceed 30% of the Share Capital of the Company in issue from time to time.

(6) Maximum entitlement of each Eligible Person

The total number of Shares issued and to be issued upon exercise of options granted to any grantee (including both exercised and outstanding options) under the Share Option Scheme, in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue. No service provider sublimit was set under the Share Option Scheme. Any further grant of options in excess of such limit must be separately approved by Shareholders in general meeting with such grantee and his/her close associates (or his associates if the grantee is a connected person) abstaining from voting. In such event, the Company must send a circular to the Shareholders containing the identity of the grantee, the number and terms of the options to be granted (and options previously granted to such grantee), and all other information required under the Listing Rules. The number and terms (including the subscription price) of the options to be granted must be fixed before the approval of the Shareholders and the date of the Board meeting proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

(7) Time of exercise of option

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof. Unless otherwise determined by the Board and stated in the offer, a grantee is not required to hold an option for any minimum period nor achieve any performance targets before the exercise of an option granted to him/her.

(8) Vesting Period

The Board may in its absolute discretion impose any condition(s) as it deems appropriate with respect to the grant of the option to the participant, including the vesting period (if any).

(9) Period of the Share Option Scheme

The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme is adopted, being 22 September 2015.

No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption.

The Share Option Scheme has expired on 21 September 2025 and as at 31 March 2026, the Company has no Share Option Scheme currently in force.

Permitted Indemnity Provision

During the Year, appropriate insurance policies that cover directors' and officers' liabilities have been in force to protect the Directors and officers of the Group from their risk exposure arising from the business of the Group.

Pursuant to the Articles, 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.

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31 March 2026, the interests and short positions of the Directors and the chief executives of the Company in the Shares of the Company, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (the "**Model Code**"), as required under Rule 13 of Appendix D2 to the Listing Rules, were as follows:

Name of Shareholder	Nature of Interest	Number of Shares Held	Percentage of Shareholding in the Company's Issued Share Capital *(Note 3)*
Mr. Lam Kin Wing Eddie *(Note 2)*	Interest in controlled corporation *(Note 1)*	79,200,000(L)	9.9%

(L) denotes long position.

Notes:

(1) Cheers Mate Holding Limited ("**Cheers Mate**") is the registered and beneficial owner of these Shares. Mr. Eddie Lam beneficially owns 100% of the issued share capital of Cheers Mate. By virtue of the SFO, Mr. Eddie Lam is deemed to be interested in 79,200,000 Shares held by Cheers Mate.

(2) Mr. Eddie Lam has resigned as executive Director, Chairman and Chief Executive Officer with effect from 10 April 2026.

(3) As at 31 March 2026, the number of issued Shares was 800,000,000.

Save as disclosed above, as at 31 March 2026, none of the Directors nor chief executive of the Company has registered an interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, as required under Rule 13 of Appendix D2 to the Listing Rules.

Directors' Right to Acquire Shares

Save as disclosed under the paragraphs headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures" and "Share Option Scheme" above, at no time during the Year were any rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or the Chief Executive of the Company or any of their respective spouses or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

So far as the Directors are aware, as at 31 March 2026, the following persons (not being Directors or chief executive of the Company) will have or be deemed or taken to have an interest and/or short position in the Shares or the 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 would be recorded in the register required to be kept under Section 336 of the SFO, and/or who are directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Name of shareholders	Nature of interests	Number of Shares held	Percentage of shareholding in the Company's issued share capital *(Note 6)*
World Nexus Holdings Limited *(Note 1)*	Beneficial owner	500,800,000(L)	62.60%
Smart Well Developments Limited *(Note 1)*	Interest of a controlled corporation	500,800,000(L)	62.60%
Mr. Ng Wing Chiu Raymond *(Note 1)*	Interest of a controlled corporation	500,800,000(L)	62.60%
Ms. Yee Suk Chun Sophie *(Note 2)*	Interest of spouse	500,800,000(L)	62.60%
Cheers Mate Holding Limited *(Note 3)*	Beneficial owner	79,200,000(L)	9.90%
Ms. Cheng Pui Wah Theresa *(Note 4)*	Interest of spouse	79,200,000(L)	9.90%

(L) denotes long position.

Notes:

(1) World Nexus is directly owned as to 60% by Smart Well Developments Limited ("Smart Well"), which in turn is wholly-owned by Mr. Ng Wing Chiu Raymond. As such, by virtue of the SFO, Mr. Ng Wing Chiu Raymond and Smart Well are deemed to be interested in 500,800,000 Shares held by World Nexus.

(2) Ms. Yee Suk Chun Sophie is the spouse of Mr. Ng Wing Chiu Raymond. By virtue of the SFO, Ms. Yee Suk Chun Sophie is deemed to be interested in the same number of Shares in which Mr. Ng Wing Chiu Raymond is deemed to be interested under the SFO.

(3) Mr. Eddie Lam beneficially owns 100% of the issued share capital of Cheers Mate. By virtue of the SFO, Mr. Eddie Lam is deemed to be interested in the 79,200,000 Shares held by Cheers Mate.

(4) Ms. Cheng Pui Wah Theresa is the spouse of Mr. Eddie Lam. By virtue of the SFO, Ms. Cheng Pui Wah Theresa is deemed to be interested in the same number of Shares in which Mr. Eddie Lam is deemed to be interested under the SFO.

(5) As at 31 March 2026, the number of issued Shares was 800,000,000.

There is a duplication of interest of 500,800,000 shares among World Nexus, Smart Well, Mr. Ng Wing Chiu Raymond and Ms. Yee Suk Chun Sophie and a duplication of interest of 79,200,000 shares among Mr. Lam Kin Wing Eddie, Cheers Mate and Ms. Cheng Pui Wah Theresa.

Save as disclosed above, as at 31 March 2026, the Directors were not aware of any other persons who had any interests or short positions in the Shares or 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 would be recorded in the register required to be kept under Section 336 of the SFO, and/or who are directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

Shareholders' Interests in Securities of Significance

Other than the interests disclosed above in respect of the substantial Shareholders, as at 31 March 2026, no other person is individually and/or collectively entitled to exercise or control the exercise of 5% or more of the voting power at the general meetings of the Company and are able, as a practicable manner, to direct or influence the management of the Company.

Major Customers and Sub-contractors

The percentage of sales for the Year generated from the Group's major customers is as follows:

–	The largest customer	53.8%
–	Five largest customers	99.4%

The percentage of sub-contracting fees for the Year attributable to the Group's major sub-contractors is as follows:

–	The largest sub-contractor	4.8%
–	Five largest sub-contractors	21.3%

None of the Directors, their close associates (as defined in the Listing Rules) or any Shareholders (which to the knowledge of the Directors, owns more than 5% of the Company's share capital) had an interest in any of the Group's five largest and sub-contractors for the Year.

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 shares of the Company (including sale of treasury shares) during the Year. As at 31 March 2026, no treasury shares were held by the Company.

Code of Conduct Regarding Director's Securities Transactions

The Company has adopted the Model Code as code of conduct governing Directors' securities transaction. In response to the specific enquiry made by the Company of the Directors, all Directors have confirmed that they had complied with the required standard set out in the Model Code throughout the Year.

Directors' Interests in Competing Business

During the Year, none of the Directors or the controlling Shareholders or substantial Shareholders (as defined in the Listing Rules) or their respective close associates (as defined in the Listing Rules) were considered to have any interests in a business which competed or was likely to compete, either directly or indirectly, with the business of the Group and/or caused, or was likely to cause any other conflicts of interest with the Group, as required to be disclosed under the Listing Rules.

Report of the Directors (Continued)

Audit Committee

The Company has set up the Audit Committee on 22 September 2015 with terms of reference as revised by the Board with effect from 24 January 2019. The primary duties of the Audit Committee are to, inter alia, review relationship with the external Auditors, review the Company's financial information, oversee the Company's financial reporting system and internal control procedures and oversee the Company's connected transactions. During the Year, the Audit Committee comprised three INEDs, namely Mr. Tse Ting Kwan, who was the chairman of the Audit Committee, Mr. Tang Chi Wang and Mr. Wong Kwong On and all of them have ceased to be members and/or the chairman of the Audit Committee on 10 April 2026. As of the date of this report, the Audit Committee comprises three INEDs, namely Mr. Tso Ping Cheong Brian, who is the chairman of the Audit Committee, Mr. Ip Yik Nam *JP* and Ms. Leung Wai Yan and all of them were appointed on 10 April 2026. The audited consolidated financial statements of the Group for the Year have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards, the Listing Rules and legal requirements, and adequate disclosures have been made.

Related Party Transactions

Details of the significant related party transactions of the Group are set out in note 30 to the consolidated financial statements and such transactions are not connected transactions or continuing connected transactions.

Public Float

Based on the information that is publicity available to the Company and within the knowledge of the Directors, the Company has maintained the percentage of public float as prescribed in the Listing Rules for the Year and up to the date of this annual report.

Compliance with Corporate Governance Code

The Company is committed to implementing good corporate governance practices. Information on the principal corporate governance practices adopted by the Company is set out in the Corporate Governance Report on pages 16 to 33 of this annual report.

Changes in the information of Directors

Pursuant to Rule 13.51B(1) of the Listing Rules, the change in information of Director, as notified to the Company, for the year ended 31 March 2026 and up to the date of this report is set out below:

Director	Detail of Change
Mr. Ip Yik Nam *JP*	With effect from 2 June 2026, appointed as as an executive director of Seven Elements Investment Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 1660).

Save as disclosed above, there is no change in Directors' information required to be disclosed.

2026 Annual General Meeting ("2026 AGM")

The 2026 AGM will be held on Tuesday, 25 August 2026 at 10:30 a.m. and the notice convening such meeting will be published and despatched to the Shareholders in the manner as required by the Listing Rules in due course.

Subsequent event

Please refer to page 11 of the "Management Discussion and Analysis" for particulars of important events affecting the Company that have occurred since the end of the Year.

Independent Auditor

The consolidated financial statements for the Year have been audited by DTT, who will retire and, being eligible, offer themselves for re-appointment. The Board has taken the Audit Committee's recommendation that a resolution for their re-appointment as independent Auditor will be proposed at the 2026 AGM.

There has been no change in the Auditor for the past three years.

On behalf of the Board

Ng Jonathan Yee
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 29 June 2026

Independent Auditor's Report

Deloitte. 德勤

TO THE SHAREHOLDERS OF THELLOY DEVELOPMENT GROUP LIMITED
(incorporated in the Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of Thelloy Development Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 103 to 161, which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated statement of profit or loss and other comprehensive income, 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 explanatory information.

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

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to note 3.1 to consolidated financial statements, which indicates that during the year ended 31 March 2026, the Group incurred a net loss of HK$33,477,000 and resulted a net operating cash outflow and net decrease in cash and cash equivalents of HK$43,819,000 and HK$689,000, respectively. As at 31 March 2026, the Group's current liabilities exceeded its current assets by HK$51,095,000 and the Group's aggregate bank borrowings amounted to HK$138,872,000, which were due for settlement within twelve months and were classified as current liabilities while the Group had cash and cash equivalents of HK$30,692,000. These events or conditions, along with other matters as set out in note 3.1 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key audit matter	How our audit addressed the key audit matter
Revenue and costs from construction contracts	
We identified the recognition of revenue and costs from construction contracts, as a key audit matter due to the use of estimates by management in determining the contract revenue and budget costs of incomplete construction contracts. During the year ended 31 March 2026, the Group generated revenue of HK$470,425,000 (2025: HK$400,168,000) and incurred direct costs of HK$458,754,000 (2025: HK$391,900,000) from construction contracts. The Group recognised contract revenue and relevant direct costs according to the percentage of completion. As discussed in note 4 to the consolidated financial statements, the directors of the Company estimated direct costs according to the amount of direct labour costs, subcontracting charges and costs of materials incurred from time to time based on quotations provided by the major subcontractors, suppliers or vendors involved and the experience of the directors of the Company. Changes in estimates or the actual outcome will affect recognition of revenue and/or direct costs.	Our procedures in relation to recognition of revenue and costs from construction contracts included: • Understanding and evaluating management's process in estimation of the contract revenue, budget cost and determination of completion status of the construction contracts; • Agreeing the total contract value to the contracts and variation orders (if any), architect's instructions or other form of agreements or other correspondences, on a sample basis; • Evaluating the reasonableness of the estimated total contract costs by assessing the status of completion of the respective construction contracts, with reference to either the proportion of remaining costs against actual costs incurred or the percentage of work certified by external surveyors' certifications, on a sample basis; and • Testing the contract costs recognised to date by checking to supporting documents including the certificates issued to the subcontractors/suppliers/vendors and their correspondences or other documents issued before and subsequent to year end date to evaluate the progress of the respective projects, on a sample basis.

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 as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and performance 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.

Independent Auditor's Report (Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

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

The engagement partner on the audit resulting in the independent auditor's report is Wan Wai Nga (Practicing Certificate Number: P07315).

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
29 June 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2026

	NOTES	2026 HK$'000	2025 HK$'000
Revenue	*5*	**470,425**	400,168
Direct costs		**(458,754)**	(391,900)
Gross profit		**11,671**	8,268
Other income	*7*	**3,867**	2,107
Impairment losses reversed (recognised) under expected credit loss model, net	*8*	**170**	(183)
Impairment loss on amount due from a joint venture	*16*	**(3,766)**	–
Administrative expenses		**(35,058)**	(34,824)
Share of losses of joint ventures		**(3,435)**	(19,531)
Finance costs	*9*	**(7,070)**	(7,436)
Loss before tax	*10*	**(33,621)**	(51,599)
Income tax credit	*11*	**144**	241
Loss and total comprehensive expense for the year		**(33,477)**	(51,358)
Loss per share	*13*		
Basic (HK cents)		**(4.18)**	(6.42)

Consolidated Statement of Financial Position

At 31 March 2026

	NOTES	**2026** **HK$'000**	2025 HK$'000
Non-current assets			
Property, plant and equipment	*14*	**84,434**	89,698
Right-of-use assets	*15*	**4,997**	1,570
Interests in joint ventures	*16*	**99,943**	108,954
Rental deposits	*17*	**522**	93
		189,896	200,315
Current assets			
Trade and other receivables	*17*	**40,348**	59,597
Contract assets	*18*	**102,567**	95,320
Amount due from a joint venture	*16*	**3,370**	9,010
Tax recoverable		**–**	2,086
Pledged bank deposits	*19*	**1,041**	2,073
Cash and cash equivalents	*19*	**30,692**	31,381
		178,018	199,467
Current liabilities			
Trade and other payables	*20*	**82,089**	123,925
Lease liabilities	*21*	**1,661**	1,184
Deferred income	*22*	**491**	474
Other loans	*23*	**6,000**	–
Bank borrowings	*24*	**138,872**	154,420
		229,113	280,003
Net current liabilities		**(51,095)**	(80,536)
Total assets less current liabilities		**138,801**	119,779
Non-current liabilities			
Lease liabilities	*21*	**3,334**	185
Deferred tax liabilities	*25*	**45**	271
Deferred income	*22*	**579**	1,003
Loans from a shareholder	*26*	**50,000**	–
		53,958	1,459
Net assets		**84,843**	118,320

Consolidated Statement of Financial Position (Continued)

At 31 March 2026

	NOTES	2026 HK$'000	2025 HK$'000
Capital and reserves			
Share capital	*27*	**8,000**	8,000
Reserves		**76,843**	110,320
Equity attributable to owners of the Company		**84,843**	118,320

The consolidated financial statements on pages 103 to 161 were approved and authorised for issue by the Board of Directors on 29 June 2026 and are signed on its behalf by:

Ng Jonathan Yee
DIRECTOR

Soong Wing Suen
DIRECTOR

Consolidated Statement of Changes in Equity

For the year ended 31 March 2026

	Share capital HK$'000	Share premium HK$'000	Other reserve HK$'000 *(note)*	Retained earnings HK$'000	Total HK$'000
At 1 April 2024	8,000	42,490	18,800	100,388	169,678
Loss and total comprehensive expense for the year	–	–	–	(51,358)	(51,358)
At 31 March 2025	8,000	42,490	18,800	49,030	118,320
Loss and total comprehensive expense for the year	–	–	–	(33,477)	(33,477)
At 31 March 2026	8,000	42,490	18,800	15,553	84,843

Note: Other reserve represents the difference between the nominal value of the share capital of Techoy Construction Company Limited ("Techoy Construction") and that of the Company pursuant to group reorganisation in prior years.

Consolidated Statement of Cash Flows

For the year ended 31 March 2026

	2026 HK$'000	2025 HK$'000
OPERATING ACTIVITIES		
Loss before tax	**(33,621)**	(51,599)
Adjustments for:		
Depreciation of property, plant and equipment	**5,414**	5,676
Depreciation of right-of-use assets	**2,351**	2,415
Impairment losses (reversed) recognised under expected credit loss model, net	**(170)**	183
Impairment loss on amount due from a joint venture	**3,766**	–
Share of losses of a joint venture	**3,435**	19,531
Finance costs	**7,070**	7,436
Government grants	**(2,139)**	(474)
Bank interest income	**(206)**	(111)
Operating cash flows before movements in working capital	**(14,100)**	(16,943)
Decrease (increase) in trade and other receivables	**17,384**	(25,062)
Change in contract assets/liabilities, net	**(7,271)**	(41,126)
(Decrease) increase in trade and other payables	**(41,836)**	19,820
Cash used in operations	**(45,823)**	(63,311)
Tax refunded (paid)	**2,004**	(522)
NET CASH USED IN OPERATING ACTIVITIES	**(43,819)**	(63,833)
INVESTING ACTIVITIES		
Investment in a joint venture	**(15,004)**	(8,692)
Proceed from disposal of a joint venture	**20,580**	–
Placement of pledged bank deposits	**(1,041)**	(2,073)
Loan to a related company	**–**	(1,482)
Purchase of property, plant and equipment	**(150)**	(803)
Withdrawal of pledged bank deposits	**2,073**	2,025
Refund of rental deposits	**149**	354
Increase in deferred income	**1,731**	268
Bank interest received	**206**	111
Decrease in amount due from a joint venture	**1,874**	2
Repayment of loan receivable from a related company	**1,482**	–
NET CASH FROM (USED IN) INVESTING ACTIVITIES	**11,900**	(10,290)

Consolidated Statement of Cash Flows (Continued)

For the year ended 31 March 2026

	2026 HK$'000	2025 HK$'000
FINANCING ACTIVITIES		
New bank borrowings raised	**295,618**	232,020
Loans from a shareholder	**50,000**	–
Other loans raised	**6,000**	–
Repayment of bank borrowings	**(311,166)**	(148,600)
Interests paid	**(7,070)**	(7,436)
Repayment of lease liabilities	**(2,152)**	(2,546)
NET CASH FROM FINANCING ACTIVITIES	**31,230**	73,438
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(689)**	(685)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	**31,381**	32,066
CASH AND CASH EQUIVALENTS AT END OF THE YEAR, represented by bank balances and cash	**30,692**	31,381

1. General

Thelloy Development Group Limited (the "Company") was incorporated and registered as an exempted company with limited liability in the Cayman Islands on 28 May 2015 and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 9 October 2015. Its immediate and ultimate holding company is Cheers Mate Holding Limited, a company incorporated in the British Virgin Islands (the "BVI"). The address of the Company's registered office is PO Box 309, Ugland House, Grand Cayman, Cayman Islands, KY1-1104. The principal place of business of the Company is 19/F, The Globe, 79 Wing Hong Street, Lai Chi Kok, Kowloon, Hong Kong.

On 23 January 2026, Cheers Mate Holding Limited ("Cheers Mate", the then immediate holding company of the Company), Mr. Lam Kin Wing Eddie ("Mr. Eddie Lam") and World Nexus Holdings Limited ("World Nexus") entered into a sale and purchase agreement on the sale and purchase of 500,800,000 shares of the Company from Cheers Mate to World Nexus, representing 62.6% of the total issued shares of the Company. Following the completion of the sale and purchase on 12 February 2026, World Nexus became the immediate holding company of the Company holding 62.6% shareholding interest in the Company and Cheers Mate held a remaining 9.9% shareholding interest in the Company. As at 31 March 2026, World Nexus becomes the immediate holding company of the Group. Subsequent to the end of reporting period and immediately after the close of the mandatory unconditional cash offer by World Nexus (other than the shares held by World Nexus and its concert parties) on 10 April 2026, World Nexus held 62.7% of the total issued shares of the Company. World Nexus is ultimately beneficially owned as to 60% by Mr. Ng Wing Chiu Raymond, 20% by Mr. Choi Chi Wan and 20% by Mr. Soong Tze Man.

The Company and its subsidiaries (collectively the "Group") are principally engaged in property construction services in Hong Kong.

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

2. Application of New and Amendments to HKFRS Accounting Standards

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

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the 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 an HKFRS Accounting Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. Application of New and Amendments to HKFRS Accounting Standards (Continued)

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 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.

HKFRS 18 *Presentation and Disclosure in Financial Statements* ("HKFRS 18")

HKFRS 18, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new Hong Kong 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 *Accounting Policies, Changes in Accounting Estimates and Errors* and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

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

Going concern assessment

During the year ended 31 March 2026, the Group incurred a net loss of HK$33,477,000 and resulted a net operating cash outflow and net decrease in cash and cash equivalents of HK$43,819,000 and HK$689,000, respectively. As at 31 March 2026, the Group's current liabilities exceeded its current assets by HK$51,095,000, and the Group's aggregate bank borrowings amounted to HK$138,872,000, which were due for settlement within twelve months and were classified as current liabilities while the Group had cash and cash equivalents of HK$30,692,000.

In assessing the Group's ability to continue as a going concern and appropriateness of the use of going concern basis for the preparation of these consolidated financial statements, the Directors have prepared a cashflow projection for the Group covering a period of 18 months till 30 September 2027, the Directors have given careful consideration to the future liquidity, the financial position, and the available sources of financing of the Group in assessing the Group's ability to continue as a going concern. Despite there was a non-compliance of the gearing ratio of a bank borrowing with carrying amount of HK$22,200,000 as at 31 March 2026 (see note 34), the Group has fully settled the relevant outstanding balance of HK$22,200,000 in accordance with the repayment schedule up to the date of approval of these consolidated financial statements. The Group will continue monitoring the utilisation of bank borrowings and ensuring the compliance with loan covenants. As at 31 March 2026, the Group maintained banking facilities subject to annual review, with unutilised banking facilities of approximately HK$193,054,000 available to support daily operating expenses. The Directors have a reasonable expectation that these facilities will continue to be renewed on an annual basis.

However, uncertainties exist as to whether the banking facilities will continue to be available to the Group to finance its operations and to meet its financial obligations as and when they fall due in the foreseeable future for at least the next twelve months from the end of the reporting period. If the banking facilities could not be renewed, the Group would be unable to finance its operations or meet its financial obligations as and when they fall due in its ordinary course of business. The above conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

By taking into account the unutilised banking facilities available, the Directors are of the opinion that the Group will have sufficient resources to finance its operations and to meet its financial obligations as and when they fall due in the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a basis that the Group will be able to continue as a going concern.

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.1 Basis of preparation of consolidated financial statements (Continued)

Going concern assessment (Continued)

Should the Group be unable to renew its banking facilities, it might not be able to continue to operate as a going concern and adjustments might have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to reclassify non-current liabilities as current liabilities with consideration of the contractual terms, or to recognize a liability for any contractual commitments that may have become onerous, where appropriate. The effects of these adjustments have not been reflected in the consolidated financial statements.

3.2 Material accounting policy information

The consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period, as explained in the accounting policies set out below.

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by Group. Control is achieved when the Company:

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

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

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

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

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Investment in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group assesses whether there is an objective evidence that the interest in a joint venture may be impaired. When any objective evidence exists, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 Impairment of Assets ("HKAS 36") as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised is not allocated to any asset, including goodwill, that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When a group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Revenue from contracts with customers

Information about the Group's accounting policies relating to revenue from contracts with customers is provided in note 5.

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

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

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

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

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

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

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

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

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

Input method

The progress towards complete satisfaction of a performance obligation is measured based on input method, which is to recognise revenue on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation relative to the total expected inputs to the satisfaction of that performance obligation, that best depict the Group's performance in transferring control of services.

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Leases

Definition of a lease

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

The Group as a lessee

Short-term leases

The Group applies the short-term lease recognition exemption to lease of site offices and storage room that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. Lease payments on short-term leases are recognised as expense on a straight-line basis unless another systematic basis is more representative of the hire pattern in which economic benefits from the leased assets are consumed.

Right-of-use assets

The cost of right-of-use assets includes the amount of the initial measurement of the lease liabilities.

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

Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

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

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value.

Lease liabilities

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

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

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

The Group presents lease liabilities as a separate line item on 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)

Leases (Continued)

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term except for investment properties measured under fair value model.

Refundable rental deposits

Refundable rental deposits received are accounted for under HKFRS 9 and initially measured at fair value.

Taxation

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

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

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

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

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

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Taxation (Continued)

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

Current and deferred tax are recognised in profit or loss.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of services, or for administrative purposes. Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

When the Group makes payments for ownership interests of properties which includes both leasehold land and building elements, the entire consideration is allocated between the leasehold land and the building elements in proportion to the relative fair values at initial recognition. To the extent the allocation of the relevant payments can be made reliably, interest in leasehold land is presented as "right-of-use assets" in the consolidated statement of financial position. When the consideration cannot be allocated reliably between non-lease building element and undivided interest in the underlying leasehold land, the entire properties are classified as property, plant and equipment.

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

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

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

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

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

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

(a) cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and

(b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

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

Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

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

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under "other income".

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Employee benefits

Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For LSP obligation, the Group accounts for the employer MPF contributions expected to be offset as a deemed employee contribution towards the LSP obligation in terms of HKAS 19.93(a) and it is measure on a net basis. The estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group's MPF contributions that have been vested with employees, which are deemed to be contributions from the relevant employees.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries and annual leave) after deducting any amount already paid.

Financial instruments

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

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

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

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets

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

Classification and subsequent measurement of financial assets

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

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

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

All financial assets are subsequently measured at amortised cost.

Amortised cost and interest income

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

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

The Group performs impairment assessment under expected credit loss ("ECL") model on financial assets (including trade receivables, other receivables and deposits, amount due from a joint venture, loan receivable from a related company, pledged bank deposits and bank balances) and other items (contract assets and financial guarantee contracts) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

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

The Group always recognises lifetime ECL for trade receivables and contract assets.

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

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

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

(i) Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking Information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from financial analysts, as well as consideration of various external sources of actual and forecast economic information that relate to two Group's core operations.

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

- an actual or expected significant deterioration in the operating results of the debtor;

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

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

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

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

(i) Significant increase in credit risk (Continued)

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

(ii) Definition of default

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

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

(iii) Credit-impaired financial assets

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

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

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

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

(iv) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

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

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the ECL is the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

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

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables, contract assets and amount due from a joint venture where the corresponding adjustment is recognised through a loss allowance account.

Derecognition of financial assets

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

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

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial liabilities and equity

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contract liabilities are measured initially at their fair values. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with HKFRS 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Derecognition of financial liabilities

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

4. Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in note 3.2, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are 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 followings are the key assumptions concerning the future, and other key source of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Revenue and costs from construction contracts

The Group reviews and revises the estimates of contract revenue, contract costs, variation orders and contract claims prepared for each construction contract as the contract progresses. The directors of the Company estimated direct costs according to the amount of direct labour costs, subcontracting charges and cost of materials incurred from time to time based on quotations provided by the major subcontractors, suppliers or vendors involved and the experience of the directors of the Company. In order to keep the budget accurate and up-to-date, the directors of the Company conducts periodic reviews of the budgets of contracts by comparing the budgeted amounts to the actual amounts incurred. Such significant estimate may have impact on the profit or loss recognised in each period.

Recognised amounts of construction contract revenue and related receivables and contract assets reflect the management's best estimate of each contract's outcome and stage of completion, which are determined on the basis of a number of estimates. This includes the assessment of the profitability of on-going construction contracts. For more complex contracts in particular, costs to complete and contract profitability are subject to significant estimation uncertainty.

Notwithstanding that the management frequently reviews and revises the estimates of both the estimated revenue and direct costs as the contracts progress, changes in estimates or the actual outcome will affect recognition of revenue and/or direct costs.

Provision of ECL for trade receivables and contract assets

Trade receivables and contract assets are assessed ECL individually. The provision of ECL is sensitive to changes in estimates. The assessment is based on the internal credit ratings, the credit investigation, including assess to financial information, advice from business partners and credit search. Estimated loss rates are based on historical observed default rates over the expected life of the customers and are adjusted for forward-looking information. At each reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The information about the ECL and the Group's trade receivables and contract assets are disclosed in note 34.

5. Revenue and Segment Information

Revenue

Disaggregation of revenue

	2026 HK$'000	2025 HK$'000
Recognised over time under HKFRS 15:		
Building construction	**443,443**	369,495
Repair, maintenance, alteration and addition ("RMAA") works	**26,953**	30,102
Design and build	**29**	571
Revenue from contracts with customers	**470,425**	400,168
Type of customers		
Government departments	**215,499**	235,427
Private customers	**254,926**	164,741
	470,425	400,168

Performance obligations for contracts with customers and revenue recognition polices

The Group provides building construction, RMAA works and design and build services to customers. Such services are recognised as a performance obligation satisfied over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue is recognised for these construction services based on the stage of completion of the contract using input method. The stage of completion is determined as the proportion of the costs incurred for the works (i.e. overhead costs, subcontracting costs, materials costs and direct staff costs incurred) performed to date relative to the estimated total costs to complete the satisfaction of these services to the extent that the amount can be measured reliably and its recovery is considered probable.

The Group's construction contracts include payment schedules which require stage payments over the construction period once certain specified milestones based on surveyors' assessment are reached. A contract asset, net of contract liability related to the same contract, is recognised over the period in which the construction services are performed representing the Group's right to consideration for the services performed because the rights are conditioned on the Group's future performance in achieving specified milestones based on surveyors' assessment. The contract assets are transferred to trade receivables when the rights become unconditional. If the progress payment exceeds the revenue recognised to date under the input method, then the Group recognises a contract liability for the difference.

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

5. Revenue and Segment Information (Continued)

Revenue (Continued)

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

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) and the expected timing of recognising revenue are as follows:

	2026 **HK$'000**	2025 HK$'000
Within one year	**341,869**	597,013
More than one year but not more than two years	**133,372**	213,235
More than two years	**–**	297,316
	475,241	1,107,564

Segment information

For the purpose of resources allocation and performance assessment, information reported to the chief executive of the Group, being the chief operating decision maker, focus on revenue analysis by type of services. No other discrete financial information is provided other than the Group's results and financial position of the Group as a whole. Accordingly, only entity-wide disclosures, major customers and geographical information are presented.

Geographical information

The Group's revenue are all derived from Hong Kong based on the location of services delivered. The Group's non-current assets (exclude interests in joint ventures and rental deposits) amounting to HK$89,431,000 (2025: HK$91,268,000) as at 31 March 2026 are all physically located in Hong Kong.

Information about major customers

Revenue attributed from customers that accounted for 10% or more of the Group's total revenue during the year is as follows:

	2026 **HK$'000**	2025 HK$'000
Customer A	**226,283**	161,738
Customer B	**189,198**	114,493
Customer C*	**N/A**	88,980

* The customer's revenue for the year ended 31 March 2026 is less than 10% of the Group's revenue.

6. Directors', Chief Executive's and Employees' Remuneration

(a) Directors' and chief executive's emoluments

The emoluments paid or payable to directors of the Company are as follows:

	Ng Jonathan Yee HK$'000 *(note d)*	Choi Sheung Yi Derek HK$'000 *(note d)*	Soong Wing Suen HK$'000 *(note d)*	Lam Kin Wing Eddie HK$'000 *(notes b & c)*	Shut Yu Hang HK$'000 *(note c)*	Lam Arthur Chi Ping HK$'000 *(note c)*	Ip Yik Nam JP HK$'000 *(note f)*	Tso Ping Cheong Brian HK$'000 *(note f)*	Leung Wai Yan HK$'000 *(note f)*	Tang Chi Wang HK$'000 *(note e)*	Tse Ting Kwan HK$'000 *(note e)*	Wong Kwong On HK$'000 *(note e)*	Yeung Cheuk Chi Vivian HK$'000 *(note e)*	Total HK$'000
Year ended 31 March 2026														
Director's fee	15	15	15	-	-	15	-	-	-	240	240	240	240	1,020
Other emoluments:														
Salaries and other allowances and benefits in kind	-	-	-	1,824	1,836	1,347	-	-	-	-	-	-	-	5,007
Performance and discretionary bonus *(note a)*	-	-	-	152	153	114	-	-	-	-	-	-	-	419
Contributions to retirement benefit schemes	-	-	-	-	18	18	-	-	-	-	-	-	-	36
Total emoluments	15	15	15	1,976	2,007	1,494	-	-	-	240	240	240	240	6,482

	Lam Kin Wing Eddie HK$'000 *(notes b & c)*	Shut Yu Hang HK$'000 *(note c)*	Lam Arthur Chi Ping HK$'000 *(note c)*	Tang Chi Wang HK$'000 *(note e)*	Tse Ting Kwan HK$'000 *(note e)*	Wong Kwong On HK$'000 *(note e)*	Yeung Cheuk Chi Vivian HK$'000 *(note e)*	Total HK$'000
Year ended 31 March 2025								
Director's fee	–	–	–	240	240	240	187	907
Other emoluments:								
Salaries and other allowances and benefits in kind	1,896	1,899	1,398	–	–	–	–	5,193
Performance and discretionary bonus *(note a)*	160	160	118	–	–	–	–	438
Contributions to retirement benefit schemes	–	18	18	–	–	–	–	36
Total emoluments	2,056	2,077	1,534	240	240	240	187	6,574

Notes:

a. The performance and discretionary bonus are determined by the board of directors from time to time with reference to the directors' duties and responsibilities and the Group's performance and profitability.

b. Mr. Lam Kin Wing Eddie acts as chief executive of the Group and his emoluments disclosed above include those for services rendered by him as the chief executive. Mr. Lam Kim Wing Eddie is resigned as chief executive of the Group on 10 April 2026 and Mr. Ng Jonathan Yee was appointed as the chief executive of the Group on 10 April 2026.

c. The emoluments of the executive directors, including Mr. Lam Kin Wing Eddie, Mr. Shut Yu Hang and Mr. Lam Arthur Chi Ping are mainly for their services in connection with the management of the affairs of the Company and the Group. Mr. Lam Kim Wing Eddie and Mr. Shut Yu Hang are resigned as executive directors on 10 April 2026.

d. The emoluments of the executive directors, including Mr. Ng Jonathan Yee, Mr. Choi Sheung Yi Derek, Ms. Soong Wing Suen, whose were appointed on 20 March 2026 are mainly for their services in connection with the management of the affairs of the Company and the Group.

e. The emoluments of the independent non-executive directors, including Mr. Tang Chi Wang, Mr. Tse Ting Kwan, Mr. Wong Kwong On and Ms. Yeung Cheuk Chi Vivian, are for their services as the directors of the Company. All of them resigned as independent non-executive directors of the Group on 10 April 2026.

f. The emolument of the independent non-executive directors, including Mr. Ip Yik Nam JP, Mr. Tso Ping Cheong Brian and Ms. Leung Wai Yan, are for their services as the directors of the Company. They were all appointed on 10 April 2026.

6. Directors', Chief Executive's and Employees' Remuneration (Continued)

(b) Employees' emoluments

The five highest paid individuals of the Group during the year included 3 (2025: 3) directors of the Company, details of whose remuneration are set out above. Details of the remuneration of the remaining 2 (2025: 2) highest paid individual for the year are as follows:

	2026 HK$'000	2025 HK$'000
Salaries and other allowances and benefits in kind	3,484	2,885
Performance and discretionary bonus	408	215
Contributions to retirement benefit schemes	36	30
	3,928	3,130

The number of the highest paid employees who are not directors of the Company whose remuneration fell within the following bands is as follows:

	2026 Number of employees	2025 Number of employees
HK$1,000,001 to HK$1,500,000	–	1
HK$1,500,001 to HK$2,000,000	1	1
HK$2,000,001 to HK$2,500,000	1	–
	2	2

No emolument was paid by the Group to the directors, the chief executive or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived or agreed to waive any emoluments during both years.

7. Other Income

	2026 HK$'000	2025 HK$'000
Other income:		
– Bank interest income	**206**	111
– Rental income	**1,522**	1,522
– Government grants *(note)*	**2,139**	474
	3,867	2,107

Note: For the year ended 31 March 2026, government grants include subsidies from Construction Innovation and Technology Fund (CITF) of approximately HK$1,648,000 which is unconditional and recognised as other income when received and HK$491,000 (2025: HK$474,000) for adoption of innovative constructive methods and new technology which is credited to income from deferred income.

8. Impairment Losses (Reversed) Recognised Under Expected Credit Loss Model, Net

	2026 HK$'000	2025 HK$'000
Impairment losses (reversed) recognised on:		
– trade receivables	**(194)**	248
– contract assets	**24**	(65)
	(170)	183

Details of impairment assessment are set out in note 34.

9. Finance Costs

	2026 HK$'000	2025 HK$'000
Interests on:		
Bank borrowings	**6,991**	7,391
Lease liabilities	**79**	45
	7,070	7,436

10. Loss Before Tax

	2026 HK$'000	2025 HK$'000
Loss before tax has been arrived at after charging:		
Direct costs *(note)*:		
Raw materials and consumables used	**68,999**	59,208
Subcontractor and other expenses	**310,852**	272,575
	379,851	331,783
Auditor's remuneration	**950**	1,000
Depreciation of property, plant and equipment	**5,414**	5,676
Depreciation of right-of-use assets	**2,351**	2,415
Directors' remuneration *(note 6)*	**6,482**	6,574
Staff costs:		
Salaries and allowances	**88,461**	70,873
Contributions to retirement benefits schemes	**2,650**	2,139
Total staff costs	**97,593**	79,586

Note: Direct costs includes of approximately HK$78,890,000 (2025: HK$60,117,000) relating to staff costs, which is also included in the staff costs separately disclosed above.

11. Income Tax Credit

	2026	2025
	HK$'000	HK$'000
Current tax:		
Hong Kong Profits Tax	**82**	–
Deferred tax *(note 25)*:		
Credit for the year	**(226)**	(241)
	(144)	(241)

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2 million.

The income tax credit for the year can be reconciled to the loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

	2026	2025
	HK$'000	HK$'000
Loss before tax	**(33,621)**	(51,599)
Tax at the domestic income tax rate of 16.5% (2025: 16.5%)	**(5,547)**	(8,514)
Tax effect of expenses not deductible for tax purpose	**52**	483
Tax effect of income not taxable for tax purpose	**(322)**	(242)
Tax effect of tax losses not recognised	**5,362**	5,166
Utilisation of tax losses previously not recognised	**(256)**	(356)
Tax effect of share of results of joint ventures	**567**	3,222
Income tax credit for the year	**(144)**	(241)

As at 31 March 2026, the Group has estimated unused tax losses of approximately HK$93,022,000 (2025: HK$62,077,000) available for offsetting against future taxable profits of the companies in which the losses arose. No deferred tax asset has been recognised in respect of the unused tax losses due to unpredictability of future profit streams. The tax losses may be carried forward indefinitely.

12. Dividend

No dividend was paid or proposed for ordinary shareholders of the Company during the year ended 31 March 2026 and 2025, nor has any dividend been proposed since the end of the reporting period.

13. Loss Per Share

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

Loss

	2026 **HK$'000**	2025 HK$'000
Loss for the purpose of basic loss per share for the year attributable to owners of the Company	**(33,477)**	(51,358)

Number of shares

	2026 **'000**	2025 '000
Number of ordinary shares for the purpose of calculating basic loss per share	**800,000**	800,000

No diluted loss per share is presented as there is no potential ordinary share in issue for both years.

14. Property, Plant and Equipment

	Properties HK$'000	Leasehold improvements HK$'000	Furniture and fixtures HK$'000	Motor vehicles HK$'000	Office equipment HK$'000	Plant and machinery HK$'000	Computer equipment and software HK$'000	Total HK$'000
COST								
At 1 April 2024	92,768	6,336	1,083	5,012	727	3,756	737	110,419
Additions	–	–	–	653	–	150	–	803
At 31 March 2025	92,768	6,336	1,083	5,665	727	3,906	737	111,222
Additions	–	–	–	–	–	150	–	150
Disposals	–	–	–	–	–	(3)	–	(3)
At 31 March 2026	92,768	6,336	1,083	5,665	727	4,053	737	111,369
DEPRECIATION								
At 1 April 2024	9,817	1,293	457	3,331	306	440	204	15,848
Provided for the year	2,822	678	217	899	145	771	144	5,676
At 31 March 2025	12,639	1,971	674	4,230	451	1,211	348	21,524
Provided for the year	2,822	678	217	625	140	805	127	5,414
Eliminated on disposal	–	–	–	–	–	(3)	–	(3)
At 31 March 2026	15,461	2,649	891	4,855	591	2,013	475	26,935
CARRYING AMOUNT								
At 31 March 2026	77,307	3,687	192	810	136	2,040	262	84,434
At 31 March 2025	80,129	4,365	409	1,435	276	2,695	389	89,698

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

Properties	30 years
Leasehold improvements	Over the shorter of the term of the lease or 10 years
Furniture and fixtures	5 years
Motor vehicles	3 1/3 years
Office equipment	5 years
Plant and machinery	5 years
Computer equipment and software	5 years

As at 31 March 2026 and 2025, the Group's properties with an aggregate carrying value of HK$71,712,000 (2025: HK$74,530,000) have been pledged to secure banking facilities granted to the Group.

15. Right-Of-Use Assets

	Leased properties HK$'000
As at 31 March 2026	
Carrying amount	4,997
As at 31 March 2025	
Carrying amount	1,570
For the year ended 31 March 2026	
Depreciation charge	2,351
Total cash outflow for leases	2,152
Additions to right-of-use assets	5,778
For the year ended 31 March 2025	
Depreciation charge	2,415
Total cash outflow for leases	2,546
Additions to right-of-use assets	1,095

For both years, the Group leases various offices and storage rooms for its operations. Lease contracts are entered into for fixed term of two to four years (2025: two to four years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable. For the year ended 31 March 2026 and 2025, certain of the premises has leased out as short term lease within one year.

During the year ended 31 March 2026, the Group entered into a new lease agreement for the use of leased property for four years (2025: two years). On the lease commencement, the Group recognised HK$5,778,000 (2025: HK$1,095,000) of right-of-use assets and HK$5,778,000 (2025: HK$1,095,000) of lease liabilities.

16. Interests in Joint Ventures/Amount Due From A Joint Venture

Details of the Group's interests in joint ventures are as follows:

	2026 HK$'000	2025 HK$'000
Cost of unlisted interests in joint ventures	107,161	112,737
Share of post-acquisition results	(7,218)	(3,783)
	99,943	108,954

	2026 HK$'000	2025 HK$'000
Amount due from a joint venture		
– Non-trade nature	7,525	9,399
Less: Allowance for credit loss	(4,155)	(389)
	3,370	9,010

The amount is unsecured, interest-free and recoverable on demand.

Details of impairment assessment are set out in note 34.

16. Interests in Joint Ventures/Amount Due From A Joint Venture (Continued)

Details of the Group's joint ventures at the end of the reporting period are as follows:

Name of entities	Place of incorporation	Principal place of business	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activities
			2026	2025	**2026**	2025	
Nova Techoy Modular Construction Company Limited ("Nova Techoy") *(Note 1)*	Hong Kong	Hong Kong	**51%**	51%	**51%**	51%	Sales of modular housing solutions
Great Glory Developments Limited ("Great Glory")	BVI	Hong Kong	**49%**	49%	**49%**	49%	Investment holding
Profit Apex Developments Limited ("Profit Apex")	BVI	Hong Kong	**N/A** *(Note2)*	49%	**N/A** *(Note2)*	49%	Investment holding
Sky Glory Properties Limited ("Sky Glory")	Hong Kong	Hong Kong	**N/A** *(Note2)*	49%	**N/A** *(Note2)*	49%	Properties developing
World Partners Limited ("World Partners")	Hong Kong	Hong Kong	**34.3%**	34.3%	**34.3%**	34.3%	Properties developing

Notes:

1. According to the shareholders' agreement of Nova Techoy, the relevant activities require unanimous consent from all shareholders. The directors of the Company consider that the Group can only exercise joint control over these arrangements and therefore they are classified as joint venture of the Group.

2. During the year ended 31 March 2026, Great Glory entered into a sale and purchase agreement with an independent third party to sell its entire equity interest in Profit Apex, a company which beneficially owned the entire equity interest in Sky Glory, a company which is incorporated in Hong Kong and held a piece of land in Yuen Long, Hong Kong, at a consideration of HK$42,000,000. The disposal was completed on 15 May 2025 and the Group received the consideration attributable to it amounted to HK$20,580,000, which is proportional to its shareholding interest in Great Glory, representing 49% of the total consideration received by Great Glory. The gain or loss resulted from the disposal of the joint venture was included in the share of losses of joint ventures for the year ended 31 March 2026.

Profit Apex and Sky Glory were subsidiaries of Great Glory of which Great Glory owns 100% interests. World Partners is a subsidiary of Great Glory of which Great Glory owns 70% interest.

16. Interests in Joint Ventures/Amount Due From A Joint Venture (Continued)

Summarised financial information of material joint ventures

Summarised financial information in respect of each of the Group's material joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with HKFRS Accounting Standards.

The joint ventures are accounted for using the equity method in these consolidated financial statements.

Nova Techoy

	2026 HK$'000	2025 HK$'000
Current assets	**223**	643
Current liabilities	**(8,725)**	(9,118)
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	**220**	247
Current financial liabilities (excluding trade and other payables and provisions)	**(8,725)**	(8,475)

	2026 HK$'000	2025 HK$'000
Revenue	**282**	5,458
Loss for the year	**(2)**	(12)
The unrecognised share of loss of a joint venture for the year	**(1)**	(6)
Cumulative unrecognised share of loss of a joint venture	**(4,313)**	(4,312)

16. Interests in Joint Ventures/Amount Due From A Joint Venture (Continued)

Summarised financial information of material joint ventures (Continued)

Great Glory (consolidated financial information of Great Glory, Profit Apex, Sky Glory and World Partners)

	2026 HK$'000	2025 HK$'000
Current assets	118	746
Non-current assets	377,710	441,640
Current liabilities	(168,125)	(220,334)
The above amounts of assets and liabilities include the following:		
Cash and cash equivalents	118	311
Current financial liabilities (excluding trade and other payables)	(164,715)	(215,091)

	2026 HK$'000 (Note)	2025 HK$'000
Loss for the year	(7,132)	(39,941)
Loss for the year excluding non-controlling interests in a joint venture	(7,010)	(39,859)
The share of loss of a joint venture for the year	(3,435)	(19,531)

Note: The consolidated financial information of Great Glory for the year ended 31 March 2026, included the financial information of Profit Apex and Sky Glory for the period from 1 April 2025 to 15 May 2025, the date of completion of its disposal by Great Glory.

Reconciliation of the above summarised financial information to the carrying amount of the interests in joint ventures recognised in the consolidated financial statements:

	Nova Techoy		Great Glory	
	2026 HK$'000	2025 HK$'000	2026 HK$'000	2025 HK$'000
Net (liabilities) assets	(8,502)	(8,475)	209,703	222,052
Less: Non-controlling interests	–	–	(5,738)	303
	(8,502)	(8,475)	203,965	222,355
Proportion of the Group's interest	51%	51%	49%	49%
Carrying amount of the Group's interests in joint ventures	–	–	99,943	108,954

17. Trade and Other Receivables

	2026 HK$'000	2025 HK$'000
Trade receivables	**32,512**	54,556
Less: Allowance for credit losses	**(142)**	(336)
	32,370	54,220
Rental deposits	**648**	765
Other deposits	**7,212**	2,605
Other receivables	**9**	14
Prepayments	**631**	604
	40,870	58,208
Less: Rental deposits (classified as non-current assets) *(note i)*	**(522)**	(93)
	40,348	58,115
Loan receivable from a related company *(note ii)*	**–**	1,482
	40,348	59,597

Notes:

(i) These balances represented rental deposits placed by the Group in connection with its rented premises. These balances are classified as non-current (2025: non-current).

(ii) The Group granted a loan principal of approximately HK$1,482,000 to a related company, which is a shareholder of Great Glory, carried at fixed interest of 12% per annum, secured by a personal guarantee and repayable on 30 September 2025. As at 31 March 2026, the loan receivable was fully settled in cash by the related company.

The credit period granted by the Group to its customers is 30 days from the date of invoices on progress payments of contract work. An ageing analysis of trade receivables, net of allowance of credit losses, is presented based on the invoice date at the end of the reporting period.

	2026 HK$'000	2025 HK$'000
0-30 days	**32,370**	54,220

As at 31 March 2026 and 2025, there are no trade receivables balance which are past due.

Details of impairment assessment on trade and other receivables are set out in note 34.

18. Contract Assets and Contract Liabilities

	2026 HK$'000	2025 HK$'000
Contract assets:		
Retention receivables of construction contracts *(note (a))*	**21,274**	15,370
Unbilled revenue of construction contracts *(note (b))*	**81,340**	79,973
	102,614	95,343
Less: Allowance for credit losses	**(47)**	(23)
	102,567	95,320

As at 1 April 2024, contract assets and contract liabilities amounted to HK$57,183,000 and HK$3,054,000, respectively.

Notes:

(a) Retention receivables included in contract assets represents the Group's right to receive consideration for work performed and not yet billed because the rights are conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the expiry date of the period for the provision of assurance by the Group on the service quality of the construction work performed by the Group. As at 31 March 2026, the due dates for retention receivables are one year (2025: one year) after the completion of construction work.

(b) Unbilled revenue included in contract assets represents the Group's right to receive consideration for work completed but not yet billed because the rights are conditional upon the satisfaction by the customers on the construction work completed by the Group and the work is pending for the certification by the customers. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the time the Group obtains the certification of the completed construction work from the customers. The increase in contract assets in the current year is the result of the increase in ongoing construction contracts at the end of the year.

Contract assets that are expected to be settled within the Group's normal operating cycle are classified as current. The Group applies simplified approach to provide for ECL on contract assets prescribed by HKFRS 9. Details are set out in note 34.

All contract liabilities as at 1 April 2024 were recognised as revenue during the year ended 31 March 2025.

19. Pledged Bank Deposits/Cash and Cash Equivalents

Pledged bank deposits

Pledged bank deposits represent deposits pledged to banks to secure the banking facilities (including bank borrowings and performance guarantee) granted to the Group, and carry interest at prevailing market rate ranging 0.001% to 3.59% (2025: ranging from 0.001% to 7.4%) per annum.

Cash and cash equivalents

Cash and cash equivalents comprise cash held and short-term bank deposits with an original maturity of three months or less, and carry interest at prevailing market rate ranging from 0.001% to 0.1% (2025: 0.001% to 4.87%) per annum.

Details of impairment assessment of pledged bank deposits and bank balances are set out in note 34.

20. Trade and Other Payables

	2026 HK$'000	2025 HK$'000
Trade payables	**44,172**	76,745
Other payables	**3,370**	5,244
Accrued charges	**5,467**	15,145
Retention payables *(note)*	**28,180**	25,800
Deposits received from suppliers	**–**	65
Deposits received for rental	**900**	926
	82,089	123,925

Note: Retention payables to sub-contractors of contract work will be released by the Group after the completion of defect liability period of the relevant contracts or in accordance with the terms specified in the relevant contracts, one year from the date of practical completion of the respective contraction contracts.

The credit period granted to the Group on subcontracting of contract work services is 30 to 45 days. The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

	2026 HK$'000	2025 HK$'000
0-30 days	**42,286**	66,091
31-60 days	**1,864**	10,619
61-90 days	**–**	35
91-120 days	**22**	–
	44,172	76,745

21. Lease Liabilities

	2026 HK$'000	2025 HK$'000
Within one year	**1,661**	1,184
Within a period of more than one year but not exceeding two years	**1,503**	185
Within a period of more than two years but not exceeding five years	**1,831**	–
	4,995	1,369
Less: Amount due for settlement with 12 months shown under current liabilities	**(1,661)**	(1,184)
Amount due for settlement after 12 months shown under non-current liabilities	**3,334**	185

The incremental borrowing rates applied to lease liabilities is 1.87% (2025: 1.87%).

22. Deferred Income

At 31 March 2026, the Group received government subsidies from CITF of approximately HK$84,000 (2025: HK$268,000) towards the cost of plant and machinery. The amount has been treated as deferred income. The amount is transferred to income over the useful lives of the relevant assets. This policy has resulted in a credit to income in the current year of HK$491,000 (2025: HK$474,000). As at 31 March 2026, an amount of HK$1,070,000 (2025: HK$1,477,000) remains to be amortised.

23. Other Loans

During the year ended 31 March 2026, the Group borrowed two other loans from a director of a subsidiary, with an aggregate amounts of HK$6,000,000 (2025: Nil), in which the other loans are unsecured, interest-free and repayable on demand and therefore, the other loans are classified as current liabilities.

24. Bank Borrowings

At 31 March 2026, bank borrowings amounted to HK$138,872,000 (2025: HK$154,420,000), are repayable within one year and carry interest at Hong Kong Interbank Offered Rate ("HIBOR") plus a spread of range from 1.38% to 2.8% (2025: 1.35% to 2.5%) with an effective rate of 4.33% (2025: 5.96%) per annum.

At 31 March 2026 and 2025, the Group's bank borrowings are secured by the Group's pledged bank deposits and certain of the Group's properties.

In both years, in respect of a bank loan with a carrying amount of HK$22,200,000 (2025: HK$20,000,000) as at 31 March 2026, the Group breached one of the terms of the bank loan, which are primarily related to the gearing ratio of the borrower, one of the subsidiaries of the Group. On discovery of the breach, the directors of the Company informed the lender and commenced a renegotiation of the terms of the loan with the relevant banker. As at 31 March 2026, those negotiations had not been concluded. Since the lender has not agreed to waive its right to demand immediate payment as at the end of the reporting period, the loan has been classified as a current liability as at 31 March 2026 and 31 March 2025. Up to the date of approval for issuance of the consolidated financial statements, the negotiations are still in progress. In any event, should the lender call for immediate repayment of the loan, the directors of the Company believe that adequate alternative sources of finance are available to ensure that there is no threat to the continuing operations of the Group. Subsequent to the end of reporting period, the Group settled the bank loan of HK$22,200,000.

25. Deferred Tax Liabilities

	Accelerated tax depreciation HK$'000	**ECL provision** HK$'000	**Total** HK$'000
At 1 April 2024	605	(93)	512
Credited to profit or loss	(211)	(30)	(241)
At 31 March 2025	394	(123)	271
(Credited) charged to profit or loss	(254)	28	(226)
At 31 March 2026	140	(95)	45

26. Loans From A Shareholder

During the year ended 31 March 2026, the Group borrowed loans from a shareholder, Cheers Mate Holding Limited in an aggregate amount of HK$50,000,000 (2025: Nil) which are unsecured, interest-free and repayable on January and February 2029.

27. Share Capital

	Number of shares	Share capital HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 April 2024, 31 March 2025 and 31 March 2026	2,000,000,000	20,000
Issued and fully paid:		
At 1 April 2024, 31 March 2025 and 31 March 2026	800,000,000	8,000

28. Reconciliation of Liabilities Arising From Financing Activities

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

	Interest payable HK$'000	Bank borrowings HK$'000	Lease liabilities HK$'000	Other loans HK$'000	Loans from a shareholder HK$'000	Total HK$'000
At 1 April 2024	264	71,000	2,820	–	–	74,084
Financing cash flows	(7,494)	83,420	(2,591)	–	–	73,335
New lease entered	–	–	1,095	–	–	1,095
Finance costs recognised *(note 9)*	7,391	–	45	–	–	7,436
At 31 March 2025	161	154,420	1,369	–	–	155,950
Financing cash flows	(6,961)	(15,548)	(2,231)	6,000	50,000	31,260
New lease entered	–	–	5,778	–	–	5,778
Finance costs recognised *(note 9)*	6,991	–	79	–	–	7,070
At 31 March 2026	191	138,872	4,995	6,000	50,000	200,058

29. Contingent Liabilities

(i) At 31 March 2026, performance guarantee of approximately HK$6,377,000 (2025: HK$14,101,000) are given by banks in favour of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and their customers for construction work. The Group has contingent liabilities to indemnify the banks for any claims from customers under the guarantee due to the failure of the Group's performance.

The directors of the Company do not consider it is probable that a claim will be made against the Group.

(ii) At 31 March 2025, performance guarantee of approximately HK$939,000 was given by a bank in favour of the Group's landlord as security for a premise rented and observance of the Group's obligations under the contract entered into between the Group and the landlord in relation to the payment for the use and occupation of the premise. The Group had contingent liabilities to indemnify the bank for any claims from the landlord under the guarantee due to the date of expiration of the contract on August 2025.

As at 31 March 2026, there is no performance guarantee required by the landlord of the leased properties when the new lease agreement is entered into by the Group for the lease period from August 2025 to August 2029.

30. Related Party Disclosures

Save as disclosed elsewhere in the consolidated financial statements, the Group entered into the following transactions with related parties:

	2026 **HK$'000**	2025 HK$'000
Short term lease payment to Trunk Room Limited	**182**	–
Construction contract revenue from World Partners	**40**	1,167

As at 31 March 2026, the Group had short term lease payment to Trunk Room Limited of HK$182,000 (2025: Nil). Trunk Room Limited is wholly-owned by Mr. Lam Arthur Chi Ping.

Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	2026 **HK$'000**	2025 HK$'000
Salaries and other allowance and benefits in kind	**11,328**	10,221
Contribution to retirement benefit schemes	**126**	108
	11,454	10,329

31. Retirement Benefits Schemes

The Mandatory Provident Funds Schemes ("MPF Schemes") is registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Schemes are held separately from those of the Group in funds under the control of an independent trustee. Under the MPF Schemes, the employer and its employees are each required to make contributions to the MPF Schemes at rates specified in the rules. The only obligation of the Group with respect to the MPF Schemes is to make the required contributions. Except for voluntary contribution, no forfeited contribution under the MPF Schemes was available to the Group for reducing the contribution payable in the year ended 31 March 2026, nor will it be available in future years. The Group follows the minimum contribution requirement of 5% of eligible employee' relevant aggregate income with a cap of HK$1,500 per employee per month.

The contributions to retirement benefits schemes arising from the MPF Schemes charged to the consolidated statement of profit or loss and other comprehensive income represent contributions paid or payable to the funds by the Group at rates specified in the rules of the schemes.

The Group's contributions to the retirement benefits schemes charged to the consolidated statement of profit or loss and other comprehensive income amounted to approximately HK$2,686,000 (2025: HK$2,175,000).

32. Other Commitment

On 5 March 2021, in order to finance the land acquisition plan of Great Glory, the Group agreed to provide the additional capital contribution in the aggregate amount of HK$188,650,000 to Great Glory and such contributions shall be payable upon request of Great Glory from time to time. As at 31 March 2026, the outstanding commitment was HK$62,628,000 (2025: HK$77,632,000).

33. Capital Risk Management

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

The capital structure of the Group consists of debt, which includes lease liabilities, other loans, bank borrowings and loans from a shareholder as disclosed in notes 21, 23, 24 and 26 respectively, and equity of the Group, comprising issued share capital and reserves.

Management of the Group reviews the capital structure regularly taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through issue of new shares, raise of new debts or repayment of existing debts.

34. Financial Instruments

(a) Categories of financial instruments

	2026 HK$'000	2025 HK$'000
Financial assets		
Amortised cost	**75,237**	101,410
Financial liabilities		
Amortised cost	**268,124**	257,956

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, other receivables and deposits, amount due from a joint venture, loan receivable from a related company, pledged bank deposits, bank balances, trade and other payables, lease liabilities, other loans, loans from a shareholder and bank borrowings. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Currency risk

The Group has limited currency exposure as both the sales and direct costs are denominated in the functional currency of the respective group entity. Accordingly, the directors of the Company considers that the Group's exposure to foreign currency risk is minimal.

Interest rate risk

The Group's cash flow interest rate risk primarily relates to the pledged bank deposits and bank balances (note 19) as at 31 March 2026 and 2025, and variable-rate bank borrowings (note 24) as at 31 March 2026 and 2025. The Group is exposed to fair value interest rate risk in relation to the loan receivable from a related company (note 17), lease liabilities (note 21), other loans (note 23) and loans from a shareholder (note 26) as at 31 March 2026 and 2025.

The Group has not used any interest rate swaps to mitigate its exposure associated with interest rate risk. However, management of the Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

34. Financial Instruments (Continued)

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

Market risk (Continued)

Interest rate risk (Continued)

Sensitivity analysis

In the opinion of the directors of the Company, the expected change in interest rate will not have significant impact on interest income or expense on bank balances.

The sensitivity analysis below has been determined based on the exposure to interest rates for bank borrowings at the end of the reporting period. The analysis is prepared assuming amounts of these financial instruments outstanding at the end of the reporting period were outstanding for the whole year.

A 50 basis points increase or decrease in the prevailing rates of relevant banks is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower for variable rate bank borrowings, with all other variables held constant, the Group's post-tax loss for the year ended 31 March 2026 would increase/decrease by HK$694,000 (2025: post-tax loss increase/decrease by HK$772,000).

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to pledged bank deposits, bank balances, trade receivables and contract assets arising from contracts with customers, other receivables and deposits, amount due from a joint venture and financial guarantee contracts. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

The Group performed impairment assessment for financial assets under ECL model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below:

34. Financial Instruments (Continued)

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

Credit risk and impairment assessment (Continued)

Trade receivables and contract assets arising from contracts with customers

The Group has concentration of credit risks with exposure limited to certain customers. Trade receivables and contract assets from three customers (2025: two customers) amounting to approximately HK$31,473,000 (2025: HK$50,088,000) and HK$66,884,000 (2025: HK$8,824,000) respectively constitute approximately 97% (2025: 92%) of the Group's trade receivables and 65% (2025: 9%) of the Group's contract assets, respectively, as at 31 March 2026. Management of the Group closely monitors the subsequent settlement of the customers. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

Other receivables and deposits and amount due from a joint venture

For other receivables and deposits and amount due from a joint venture, the directors of the Company make periodic individual assessment on the recoverability of these balances based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportable including forward-looking information. The directors of the Company believes that there has been no significant increase in credit risk of these amounts since initial recognition and the Group provided impairment based on 12m ECL. For the year ended 31 March 2026 and 2025, the Group assessed the ECL for other receivables and deposits are insignificant and thus no loss allowance is recognised. The directors of the Company considers the worsening of financial performance of the joint venture for the year ended 31 March 2026 and an impairment loss of HK$3,766,000 (2025: Nil) is recognised on the amount due from a joint venture and the amount is charged to profit or loss for the year ended 31 March 2026.

Pledged bank deposits/bank balances

The credit risk on pledged bank deposits and bank balances is low because the counterparties are reputable banks with high credit ratings assigned by international credit-rating agencies, and the Group has limited exposure to any single financial institution.

34. Financial Instruments (Continued)

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

Credit risk and impairment assessment (Continued)

Loan receivable from a related company

For the loan receivable from a related company as at 31 March 2025, the directors of the Company made individual assessment on the recoverability of the loan receivable based on quantitative and qualitative information that is reasonable and supportable including forward-looking information. The directors of the Company believes that there has been no significant increase in credit risk of the loan receivable since initial recognition. For the year ended 31 March 2025, the Group assessed the ECL for the loan receivable from a related company was insignificant and thus no loss allowance was recognised. During the year ended 31 March 2026, the loan receivable from a related company is fully settled.

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

	Notes	**External credit rating**	**12m or lifetime ECL**	**2026 Gross carrying amount HK$'000**	2025 Gross carrying amount HK$'000
Financial assets at amortised cost					
Trade receivables	*17*	N/A	Lifetime ECL (not credit-impaired and assessed individually)	**32,512**	54,556
Other receivables and deposits	*17*	N/A	12m ECL (not credit-impaired and assessed individually)	**7,869**	3,384
Amount due from a joint venture	*16*	N/A	12m ECL (not credit-impaired and assessed individually)	**7,525**	9,399
Loan receivable from a related company	*17*	N/A	12m ECL (not credit-impaired and assessed individually)	**–**	1,482
Pledged bank deposits	*19*	Aa2 – Aa3	12m ECL (not credit-impaired and assessed individually)	**1,041**	2,073
Bank balances	*19*	A1 – Aa1	12m ECL (not credit-impaired and assessed individually)	**30,587**	31,240
Other items					
Contract assets	*18*	N/A	Lifetime ECL (not credit-impaired and assessed individually)	**102,614**	95,343
Financial guarantee contracts*	*34(b)*	N/A	12m ECL (not credit-impaired and assessed individually)	**25,382**	42,532

* For financial guarantee contracts, the gross carrying amount represents the maximum amount of the Group has guarantee under the respective contracts.

34. Financial Instruments (Continued)

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

Credit risk and impairment assessment (Continued)

Impairment assessment on trade receivables and contract assets

The ECL on trade receivables and contract assets are assessed individually and estimated by reference to internal credit ratings, the credit investigation, including assess to financial information, advice from business partners and credit search.

The loss rates are estimated taking into consideration of historical observed default rates over the expected life of the customers and are adjusted for forward-looking information.

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

	Trade receivables		Contract assets		
	Lifetime ECL (not credit-impaired) HK$'000	Lifetime ECL (credit-impaired) HK$'000	Lifetime ECL (not credit-impaired) HK$'000	Lifetime ECL (credit-impaired) HK$'000	Total HK$'000
At 1 April 2024	88	–	88	–	176
Impairment losses reversed	–	–	(65)	–	(65)
New financial assets originated	248	–	–	–	248
At 31 March 2025	336	–	23	–	359
Impairment losses reversed	(194)	–	–	–	(194)
New financial assets originated	–	–	24	–	24
At 31 March 2026	**142**	**–**	**47**	**–**	**189**

34. Financial Instruments (Continued)

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

Credit risk and impairment assessment (Continued)

Impairment assessment on amount due from a joint venture

The following tables shows reconciliation of loss allowances that has been recognised for amount due from a joint venture:

	12m ECL (not credit-impaired) HK$'000
At 1 April 2024 and 31 March 2025	389
Impairment loss recognised	3,766
At 31 March 2026	4,155

On 5 March 2021, the Group provided a guarantee to a bank in respect of bank facility to the World Partners up to a maximum amount of HK$124,000,000, provided that the liability of the Group in respect of any part of the guaranteed indebtedness shall be several with that of other joint venture partners, and be limited to 34.3% of the guaranteed indebtedness, representing the effective interest of the Group in the World Partners amounted to approximately HK$25,382,000. The fair value of these financial guarantee, as at date of initial recognition, were considered insignificant. At the end of the reporting period, the management has performed impairment assessment, and concluded that there has been no significant increase in credit risk since initial recognition of the financial guarantee contracts. Accordingly, the loss allowance for financial guarantee contracts issued by the Group is measured at an amount equal to 12m ECL. For the year ended 31 March 2026 and 2025, the Group assessed the ECL for financial guarantee contracts are insignificant and thus no loss allowance is recognised.

34. Financial Instruments (Continued)

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

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by management of the Group to finance the Group's operations and mitigate the effects of unexpected fluctuations in cash flows. The management of the Group monitors the utilisation of bank borrowings and ensures compliance with loan covenants except for the non-compliance of one bank loan covenants set out in note 24.

As at 31 March 2026, the Group has net current liabilities of HK$51,095,000 (2025: HK$80,536,000). The directors of the Company have given careful consideration to the future liquidity of the Group when preparing the consolidated financial statements.

Taking into account the ongoing availability of finance to the Group, including the unutilised credit facility granted from banks to the Group of HK$193,054,000 (2025: HK$229,479,000) as at 31 March 2026, which can be utilised if necessary subsequent to the reporting period, the directors of the Company are of the opinion that the Group has sufficient working capital to meet in full its financial obligations as they fall due for at least the next twelve months from the end of the reporting period and accordingly these consolidated financial statements have been prepared on a going concern basis.

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the bank choosing to exercise the rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

34. Financial Instruments (Continued)

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

Liquidity risk (Continued)

	Weighted average effective interest rate	Repayable on demand	Within 1 year	1-2 years	3-5 years	Total undiscounted cash flows	Total carrying amount
	%	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 31 March 2026							
Trade and other payables	–	–	73,252	–	–	73,252	73,252
Lease liabilities	1.87	–	1,739	1,553	1,852	5,144	4,995
Bank borrowings	4.33	138,872	–	–	–	138,872	138,872
Other loans	–	6,000	–	–	–	6,000	6,000
Loans from a shareholder	–	–	–	–	50,000	50,000	50,000
Financial guarantee contracts	N/A	25,382	–	–	–	25,382	–
		170,254	74,991	1,553	51,852	298,650	273,119
At 31 March 2025							
Trade and other payables	–	–	103,536	–	–	103,536	103,536
Lease liabilities	1.87	–	1,196	186	–	1,382	1,369
Bank borrowings	5.96	154,420	–	–	–	154,420	154,420
Financial guarantee contracts	N/A	42,532	–	–	–	42,532	–
		196,952	104,732	186	–	301,870	259,325

34. Financial Instruments (Continued)

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

Liquidity risk (Continued)

Bank borrowings with a repayment on demand clause are included in the repayable on demand time band in the above maturity analysis. As at 31 March 2026, the aggregate carrying amounts of these bank borrowings amounted to HK$138,872,000 (2025: HK$154,420,000). As at 31 March 2026, the Group has breached the gearing ratio as required under its loan agreement with a bank. This breach may entitle the lender to demand immediate repayment of the outstanding borrowings amounting to HK$22,200,000 (2025: HK$20,000,000) classified under current liabilities because the agreement includes a call on demand clause. The management of the Company is actively negotiating with the lender for a waiver or amendment to the breached covenants. Taking into account the Group's financial position, the management does not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The management believes that such bank borrowings will be repaid within one year after the end of the reporting period in accordance with the scheduled repayment dates set out in the loan agreements, details of which are set out in the table below:

Maturity Analysis – bank borrowings with a repayment on demand clause based on scheduled repayments

	Less than 1 year HK$'000	Total undiscounted cash flows HK$'000	Total carrying amount HK$'000
At 31 March 2026			
Bank borrowings	**139,147**	**139,147**	**138,872**
At 31 March 2025			
Bank borrowings	155,529	155,529	154,420

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the management considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

The amounts included above for variable interest rate instruments are subject to change if changes in variable interest rates differ from the estimated interest rates determined at the end of the reporting period.

(c) Fair value of financial instruments

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

The fair values of the financial assets and financial liabilities have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis.

35. Share Option Scheme

The Company's share option scheme (the "Share Option Scheme") was conditionally approved by the Company pursuant to the written resolutions of the then sole shareholder of the Company on 22 September 2015. The Share Option Scheme remained valid and effective following the transfer of listing of its shares from GEM to the Main Board of the Stock Exchange on 26 October 2017 and will be implemented in full compliance with the requirements under Chapter 17 of the Listing Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The following is a summary of the principal terms of the Share Option Scheme:

(i) On and subject to the terms of the Share Option Scheme and the requirements of the Listing Rules, the directors of the Company shall be entitled to, at its absolute discretion and on such terms as it deems fit, grant options to any eligible participant.

(ii) The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be a price solely determined by the board and notified to a participant and shall be at least the higher of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option; (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant of the option; and (iii) the nominal value of a Share on the date of grant of the option.

(iii) An offer for the grant of options must be accepted within seven days inclusive of the day on which such offer was made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK$1.00.

(iv) The total number of shares which may be allotted and issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Group (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Group) must not in aggregate exceed 80,000,000 shares, 10% of the total number of Shares in issue as at the listing date. The Company may refresh this limit at any time, subject to the shareholders' approval and the issue of a circular and in accordance with the Listing Rules provided that the total number of shares which may be allotted and issued upon exercise of all outstanding options to be granted under the Share Option Scheme and any other share option schemes of the Group must not exceed 10% of the shares in issue as at the date of approval of the refreshed limit and for such purpose, options (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option schemes of the Group) previously granted under the Share Option Scheme and any other share option schemes of the Group will not be counted. The above is subject to the condition that the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Group shall not exceed 30% of the share capital of the Company in issue from time to time.

35. Share Option Scheme (Continued)

(v) The total number of Shares issued and to be issued upon exercise of options granted to any grantee (including both exercised and outstanding options) under the Share Option Scheme, in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue. Any further grant of options in excess of such limit must be separately approved by shareholders in general meeting with such grantee and his close associates (or his associates if the grantee is a connected person) abstaining from voting. In such event, the Company must send a circular to the shareholders containing the identity of the grantee, the number and terms of the options to be granted (and options previously granted to such grantee), and all other information required under the Listing Rules. The number and terms (including the subscription price) of the options to be granted must be fixed before the approval of the shareholders of the Company and the date of the board meeting proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price.

(vi) An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof. The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme is adopted.

No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption.

The Share Option Scheme has expired on 21 September 2025 and the Company has no Share Option Scheme currently in force.

36. Statement of Financial Position and Reserves of the Company

(a) Statement of the financial position of the Company:

	2026 HK$'000	2025 HK$'000
Non-current asset		
Investment in a subsidiary	**53,023**	53,023
Current asset		
Cash and cash equivalents	**132**	235
Current liabilities		
Accrual	**62**	29
Amount due to a subsidiary	**12,376**	9,558
	12,438	9,587
Net current liabilities	**(12,306)**	(9,352)
Net assets	**40,717**	43,671
Capital and reserves		
Share capital *(Note 27)*	**8,000**	8,000
Reserves	**32,717**	35,671
Shareholders' equity	**40,717**	43,671

(b) Movement of reserves of the Company:

	Share premium HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 April 2024	42,490	(5,085)	37,405
Loss and total comprehensive expense for the year	–	(1,734)	(1,734)
At 31 March 2025	42,490	(6,819)	35,671
Loss and total comprehensive expense for the year	–	(2,954)	(2,954)
At 31 March 2026	42,490	(9,773)	32,717

37. Particulars of Principal Subsidiaries

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

Name of subsidiaries	Place of incorporation/ principal place of business	Issued and fully paid share capital	Proportion of nominal value of issued share capital held by the Company		Principal activities
			2026	2025	
			%	%	
Direct subsidiaries					
Techoy Holding Limited	BVI/Hong Kong	US$1	**100**	100	Investment holding
Techoy Modular Construction Co., Ltd	BVI/Hong Kong	US$1	**100**	100	Investment holding
Techoy Ventures Holding Limited	BVI/Hong Kong	US$1	**100**	100	Investment holding
Indirect subsidiaries					
Techoy Construction	Hong Kong/Hong Kong	HK$22,200,000	**100**	100	Property construction in Hong Kong
Thelloy Construction Company Limited	Hong Kong/Hong Kong	HK$2	**100**	100	Interior decoration
Grandway Inc. Development Limited	Hong Kong/Hong Kong	HK$1	**100**	100	Property investment
Thelloy Assets Holding Limited	BVI/Hong Kong	US$1	**100**	100	Investment holding
Trunk Room Holding Limited	BVI/Hong Kong	US$1	**100**	100	Investment holding
Trunk Room (TH) Limited	Hong Kong/Hong Kong	HK$100	**100**	100	Provision of mini-storage services
One Puffin Limited	BVI/Hong Kong	US$1	**100**	100	Investment holding
Team Contracting Co., Ltd	Hong Kong/Hong Kong	HK$1	**100**	100	Property construction in Hong Kong
Twin Engles Limited*	BVI/Hong Kong	US$1	**N/A**	100	Investment holding

* The subsidiary is newly incorporated in BVI during the year ended 31 March 2026.

None of the subsidiaries has issued any debt securities at the end of the reporting period.

38. Subsequent Event

The Company has proposed to change its English name and Chinese name from "Thelloy Development Group Limited 德萊建業集團有限公司" to "Fortune Peace Development Group Limited 裕和建業集團有限公司" (the "Change of Company Name"). An extraordinary general meeting of the Company will be convened and held for the Shareholders to consider and, if thought fit, approve the Change of Company Name. Details have been disclosed in the announcement of the Company dated 12 June 2026.

Financial Summary

RESULTS

	For the year ended 31 March				
	2026	2025	2024	2023	2022
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue	**470,425**	400,168	257,992	259,138	204,342
(Loss) profit for the year attributable to owners of the Company	**(33,477)**	(51,358)	8,279	12,660	4,264

ASSETS AND LIABILITIES

	At 31 March				
	2026	2025	2024	2023	2022
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Total assets	**367,914**	399,782	352,852	341,267	272,345
Total liabilities	**(283,071)**	(281,462)	(183,174)	(179,868)	(123,606)
Total equity	**84,843**	118,320	169,678	161,399	148,739