



Man King
萬景控股

Man King Holdings Limited 萬景控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2193



2026

ANNUAL REPORT



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Lo Yuen Cheong (*Chairman*)
Lo Yick Cheong

Non-executive Director

Chan Wai Ying

Independent non-executive Directors

Leung Wai Tat Henry
Lo Man Chi
Chau Wai Yung
So Kei Wai

AUDIT COMMITTEE

Leung Wai Tat Henry (*Chairman*)
Chan Wai Ying
Chau Wai Yung
Lo Man Chi
So Kei Wai

REMUNERATION COMMITTEE

Chau Wai Yung (*Chairman*)
Lo Yuen Cheong
Leung Wai Tat Henry
Lo Man Chi
So Kei Wai

NOMINATION COMMITTEE

Lo Yuen Cheong (*Chairman*)
Lo Yick Cheong
Chau Wai Yung
Leung Wai Tat Henry
Lo Man Chi
So Kei Wai

AUTHORISED REPRESENTATIVES

Lo Yuen Cheong
Law Wai Ting

COMPANY SECRETARY

Law Wai Ting

SOLICITORS

CFN Lawyers LLP in association with Beijing Anli
(Hong Kong) Partners
Maples and Calder

AUDITOR

PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Industrial and Commercial Bank of China (Asia) Limited

REGISTERED OFFICE

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

PRINCIPAL OFFICE

Unit D, 10/F
Skyline Tower
18 Tong Mi Road
Mongkok, Kowloon
Hong Kong

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

STOCK CODE

2193

WEBSITE

<http://www.manking.com.hk>

On behalf of the Board of Directors, I am pleased to present the Annual Report for Man King Holdings Limited (the "Company") and its subsidiaries (collectively the "Group" or "we") for the year ended 31 March 2026, a period marked by notable progress despite persistent challenges within the construction industry.

PERFORMANCE AND STRATEGY

For the year ended 31 March 2026, the Group delivered a solid and reliable operational performance. The Group recorded a total revenue of HK\$373.4 million and a net profit attributable to owners of the Company of HK\$8.4 million, marking a return to profitability and reversing the Group's loss position reported over the past two years.

While the broader construction industry faced headwinds from high interest rates and tight liquidity, the Group maintained a stable financial position. As of 31 March 2026, the Group maintained a remarkably low gearing ratio at 0.9%. This negligible leverage effectively insulated the Group from the elevated financing costs that pressured many industry peers.

Furthermore, our revenue stream remains highly secure, derived predominantly from the HKSAR Government public works contracts. Our trade receivable aging profile remains highly favorable with minimal credit risk exposure. This optimal combination of near-zero debt and effective capital working management has left the Group with a strong liquidity position, providing an unassailable financial foundation for future growth.

The tendering environment in the civil engineering sector became increasingly competitive during the year. In response to aggressive market bidding, the Group adopted a disciplined and selective tendering strategy to prioritize margin preservation and risk management over volume expansion. Rather than engaging in aggressive price competition that could compromise project quality and profitability, the Group focused on securing projects that meet its financial and operational criteria. While this strategy may lead to a temporary contraction in our immediate project pipeline, it supports the Group's long-term sustainability and value creation. To enhance our bidding competitiveness for upcoming public works tenders, the Group has continued to invest heavily in modern engineering capabilities, including advanced prefabrication and construction technologies to compress site schedules and optimise labor resource, as well as the deployment of smart site safety systems to maintain our stellar safety ratings, which are crucial for scoring high marks in public sector tender evaluations.

OUR PEOPLE

The Group's long-term resilience and operational stability are anchored by our dedicated and highly skilled workforce. We firmly believe that human capital is our most valuable asset, particularly in a highly competitive civil engineering landscape. Throughout the year, the Group remained deeply committed to nurturing its talent pool by providing continuous professional development, specialised technical training, and programs tailored to the evolving demands of modern digital engineering. We actively foster an inclusive and collaborative corporate culture that rewards merit and encourages innovation across all levels of our organisation.

Concurrently, the health, safety, and well-being of our workforce remains our absolute and uncompromised priority. We continue to invest heavily in advanced site safety technologies and robust health management protocols to ensure a secure, supportive, and zero-harm working environment for both our office professionals and front-line engineering teams. By aligning our human resource strategies with our operational goals, we have built a stable and agile team capable of maintaining our high standards of project execution and driving the Group's sustainable growth into the future.

OUTLOOK

Looking forward, the Group is well-positioned to capitalise on future opportunities. Its financial position and virtually unleveraged capital structure provide the Group with significant financial flexibility. As the HKSAR Government progresses with its long-term infrastructure and land development frameworks, a steady stream of high-value public tenders will continue to come to market.

Our strong liquidity profile and robust credit standing ensure we are fully prepared to support new civil engineering projects, while simultaneously seeking viable acquisition opportunities. This financial strength allows us to remain rigorous and adaptive to market development, ensuring we can rapidly capture favorable market developments and deliver long-term value to shareholders.

APPRECIATIONS

The Board would like to extend our sincere gratitude to our shareholders and business associates for their enduring trust and continued support throughout the year. Most importantly, we would like to express our appreciation to our employees for their hard work, steadfast commitment, and for maintaining a positive and resilient attitude in navigating a competitive market environment.

LO Yuen Cheong

Chairman

26 June 2026



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

The Group is principally engaged in providing civil engineering services in Hong Kong as main contractor.

The engineering works undertaken by the Group are mainly related to (i) roads and drainage (including associated building works and electrical and mechanical works); (ii) site formation (including associated infrastructure works); and (iii) port works. The Group undertakes civil engineering projects in both public and private sectors and, being a main contractor, participates in the procurement of materials, machineries and equipment, selection of subcontractors, carrying out on-site supervision, monitoring work progress and overall co-ordination of day-to-day work of the projects.

As at 31 March 2026, the Group had four projects in progress, and several completed projects yet to receive the final contract sum, with a total estimated outstanding contract sum and work order value of approximately HK\$277.3 million.

The diversified coal transshipment business of the Group through its 20.3% owned One Belt One Road project in Pakistan continued to bring positive return to the Group. During the year ended 31 March 2026, the Company's share of profit of this One Belt One Road project was approximately HK\$22.5 million.

Principal risks and uncertainties

The management considers that the followings are the principal risks and uncertainties to the Group:

- (i) the business of the Group relies on successful tenders and any failure of the Group to secure tender contracts would affect the operations and financial results of the Group;
- (ii) erroneous or inaccurate estimation of project duration and the costs involved when determining the tender price may adversely affect the profitability and financial performance of the Group;
- (iii) the historical revenue and profit margin may not be indicative of the future revenue and profit margin of the Group; and
- (iv) any delay or defects of the suppliers' and subcontractors' works of the Group would adversely affect its operations and financial results.

Customers and suppliers

The major customers of the Group are the HKSAR Government and certain reputable organisations. The public sector customers are normally required to make payments to the Group within 21 days after the issue of the progress certificate by the authorised person, while the private sector customers are normally required to make payments to the Group within 60 days after the issue of the invoice. The management of the Group considers that the credit risk is limited in this regard.

On the other hand, the Group maintains a good relationship with its key subcontractors and suppliers, and no warnings relating to the supply or quality of materials has been received. We have performed subcontractor and supplier annual performance evaluations and the results are satisfactory.

Environmental policies

The Group has also observed the laws and regulations in relation to environmental protection in Hong Kong, such as Air Pollution Control Ordinance, Noise Control Ordinance, Water Pollution Control Ordinance, Waste Disposal Ordinance, Dumping at Sea Ordinance, Environmental Impact Assessment Ordinance and Public Health and Municipal Services Ordinance. Prior to the commencement of work, the Group will assess the implications and requirements of the aforesaid laws and regulations and apply for necessary permits (if applicable) to conduct its work. The Group also ensures that the subcontractors and their workers comply with the Group's environmental management policy on the basis of appropriate education, training and/or expertise. In particular, the Group holds regular meetings with them to discuss environmental related issues during the course of a project. The breach of the aforesaid laws and regulations may lead to penalty or fine by the relevant government authorities or even suspension of works. During the year ended 31 March 2026, the Group was in compliance with applicable environmental laws and regulations in all material aspects.

For further details of the environmental, social and governance ("ESG") initiatives, practices and performance of the Group, please refer to the section headed "Environmental, Social and Governance Report" on pages 31 to 53 of this annual report.

Compliance with laws and regulations

Saved as disclosed in the compliance with environmental laws and regulations mentioned above, the Group has been in compliance in all material respects with all the other relevant laws, rules and regulations. The Group will continue to deploy adequate resources and make an effort to maintain and enhance internal control in order to mitigate any non-compliance issues.

FINANCIAL REVIEW

Revenue

The Group's revenue for the year ended 31 March 2026 amounted to approximately HK\$373.4 million, representing an increase of approximately HK\$37.7 million or 11.2%, from approximately HK\$335.7 million in the same period of the last financial year. The increase in revenue was primarily attributable to progression of several projects to their final completion stage, during which the variation orders were finalised and disputes with the customers were resolved. As a result, the relevant work completed was recognised as revenue by the Group during the year.

Gross profit (loss) and gross profit (loss) margin

The Group recorded a turnaround from a gross loss of approximately HK\$11.3 million and gross loss margin of 3.4% for the year ended 31 March 2025 to a gross profit of approximately HK\$5.5 million and gross profit margin of 1.5%. The improvement was mainly attributable to an increased amount of work certified by customers for several projects during the year after negotiations with the customers regarding the total work completed, including variation orders carried out by the Group and the resolution of work disputes in the projects. In addition, several ongoing construction projects were in phases where permanent works instead of temporary works were predominantly undertaken, resulting in higher level of work certified by customers, contributing to the turnaround from the gross loss to gross profit.

Other income

Other income was approximately HK\$5,492,000 and HK\$7,586,000 for the years ended 31 March 2026 and 2025, respectively. The decrease was mainly due to the decrease in bank interest income of approximately HK\$1,179,000 attributable to lower interest rates offered by banks under the prevailing market environment.

Other gains, net

Other gains, net for the year ended 31 March 2026 amounted to approximately HK\$413,000 (2025: HK\$772,000). The decrease was primarily due to decrease in fair value gain of financial assets at fair value through profit or loss by approximately HK\$536,000. Additionally, there was a net loss on the disposal of property, plant, and equipment of approximately HK\$439,000, compared to a gain of approximately HK\$331,000 on the disposal of property, plant, and equipment for the year ended 31 March 2025.

Administrative expenses

Administrative expenses for the year ended 31 March 2026 was approximately HK\$26.8 million (2025: HK\$26.4 million). The administrative expenses included mainly employee benefit expenses (including the directors' emoluments, staff salaries, staff welfare, other allowances and etc.), auditor's remuneration and legal and professional fee.

Impairment of financial assets

As part of the Group's credit risk assessment for the year ended 31 March 2025, an expected credit loss impairment provision of approximately HK\$11.8 million was recognised on amounts due from joint operations/an other partner of joint operation. This provision reflects the heightened credit risk stemming from the Group's joint operations' partner failure to fulfil their contractual repayment obligations in respect of a road and drainage project in Kai Tak Development ("Kai Tak Development project") when demanded by the Group during the year ended 31 March 2025. This situation increased the potential for financial losses. Although the Group did not hold any collateral against these receivables, the risk was partially mitigated by the value of assets held by the relevant joint operations and the Group's participation in the joint operations. The amounts due from joint operations/an other partner of joint operation as at 31 March 2025, for which the expected credit loss provision was made, primarily related to accumulated outstanding balances from a joint operation partner involved in Kai Tak Development project. The management assessed that the credit risk associated with this joint operation partner increased significantly during the year ended 31 March 2025, taken into account of its historical payment defaults, current financial strength and the latest budget status of Kai Tak Development project.

The Kai Tak Development project has been substantially completed during the year. No additional impairment of financial assets was recognised on amounts due from joint operations/an other partner of joint operation for the year ended 31 March 2026. The management has implemented monitoring procedures to ensure appropriate actions are taken to recover overdue debts.



MANAGEMENT DISCUSSION AND ANALYSIS

Finance costs

During the year ended 31 March 2026, bank loan interest expenses were approximately HK\$137,000 (2025: HK\$160,000) and interest expenses on the lease liabilities were approximately HK\$214,000 (2025: HK\$258,000). Therefore, total finance costs were approximately HK\$351,000 (2025: HK\$418,000).

Share of profit of an associate

Share of profit of an associate relates to the Group's 20.3% interest in an associate for the provision of bareboat charter and coal transshipment services in Pakistan. The Group's share of profit of an associate for the year ended 31 March 2026 was approximately HK\$22.5 million (2025: HK\$20.2 million).

Income tax credit

The Group recorded income tax credit of approximately HK\$1,233,000 for the year ended 31 March 2026 (2025: HK\$143,000).

Profit (loss) for the year

For the year ended 31 March 2026, the Group recorded a net profit of approximately HK\$8.0 million compared to a net loss of approximately HK\$21.1 million or the adjusted net loss (excluding the one-off impairment of financial assets) of approximately HK\$9.3 million for the same period in the last financial year.

Consolidated statement of financial position

Net assets of the Group increased slightly by approximately 3.3% from approximately HK\$251.2 million as at 31 March 2025 to approximately HK\$259.6 million as at 31 March 2026.

Non-current assets decreased from approximately HK\$123.0 million as at 31 March 2025 to approximately HK\$90.0 million as at 31 March 2026 due to decrease in investment in an associate arising from the share of post-acquisition results and other comprehensive income, net of dividends, together with the decrease in property, plant and equipment resulting from depreciation during the year.

Current assets increased by approximately 16.5% from approximately HK\$248.4 million as at 31 March 2025 to approximately HK\$289.2 million as at 31 March 2026, primarily due to net cash from operating activities and dividend received from an associate.

Liquidity and financial resources

As at 31 March 2026, the Group had cash and cash equivalents of approximately HK\$171.7 million (2025: HK\$143.6 million) and bank deposits with maturity over three months of approximately HK\$66.7 million (2025: HK\$37.3 million), which were mainly denominated in Hong Kong dollars and United States dollars. There is no major exposure to foreign exchange rate fluctuations. As such, the Group has not adopted any currency hedging policy or other hedging instruments. The Group will continue to monitor its exposure to currency risks closely.

As at 31 March 2026, the Group had a total of interest bearing bank borrowing of approximately HK\$2.4 million (2025: HK\$4.0 million), with a repayable on demand clause. Such borrowings were denominated in Hong Kong dollars, carried at variable interest rate and had no financial instrument for hedging purpose.

The Group had available unutilised bank borrowing facilities of approximately HK\$23.7 million as at 31 March 2026 (2025: HK\$23.7 million).

Capital structure and gearing ratio

As at 31 March 2026, total equity was approximately HK\$259.6 million (2025: HK\$251.2 million) comprising ordinary share capital, share premium and reserves.

The gearing ratio of the Group, defined as a percentage of borrowings divided by the total equity, was approximately 0.9% as at 31 March 2026 (2025: 1.6%).

Pledge of assets

As at 31 March 2026 and 2025, the Group had no pledged bank deposits or other assets.

There was no contingent liability of the Group as at 31 March 2026.

New business

During the year ended 31 March 2026, the Company did not commence any new type of business.

Capital commitments

The Group had no capital commitments on capital expenditure of property, plant and equipment contracted for but not recognised as liabilities as at 31 March 2026 and 31 March 2025.

Performance bonds and contingent liabilities

Certain customers of construction contracts undertaken by the Group require the group entities to issue guarantees for the performance of contract works in the form of performance bonds and secured either by other deposits or pledged bank deposits. The performance bonds are released when the construction contracts are completed or substantially completed.

As at 31 March 2026 and 2025, the Group had no outstanding performance bonds.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2026, the Group had an aggregate of 138 full-time employees (2025: 164 full-time employees). Employee costs excluding directors' emoluments totalled approximately HK\$68.7 million for the year ended 31 March 2026 (2025: HK\$70.2 million). The Group was in compliance with Employment Ordinance, Employees' Compensation Ordinance and other applicable regulations, and salary payment was made on time without any dispute. The Group recruited and promoted the employees according to their strength and development potential. The Group determined the remuneration packages of all employees including the directors with reference to individual performance and current market salary scale. In addition to the above, a share option scheme is adopted for rewarding and retaining Directors and employees for the continual operation and development of the Group and such scheme expired on 2 July 2025.

FUTURE OUTLOOK

Looking forward, the Group is well-positioned to capture emerging opportunities as macroeconomic conditions stabilise and long-term public asset investments normalise. The Group's robust financial position and virtually unleveraged capital structure provide significant financial flexibility to navigate evolving market landscapes. As the HKSAR Government maintains its steady commitment to multi-year infrastructure frameworks and sustainable urban development, a predictable pipeline of public sector projects is expected to enter the market. Supported by healthy cash reserves and a strong credit standing, the Group is well-positioned to undertake upcoming projects while actively exploring potential strategic acquisitions. Concurrently, the Group will maintain a high degree of operational agility to dynamically adapt to market shifts and capitalise on emerging growth opportunities.

To enhance margins in an increasingly competitive environment, the Group will proactively accelerate its transition toward smart, technology-driven construction methodologies. It will continue to strengthen the integration of advanced prefabrication, modular integrated construction and artificial intelligence-driven safety systems. These initiatives are expected to enhance operational productivity, mitigate ongoing labour in shortages and align with the procurement preferences by public sector clients. Backed by strong financial resilience and a highly disciplined management approach, the Group enters the upcoming financial year with strong confidence, and remains committed to delivering long-term, sustainable value to its shareholders.



MANAGEMENT DISCUSSION AND ANALYSIS

The 20.3% owned One Belt One Road project in Pakistan completed its seventh coal transshipment operation season in early May 2026. During the year ended 31 March 2026, the Group received dividends from River King Management Holdings Limited ("River King" and together with its subsidiaries, the "River King Group") totaling to approximately HK\$48.0 million (31 March 2025: approximately HK\$29.1 million). The repayment cycle of trade receivables related to the charter hire income depended on the level of United States dollar reserve of the Pakistan Government. A prudent strategy in dividend distribution would be undertaken by the River King Group in case the cash reserve was affected by a prolonged repayment cycle of trade receivables. The Company will continue to monitor the operation of River King Group and recommend cash distribution as appropriate when profit earning is in line with our expectation. The Group has received dividends in the total amount of approximately HK\$134.8 million from River King since its operation and the dividends received have exceeded the original investment cost, resulting in a net positive return.

The Group's share of profit of an associate amounted to approximately HK\$22.5 million this year, representing an increase of approximately HK\$2.3 million as compared to approximately HK\$20.2 million in the prior year.

SIGNIFICANT INVESTMENT

The Group holds a 20.3% equity interest (comprising 2,030 ordinary shares) in River King through Rich Partner Global Limited, a direct wholly-owned subsidiary of the Company. The River King Group is principally engaged in a One Belt One Road project involving the bareboat charter hiring and transshipment of coal by vessels owned or built by the River King Group to a coal fired power station located in Pakistan. The Group's total investment in River King up to 31 March 2026 was approximately HK\$96.7 million. No market fair value was available for this private investment as at 31 March 2026. The Group invested in River King with a view to maintaining a sustainable growth and maximizing shareholder return through business diversification. To that end, the Group has been actively involved in the development and operation of the coal transshipment project since its participation. During the year ended 31 March 2026, the Group's share of results of River King was approximately HK\$22.5 million. Considering the accumulated distributable reserve available of River King, the Group received cash dividends from the project totaling approximately US\$6.2 million (equivalent to approximately HK\$48.0 million) for the year.

Save as aforesaid, the Company did not hold any other significant investment during the year ended 31 March 2026.

MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the year ended 31 March 2026, there was no material acquisition or disposal of subsidiaries and associated companies by the Company.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Directors currently do not have any future plans for material investments or capital assets. The Directors will continue to monitor the industry and review its business expansion plans regularly, so as to take necessary measures in the Group's best interests.

EXECUTIVE DIRECTORS

Mr. Lo Yuen Cheong, 73, is the Chairman and executive Director of the Company and also the chairman of Nomination Committee and member of Remuneration Committee. He is responsible for the financial and operational aspects of the Group, and is jointly responsible for the formulation of business development strategies of the Group. He has served the Board for more than 11 years.

Mr. Lo Yuen Cheong has over 45 years of experience in working in the civil engineering industry. He is qualified as a Chartered Engineer registered with The Engineering Council of the United Kingdom and a Registered Professional Engineer with Engineers Registration Board of Hong Kong. He is also a member of The Institution of Civil Engineers of the United Kingdom and a member of The Hong Kong Institution of Engineers.

Mr. Lo Yuen Cheong obtained a Master degree of Engineering (MEng) from The University of Sheffield in 1979, and a Master degree of Arts (MA) from The University of Oklahoma in 1998.

He is the brother of Mr. Lo Yick Cheong and the brother-in-law of Ms. Chan Wai Ying.

Mr. Lo Yick Cheong, 70, is the executive Director of the Company and also the member of Nomination Committee. He is responsible for the operations and business development and is jointly responsible for the formulation of business development strategies of our Group. He has served the Board for more than 11 years.

Mr. Lo Yick Cheong has over 44 years of experience in working in the engineering industry. He is qualified as a Chartered Engineer of The Engineering Council of the United Kingdom, and a Registered Professional Engineer with Engineers Registration Board of Hong Kong. He is also a member of The Institute of Marine Engineers of the United Kingdom, and a member of The Hong Kong Institution of Engineers.

Mr. Lo Yick Cheong obtained a diploma in Marine Engineering from Hong Kong Polytechnic (now known as The Hong Kong Polytechnic University) in 1976, a degree of Bachelor of Engineering with First Class Honours in Mechanical Engineering from University of Newcastle Upon Tyne in the United Kingdom in 1986, and a Master degree of Business Administration from University of Leicester in the United Kingdom in 1995. He attained a certificate of competency (Marine Engineer Officer), class 1 (Steamship and Motorship) at the Department of Transport in the United Kingdom in 1985.

He is the brother of Mr. Lo Yuen Cheong and the brother-in-law of Ms. Chan Wai Ying.

NON-EXECUTIVE DIRECTOR

Ms. Chan Wai Ying, 61, is the non-executive Director of the Company and also the member of Audit Committee. She has served the Board for more than 11 years. She has over 31 years of experience in accounting profession and she advises the board on internal control and financial management.

Ms. Chan Wai Ying is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants.

She is the sister-in-law of Mr. Lo Yuen Cheong and Mr. Lo Yick Cheong.



DIRECTORS AND SENIOR MANAGEMENT

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Leung Wai Tat Henry, 77, is the independent non-executive Director of the Company and has served the Board for more than 10 years. He has over 51 years of experience working in the engineering industry. He had worked with the Hong Kong Government as structural engineer from May 1980 to December 1982. He also had six years of experience working in Australia. From March 1984 to June 1986, he worked with Macdonald Wagner Pty Limited and was promoted to the position of senior engineer. From June 1986 to May 1989, he worked with Transfield Construction Pty Limited as a structured engineer. He was employed by Jacobs China Limited for the period from September 1990 to March 2005. His last position was managing director.

Mr. Leung graduated with a Bachelor degree of Science in Engineering from The University of Hong Kong in November 1973 and a Master degree of Engineering Science from The University of Sydney, Australia in May 1984. He is a member of The Institution of Civil Engineers of the United Kingdom, a fellow of The Hong Kong Institution of Engineers, and a fellow of The Institution of Structural Engineers of the United Kingdom. He is also a Registered Professional Engineer with Engineers Registration Board of Hong Kong.

Professor Lo Man Chi, JP, 60, is the independent non-executive Director of the Company and has served the Board for more than 10 years. She has joined The Hong Kong University of Science and Technology since 1992, and is currently a full professor in the Department of Civil and Environmental Engineering. She has extensive research and practical experience in the field of civil and environmental engineering, and produced various academic publications.

Professor Lo is an elected Academician of class VI – Technical and Environmental Sciences of the European Academy of Sciences and Arts in July 2014. She is a fellow of The Hong Kong Institution of Engineers and a fellow of American Society of Civil Engineers. Professor Lo was elected a fellow of the Hong Kong Academy of Engineering Sciences in December 2023. She was the chairperson of the Environmental Division of The Hong Kong Institution of Engineers. She obtained a Bachelor of Science degree in Engineering from National Taiwan University in 1988, as well as a Master of Science degree in Engineering, and a Doctor of Philosophy degree from The University of Texas at Austin in 1990 and 1992, respectively.

Ms. Chau Wai Yung, 41, is the independent non-executive Director of the Company and has served the Board for more than 10 years. She is an associate member of Hong Kong Institute of Certified Public Accountants, and has worked as an accountant with Deloitte Touche Tohmatsu for more than 4 years. Thereafter, she joined the corporate recovery & forensic services department of Mazars CPA Limited from March 2011 to September 2012. From 2014 to 2016, she worked as a project manager consultant with Vieste Investments Limited. She currently works in Corporate Strategy and Development Department with Li Tong Group.

Ms. Chau graduated with a Bachelor degree of Social Sciences with first class honours from The Chinese University of Hong Kong in May 2006. She also obtained a postgraduate certificate in professional accounting from City University of Hong Kong in summer 2006.

Mr. So Kei Wai, 71, is the independent non-executive Director of the Company and has served the Board since July 2024. Mr. So has 48 years of experience working in the engineering industry. He worked with Sang Lee Construction Co. Ltd. as assistant engineer from August 1977 to September 1977. From October 1977 to October 1984, he worked with Paul Y. Construction Co., Ltd. and was promoted to the position of engineer. From November 1984 to July 1985, he worked with Mitsui Construction Co. Ltd. as a site agent. From November 1985 to July 1989, he worked with Bechtel Eastern Limited as a senior civil engineer. From August 1989 to May 2024, he worked with Zhen Hua Engineering Company Limited (“ZHEC”) and its parent company, China Harbour Engineering Company Limited (“CHEC”) with his last senior position as a director of ZHEC and a deputy general manager of CHEC’s marketing department, responsible for assisting CHEC by exploring the international market as well as tendering the engineering projects globally spanning over Middle East, Asia, Africa, Latin America and Europe.

Mr. So graduated with a Bachelor degree of Science in Engineering from National Taiwan University in June 1977.

SENIOR MANAGEMENT

Mr. Lam Tat Shing, 48, is the general manager (contracts and operation) of the Group. He is responsible for site operation and management of civil and marine projects. He has served the Group for more than 16 years.

Mr. Lam is a member of The Hong Kong Institution of Engineers and The Institution of Engineers, Australia, and has over 26 years of experience working in the civil engineering industry. Mr. Lam is an Accredited NEC 3 & NEC 4 Engineering and Construction Contract Project Manager. He also has experience of port works and fill management.

Mr. Yu King Tang, 49, is the contracts manager of the Group. He is responsible for site operation and management of civil projects. He has served the Group for more than 15 years.

Mr. Yu is a member of The Hong Kong Institution of Engineers, and has over 25 years of experience working in the civil engineering industry. Mr. Yu is an Accredited NEC 3 & NEC 4 Engineering and Construction Contract Project Manager.

Ms. Law Wai Ting, 41, is the financial controller and company secretary of the Group. She is responsible for the Group's financial affairs, engaging, and overseeing all aspects of the corporate financial activities, internal control, and corporate governance matter of our Group. She has served the Group for more than 4 years.

Ms. Law holds a master of corporate governance from The Hong Kong Polytechnic University. She is a Chartered Secretary, Chartered Governance Professional and an associate member of The Hong Kong Chartered Governance Institute. Additionally, she is a member of the Hong Kong Institute of Certified Public Accountants and has extensive experience in auditing, accounting, financial management and company secretarial matters.



DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and provision of corporate management services.

The activities of its principal subsidiaries and joint operations (set out in notes 13 and 14 to the consolidated financial statements) are engaged in construction and civil engineering works.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2026 are set out in the consolidated statement of profit or loss and other comprehensive income on page 58 of the annual report and in accompanying notes to the consolidated financial statements.

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

As at the date of this annual report, the Board is not aware of any shareholders who have waived or agreed to waive any dividends.

DISTRIBUTABLE RESERVES

Movements in the reserves of the Group and of the Company are set out in the consolidated statement of changes in equity on page 60 and note 35 to the consolidated financial statements respectively. In respect of the Company, the amount of reserves available for distribution under the Companies Act of the Cayman Islands as at 31 March 2026 was HK\$4,332,000.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 110 of this annual report.

ANNUAL GENERAL MEETING AND CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the forthcoming annual general meeting to be held on Friday, 28 August 2026 (the "2026 Annual General Meeting"), the register of members of the Company will be closed from Tuesday, 25 August 2026 to Friday, 28 August 2026, both dates inclusive, during which period no transfer of shares of the Company (the "Shares") will be registered. The record date for determining the eligibility of the shareholders to attend and vote at the 2026 AGM will be Friday, 28 August 2026. In order to be eligible to attend and vote at the 2026 Annual General Meeting, all completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong not later than 4:30 p.m. on Monday, 24 August 2026.

EQUITY-LINKED AGREEMENTS

Other than the share option scheme of the Company as disclosed in note 30 to the consolidated financial statements, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares.

CHARITABLE DONATIONS

Charitable donations made by the Group during the year ended 31 March 2026 amounted to HK\$42,200.

PROPERTY, PLANT AND EQUIPMENT

Details of the property, plant and equipment of the Group are set out in note 15 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company are set out in note 25 to the consolidated financial statements.

During the year ended 31 March 2026, the Group did not hold or sell any treasury shares.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association (the "Articles of Association") or the laws of the Cayman Islands.

DIRECTORS

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

Executive Directors

Lo Yuen Cheong (*Chairman*)
Lo Yick Cheong

Non-executive Director

Chan Wai Ying

Independent non-executive Directors

Leung Wai Tat Henry
Lo Man Chi
Chau Wai Yung
So Kei Wai

In accordance with article 16.2 of the Articles of Association, any Director appointed by the Board to fill a casual vacancy in the Board or as an additional member of the Board shall hold office only until the first annual general meeting after his appointment and shall then be eligible for re-election at such meeting. In addition, in accordance with article 16.18 of the Articles of Association, one-third of the existing Directors shall retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Accordingly, Mr. Lo Yuen Cheong, Ms. Chan Wai Ying and Prof. Lo Man Chi, *JP*, will retire and being eligible, offer themselves for re-election at the forthcoming annual general meeting.

Biographical details of Directors and senior management are set out in the section headed "Directors and Senior Management" in this report.

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his/her independence pursuant to Rule 3.13 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The Company considers all of the independent non-executive Directors are independent.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with the Company under which they agreed to act as executive Directors for a term of three years, which may be terminated at any time by giving to the other party not less than 3 months' written notice.

The non-executive Director has signed an appointment letter with the Company for a term of one year, which may be terminated at any time by giving to the other party not less than 3 months' written notice.

Each of the independent non-executive Directors has signed an appointment letter with the Company for a term of three years, which may be terminated at any time by giving to the other party not less than 3 months' written notice.

The appointment is subject to the provisions of the Articles of Association with regard to vacation of office of Directors, removal and retirement by rotation of Directors.

Other than as disclosed above, no Director proposed for re-election at the forthcoming annual general meeting has a service contract or appointment letter which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).



DIRECTORS' REPORT

MANAGEMENT CONTRACTS

No management contracts concerning the whole or any substantial part of the business of the Company were entered into or existed during the year.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is set out by the management on the basis of their merits, qualifications and competence.

The Remuneration Committee considers and makes recommendations to the Board on the remuneration and other benefits paid by the Company to the Directors by reference to the Company's operating results, individual performance and comparable market rates. The remuneration of all Directors is subject to regular monitoring by the Remuneration Committee to ensure that the levels of their remuneration and compensation are appropriate.

As at 31 March 2026, the Group had an aggregate of 138 (2025: 164) full-time employees. Employee costs excluding directors' emoluments totalled approximately HK\$68.7 million for the year ended 31 March 2026 (2025: HK\$70.2 million). The Group recruited and promoted the employees according to their strengths and development potential. The Group determined the remuneration packages of all employees including the Directors with reference to individual performance and current market salary scale.

Details of Directors', Chief Executive's and employees' emoluments are set out in notes 10 and 36 to the consolidated financial statements. None of the Directors has waived or agreed to waive any emoluments for the year ended 31 March 2026.

In addition to the above, a share option scheme is adopted for rewarding and retaining Directors and employees for the continual operation and development of the Group and such scheme expired on 2 July 2025.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

Save as disclosed in the paragraph headed "Related Party Transactions and Connected Transactions", no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company, any of its subsidiaries or its holding company was a party and in which a Director or a connected entity of a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

ARRANGEMENT TO PURCHASE SHARES OR DEBENTURES

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

DISCLOSURE INTERESTS IN SECURITIES

A. Directors' and the Chief Executive's interests in the shares of the Company

As at 31 March 2026, the interests and/or short positions of the Directors and Chief Executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO), which or were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Name of Director and Group member/associated corporation	Capacity/nature	Number of issued ordinary shares held (long position)	Percentage of the issued share capital of the company
Lo Yuen Cheong of the Company	Beneficiary and co-founder of a discretionary trust, interest in a controlled corporation and interest in spouse (Note)	300,372,000	71.59%
	Beneficial owner	4,716,000	1.12%
Lo Yick Cheong of the Company	Beneficiary and co-founder of a discretionary trust, interest in a controlled corporation and interest in spouse (Note)	300,372,000	71.59%
Chan Wai Ying of the Company	Beneficial owner	1,500,000	0.36%
Leung Wai Tat Henry of the Company	Beneficial owner	100,000	0.02%
Lo Yuen Cheong of Jade Vantage Holdings Limited	Beneficiary and co-founder of a discretionary trust, interest in a controlled corporation and interest in spouse (Note)	50,000 of US\$1 each	100%
Lo Yick Cheong of Jade Vantage Holdings Limited	Beneficiary and co-founder of a discretionary trust, interest in a controlled corporation and interest in spouse (Note)	50,000 of US\$1 each	100%

Note: Jade Vantage Holdings Limited, which owns 71.59% of the issued share capital of our Company, is owned as to 100% by LOs Brothers (PTC) Limited, the trustee of the Los Family Trust. Mr. Lo Yuen Cheong, Mr. Lo Yick Cheong and each of their spouses are co-founders of the Los Family Trust, which holds the entire issued share capital of Jade Vantage Holdings Limited, which holds 300,372,000 Shares. By virtue of the SFO, Mr. Lo Yuen Cheong and Mr. Lo Yick Cheong are deemed to be interested in the shares of the Company in which Jade Vantage Holdings Limited is interested.

Save as disclosed above, none of the Directors nor their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange.

None of the Directors nor the Chief Executive (including their spouse and children under 18 years of age) had any interest in, or had been granted, or exercised, any rights to subscribe for the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) during the year.

DIRECTORS' REPORT

B. Substantial shareholders and other interests

As at 31 March 2026, so far as the Directors are aware, the following persons (not being a Director or a Chief Executive of the Company) will have an interest or short position in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of shareholder	Nature of interest	Number of issued ordinary shares held (long position)	Percentage of the issued share capital of the Company
LOs Brothers (PTC) Limited	Interest in a controlled corporation	300,372,000	71.59%
Jade Vantage Holdings Limited	Beneficial owner	300,372,000	71.59%
Tam Wai Sze, Vera	Beneficiary and co-founder of a discretionary trust, interest in a controlled corporation and interest in spouse (Note)	300,372,000	71.59%
	Beneficial owner	3,276,000	0.78%
Cheung Suk Ching, Savonne	Beneficiary and co-founder of a discretionary trust, interest in a controlled corporation and interest in spouse (Note)	300,372,000	71.59%

Note: Jade Vantage Holdings Limited, which owns 71.59% of the issued share capital of our Company, is owned as to 100% by LOs Brothers (PTC) Limited, the trustee of the Los Family Trust. Mr. Lo Yuen Cheong, Mr. Lo Yick Cheong and each of their spouses are co-founders of the Los Family Trust, which holds the entire issued share capital of Jade Vantage Holdings Limited, which holds 300,372,000 Shares. By virtue of the SFO, Mr. Lo Yuen Cheong and Mr. Lo Yick Cheong are deemed to be interested in the shares of the Company in which Jade Vantage Holdings Limited is interested.

Save as disclosed above, no other person (other than Directors or Chief Executive of the Company) has an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

SHARE OPTION SCHEME

The Company conditionally adopted the share option scheme on 3 June 2015, and such scheme has become effective on the listing of the Company on the Stock Exchange on 3 July 2015 (the "Share Option Scheme") and expired on 2 July 2025.

(a) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to provide Participants (as defined below) with the opportunity to acquire proprietary interests in the Company and to encourage Participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole. The Share Option Scheme will provide the Company with a flexible means of either retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to Participants.

(b) Participants of the Share Option Scheme

The Board may, at its discretion, grant options pursuant to the Share Option Scheme to director (including executive directors, non-executive directors and independent non-executive directors) and full-time employees of any member of the Group and any advisers, consultants, contractors, subcontractors, suppliers, agents, customers, business partners, joint venture business partners, service providers of any member of the Group who the Board considers, in its sole discretion, have contributed or will contribute to the Group (the "Participants").



(c) Total number of shares available for issue under the Share Option Scheme

The maximum number of shares in respect of which options may be granted under the Share Option Scheme must not in aggregate exceed 41,500,000 Shares, representing 10% of the aggregate of the Shares in issue (excluding treasury shares) on the date the Shares commence trading on the Stock Exchange. As at 26 June 2026, the date of the annual report, there were nil Shares available for issue under the Share Option Scheme, representing approximately 0% of the total Shares in issue (excluding treasury shares).

The overall limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and other share option schemes of the Company (and to which the provisions of Chapter 17 of the Listing Rules are applicable) must not exceed 30% of the Shares in issue from time to time.

(d) Maximum entitlement of each Participant

The total number of Shares issued and to be issued upon exercise of the options granted to each Participant (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the Shares in issue, unless approved by the shareholders of the Company in the manner as stipulated in the Share Option Scheme.

In addition, any share options granted to a substantial shareholder or an independent non-executive director, or to any of their associates, which would result in the shares issued and to be issued, upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding), to such person in the 12-month period up to and including the date of the grant in excess of 0.1% of the shares of the Company in issue and with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HK\$5,000,000, are subject to shareholders' approval in advance at a general meeting.

(e) Time of exercise of options

The period within which the Shares must be taken up under an option shall be the period of time to be notified by the Board to each grantee at the time of making an offer, which shall be determined by the Board in its absolute discretion at the time of grant, but such period must not exceed 10 years from the date of grant of the relevant option.

(f) Vesting period of options granted under the Share Option Scheme

There is no minimum period for which an option must be held before it can be exercised in general. The Board may, on a case by case basis, make such grant subject to such conditions, restrictions or limitations including (without limitation) those in relation the minimum period for which an option must be held and/or the minimum performance targets that must be reached, before the options can be exercised in whole or in part, as the Board may determine in its absolute discretion.

(g) The subscription price per share

The subscription price of a share in respect of a particular option shall be not less than the highest of (a) the official closing price of the Shares on the daily quotation sheet of the Stock Exchange; (b) the average official closing price of the shares on the daily quotation sheet of the Stock Exchange for the five business days immediately preceding the date of grant; and (c) the nominal value of a share.

(h) Payment on acceptance of option

HK\$1.00 is payable by the grantee to the Company on acceptance of the offer of the option.

(i) Remaining life of the Share Option Scheme

The Share Option Scheme expired on 2 July 2025 and no further options may be granted but the provisions of the Share Option Scheme shall in all other respects remain in force and effect and options which are granted during the life of the Share Option Scheme may continue to exercise in accordance with their respective terms of grant.

There were no share option outstanding, granted, exercised, cancelled or lapsed during the year ended 31 March 2026.

The total number of share options available for grant under the Share Option Scheme as at 1 April 2025 and 31 March 2026 was 34,874,000 and nil, respectively. No service provider sub-limit was set under the Share Option Scheme.

The total number of shares that may be issued in respect of options granted under the Share Option Scheme during the financial year ended 31 March 2026 divided by the weighted average number of shares in issue for the year was nil.





DIRECTORS' REPORT

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 March 2026, the five largest customers of the Group and the single largest customer of the Group accounted for 97.7% and approximately 56.4% (2025: 96.7% and 46.8%) of the total revenue of the Group, respectively. The five largest suppliers and the single largest supplier of the Group during the year accounted for approximately 78.3% and 11.3% (2025: 53.8% and 12.1%) of the total purchases of the Group, respectively. The five largest subcontractors and the single largest subcontractor of the Group during the year accounted for approximately 41.3% and 12.7% (2025: 32.9% and 12.7%) of the total subcontracting fee of the Group, respectively.

As far as the Directors are aware, none of the Directors, their associates, within the meaning of the Listing Rules, or those shareholders which to the knowledge of the Directors own more than 5% of the Company's share capital have an interest in any of the five largest customers and/or five largest suppliers/subcontractors of the Group for the year ended 31 March 2026.

RELATED PARTY TRANSACTIONS AND CONNECTED TRANSACTIONS

Details of the significant related party transactions undertaken in the normal course of business are provided under note 34 to the consolidated financial statements, and none of which constitutes a discloseable connected transaction or continuing connected transaction as defined under the Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this report, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Directors.

RELIEF FROM TAXATION

The Company is not aware of any relief from taxation available to the shareholders by reason of their holding of the Shares.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale or transfer of treasury shares, if any) for the year ended 31 March 2026.

As at 31 March 2026, there were no treasury Shares held by the Company.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Each of the Directors has confirmed that he/she is neither engaged, nor interested, in any business which, directly or indirectly, competes or may compete with the Group's business.

CONTRACT OF SIGNIFICANCE

No contract of significance has been entered into between the Company or any of its subsidiaries and the controlling shareholders or any of its subsidiaries during the year and there is no contract significance in relation to provision of services by the controlling shareholder or any of its subsidiaries to the Group.

NON-COMPETITION UNDERTAKINGS BY THE CONTROLLING SHAREHOLDERS

Mr. Lo Yuen Cheong, Mr. Lo Yick Cheong, Ms. Tam Wai Sze, Vera, Ms. Cheung Suk Ching, Savonne, Jade Vantage Holdings Limited and LOs Brothers (PTC) Limited entered into a deed of non-competition dated 3 June 2015 (the "Deed of Non-Competition") so as to better safeguard the Group from any potential competition and to formalise the principles for the management of potential conflicts between them and to enhance its corporate governance in connection with the listing of the shares on the Stock Exchange.

The independent non-executive Directors were delegated with the authority to review, on an annual basis, the compliance with the Deed of Non-Competition. The independent non-executive Directors were not aware of any non-compliance of Deed of Non-Competition during the year ended 31 March 2026.

PERMITTED INDEMNITY PROVISIONS

Pursuant to the Company's Articles of Association, each Director shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him/her as a Director in defending any proceedings, whether civil or criminal, in which judgment is given in his/her favour, or in which he/she is acquitted.

The Company has arranged appropriate directors' and officers' liability insurance coverage for its Directors and officers.

CORPORATE GOVERNANCE

The Board of the Company are committed to maintain high standards of corporate governance with the Corporate Governance Code, as set out in Appendix C1 of the Listing Rules with exception of deviation. Detailed information on the Company's corporate governance practices is set out in the "Corporate Governance Report" contained in pages 20 to 30 of the annual report.

BUSINESS REVIEW

Detailed information on the Group's business review is set out in the "Management Discussion and Analysis" contained in pages 4 to 8 of the annual report.

AUDITOR

The consolidated financial statements of the Group for the year ended 31 March 2026 have been audited by PricewaterhouseCoopers. PricewaterhouseCoopers shall retire and being eligible, offer itself for re-appointment at the forthcoming annual general meeting. A resolution will be proposed at the forthcoming annual general meeting to re-appoint PricewaterhouseCoopers as auditor of the Company.

There were no changes in auditors of the Company in the preceding three years.

EVENTS AFTER THE REPORTING PERIOD

Save for disclosed elsewhere in this annual report, there is no material subsequent event undertaken by the Company or by the Group after 31 March 2026 and up to the date of this annual report.

On behalf of the Board

Lo Yuen Cheong

Chairman and Executive Director

26 June 2026

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE

The Company is committed to maintaining the highest standard of corporate governance as it believes that good corporate governance practices are fundamental to the effective operation of a company and can enhance shareholders' value as well as safeguard shareholders' interests. The Company places strong emphasis on a quality Board, accountability, sound internal control, appropriate risk management, monitoring procedures and transparency to all shareholders and stakeholders.

The Company has adopted, applied and complied with the code provisions of the Corporate Governance Code ("CG Code") as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") during the year ended 31 March 2026, except for provision C.2.1 in respect of the separate roles of the chairman and chief executive officer.

According to provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lo Yuen Cheong is the Chairman and Chief Executive Officer of the Company, responsible for the financial and operational aspects of the Group, and is jointly responsible for the formulation of business development strategies of the Group. The Board believes that vesting the roles of both Chairman and Chief Executive Officer has the benefit of managing the Group's business and overall operation in an efficient manner. The Board considers that the balance of power and authority under the present arrangement will not be impaired taking into account that more than half of the Board are independent non-executive Directors. The Company will review the structure from time to time and shall adjust the situation when suitable circumstance arises.

The amendments to the CG Code effective on 1 July 2025 will apply to the corporate governance reports and annual reports of the Company for the financial years commencing from 1 April 2026. All the corporate governance principles and code provisions mentioned in this report refer to those stated in the CG Code before the amendments, not the revised CG Code.

CORPORATE CULTURE, VALUES AND STRATEGY

The Group is principally engaged in providing civil engineering services in Hong Kong as main contractor. We play an active role in seeking opportunities in the civil engineering industry in Hong Kong especially in the public sector, in order to achieve sustainable growth in our business and create long-term shareholders value.

We embrace a culture of integrity, respect, collaboration, inclusion and care, where our people are committed to continuous innovation and pursuit of excellence for the good of the Company and society and large. Our Directors lead the drive to promote this culture across our Company.

Various circumstances such as staff engagement, employee retention and training, whistleblowing, data privacy and anti-corruption policies, and compliance with laws, rules and regulations have comprehensively reflected our corporate culture. Accordingly, the Board believes that the Group's purpose, values and strategies are aligned with the Group's culture.

THE BOARD

The Board has a balanced composition of members to ensure independent judgment being exercised in all discussions. The Board focuses on the overall strategies, policies and business plans of the Group, monitors the financial performance, internal controls and risk management of the Group. Executive Directors and senior management are responsible for the day-to-day operations of the Group.

The composition of the Board and the individual attendance (Board meetings and annual general meeting during the year) of each Director are set out below:

Attendance	Board meetings attended/held	2025 annual general meeting
Executive Directors		
Lo Yuen Cheong (<i>Chairman</i>)	4/4	1/1
Lo Yick Cheong	4/4	1/1
Non-executive Director		
Chan Wai Ying	4/4	1/1
Independent non-executive Directors		
Leung Wai Tat Henry	4/4	1/1
Lo Man Chi	4/4	1/1
Chau Wai Yung	4/4	1/1
So Kei Wai	4/4	1/1

As at the date of this report, the Board is comprised of 7 directors including two executive Directors, one non-executive Director and four independent non-executive Directors. All the directors (except for Mr. So Kei Wai) have been on the Board since the Company listed on the Stock Exchange on 3 July 2015. Mr. So Kei Wai was appointed as an independent non-executive Director on 15 July 2024. In compliance with Rules 3.10A, 3.10 (1) and (2) of the Listing Rules, the Company has appointed four independent non-executive Directors representing not less than one-third of the Board and at least one of whom has appropriate professional qualifications, or accounting or related financial management expertise. Biographical details of the Directors are set out in the section headed “Directors and Senior Management” in this report. Save for the relationships as detailed in the biographical details, there is no other relationship among the Board to the best knowledge of the Board members. The Company has also maintained on its website and that of the Stock Exchange an updated list of its Directors identifying their roles and functions and whether they are independent non-executive Directors. The independent non-executive Directors are explicitly identified in all of the Company’s corporate communications.

Under code provision C.5.1 of the CG Code, the Board shall meet regularly and at least four times a year at approximately quarterly intervals. The Directors have full access to information on the Group and independent professional advice at all times whenever deemed necessary by the Directors.

Directors’ resolutions were passed by way of written resolutions or by physical meetings or tele-conferencing. The Company has to comply with the CG Code provisions with regard to the conduct of meetings, have annual meeting schedules and draft agenda of each meeting made available to Directors in advance and serve notice of regular Board meetings to all Directors at least 14 days before the meeting and all Directors have the opportunity to include matters in the agenda for Board meetings. For other Board and committee meetings, reasonable notice is required to be given.

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

The Company’s Articles of Association contain provisions requiring Directors to abstain from voting and not to be counted in the quorum at meetings for approving transactions in which such Directors or any of their associates have a material interest.

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

All Directors, including the independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Independent non-executive Directors are invited to serve on the Audit Committee, Remuneration Committee and Nomination Committee of the Company.

BOARD INDEPENDENCE

The Board has established mechanisms to ensure independent views and input are available to the Board. The Board must have at least three independent non-executive Directors and must appoint independent non-executive Directors representing at least one-third of the Board. Currently there are four independent non-executive Directors on the Board, accounting for over 50% of the Board. A private meeting between the Chairman and the independent non-executive Directors takes place at least once each year, to provide an avenue for independent views to be communicated to the Chairman directly. The Board also conducts an annual evaluation of its performance, whereby Directors anonymously submit their comments on the effectiveness of the Board and suggest areas for improvement. In addition, Directors are entitled to take independent professional advice as appropriate at the expense of the Company in order to facilitate proper discharge of their duties. The Board reviewed the mechanisms annually to ensure their effectiveness and the Board considered that the mechanisms were effective for the year under review.

DIRECTORS’ AND OFFICERS’ LIABILITY INSURANCE AND INDEMNITY

The Company has arranged appropriate directors’ and officers’ liability insurance for its Directors and officers covering the costs, losses, expenses and liabilities arising from the performance of their duties. The insurance policy covers legal action against its Directors and officers to comply with the requirement of the CG Code. No claim was made against the Directors and officers of the Company for the year ended 31 March 2026.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Chairman and chief executive officer are two key aspects of the management of a company. Chairman performs the management of the Board and Chief Executive Officer performs the day-to-day management of the business.



CORPORATE GOVERNANCE REPORT

The Company considered that both positions of Chairman and Chief Executive Officer require persons with in-depth knowledge and experience of the Group's business. The Company will review the structure from time to time and shall adjust the situation when suitable circumstance arises.

During the year, Mr. Lo Yuen Cheong has been both the Chairman and Chief Executive Officer of the Company. In addition to his responsibilities as Chairman leading and organising the business of the Board, ensuring its effectiveness, setting agenda and formulating overall strategies and policies of the Company, he has taken up the role of Chief Executive Officer to manage the Group's business and overall operation in an efficient manner. The day-to-day business of the Group has been delegated to the divisional heads responsible for the different aspects of the business.

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of the executive Directors has entered into a service contract with the Company for an initial term of three years, and will continue thereafter until terminated by not less than three months' written notice to the other party.

Non-executive Director and each of the independent non-executive Directors have been appointed for an initial term of one year and three years respectively. The appointments are subject to the provisions of the Company's Articles of Association with regard to vacation of office of Directors, removal and retirement by rotation of Directors.

The procedures and process of appointment, re-election and removal of Directors are laid down in the Company's Articles of Association. Pursuant to the Company's Articles of Association, 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. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors. Where vacancies arise at the Board, candidates will be proposed and put forward to the Board by the Nomination Committee.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the following corporate governance functions set out in code provision A.2.1 of the CG Code:

- (1) to formulate and review the Group's corporate governance policies and practices;
- (2) to review and oversee the training and continuous professional development of Directors and senior management of the Group;
- (3) to review and oversee the Group's policies and practices in compliance with legal and regulatory requirements;
- (4) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
- (5) to review and approve the strategy of environmental, social and governance and relevant policies; and
- (6) to review the Group's compliance with the Appendix C1 to the Listing Rules (Corporate Governance Code) as adopted by it from time to time and the disclosure in the Corporate Governance Report as set out in the annual reports of the Company.

The Board had performed the above duties during the year.

BOARD COMMITTEE

The Company established a Nomination Committee, Remuneration Committee and Audit Committee with terms of reference in compliance with the CG Code, which are posted on the websites of the Company and the Stock Exchange. The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice and other assistance in appropriate circumstances, at the Company's expenses.

Nomination Committee

The Nomination Committee currently comprises six members, being four independent non-executive Directors including Mr. Leung Wai Tat Henry, Prof. Lo Man Chi, JP, Ms. Chau Wai Yung and Mr. So Kei Wai, and two executive Directors including Mr. Lo Yuen Cheong and Mr. Lo Yick Cheong.

The principal responsibilities of the Nomination Committee are regular reviewing of the Board composition, identifying and nominating suitable candidates as Board members, assessing of the independence of the independent non-executive Directors and Board evaluation.

The Board is of the view that the Nomination Committee has properly discharged its duties and responsibilities during the year ended 31 March 2026 and up to the date of this report.

During the year ended 31 March 2026, two meetings of the Nomination Committee were held to (i) review the structure, size and composition of the Board which is determined by directors' skills and experience appropriate to the Company's business; (ii) review the execution effectiveness of the board diversity policy and made recommendations to the Board for approval; (iii) assess and confirm the independence of all independent non-executive Directors; and (iv) review and recommend the appointment and retirement by rotation of Directors. The attendance of individual members in the meetings is set out below:

Attendance	Meeting attended/held
Lo Yuen Cheong (<i>Chairman</i>)	2/2
Lo Yick Cheong	2/2
Chau Wai Yung	2/2
Leung Wai Tat Henry	2/2
Lo Man Chi	2/2
So Kei Wai	2/2

The Board has amended and adopted a nomination policy with effect from 27 December 2018. The nomination of candidate(s) is made in accordance with certain selection criteria: (a) reputation for integrity; (b) accomplishment and experience; (c) commitment in respect of available time and relevant interest; and (d) diversity in all aspects including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service of members of the Board, in assessing and selecting proposed candidates for directorship. The relevant procedures are set out in nomination policy for the Nomination Committee to follow, subject to provisions in the Company's Articles of Association and applicable Listing Rules. The Board recognises the need for appointment or re-election of directors, the following nomination procedures should be followed:

- The Nomination Committee shall review the structure, size, composition (including the skills, knowledge and experience) and diversity of the Board at least once annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy.
- The Nomination Committee shall identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships.
- The Nomination Committee shall assess the independence of independent non-executive Directors.
- The Nomination Committee shall make recommendations to the Board on the appointment or re-election of Directors and succession planning for Directors.
- Where the Board proposes a resolution to elect an individual as an independent non-executive Directors at the general meeting, the Nomination Committee should set out in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting.
- The Board shall have the final decision on all matters in respect of the recommendation of candidates to stand for election or re-election at any general meeting.

Remuneration Committee

The Remuneration Committee currently comprises of five members, being four independent non-executive Directors including Mr. Leung Wai Tat Henry, Prof. Lo Man Chi, JP, Ms. Chau Wai Yung and Mr. So Kei Wai, and one executive Director being Mr. Lo Yuen Cheong.

The Remuneration Committee is responsible for reviewing the remuneration package of the Directors and senior management and making recommendation to the Board for approval. The fees of the independent non-executive Directors are recommended by the Remuneration Committee to the Board for approval at the annual general meeting of the Company (with the relevant committee members abstaining from voting on the resolution concerning his/her own remuneration).



CORPORATE GOVERNANCE REPORT

The Board is of the view that the Remuneration Committee has properly discharged its duties and responsibilities during the year ended 31 March 2026 and up to the date of this report.

During the year ended 31 March 2026, three meetings of the Remuneration Committee were held to review the remuneration policy and the remuneration packages for the Directors and senior management. The remuneration committee also discussed and recommended the Board the remuneration of the new independent non-executive Director. The attendance of individual members in the meetings is set out below:

Attendance	Meeting attended/held
Chau Wai Yung (<i>Chairman</i>)	3/3
Lo Yuen Cheong	3/3
Leung Wai Tat Henry	3/3
Lo Man Chi	3/3
So Kei Wai	3/3

Details of the directors' emoluments for the year ended 31 March 2026 are set out in note 36 to the consolidated financial statements of this annual report. Pursuant to code provision E.1.5 of the CG Code, the remuneration of the members of the senior management by band (excluding Directors) is set out below:

Remuneration Band	Number of Individuals
HK\$2,000,001 to HK\$2,500,000	2
HK\$1,500,001 to HK\$2,000,000	1

Audit Committee

The Audit Committee currently comprises of five members, being four independent non-executive Directors including Mr. Leung Wai Tat Henry, Prof. Lo Man Chi, *JP*, Ms. Chau Wai Yung and Mr. So Kei Wai, and one non-executive Director being Ms. Chan Wai Ying.

The primary duties of the Audit Committee include making recommendations to the Board on the appointment, reappointment and removal of the external auditor and approving the remuneration and terms of engagement of the external auditor and assessing their independence and performance, reviewing of the effectiveness of financial reporting processes, risk management and internal control systems, and the financial information and compliance of the Group. The Audit Committee meets at least twice a year with the Company's external auditor to discuss the audit process and accounting issues.

The Audit Committee reviewed with the management the Group's unaudited interim results for the six months ended 30 September 2025 and the audited annual results for the financial year ended 31 March 2026, and discussed internal controls, risk management and financial reporting matters. The Audit Committee also reviewed this report, and confirmed that this report complies with the applicable standards, the Listing Rules and other applicable legal requirements and that adequate disclosures have been made. There is no disagreement between the Directors and the Audit Committee regarding the selection and appointment of the external auditors. The Board is of the view that the Audit Committee has properly discharged its duties and responsibilities for the year ended 31 March 2026 and up to the date of this report.

During the year ended 31 March 2026, four meetings of Audit Committee were held with attendance of individual members as set out below:

Attendance	Meeting attended/held
Leung Wai Tat Henry (<i>Chairman</i>)	4/4
Chan Wai Ying	4/4
Chau Wai Yung	4/4
Lo Man Chi	4/4
So Kei Wai	4/4

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and the management has designed, implemented and monitored of the risk management and internal control systems of the Group to provide reasonable assurance for achieving objectives and to review the effectiveness of such systems on an annual basis covering all material controls, including financial and operational aspects, and compliance of applicable laws, rules and regulations.

The Board acknowledges that it is its duty to monitor the risk management and internal control systems of the Group on an ongoing basis and review their effectiveness. Such systems are designed to manage, rather than eliminate the risk of failure to achieve business objectives, and aim to provide a reasonable, as opposed to an absolute assurance against material misstatement or loss. Under its framework, each department within the Group is responsible for identifying, assessing and managing risks, as well as ensuring internal control systems and risk management are effective.

The Group has established defined levels of responsibilities and reporting procedures. Controls have been designed and established to ensure that assets are safeguarded against improper use or disposal, financial and accounting records are maintained in accordance with relevant accounting standards and regulatory reporting requirements, and key risks that may impact on the Group's performance are identified and assessed.

In light of the size, nature and complexity of the business of the Group, the Directors are of the view that it would be more cost effective to appoint external independent professionals to perform internal audit function for the Group in order to meet its needs. The Group does not have an internal audit department and will continue to review the need for an internal audit function.

During the year, the Company engaged an external independent consultant with professional staff in possession of relevant expertise (the "independent professional firm") to perform internal audit function and to carry out an internal control review, which comprised, inter alia, enterprise risk assessment and review of the internal control system of the Group, including financial, operational and compliance controls. The review plan was approved by the Audit Committee and the Board.

Based on the risk assessment and the review of the internal control system of the Group conducted by the independent professional firm for the year, no significant risk and control deficiency was identified. The relevant assessment and review reports have been considered by the Audit Committee and the Board for assessing the effectiveness of the risk management and internal control systems. The Audit Committee has also reviewed the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function performed during the year ended 31 March 2026. The Board, through the reviews made by the independent professional firm and the Audit Committee, concluded that the risk management and internal control systems are effective and adequate in all material respects.

Disclosure of inside information

With reference to the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission under section 399 of the SFO, the Board has implemented procedures and internal controls for handling and dissemination of inside information. The Group has adopted a policy which aims to set out guidelines to the Group's directors, officers and all relevant employees to ensure inside information of the Company is to be disseminated to the public in equal and timely manner in accordance with the SFO and the Listing Rules.



CORPORATE GOVERNANCE REPORT

Governance policies

The Group places utmost importance on the ethical, personal and professional standards of Directors and employees of the Group. All employees adhere to various Group policies that reflect the core values and corporate culture of the Group. The Company has established anti-corruption and whistleblowing policies and systems, which are conducive to setting a healthy corporate culture and good corporate governance practices.

QUALITY, HEALTH, SAFETY AND ENVIRONMENTAL MANAGEMENT

Quality

The Group has instituted an integrated management system, meeting the requirements of ISO9001:2008, the clients and the statutory regulations. The Group has also obtained ISO14001:2015 for the professional standards of quality, safety, environmental and operation management.

The Group has consistently delivered products and services of the highest quality through a process of continuous improvement to earn social recognition and become the preferred partner with each of its valued clients.

Health, safety and environmental

Health and safety of all those who visit and work on the Group's sites, together with the protection of the environment, have been and will remain key priorities of the Group.

In addition to the three Board Committees of the Company, a robust Safety, Health and Environment Committee has been established to ensure that health, safety and environmental matters are appropriately managed by the Group. During the year, the Safety, Health and Environment Committee has continued to drive the continuous improvement of health, safety and environmental practices throughout the Group.

The committee members include an executive Director, an assistant general manager for operation, an assistant general manager for quality and health, safety and environmental management, and the safety manager and they meet formally bimonthly unless they are notified to the contrary.

The role of the Safety, Health and Environment Committee is to:

- Build and sustain an incident/injury-free working environment;
- Create a positive health, safety and environmental culture;
- Implement an effective health, safety and environmental management system and proactively manage health, safety and environmental performance.

The Group has improved its overall safety performance and achieved its ultimate goal of zero fatal accident and extremely low reportable accident case for the year. For the year ahead, the Safety, Health and Environment Committee will continue to promote the benefits of health, safety and environmental practices and reduce the Group's accident frequency rate.

BOARD DIVERSITY POLICY

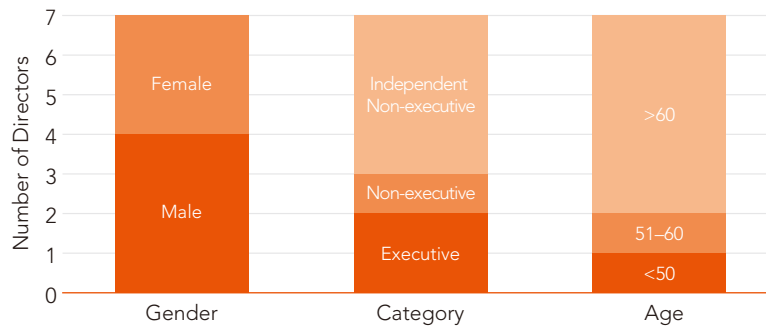
The Company recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance and hence the purpose of the Board Diversity Policy aims to build and maintain a Board with a diversity of Directors, in terms of skills, experience, knowledge, expertise, culture, independence, age and gender. In particular, three out of seven Directors on the Board are represented by women. We believe gender diversity enables better problem solving and brings different perspectives and approaches issues differently, leading to improved decision making processes. These differences are taken into account in determining the optimum composition of the Board.

Under the existing gender diversity mix, the Board is of the view that it is not necessary to set numerical targets and timeline for board gender diversity for the time being. The Nomination Committee discusses the measurable objectives for implementing diversity on the Board from time to time and recommends them to the Board for adoption.

The Nomination Committee reports annually on the composition of the Board from diversified perspectives, and monitors the implementation of this policy to ensure the effectiveness of this policy. It also discusses any revisions that may be required, and recommends any such revisions to the Board for consideration and approval.

The Board has reviewed the implementation of, and confirmed the effectiveness of, its board diversity policy for the year ended 31 March 2026.

The following chart shows the diversity profile of the Board as at 31 March 2026:



The Board also places tremendous emphasis on diversity (including gender diversity) across all levels of the Group. The Group adopted its Workforce Diversity Policy on 1 April 2025, to foster a diversified and inclusive workplace that values employees irrespective of their background.

As at 31 March 2026, the total workforce gender ratio was 23.9% female and 76.1% were male (including the senior management). We consider that at present there is a reasonably gender diversity in the Group's workforce given that gender emphasis on male is common in the civil engineering industry. We will continue to review it and make appropriate adjustment in staff recruitment, if necessary.

DIRECTORS' INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT

To ensure Directors' contribution to the Board remains informed and relevant, all Directors must participate in continuous professional development in each financial year of the Company, to develop and refresh their knowledge and skills for a proper understanding of the Company's business, operations and governance policies and full awareness of their responsibilities under statute and common law, the Listing Rules, legal and other regulatory requirements. The Company arranges and provides funding for (i) a comprehensive, formal and tailored induction for newly appointed Directors upon appointment; and (ii) suitable continuous professional development for all Directors, to be organised in the form of in-house training, seminars or other appropriate courses.

The Directors provided their confirmation to the Company in respect of their participation in continuous professional development as required by Rules 3.09F and 3.09G of the Listing Rules and they have provided a record of training they received for the year ended 31 March 2026 to the Company.

For the year ended 31 March 2026, every Director participated in continuous professional development through various training modes, with topics covering (1) Board roles, functions and effectiveness; (2) legal obligations, Directors' duties and regulatory developments; (3) corporate governance and sustainable development; (4) risk management and internal controls; and (5) industry developments and strategic updates.



CORPORATE GOVERNANCE REPORT

A summary of continuous professional development each Director participated in during the year ended 31 March 2026, according to the records provided, is set out below:

Name of Directors	Attending internal briefings or trainings, participating seminars or reviewing materials
Executive Directors	
Lo Yuen Cheong	✓
Lo Yick Cheong	✓
Non-executive Director	
Chan Wai Ying	✓
Independent non-executive Directors	
Leung Wai Tat Henry	✓
Lo Man Chi	✓
Chau Wai Yung	✓
So Kei Wai	✓

All the Directors attended a training session conducted by the Company's legal adviser relating to directors' duties and responsibilities under the Hong Kong Companies Ordinance (Cap. 622), the Listing Rules and other applicable laws and regulations.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules as its own code of conduct for dealing in securities of the Company by the Directors and other relevant employees.

Specific enquiry has been made of all the Directors and all Directors have confirmed that they have complied with the required standard set out in the Model Code for the year ended 31 March 2026.

DELEGATION OF MANAGEMENT FUNCTIONS

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

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

The day-to-day management, administration and operation of the Company are delegated to the executive Directors and the senior management. The delegated functions and responsibilities are periodically reviewed. Approval has to be obtained from the Board prior to any significant transactions entered into by the aforesaid officers.

ACCOUNTABILITY

The Directors acknowledged their responsibility for preparing of the financial statements of the Group for the year ended 31 March 2026 under applicable statutory and regulatory requirements which give true and fair view of the state of affairs, the results of operations and cashflow of the Group. The Directors ensure that the financial statements for the year ended 31 March 2026 were prepared in accordance with the statutory requirements and the applicable accounting standards, and have been prepared on a going concern basis.

The management has provided sufficient explanation and information of the Group's financial, operational performance as well as business development and also with management accounts and monthly updates to the Board to enable the Board to make an informed assessment of the Group's performance, financial position and Group's prospects to enable the Board and each Director to discharge their duties. The Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

The Group recognises that the independence of an external auditor is a fundamental governance principle. External auditor provides the Board and shareholders an objective assurance on whether the financial statements fairly represent the financial position and performance of the Group in all material aspects.

The working scope and reporting responsibilities of the external auditor, PricewaterhouseCoopers, are set out on pages 54 to 57 in the Independent Auditor's Report.

Company Secretary

All Directors have access to the advice and services of the company secretary of the Company, Ms. Law Wai Ting, a full time employee of the Company. Please refer to her biographical details as set out on page 11 of this annual report.

During the year ended 31 March 2026, Ms. Law Wai Ting has taken not less than 15 hours of professional training.

Shareholders' Rights

The Company is committed to pursue active dialogue with shareholders as well as to provide disclosure of information concerning the Group's material developments to shareholders, investors and other stakeholders.

Any shareholder entitled to attend and vote at a general meeting of the Company is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. Shareholders holding not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall have the right, by written requisition to the Board, and adding resolutions to the meeting agenda to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

To safeguard shareholder interests and rights, a separate resolution would be proposed for each substantially separate issue at shareholder meetings, including the election of individual directors.

All resolutions put forward at shareholder meetings will be voted on by poll pursuant to the Listing Rules and poll results will be posted on the websites of the Company and of the Stock Exchange after each shareholder meeting.

As regards proposing a person for election as a director, the procedures are available on the website of the Company.

Shareholders who have enquiries regarding the above procedures or intend to put forward their enquiries about the Company to the Board, may write to the company secretary of the Company at Unit D, 10/F, Skyline Tower, 18 Tong Mi Road, Mongkok, Kowloon, Hong Kong.

There are no provisions allowing shareholders to make proposals or move resolutions at shareholders' meeting under the Articles of Association or the laws of the Cayman Islands. Shareholders who wish to make proposals or move a resolution may, however, convene an extraordinary general meeting as set out above.

Dividend policy

The Directors acknowledge the importance of stakeholders' engagement and it is the Company's dividend policy to contemplate at least two times a year (prior to the announcement of annual and interim results) on the distribution of a dividend. While the Directors endeavour to share the Group's results with shareholders by way of a dividend, the portion and actual amount of distribution out of profits will be determined by the Directors having regard to a variety of factors, including but not limited to the Group's actual and expecting operating results and conditions, gearing level, general financial condition, availability of cash, future plans and funding needs for expansion.



CORPORATE GOVERNANCE REPORT

The payment of dividend by the Company is also subject to any restrictions under the Articles of Association. The dividend policy will be reviewed periodically and when necessary in light of changes in circumstances and regulatory requirements. There is no assurance that a dividend will be proposed or declared in any specific periods.

Auditor's remuneration

For the year ended 31 March 2026, the remuneration paid/payable to the Company's auditor, PricewaterhouseCoopers, amounted to HK\$1,600,000 in respect of the annual audit and interim review services of the Company. There is no non-audit services performed during the year ended 31 March 2026.

The statement of the Company's external auditor, PricewaterhouseCoopers, regarding their reporting responsibilities is set out in pages 54 to 57 in the Independent Auditor's Report forming part of this annual report.

Independent auditor

The Audit Committee reviews and monitors the independent auditor's independence, objectivity and effectiveness of the audit process. It receives each year letter from the independent auditor confirming their independence and objectivity and holds meetings with representatives of the independent auditor to consider the scope of its audit, approve its fees, and the scope and appropriateness of non-audit services, if any, to be provided by it. The Audit Committee also makes recommendations to the Board on the appointment and retention of the independent auditor.

Constitutional document

During the year ended 31 March 2026, the Company made amendments to the existing third amended and restated Memorandum and Articles of Association and adopted the fourth amended and restated Memorandum and Articles of Association, in order to reflect and align with the requirements of the Listing Rules which mandate further expansion of paperless listing regime and the holding of hybrid general meetings and voting by electronic means by listed issuer and other housekeeping amendments. For details, please refer to the announcement of the Company dated 26 June 2025 and the circular of the Company dated 29 July 2025. The updated version of the constitutional documents is available on the websites of the Company and the Stock Exchange.

Save as disclosed above, there had been no change to the Company's constitutional documents during the year.

Investor relations and communication with shareholders

The Group recognises the importance of timely and non-selective disclosure of information. The Company's corporate website www.manking.com.hk, which features a dedicated Investor Relations section, facilitates effective communication with shareholders, investors and other stakeholders, making corporate information and other relevant financial and non-financial information available electronically and in a timely manner. Latest information of the Company includes announcements, press releases and constitutional documents.

The Group values feedback from shareholders on its efforts to promote transparency and foster investor relationships. Comments and suggestions are welcome, and they can be addressed to the Group by mail or by email at manking@manking.com.hk.

In addition to publication of information, the annual general meeting of the Company provides a forum for communication between shareholders and directors. The chairman of the Board in person chairs the annual general meeting to ensure shareholders' views are communicated to the Board. Moreover, the briefing on the Company's business and the questions and answers session at the annual general meeting allow shareholders to stay informed of the Group's strategies and goals.

In addition to the chairman of the Board, the chairman of the board committees, or in their absence, other members of the respective committees and the external auditors of the Company, are available to answer any queries that shareholders may have.

The Company has in place a shareholders communication policy to ensure that shareholders' views and concerns are appropriately addressed. During the year, the Board has reviewed and is satisfied with the implementation and effectiveness of the shareholders' communication policy on the basis that sufficient channels of communication has been maintained with the shareholders.

REPORTING SCOPE AND PRINCIPLES

This Environmental, Social and Governance Report (the “ESG Report”) is prepared and published by the Group in accordance with Appendix C2 Environmental, Social and Governance Reporting Code (the “Code”) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKEX”). This ESG Report covers the Group’s business of providing civil engineering services in Hong Kong as main contractor. Unless otherwise stated, this ESG Report presents the Group’s ESG performance and relevant disclosures for the period from 1 April 2025 to 31 March 2026 (the “Reporting Period”), which aligned with the financial year covered in the Group’s annual report for the year ended 31 March 2026.

This report is prepared in accordance with the following reporting principles:

- **Materiality:** The Group identified key ESG topics through stakeholder engagement and materiality assessment, which has been disclosed in this ESG Report;
- **Balance:** The ESG Report presented the Group’s environmental and social performance in an unbiased manner;
- **Quantitative:** Information on the standards, methodologies and source of conversion factors used for the reporting of emission and energy consumption has been disclosed in this ESG Report;
- **Consistency:** The Group disclosed key environmental performance indicators using consistent methodologies with the previous reporting period. Any material changes in methodology, calculation approach, reporting boundary, or data basis are explained when they occur.

ESG GOVERNANCE

The Board holds ultimate responsibility for the Group’s overall ESG strategy and direction, including the oversight of ESG and climate-related risks and opportunities. It seeks to integrate ESG considerations into business operations and oversees the annual risk assessment process to identify, assess and manage ESG and climate-related risks and opportunities. Through annual risk assessment and semi-annually management reporting, the Board is kept informed of ESG and climate-related risks and opportunities in a timely manner. In addition, the Board ensures that effective risk management and internal control systems are in place and considers ESG factors in strategic decisions and major transactions, where appropriate. Working closely with key management, the Board assesses ESG and climate-related challenges, with due regard to their actual and potential impacts on the Group’s business operations, strategy, and financial planning. It also takes responsibility for the integrity of the ESG report, with a view to ensuring that it aligns with the Group’s commitment to transparency and accountability.

To ensure that appropriate skills and competencies are available to oversee strategies designed to respond to ESG and climate-related risks and opportunities, the Board periodically reviews its composition and the expertise of its members, arranging for relevant training and external advisory support where necessary.

The Board oversees the setting of targets related to ESG and climate-related risks and opportunities and monitors progress towards those targets on a regular basis. The Group has established key performance indicators related to ESG and climate-related matters, which are taken into account when considering adjustments to senior management’s remuneration, thereby supporting accountability for the Group’s climate and sustainability performance.

To support the Group’s ESG and sustainability goals, the Board delegates authority to senior management of core departments to develop and implement ESG policies and procedures, including those addressing climate-related risks and opportunities. This includes supporting the effectiveness of risk management and internal control systems to address ESG and climate-related challenges. In particular, the Group has established the Safety, Health and Environment Committee at the management level, which is responsible for the day-to-day monitoring and management of environmental and climate-related matters and reports to the Board on its findings on a regular basis. Management integrates climate-related controls and procedures with the Group’s other internal functions to promote a coordinated and effective approach to managing these risks and opportunities. For further details of risk management, please refer to the section headed “Corporate Governance Report” of this annual report.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STAKEHOLDER ENGAGEMENT

We place great importance on our stakeholders' input. Our goal is to develop a balanced and sustainable growth strategy that meets both our growth and our stakeholders' expectations. We communicated with both internal and external stakeholders and provided updates on relevant developments through a structured stakeholder engagement approach across multiple channels. The table below outlines the key stakeholder groups and the representative engagement channels:

Major Stakeholder Groups	Key Engagement Channels
Employees	• Emails and Publications • Employee Activities • Training Courses and Meetings • Performance Appraisal
Clients	• Corporate Websites • Client Service Hotline • Client Meetings
Investors and Stockholders	• Annual General Meeting • Announcements • Interim and Annual Report • Emails
Suppliers and Subcontractors	• Business Meetings • Supplier Assessment • Field Visitation
Government and Supervising Authorities	• Public Consultation • Industry Forum
Social Groups and the General Public	• Charitable Activities • Donations
Media	• Official Websites

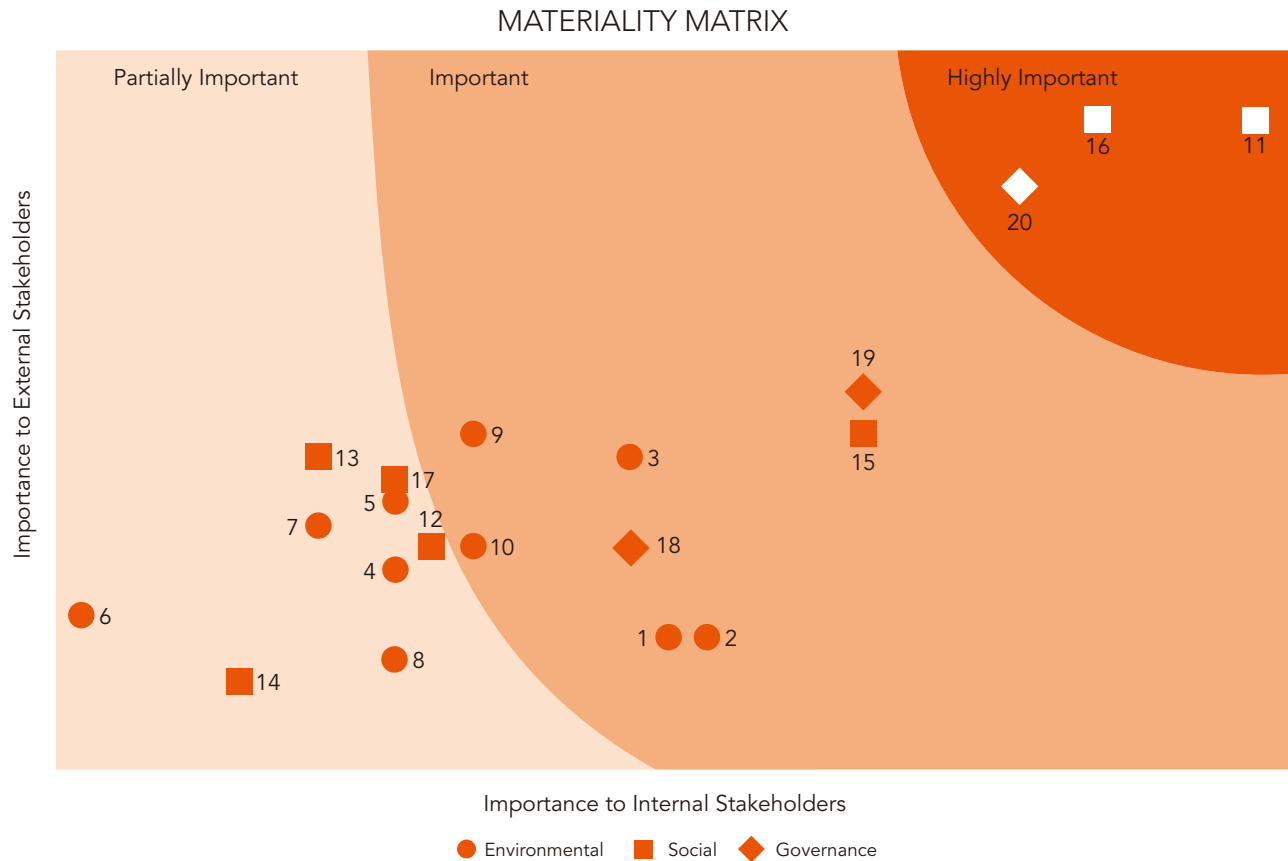
MATERIALITY ASSESSMENT

To pinpoint and address the key ESG issues relevant to our stakeholders, the Group carried out a materiality assessment to understand the influence of our business operations on the environment and society. We invited representatives from external stakeholders and employees to assess the significance of a series of potential material topics. The process of the materiality assessment is detailed below:

Identification	Initial assessment of potential issues by referencing the ESG Reporting Guide and benchmarking against peers' significant ESG issues.
Stakeholder Engagement	Key internal and external stakeholders are invited to rate and comment on each ESG issue through questionnaires and established communication channels.
Prioritisation	Consolidation and analysis of data from the identification phase and stakeholder feedback to assess and rank ESG risks and opportunities.
Validation	The Group has reviewed and confirmed the key issues, and mapped the material topics to relevant aspects and KPIs disclosed in this ESG Report.

Materiality Matrix

The materiality assessment in the Reporting Period identified 3 “Highly Important”, 8 “Important” and 9 “Partially Important” topics. “Occupational Health and Safety”, “Customer and Project Safety” and “Anti-Corruption and Compliance” are our primary focus. The matrix below lists out the ESG topics which were determined to be material to the Group during the Reporting Period.



Highly Important	Social	11	Occupational Health and Safety
	Social	16	Customer and Project Safety
	Governance	20	Anti-Corruption and Compliance
Important	Environmental	1	Emission of Greenhouse Gases
	Environmental	2	Energy Efficiency and Renewable Energy Adoption
	Environmental	3	Waste Management
	Environmental	9	Sustainable Use of Resources
	Environmental	10	Sustainable Procurement
	Social	15	Human Rights and Labour Standards
	Governance	18	Data Privacy and Cybersecurity
	Governance	19	Corporate Governance and Ethical Business Practices
Partially Important	Environmental	4	Noise Pollution
	Environmental	5	Air Pollution
	Environmental	6	Water Resource Management
	Environmental	7	Biodiversity and Land Use Impact
	Environmental	8	Climate change mitigation
	Social	12	Employee Training and Development
	Social	13	Diversity, Equity and Inclusion
	Social	14	Community Engagement and Social Impact
	Social	17	Supply Chain ESG Standards



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ENVIRONMENTAL

The Group is committed to minimising negative impact caused by its operations on the environment. The Group has obtained ISO14001:2015, a certified environmental management system aiming to follow and to promote good sustainability practice, to reduce the negative impacts of its activities by using resource as efficiently as practicable, developing smarter construction method, improving construction efficiency, and encouraging clients to adopt similar approaches.

(i) Emission

(a) Air Emissions

The Air Pollution Control Ordinance provides powers to statutory authorities to control air pollutants from a variety of stationary and mobile sources, including fugitive dust emissions from construction sites. The Ordinance also provides licensing control on certain polluting industrial processes known as “specified processes” such as concrete batching. The aim is to properly control and monitor the air pollution caused by the industries that have significant pollution potential.

A major share of the Group’s carbon emissions are attributable to fuel used by vehicles operated by the Group’s subsidiaries or joint operations. We reduced these emissions through a combination of investment in more fuel-efficient vehicles and driver training. All of our commercial vehicles meet Euro V emission standards, which offer improved air emissions performance. We have also provided our project clients with electric vehicles instead of fuel-powered cars to help mitigate carbon emissions. The reduction in petrol consumption was primarily driven by the replacement of older medium- and heavy-goods vehicles with newer, more fuel-efficient and environmentally friendly units during the year. For numerical disclosure of carbon emissions, please refer to section (iii) Use of Resources below.

In addition, more electric cars were purchased to reduce the fuel used in cars and thus led to the reduction of fuel usage and lower the emission levels.

During the Reporting Period, the Group was not aware of any non-compliance with the relevant laws and regulations for the above matters.

(b) Noise

To help mitigate the negative construction impacts to the public, we carry out all construction activities only during permitted hours and days. Construction works are carried out using powered mechanical equipment with silencing devices. In addition, our project sites have set up retrofitting noise barriers and limitation of speed of site vehicles within 20km/h to reduce noise generation.

During the Reporting Period, the Group was not aware of any non-compliance with the relevant laws and regulations on noise emission control, and had not received any direct complaints from the public and fines or warning notices from the Environmental Protection Department.

(c) Water

To fully comply with The Water Pollution Control Ordinance, which governs wastewater discharged by our construction site, all our projects apply for and maintain valid license before any of these discharges commence.

The Group applies comprehensive water quality mitigation measures to comply with the regulations as well as better management on water resources for each project, mainly focusing on water conservation and discharge quality. Each project monitors its water use and consumption. For the numerical disclosure of water usage, please refer to section (iii) Use of Resources below.

During the Reporting Period, the Group was not aware of any non-compliance with the relevant laws and had not received any complaints or fines or warning notices from the public or the relevant environmental agencies on our wastes water disposal activities.

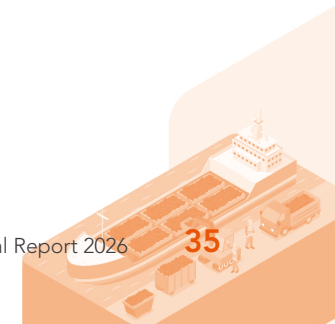


(ii) Waste Mitigation Measures

The Group, specialising as the main contractor in civil engineering services, produces significant amounts of non-hazardous waste as part of its business operations, primarily from construction and demolition activities. This waste includes materials such as concrete, metals, and wood, which are not omittable in the context of our operations. For the numerical disclosure of non-hazardous waste, please refer to section (iii) Use of Resources below.

Managing waste is a key environmental issue of the Group. We recognise that the construction activities may affect the environment in a number of ways and commit to minimise the potential negative impacts on a site-by-site basis, taking into account the size, constraints and type of each project. The waste management hierarchy adopted is prioritised in order of reuse, recycling, reduction, recovery and at the last resort, treatment prior to disposal.

Type of Waste	Works Requiring Waste Mitigation Measures	Mitigation Measure
Construction Waste	Construction mainly comprises: 1. Road works 2. Earthworks 3. Drainage and sewerage works 4. Water works	(a) Apply proper procedures and controlled conditions to minimise concrete wastage. (b) Provide a concrete supply and placement reconciliation to the engineer and/or foreman to enable him to check that wastage volumes are kept within reasonable limits.
Formwork/ Steel Waste	Construction mainly comprises: 1. Road works 2. Earthworks 3. Drainage and sewerage works 4. Water works	(a) Use reusable metal forms for drainage works so that large wastage of planks and timber can be minimised. (b) Implement careful design and planning to avoid over ordering of timber for formwork. (c) Maximise the use of standard timber-faced panels for repetitive reuse. (d) Minimise steel wastage, prefabricate steel structures (e.g., for roofing and walkways) prior to delivery to site.
Demolition Waste	Mainly due to: 1. Site clearance 2. Existing staircase	(a) Where volumes are unavoidable, confine works areas and haul roads as far as practicable to limit waste generated from site clearance. (b) Remove debris and recoverable items (temporary or permanent structures and other items) arising from site clearance.





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Type of Waste	Works Requiring Waste Mitigation Measures	Mitigation Measure
Chemical Waste	Chemical wastes include form oil, retarder, bonding agent, diesel for poker vibrator and generator, etc., used in the construction mainly for:	(a) Establish a chemical storage area adjacent to the sorting facility/site boundary to avoid accidental leakage into the ground, and provide a chemical waste storage area for placement of chemical waste and disposal by a chemical waste collector.
	1. Road works	
	2. Earthworks	(b) Store chemicals in the chemical storage area or in bunded areas to prevent accidental spillage.
	3. Drainage and sewerage works	(c) Treat accidental spillage appropriately to avoid discharge into the drainage system.
Sorting of Waste for Recycle Prior to Disposal	4. Water works	(d) Register as a chemical waste producer with the Environmental Protection Department of HKSAR.
	Waste generated from the construction includes:	(a) Arrange sorting areas and chemical storage areas.
	1. Road works	(b) Provide skips for the collection of general waste for disposal.
	2. Earthworks	(c) Conduct sorting at the designated areas near the site entrance and at the site boundary to support efficient sorting and disposal (if required).
	3. Drainage and sewerage works	(d) Recycle wastewater for wheel washing and water spray to prevent dust generation.
	4. Water works excavation and backfilling	(e) Bunded site hoarding is installed to prevent wastewater flowing down the slope to nearby premises.
	5. Slope works	(f) Manhole will also be bunded with sandbags to prevent wastewater ingress due to surface run-off caused by rain.
	6. Removal of debris, temporary or permanent structures and other items arising from site clearance	(g) Apply for permits to dump at public fill where applicable, and dispose at designated area as approved by Civil Engineering and Development Department of HKSAR.

The amount of materials purchased and waste generated constitutes a direct operating cost to the business. Reducing waste improves operational efficiency and helps deliver economic benefits. For example, the Group redirected a number of truckloads of fell trees from disposal to landfill for reuse as horticultural features in projects, which supports consistent waste reduction and increases reuse.



(iii) Use of Resources

The Group upholds and promotes the principle of effective use of resources. We are committed to optimising the use of resources across our business operations through established policies and procedures governing the use of energy and water, to improve operational efficiency and reduce unnecessary use of resources.

The performance data below are provided for reference only. They may vary significantly subject to the number of projects in progress and the stage of completion of each project:

	2025/2026	2024/2025	2023/2024
Electricity	626,353 kWh	683,450 kWh	763,273 kWh
Water ¹	18,506 m ³	17,814 m ³	28,142 m ³
Petrol ²	21,507 litres	32,376 litres	39,943 litres
Diesel ²	83,788 litres	144,253 litres	151,573 litres
NO _x emissions ³	550,801 g	617,971 g	404,930 g
SO _x emissions ³	1,665 g	2,798 g	3,027 g
PM emissions ³	43,898 g	49,395 g	32,418 g
Non-hazardous waste	13,195 tonnes	15,501 tonnes	14,929 tonnes
Paper consumption ⁴	2,714 kg	3,524 kg	4,332 kg

The intensity (per million dollars of revenue) of electricity, water, petrol consumption and non-hazardous waste are approximately 1,678 kWh, 50 m³ and 58 litres and 35 tonnes for the Reporting Period respectively (2024/2025: 2,036 kWh, 53 m³ and 96 litres and 46 tonnes).

Our hazardous waste mainly refers to the disposal of spent lube oil and empty paint cans where the quantities are minimal and not material to our operations. We monitor the usage of resources regularly to prevent any abnormal usage, and any abnormal usage is explained and reviewed in management meetings.

We have reduced paper usage by implementing new human resource management system to allow employees accessing salary and leave record online to replace the payroll slip. We have also installed temperature monitoring sensors at site office to monitor excessive electricity usage.

Apart from the above, we encourage our employees to reuse non-confidential waste paper and recycling and seasonal free of air-conditioner within the workplace, and always fully utilise the vehicles by planning routes daily to avoid unnecessary trips.

The Group has incorporated renewable energy concepts into its engineering design, such as installing solar panels on building rooftops to generate electricity for on-site facilities, thereby reducing reliance on external power sources. In addition, the Group has invested in equipment powered by renewable energy, including flashlights, CCTV systems, and other devices.

Due to the geographical location of the Group's business, the Group did not encounter significant difficulty in sourcing water suitable for its operations.

In light of the Group's business nature, the use of packaging materials is not considered a material ESG aspect for the Group.

¹ To accurately assess the direct environmental impact of our core activities, water consumption figures for the reporting year reflect only the water used directly in construction project operations, while excluding potable drinking water supplied to staff.

² The Group operates on a project basis. In addition to a reduction in active projects during the reporting period, the stage and nature of project works materially influenced petrol and diesel consumption. Fuel use is principally associated with vehicle and plant operations. During the reporting period, the most active projects comprised reinforcement fixing, structural works and concrete casting. These factors contributed to the observed decrease in petrol and diesel consumption.

³ Several projects concluded at the end of the reporting year, which reduced ongoing operational activity and contributed to a decrease in NO_x, SO_x, and PM emissions.

⁴ Due to the completion of multiple projects at the end of the reporting year, together with an organizational initiative encouraging staff to review documents electronically rather than printing, resulted in a corresponding reduction in paper consumption.





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(iv) The Environment and Natural Resources

As a main contractor in providing civil engineering services, the Group's business operations may generate carbon emissions, noise and wastewater. The Group recognises its responsibility to minimise significant negative impacts on the environment and natural resources, and has therefore established a pollution control system, supported by relevant equipment, to manage the treatment and disposal of industrial wastes. The Group remains conscious of both existing and potential environmental impacts. We regularly assess the environmental associated with our business model, adopt preventive measures accordingly, and ensure compliance with applicable laws and regulations.

To further mitigate impacts, the Group implements measures to reduce the emissions, noise and wastewater generated from our operations. These measures are described in "Air Emissions", "Noise", and "Water" respectively.

(v) Climate Change

The Group recognises climate change as a critical global issue that may give rise to significant physical and transitional risks to our operations and supply chain, as well as related opportunities. While the Group is not considered a significant polluter, we consider climate resilience essential to protecting workplace safety, business continuity, and financial performance.

Climate-related Strategy

The Board takes a strategic approach in overseeing the Group's response to climate change, focusing on the effective management of climate-related risks and opportunities. Working closely with key management, the Board meets regularly to identify, evaluate, and develop strategies to address these challenges. Climate-related issues have been integrated into the Group's enterprise risk assessment process, ensuring a comprehensive understanding of both the actual and potential impacts on business operations, strategy, and decision-making.

Extreme weather events, such as typhoons and heavy rains, have been identified as key drivers of climate-related impacts on the Group's operations. These events can damage construction sites, pose safety risks to employees, reduce capacity, lower productivity, and lead to project delays. To minimise these risks, the Group has established flexible working arrangements and precautionary measures during severe weather, ensuring employee safety and enhancing operational resilience.

We remain proactive in monitoring and adopting viable strategies tailored to our business to manage climate-related risks effectively. Recognising the widespread destruction caused by extreme weather events, we are committed to periodically updating our precautionary measures to enhance resilience and mitigate physical damages from severe weather.

Given the current availability and maturity of climate-related data and analytics, the Group adopted a qualitative assessment during the Reporting Period. The Group's review prioritised key physical and transition-related climate risks and opportunities relevant to its operations, without undertaking quantitative financial impact analysis or scenario-based assessment at this stage due to estimation uncertainty and evolving measurement standards for certain assumptions and exposures.

In addition, the Group considered the potential effects of climate-related risks and opportunities on its financial position, financial performance and cash flows for the Reporting Period. Based on the assessment undertaken and the mitigation and adaptation measures currently in place, the Group did not identify any material financial impacts during the year and expects none in the near term. The Group has not yet established a climate-related transition plan. Nonetheless, it continues to closely monitor progress against its environmental objectives, with an ongoing focus on reducing carbon emissions, improving energy and water efficiency, and minimising waste generation across its operations.

The assessment's findings are summarised in the climate-related risks and opportunities table below, which includes the key risks and opportunities identified, their nature, estimated time horizons, and potential implications for the Group's operations and financial performance.

Climate-related Risks and their Potential Financial Impacts

Category	Risk	Description	Potential Financial Impacts	Time Horizon ⁵
Physical risk				
Acute Risk	Extreme Weather Events	Extreme weather events include typhoons, storm surges, heavy rainstorms, associated flooding and heatwaves. These risks directly threaten active construction sites, temporary works and structures, plant and equipment stored on site, material stockpiles, and the health and safety of frontline workers and subcontractor personnel.	- Increased insurance premiums due to more frequent physical damage to investment properties, and storage sites. - Potential revenue loss from business disruption caused by delays in logistics, distribution, or access to affected sites.	Short-, Medium- and Long-term (2026/2027, 2030/2031 and 2050/2051)
Chronic Risk	Progressive Climate Shifts	Progressive climate shifts include gradual, long-term changes in climatic conditions, including rising average temperatures, changing precipitation patterns, sea level rise and increased water scarcity that collectively alter the operating environment for civil engineering activities in Hong Kong over the coming decades. These progressive changes directly affect outdoor construction productivity, ground and slope stability at project sites, the performance and durability of construction materials, the design parameters of infrastructure the Group is engaged to deliver, and the long-term health and capacity of its frontline workforce.	- Higher ongoing maintenance costs and shorter replacement cycles for construction plant, equipment and temporary facilities subject to continuous thermal stress, persistent damp conditions and accelerated wear. - Increased capital expenditure for climate-adaptive measures across project sites, including enhanced waterproofing, improved site drainage, strengthened temporary slope protection, water recycling systems and workforce welfare provisions such as cooling infrastructure and rest shelters.	Medium- and Long-term (2030/2031 and 2050/2051)

⁵ These time horizons have been determined with reference to the Task Force on Climate-related Financial Disclosures (TCFD) framework and the nature of the Group's business nature, ensuring alignment between climate-related risk management and long-term business objectives, as outlined below: (i) Short-term: The Group considers 2027 a short-term horizon because acute physical climate events and reputation risks are already affecting the Group's civil engineering operations and require near-term precautionary measures and resilience planning; (ii) Medium-term: The Group uses 2030 as a medium-term benchmark to reflect the planning period over which the Group's investments in facility resilience and enterprise risk management enhancements are expected to strengthen business continuity and stabilise cash flow; (iii) Long-term: The Group uses 2050 as a long-term horizon to assess how climate change may affect the Group's business model resilience, cash flow, financing channels and cost of capital over the longer term.

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Category	Risk	Description	Potential Financial Impacts	Time Horizon ⁵
Transition Risk Policy and Legal	Stringent Climate-Related Disclosure Requirements	Stringent climate-related disclosure requirements refer to evolving expectations from regulators, stock exchanges, and global reporting frameworks to provide transparent, consistent, and verifiable information on climate risks, emissions data, and transition strategies. This may increase expectations regarding the collection and reporting of emissions data across its civil engineering project sites, the documentation and quantification of climate-related risks and opportunities affecting its project portfolio.	- Increased reporting and compliance costs due to the need for enhanced data systems, specialist personnel, and third-party support for climate-related reporting. - Higher assurance and verification expenses associated with external audits of ESG data and climate disclosures. - Potential penalties if disclosures are deemed incomplete, inaccurate, or not aligned with evolving regulatory requirements. - Additional system investment costs to implement structured data governance, emissions tracking platforms, and reporting software capable of supporting audit trails.	Medium- and Long-term (2030/2031 and 2050/2051)
Technology Risk	Rapidly Changing Technology Requirements	Rapidly changing technology requirements refer to continuous advancements in construction-related technologies, including lower-emission construction plant and equipment, electric or alternative-fuel machinery, digital site management and monitoring systems, sustainable construction materials, and climate-adaptive engineering methodologies. This risk may affect the competitiveness and operational readiness of its construction plant fleet, the technical methodologies it employs on its works, the digital capabilities expected by project clients, and the Group's long-term capital planning for equipment investment and technology adoption.	- Investment in new technologies and product upgrades if existing construction plant and equipment become incompatible with emerging standards. - Potential write-downs or accelerated depreciation of existing equipment if replacements are required sooner than anticipated due to technological shifts. - Higher procurement costs to maintain alignment with suppliers developing next-generation components or sustainable technology solutions.	Medium- and Long-term (2030/2031 and 2050/2051)

Climate-related Opportunities and their Potential Financial Impacts

Category	Opportunity	Description	Potential Financial Impacts	Time Horizon
Transition Opportunity	Growing Demand for Climate Resilience Infrastructure	Growing demand for climate resilience infrastructure refers to the anticipated expansion of civil engineering works commissioned by the government and reputable organisations to strengthen the built environment against physical climate impacts. As extreme weather events become more frequent and severe, government departments and institutional clients are expected to increase investment in drainage capacity upgrades, slope stabilisation and rehabilitation works, flood prevention infrastructure, road and earthworks reinforcement, and water supply system improvements.	- Increased revenue from a growing pipeline of climate resilience infrastructure projects commissioned by clients in response to escalating physical climate risks. - Improved contract pipeline stability and revenue visibility as climate resilience infrastructure becomes a recurring and long-term component of public works programming.	Medium- and Long-term (2030/2031 and 2050/2051)
	Adoption of Renewable Energy and Environmentally Friendly Materials	Adoption of renewable energy and environmentally friendly materials in construction refers to the opportunity for the Group to progressively incorporate renewable energy sources into its site operations and increase the use of environmentally friendly construction materials across its civil engineering projects. Early adoption may enable the Group to strengthen its competitive positioning in the tendering process and capture growing demand for green construction practices.	- Increased revenue and improved market share driven by growing demand for green construction practices among the Group's major customers, positively expanding the Group's financing channels over the medium to long term. - Reduced long-term operational costs on project sites through the adoption of renewable energy solutions that lower fuel consumption and reliance on diesel-powered equipment. - Enhanced tender scoring and pricing competitiveness on contracts where the use of environmentally friendly materials and renewable energy sources is recognised or incentivised within client evaluation frameworks.	Medium- and Long-term (2030/2031 and 2050/2051)

The Group has assessed the current and potential financial implications of climate-related risks and opportunities. The assessment started with identifying which assets and business activities within the portfolio may be exposed to climate-related physical risks and transition risks.



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The Group gathered relevant information from different business units to analyse both direct and indirect impacts, and to prioritise key climate-related risks and opportunities. Consistent with observations of increasing frequency and severity of extreme weather events in recent years, the Group identified physical risks that could translate into operational disruptions and financial exposure, including potential asset damage and supply chain interruptions.

In response to climate-related risks and opportunities, the Group has incorporated green smart engineering into its project planning and delivery. This approach combines sustainable environmental design with smart, data-driven technologies, such as AI and automation, to optimise resource efficiency, while management also considers the Hong Kong Smart Green Building Design Best Practice Guidebook issued by the HKGBC when setting project designs to support a sustainable built environment. To strengthen execution capability and resource allocation in this area, the Group recruits and engages qualified professionals and technical specialists to enhance the application of innovative construction technologies, materials and systems.

In addition, the Group has continued to make progress in implementing its climate-related initiatives during the year. In particular, the Group plans to allocate capital to progressively replace conventional vehicles and equipment with new energy and higher-efficiency alternatives, with the aim of improving operational efficiency and reducing environmental impact over time. At the project site level, environmental and climate-related controls remain embedded in daily operations, including dust, water pollution and noise pollution measures in accordance with applicable government standards. The Group also adopted prefabrication techniques and Modular Integrated Construction ("MIC") in its projects where applicable. These construction methods help reduce on-site construction activities and build times, enhance quality control through factory-based production, minimise material wastage and environmental impacts, and improve site safety by reducing labour-intensive and high-risk works on site. The adoption of prefabrication and MIC reflects the Group's commitment to improving construction efficiency, safety performance and sustainable project delivery. Solar panels and cameras are progressively installed at sites to enhance site monitoring and support efficiency objectives, further reinforcing the Group's practical transition towards a lower-carbon and more resilient operating model.

Risk Management

In identifying climate-related risks and opportunities, the Group has made reference to relevant international standards, applicable regulatory requirements and industry practices, taking into account the Group's operational characteristics, asset distribution and the profile of business units. The assessment covers both climate-related physical risks and climate-related transition risks, including potential impacts along the Group's business activities and value chain.

The Group's climate-related risk assessment uses predetermined risk appetite limits that take into account the likelihood and impact of risks. Risks that exceed these limits are prioritised and reported to management through quarterly updates. The analysis leverages in-house tools, including natural hazard models. Under the Group's risk management framework, these climate-related risks are addressed as part of its integrated risk management model. Specifically, the Group's material risk category of Operational Risk incorporates risks associated with climate-related physical risks and ensures climate change adaptation and mitigation policies are in place.

The Group also ensures periodic risk assessment and monitoring cycles to understand relevant risks and to assess the needs to refresh its risk appetite. There have been no changes to the processes for monitoring climate-related risks compared with the previous reporting period. To strengthen identification and assessment, the Group has engaged an independent third-party consultant to provide advisory support.

The budget for these climate initiative has been allocated from existing financial resources or short-term financing options.

Overall, climate-related risks and opportunities are managed as part of the Group's integrated risk management processes. The integrated risk management model provides guidelines to ensure key corporate risks are properly identified, adequately assessed, managed and monitored, and the outcomes inform the Group's ongoing risk assessment and monitoring cycles. Climate-related risk findings are reviewed periodically and presented to management.

Metrics and Targets

To assess and manage climate-related risks and opportunities, the Group discloses key metrics and targets that align with its ESG strategy and risk management processes. These metrics and targets support regular performance monitoring, help inform internal decision-making, and provide transparent disclosure of progress towards the Group's sustainability objectives.

In developing its climate-related targets, the Group takes into account the objectives of the Paris Agreement. The Group discloses practical ESG targets to guide implementation efforts and mitigate potential climate impacts. These targets are generally developed with reference to current performance levels, including recent baseline data, and are designed to support sustainable business growth while maintaining or progressively improving performance and operational continuity.

The Board assumes overall responsibility for overseeing metrics and targets. The Board conducts annual reviews of climate-related targets, evaluates performance against emission metrics and operational initiatives, and ensures the targets remain appropriate in light of regulatory expectations and business conditions. The Safety, Health and Environment Committee supports the Board by preparing performance updates, target tracking reports and relevant supporting information for consideration.

Targets

ESG aspects	Targets ⁶
Emissions ⁷	Reduce emissions intensity by 5% by 2029/2030 (compared to 2023/2024 baseline)
Energy	Reduce electricity consumption intensity by 5% by 2029/2030 (compared to 2023/2024 baseline)
Water	Reduce water consumption intensity by 5% by 2029/2030 (compared to 2023/2024 baseline)
Waste	Reduce disposal of non-hazardous wastes intensity by 5% by 2029/2030 (compared to 2023/2024 baseline)

⁶ The ESG targets apply within the scope of the Group's ESG reporting, covering core engineering projects carried out by the subsidiaries, which are reviewed annually and adjusted based on the Group's operational changes, regulatory developments, and performance data. In addition, the Group provides current-year performance monitoring results for its climate-related targets. Trend analysis over time will be presented as more longitudinal performance data becomes available through future reporting cycles. Currently, the Group does not have any milestones or interim targets established, and the targets are not validated by a third party.

⁷ The gross emissions target is an intensity target and covers only Scope 1 and Scope 2 emissions. In the Reporting Year, the Group did not apply any sectoral decarbonisation approaches and currently has no short-term plan to use carbon credits to offset GHG emissions for meeting any net-emissions target, although it may consider carbon credits over the longer term. The Group's climate targets are expressed in carbon dioxide equivalent and mainly encompass carbon dioxide, methane, and nitrous oxide.



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Metrics

To support rigorous monitoring of climate-related risks and opportunities, the Group is committed to mitigating greenhouse gas emissions and minimising the environmental impacts of its operational activities. The Group systematically measures and analyses its carbon footprint to identify opportunities for emissions reduction and to enhance transparency of its emissions performance and progress for stakeholders.

The Group currently monitors and reports Scope 1 and Scope 2 emissions, together with selected Scope 3 categories. For the Reporting Period, the Group's total Scope 3 emissions amounted to 49 tCO₂e, comprising Category 5 – Waste Generated in Operations, Category 6 – Business Travel, and Category 7 – Employee Commuting. The Group intends to progressively extend its Scope 3 assessment to encompass additional upstream and downstream value-chain activities, thereby improving the completeness and transparency of its carbon-footprint disclosures. The Group's GHG emissions for the Reporting Period are set out below:

Greenhouse gas emissions ⁸	Unit	2025/2026	2024/2025	2023/2024
Scope 1 Emissions	tCO ₂ e	254	448	490
Scope 2 Emissions ⁹	tCO ₂ e	255	301	412
Operational GHG emissions (Scope 1 + Scope 2)	tCO ₂ e	509	749	902
Operational GHG Emissions Intensity	tCO ₂ e per HKD1 million of revenue	1.4	2.2	–

The Group is also enhancing its framework for monitoring and accounting for climate-related financial metrics. Details relating to internal carbon pricing, and quantitative financial data on assets or business activities affected by climate-related physical risks, transition risks and opportunities, will be considered for disclosure in future reporting cycles once formalised data-collection systems and evaluation methodologies have been implemented.

⁸ While the Group continues to refine its ESG data-collection processes, greenhouse gas emissions are calculated with reference to recognised emission factors and guidance where applicable, including the GHG Protocol published by the World Resources Institute and the World Business Council on Sustainable Development, the Calculation Tools and Guidance: Emission Factors published by GHG Protocol, UK Government GHG Conversion Factors for Company Reporting published by the Department for Business, Energy and Industrial Strategy in the UK, GHG Emission Factors Hub published by the United States Environmental Protection Agency, and the Reporting Guidance on Environmental KPIs published by HKEx. During the Reporting Period, there were no changes to the Group's measurement approaches, inputs or assumptions. The Group adopts an operational-control approach for measurement, reflecting its ability to influence and reduce emissions under its operational control. Emissions are calculated on a location-based basis, and emission factors are reviewed and updated annually to reflect current conditions.

⁹ During the Reporting Period, the calculation methodology for Scope 2 emissions was aligned with current standards. Consequently, the prior year's data has been restated to ensure comparability.

SOCIAL

(i) Employment and Labour Practices

The Group has established and maintained fair and comprehensive employment policies and regulatory standards in compliance with the Employment Ordinance, the Employees' Compensation Ordinance and other applicable regulations, and has provided equal opportunity and career development to all of the employees. As at 31 March 2026, the Group has a total of 138 full-time employees (2024/2025: 164 full-time employees) in Hong Kong and the total workforce by gender, age group, employment type and employee by department are demonstrated as follow:

Gender	2025/2026	2024/2025
Male	76%	79%
Female	24%	21%

Age Group	2025/2026	2024/2025
20-30	10%	11%
31-40	19%	20%
41-50	23%	23%
51-60	17%	15%
>60	31%	31%

Employment Type	2025/2026	2024/2025
Front Lines	63%	67%
Back Office Support	14%	10%
Workers	23%	23%

Employee By Department	2025/2026	2024/2025
Tender	1%	1%
Engineering	45%	56%
Survey	17%	11%
Safety	7%	7%
Personnel and administration	25%	21%
Finance and procurement	5%	4%

During the Reporting Period, the Group honoured all obligations to our employees including the payment of salaries and wages, provision of holidays and leave entitlements, compensation, insurance coverage, and health benefits without disputes, violations or litigation related to employment.

The construction industry in Hong Kong continues to face structural labour challenges, including an ageing workforce and shortage of skilled labour. There are approximately 590,000 registered construction workers in Hong Kong in April 2026, of whom around 47.5% were aged over 50, with an average age of approximately 47.7 years old. The retirement of experienced workers is expected to further intensify the labour shortage in the construction sector. The Group faces similar challenges and has continued to recruit younger workers by offering competitive remuneration packages, structured development opportunities and a safe working environment in order to maintain operational efficiency and productivity.



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Diversity

We value the diverse background and experience of our people to make most of their talents. According to the statistics of the Construction Industry Council, female workers accounted for approximately 13.0% of registered workers in the construction industry. A higher proportion of male employees remains common in the construction industry due to the nature of frontline construction work. During the Reporting Period, female employees represented approximately 24% of the Group's total workforce (2024/2025: 21%), which was broadly in line with, and slightly above, the overall industry level. In addition, the Board maintains gender diversity and recognises the importance of balanced perspectives at the leadership level. We believe it will bring the same benefit to the front line by recruiting more female employees in the future.

Employee Engagement and Retention

Our sustainable growth relies on our people. The number of employees may vary from time to time depending on the number, scale and progress of projects on hand. To support talent development and succession planning, we continue to recruit and develop apprentices, trainees, graduates and young professionals, including students and graduates from the Vocational Training Council ("VTC") and universities. The Group provides practical workplace exposure and technical training to help young talents understand the construction industry and develop the skills required for their future careers.

The Group, through its operation companies, has sponsored scholarships to VTC students in the past years. Such initiatives strengthen the Group's connection with education and training institutions and provide a sustainable channel for attracting fresh talent to the construction industry.

Furthermore, our Group has recruited civil and structural engineering professionals from overseas through the Quality Migrant Admission Scheme. We believe these overseas talents bring valuable technical knowledge, international experience and diverse perspectives, which can enhance our Group's workforce diversity and promote knowledge exchange and experience sharing among our people.

Promotion and Performance Appraisal

The Group assesses employees' performance on a regular basis. The results of performance assessments are used for annual salary review and performance appraisal. The Group gives preference to internal promotion where suitable candidates are available, thereby providing employees with clear career development pathways and incentives for continuous improvement. Performance bonuses may also be awarded to employees with outstanding performance.

Benefits and Welfare

The Group understands that competitive benefits and welfare are important for attracting and retaining talent, enhancing employee morale and foster a sense of belonging. Therefore, the Group has established a fair, reasonable, and competitive remuneration system under which salary payments are based on employees' job scope, responsibilities and performance. Share options may also be granted to eligible employees of the Group as a long-term incentive to recognise their contribution. The share option scheme is effective until 2 July 2025 and then expired.

Employee Turnover Rate by Gender and Age Group

		2025/2026		2024/2025	
		Number of Turnover employees (Person)	Turnover rate	Number of Turnover employees (Person)	Turnover rate
By Gender	Male	30	22%	21	16%
	Female	7	5%	2	6%
By Age	Below 30	2	1%	4	2%
	30–50	15	11%	10	14%
	Over 50	20	14%	9	12%

Since all of our employees are based in Hong Kong, a breakdown of employee turnover rate by geographical region is not applicable to the Group.

Compensation and Dismissal

The Group compensates employees according to the statutory requirements. Unreasonable dismissal under any circumstances is strictly prohibited. Any termination of employment must be handled in a fair, transparent, lawful and reasonable manner, and dismissal will only be made based on valid and lawful grounds, supported by the Group's internal policies and procedures.

Working Hours and Vacations

Official working hours and vacations are clearly stated in the Employee Handbook and are implemented in accordance with local employment laws and regulations.

Equal Opportunity and Anti-discrimination

The Group strives to optimise its human resources management system to promote fairness and equality within the workplace. The Group has established human resources policy to ensure equal opportunities. The Group does not tolerate any form of discrimination on the grounds of age, gender, marital status, family status, sexual orientation, disability, ethnic group, nationality or religion. In accordance with our human resource policy, the above factors are not considered in the decision-making process for employment, remuneration, and promotion.

(ii) Training and Development

Providing training and development opportunities to our workforce is important in recruitment and retention of our employees. The Group believes that work should be challenging, rewarding and stimulating, and should provide employees with continuous learning opportunities to overcome obstacles and develop their skills. With this in mind, we make sure that all the staff across different functions of the business have appropriate and regular opportunities to learn and grow.

The Group actively encourages training and further study. The project team regularly assesses the specific training needs required for employees to excel in their roles and supports them in pursuing additional qualifications to enhance their professional development.

Continuing our commitment to workforce development, we participated in the Contractor Cooperative Training Scheme by the Construction Industry Council to foster on-site training for our subcontractors. We remain dedicated to enhancing employee recruitment and retention by sponsoring various learning opportunities, including technical apprenticeships, degree programs, and external training such as seminars and diploma courses.

Through these training and development initiatives, the Group aims to cultivate a competent, adaptable and safety-conscious workforce, strengthen its talent pipeline and support the long-term sustainable development of the Group.

		2025/2026		2024/2025	
		Percentage of employees trained	Average training hours completed per employee	Percentage of employees trained	Average training hours completed per employee
By Gender	Female	13%	12.3%	14%	17.9
	Male	22%	11.7%	52%	12.2
By Function	Management	38%	23.3%	44%	9.8
	General Staff	17%	10.6%	44%	12.9



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

(iii) Occupational Health and Safety

The Group recognises that occupational health and safety is a fundamental responsibility and a key priority in the construction industry. The occupational health and safety requirements challenge our management to ensure that it creates and maintains a safe working environment for all our staff. To ensure adequate protection for employees against accidents and occupational hazards, the Group has issued safety policies and procedures to relevant departments and work sites. Further, the Group has established a Safety, Health and Environment Committee to drive the continuous improvement of health, safety and environmental practices throughout the Group. The Group has developed, implemented and maintained a safety management system to:

- Build a positive health and safety culture within the workforce
- Properly implement safety and health control measures
- Minimise accidents/near misses
- Deliver the project on time
- Improve the effectiveness of safety and health systems
- Use resources efficiently
- Enhance productivity
- Enhance communication between project team and stakeholders

According to the latest Occupational Safety and Health Statistics Bulletin, the average accident rate and fatality rate of construction industry were 24.8 and 0.114 per 1,000 workers respectively in 2024. The number of construction accidents remains at a high level, and the construction fatality rate is more than thrice of the economy-wide figure. Occupational injuries in the construction have continued to attract public concerns, highlighting the importance of strengthening site safety management and preventive measures.

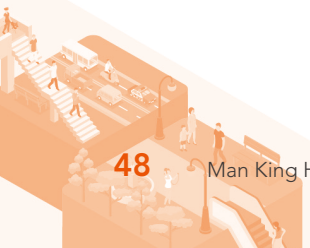
Through the concerted efforts of all parties concerned, the Group recorded no work-related fatalities in each of the past four years, including the current year. During the Reporting Period, there was one reportable accident and 0.0009 lost days per the total number of man-days due to work injury in the current year.

	Number of accident rate per 1,000 Workers in 2025/2026
Latest statistics from OSH in construction industry (2024)	24.8
The Group	7.2

In response to continued advocacy in society, the Occupational Safety and Health (“OSH”) Ordinance was amended and came into effect in April 2023, raising the penalties for serious offences to a maximum fine of HK\$10 million and imprisonment for two years. Nevertheless, the Group always endeavours to maintain a safe working environment and only recruits subcontractors who meet the Group’s safety requirements and maintain appropriate safety precaution standards. Our project team and Safety, Health and Environment Committee have also strengthened the supervision procedures during the lifting works and launched additional safety training program to reinforce the culture and importance of safety in the workplace.

During the Reporting Period, the Group’s project site for Contract No. HY/2021/04 Braemar Hill Pedestrian Link was recognised by the Construction Industry Council as a “Worker-Friendly Construction Site”. This recognition reflects the Group’s efforts in promoting a caring, safe and worker-friendly site environment and enhancing the wellbeing of frontline personnel. In addition, one of the Group’s projects operated under the joint venture received the Meritorious Award under the Drainage Services Department’s “Construction Sites Safety and Housekeeping Award Scheme 2024”. The award recognised the Group’s application of innovative construction site safety technology as well as its continuous efforts in maintaining site safety and cleanliness standards.

These recognitions demonstrate the Group’s commitment to occupational health and safety, site cleanliness, worker wellbeing and continuous improvement in safety management. The Group will continue to adopt good site practices, strengthen communication with project stakeholders and promote a positive safety culture across its operations.



During the Reporting Period, the Group was not subject to any material administrative penalties or fines for any breach of the relevant laws or regulations relating to the provision of a safe working environment or the protection of employees against occupational hazards including but not limited to Employment Ordinance and OSH Ordinance.

The Group understands that workplace accidents may result not only in injuries to employees and workers, but also in project delays, additional compensation costs, productivity loss and wider social and economic impacts. Paying compensation to settle construction injuries may increase construction management costs, while the forgone earnings of workers arising from occupational injuries may also represent an economic loss to society. As such, the Group has increased the application of innovative technologies and artificial intelligence to boost productivity, efficiency, and safety.

The Group is using the following artificial intelligent (“AI”) products for safety purpose:

- **Virtual Reality Training:** The Group integrates construction safety education with advanced virtual reality technology to enhance workers’ awareness of potential hazards in various work environments and site scenarios.
- **AI Processor and Camera System:** A safety monitoring system is installed on heavy construction equipment to track nearby personnel, provide real-time alerts to operators, and record video footage for enhanced safety oversight and incident review.
- **Facial Recognition System:** Facial recognition technology is used to detect and prevent unauthorised site access and strengthen access control management.
- **Video Analytics System:** Video analytics are used to detect intrusion into restricted zones and identify potential unsafe behaviours in real time.
- **Smart Lock:** Smart locks are equipped with real-time GPS tracking, remote monitoring via GPRS and secure locking functions to enhance asset control and site security.
- **Real-time GPS Positioning and Remote Tracking:** The system monitors worker and equipment locations to support site coordination, emergency response and safety supervision.
- **Smart Watch:** Smart watches are used to continuously monitor workers’ body temperature and heart rate in real time. The system automatically generates alerts if irregularities are detected.
- **Confined Space AI Camera:** Smart camera systems are used to monitor activities inside confined spaces and provide real-time video feeds to enhance safety supervision and emergency response.
- **Air Line Breathing Apparatus for Confined Space Underground Pipe Works:** The Group has introduced Air Line Breathing Apparatus systems for workers entering confined spaces. This eliminates the need for workers to carry heavy oxygen cylinders, reduces physical strain and improves operational safety.
- **Real-Time Gas Detection System for Confined Spaces:** Gas detectors used inside confined spaces can upload real-time gas concentration data to a central monitoring platform, allowing external personnel, such as safety officers and supervisors, to continuously monitor atmospheric conditions inside confined spaces and respond promptly if abnormalities arise.
- **Over-Height Detection System on Flyovers:** An over-height alert system is installed on flyovers. When a truck exceeding the height limit approaches, the system triggers an alarm to warn workers to evacuate the bridge deck immediately, thereby preventing potential impact hazards.
- **Water-Filled Barriers Monitoring System:** Water-filled barriers are equipped with monitoring devices to detect the water level inside the barriers. If the water level falls below the required standard, the system issues an alert to remind staff to refill the barriers promptly, ensuring their effectiveness in impact protection.

The benefits of using above technologies are to keep managing staff informed of any site hazards, control environment to prevent workers to access safe-risk zone, and promote safe access culture and draw attention to the safety risks.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In addition to our technology application, the Group promotes a positive safety culture through safety campaigns, recognition programmes and regular communication with workers. The Group believes that workers' active participation is essential to maintaining a safe construction environment.

The Group's construction site is engaged in the CIC Frontline Personnel Safety Performance Recording Scheme, an initiative that establishes a standardised system for monitoring the safety performance of frontline personnel. This scheme not only promotes active participation in safety training but also aims to cultivate safe construction practices and reinforce a robust safety culture across all sites.

Each construction site implements a monthly "Safety Star" or "Safety Model Worker" award programme to recognise workers who demonstrate outstanding safety performance. Awarded workers receive a cash reward and a certificate as recognition of their contribution to site safety. This initiative aims to enhance workers' safety awareness, encourage good safety practices and reinforce the importance of maintaining a safe working environment.

To prevent heat-related illnesses, the Group implements a Heat Stroke Prevention Programme. Toolbox talks are conducted regularly to educate workers on the hazards of heat stroke, early warning signs and preventive measures. In addition, representatives from POCARI SWEAT Hong Kong have been invited to construction sites to promote heat-stroke prevention awareness. Souvenirs and drinks are distributed to participating workers to encourage hydration and reinforce the importance of staying alert in hot weather conditions.

Through these safety promotion initiatives, the Group seeks to strengthen behavioural safety and improve communication between management and frontline workers. Looking forward, the Group will continue to strengthen its occupational health and safety management system, enhance safety training, adopt suitable technologies and work closely with subcontractors and workers to improve site safety performance and foster a proactive safety culture.

(iv) Labour Standards

Forced labour and child labour are ethical issues relating to infringement of basic human rights and may put the Group's reputation at risk. The Group strictly prohibits the use of forced and child labour. The Group has delegated the Human Resources and Administration Department to conduct monitoring to ensure that there is no child labour or forced labour within the Group's operation.

We have complied with all relevant laws and regulations relating to labour rights, employment practices and the prevention of forced labour and child labour. The Group has also taken reasonable steps to ensure that no forced labour, child labour or illegal labour is involved in our business operations, including the operations of subcontractors engaged by the Group. The Group has no record of employment-related conviction in the past 9 years.

During the recruitment process, all candidates' identification documents are fully examined and verified to ensure that only employees over the age of 16 will be recruited. Such practice is also extended to the workers hired by the Group's subcontractors.

In the case that any of the Group's subcontractors is involved in hiring child labour or forced labour, and this comes into the Group's knowledge, the concerned subcontractor will be banned or suspended from submitting tenders for the Group's future projects.

During the Reporting Period, the Group was not aware of any labour dispute records or any non-compliance cases on labour employment issues.

(v) Supply Chain Management

We have engaged over 150 suppliers and 100 subcontractors in Hong Kong, along with fewer than 20 suppliers in the PRC, to carry out works for our projects based in Hong Kong. The Group maintains long-term business relationship with them to ensure a stable supply of materials and timely completion of subcontracting works. Our site agents review the performance of each supplier or subcontractor on an annual basis, focusing on their abilities to meet quality, cost, safety and schedule requirements, and other criteria such as competency, cooperation, communication and organisation of work. Visits to the Group's major suppliers' business premises are also conducted annually to evaluate their social and environmental responsibility performance. If the evaluation score for a particular supplier/subcontractor is below average, that supplier/subcontractor will be classified as a disqualified supplier/subcontractor and removed from the supplier/subcontractor register. Such performance evaluation will be reviewed by the management, and the supplier/subcontractor with unsatisfactory performance will be discussed in the project review meeting. The Group understands the importance of incorporating environmental and social practices into supply chain management and therefore endeavors to engage suppliers who act responsibly with regard to green supply chain management.

(vi) Product Responsibility

It is the policy of the Company, in executing operations at all time in such manner to ensure the customers' satisfaction and full compliance of statutory and other requirements in terms of quality, environment, health and safety in the company's projects.

Project Quality Assurance

In the course of project implementation and execution, our project management team carries out regular quality checks and inspections to ensure that works performed by our subcontractors conform to contractual specifications. We have been awarded ISO9001 certification for our quality management system, demonstrating our commitment to maintaining consistent project quality and continuous improvement. We also hold progress meetings with our customers throughout the project. During such meetings, our project manager reports project progress to the customer, discusses major issues encountered and obtains customer feedback. We aim to maintain clear and timely communication with subcontractors and clients. If complaints are received regarding our products or services, we will record the reason of the complaint and carry out follow-up actions to provide a prompt response.

During the year ended 31 March 2026, no complaint was received which is related to our products and services and there were no products sold or shipped that were subject to recalls for safety and health reasons.

Project Safety Assurance

On the construction site, the project manager and the project team are responsible for ensuring that the safety standards of reclamation and other construction projects meet the contractual requirements. Customers or consultants may also review relevant safety supervision results to verify project safety and compliance status.

With our long history and presence in Hong Kong, our proven track record and well-established relationships with existing customers, we are able to rely on our existing customer base, reputation and customer referrals. As such, we do not rely on promotional activities. Therefore, issues relating to advertising and labelling were not material to the Group's operations during the year ended 31 March 2026.

Consumer Data Protection

The Group values the protection of confidential information of our employees and customers. We comply with local laws and regulations relating to personal information, including the Personal Data (Privacy) Ordinance (Chapter 486 of the Laws of Hong Kong) to prevent misuse of our customers' information. Customer information is only collected where necessary for business and operational purposes. The Group is fully aware of its customer data protection obligation. The Group continuously monitors, maintains and updates its hardware, software and security systems to prevent customer data breaches arising from hacking attacks. Employees are required to acknowledge and comply with the Employee Handbook, including the confidentiality clause restricting employees from divulging or communicating any customer or company-related information to any person outside the Group. Any unauthorised access, disclosure or use of information will be subject to disciplinary actions, including termination of employment and legal action.

During the year ended 31 March 2026, there were no cases of non-compliance in relation to health and safety, advertising, labelling and privacy matters relating to products and services provided by the Group. There were also no products sold or shipped that were subject to recalls for safety and health reasons.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Based on the result of the materiality assessment, intellectual property rights were not considered material to the Group's operations, and therefore no disclosure is made with this regard.

(vii) Anti-corruption

We are committed to maintaining high standards of integrity and ethical business conduct and have zero tolerance towards corruption. We have implemented a whistle-blowing policy statement and a code of conduct, which are displayed on the notice board to communicate the Group's expectations to employees and to ensure that they understand the relevant policies and the procedures for making disclosures. All employees of the Group are required to strictly observe the code on personal and professional conduct and the guidelines on anti-bribery and anti-corruption conduct as provided in the Group's manual of code of conduct, including the following:

1. Prevention of Bribery Ordinance – Soliciting or accepting any advantage in connection with the employee's work for the Group without the permission of the Group is strictly prohibited. Such conduct may amount to an offence under Section 9(2) of the Prevention of Bribery Ordinance (Chapter 201 of the laws of Hong Kong).
2. Acceptance of Advantage – Soliciting or accepting any advantage when conducting business for the Group is prohibited, unless prior written permission has been obtained from the Group.
3. Entertainment – Employees should avoid accepting lavish or frequent entertainment from business partners associated with the Group (e.g. clients, suppliers or subcontractors) to prevent their business judgement from being affected. Excessive gambling and loans should also be avoided.
4. Conflict of Interest – Employees should avoid any situation that may lead to an actual or perceived conflict of interest and should make a declaration to the Group when such occasion occurs.

Employees who breach the code of conduct may be dismissed or removed. Employees may report suspected misconduct to the Group in writing. Reports and complaints received will be handled promptly, fairly and confidentially as far as practicable. The Group intends to protect the whistle-blowers from common concerns such as confidentiality, potential retaliation and discrimination. Therefore, the employees who report in good faith under the whistle-blowing mechanism are protected against unfair dismissal or victimisation, even if the reports are subsequently proven to be unsubstantiated. During the year ended 31 March 2026, there is no legal case relating to bribery, extortion, fraud or money laundering brought against the Group or its employees. The Group was also not aware of any material non-compliance with relevant laws and regulations relating to corrupt practices that would have a significant impact on the Group during the year. We continue to carry out regular reviews and update our policy statements where necessary to ensure their effectiveness and to strengthen the Group's internal controls and compliance regime.

We have voluntarily subscribed to the Integrity Charter of the construction industry mainly organised by the Independent Commission Against Corruption ("ICAC"), which aims at further promote integrity management in the construction industry. We prohibit all forms of bribery and corruption and are committed to integrity and honesty. Our management attends integrity training regularly to keep abreast of updates on anti-corruption requirements and practices. Additionally, updates on these issues are provided during our regular meetings to ensure the Board and all employees remain informed and vigilant.

(viii) Community Investment

We believe corporate social responsibility as a viable and necessary part of responsible business operations. As a responsible construction group, the Group aims to manage and reduce the potential negative impacts arising from its business activities by approaching its business objectives responsibly and responding to the different concerns and demands of stakeholders affected by its operations, while remaining profitable and competitive.

During the Reporting Period, we made donations to charitable institutions. We place emphasis on social responsibility while also balancing the interests of our stakeholders.

We consider the long-term and sustainable development of Hong Kong to be crucial to our business. We will continue to enhance our integrated strengths as well as our operating and management expertise to develop a new model for multifaceted investments and business development. We shall strive to create a solid and proactive proprietary framework for securing our position in the ever-changing market environment and continue to be a valuable and responsible member of the community.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT OF AN ASSOCIATED GROUP

The Group's 20.3% owned One Belt One Road project in Pakistan is committed to maintaining leadership and pursuing continuous improvement in environmental, health, and safety practices for the benefits of employees, contractors and communities. This is accomplished by:

- Providing a safe and healthy workplace;
- Integrating environmentally sound practices into all processes;
- Complying with applicable laws, regulations, policies, and standards;
- Conserving natural resources and energy;
- Providing necessary resources to support environmental, health, and safety goals and objectives; and
- Integrating environmental, health, and safety goals and objectives with an overall business strategy.

Since the business engages in coal transshipment services from the on-going vessels to the jetty, large volumes of open-air coal transshipment may give rise to coal dust and related environmental concerns. Although there is no clear standard or method for pollution monitoring, the associated group has adopted several special procedures to manage and mitigate coal dust issues. Key anti-dust measures include the operation of water spray mist systems at coal hoppers, the use of anti-spillage platforms at coal hoppers, enclosed conveyors, and the covering of coal in barges when there is strong wind.

We aim to minimise the adverse impact of environment by using marine gasoil (MGO) in which sulphur content is less than 0.5% and in compliance with international maritime requirement. As a result, sulphur dioxide emission is lesser to mitigate the impact of climate change, despite the higher operating costs than the other low grade fuel such as heavy fuel oil.

We also consider safety concern on large numbers of stevedores working on board during the peak season. In addition to the safety banners, warning signs and notices displayed on the vessels, a variety of techniques, such as poster campaign, conduct of talks and the distribution of safety information sheets and guides are adopted in order to strengthen the promotion of health and safety.

We also obtained ISO9001:2015 Quality management systems – Requirements, ISO14001:2015 Environmental management systems – Requirements with guidance for use, and ISO45001:2018 Occupational health and safety management systems – Requirements with guidance for use for this project. The Group continues to develop, implement and maintain other environmental management systems such as environmental legislation review and due diligence for compliance, environmental auditing and training focusing on key areas, and the application for the compliance of ISO50001:2018 Energy management systems – Requirements with guidance for use.



INDEPENDENT AUDITOR'S REPORT



羅兵咸永道

To the Shareholders of Man King Holdings Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

What we have audited

The consolidated financial statements of Man King Holdings Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 58 to 109, comprise:

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

Our opinion

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

BASIS FOR OPINION

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

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

Independence

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



KEY AUDIT MATTERS

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

The key audit matter identified in our audit is related to revenue recognised from construction contracts of civil engineering services.

Key Audit Matter	How our Audit Addressed the Key Audit Matter
Revenue recognised from construction contracts of civil engineering services Refer to Notes 4(a) and 5 to the consolidated financial statements. During the year ended 31 March 2026, the Group's revenue is principally generated from the construction contracts of civil engineering services. A contract with customer for civil engineering services usually takes more than one year to complete and involves a series of services and works. From time to time, there are additional work (scope changes, claims and disputes). Contract revenue is accounted for as a single performance obligation, as the series of services and works are not distinct. Revenue is recognised over time as the Company creates assets that the customer controls during the course of construction. The progress towards complete satisfaction of relevant performance obligations is measured using output method, based on direct measurements of the values of works transferred by the Group to the customers, with reference to the progress estimated by internal project teams as compared against the certificates issued by independent surveyors. We focused on this area due to the magnitude of revenue transactions occurred and management's judgements involved in identifying distinct performance obligations, assessment of the variable consideration and appropriate method to measure the progress towards complete satisfaction of performance obligations of a contract.	Our audit procedures performed on revenue recognised from construction contracts of civil engineering services included: • We understood management's process in relation to revenue recognised from civil engineering services and assessed the inherent risk of material misstatements by considering the degree of estimation uncertainty and level of other inherent risk factors such as subjectivity; • We inspected construction contracts, on a sample basis, and agreed contract sum and variations, if any, to management records; • We evaluated the appropriateness of management's judgement adopted in revenue recognition of new contracts, including identification of distinct performance obligations, the method to measure the progress towards complete satisfaction of performance obligations, as well as the variable consideration elements; • We checked, on a sample basis, the latest progress certificates issued by independent surveyors and agreed to the amount recognised as revenue; and • We evaluated the reasonableness of the progress of contracts and additional work, on a sample basis, by (i) comparing the progress payment applications to the certificates issued by independent surveyors, and (ii) interviewing project teams about the progress of contracts and their evaluation of financial impacts of additional work. Based upon the above procedures performed, we considered that the revenue recognised from construction contracts of civil engineering services were supported by available evidence.





INDEPENDENT AUDITOR'S REPORT

OTHER INFORMATION

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

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

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

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

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Ng Hiu Tung (practising certificate number: P05150).

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, 26 June 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
Revenue	5	373,363	335,702
Cost of services		(367,845)	(346,966)
Gross profit/(loss)		5,518	(11,264)
Other income	6	5,492	7,586
Other gains, net	7	413	772
Administrative expenses		(26,840)	(26,371)
Impairment of financial assets	3.1(b)(ii)	–	(11,752)
Operating loss		(15,417)	(41,029)
Finance costs	8	(351)	(418)
Share of profit of an associate	17	22,503	20,179
Profit/(loss) before income tax	9	6,735	(21,268)
Income tax credit	11	1,233	143
Profit/(loss) for the year		7,968	(21,125)
Other comprehensive income/(loss)			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Share of other comprehensive income/(loss) of an associate		422	(25)
Total comprehensive income/(loss) for the year attributable to owners of the Company		8,390	(21,150)
Earnings/(loss) per share for profit/(loss) attributable to owners of the Company:			
Basic and diluted per share (HK cents)	12	1.90	(5.03)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment	15	6,160	11,306
Right-of-use assets	16	5,278	8,001
Investment in an associate	17	78,583	103,675
		90,021	122,982
Current assets			
Inventories	19	883	4,312
Contract assets	20	16,182	14,369
Trade and other receivables	21	24,171	35,099
Amounts due from joint operations/an other partner of joint operation	22	4,136	8,320
Financial assets at fair value through profit or loss	23	5,513	5,391
Bank deposits with maturity over three months	24	66,666	37,260
Cash and cash equivalents	24	171,659	143,607
		289,210	248,358
Total assets		379,231	371,340
EQUITY			
Equity attributable to owners of the Company			
Share capital	25	4,196	4,196
Share premium and other reserves		67,613	67,191
Retained earnings		187,820	179,852
Total equity		259,629	251,239
LIABILITIES			
Non-current liabilities			
Lease liabilities	16	2,185	3,980
Deferred tax liabilities	29	368	902
		2,553	4,882
Current liabilities			
Contract liabilities	26	13,015	16,822
Trade and other payables	27	81,934	70,814
Amounts due to other partners of joint operations	22	16,116	18,894
Bank borrowings	28	2,361	4,028
Lease liabilities	16	3,252	4,237
Tax liabilities		371	424
		117,049	115,219
Total liabilities		119,602	120,101
Total equity and liabilities		379,231	371,340

The consolidated financial statements on pages 58 to 109 were approved by the Board of Directors on 26 June 2026 and were signed on its behalf.

LO Yuen Cheong
Director

LO Yick Cheong
Director

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2026

	Attributable to owners of the Company					Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Other reserve HK\$'000 (Note)	Exchange reserve HK\$'000	Retained earnings HK\$'000	
At 1 April 2024	4,198	29,797	33,600	3,858	200,977	272,430
Loss for the year	–	–	–	–	(21,125)	(21,125)
Other comprehensive loss	–	–	–	(25)	–	(25)
Total comprehensive loss	–	–	–	(25)	(21,125)	(21,150)
Share repurchased and cancelled (Note 25)	(2)	(39)	–	–	–	(41)
At 31 March 2025	4,196	29,758	33,600	3,833	179,852	251,239
At 1 April 2025	4,196	29,758	33,600	3,833	179,852	251,239
Profit for the year	–	–	–	–	7,968	7,968
Other comprehensive income	–	–	–	422	–	422
Total comprehensive income	–	–	–	422	7,968	8,390
At 31 March 2026	4,196	29,758	33,600	4,255	187,820	259,629

Note: As part of the group reorganisation in 2014, there were series of restructuring within Man King Holdings Limited (the "Company") and its subsidiaries mainly involving interspersing investment holding entities between the operating subsidiaries and investment holding companies. The difference between the Company's share capital and the combined share capital of Concentric Construction Limited ("Concentric") and Peako Engineering Co. Limited ("Peako"), the indirect wholly-owned subsidiaries of the Company, was credited to other reserve on 31 December 2014.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
Cash flows from operating activities			
Cash generated from/(used in) operations	32(a)	8,997	(29,921)
Income tax refunded/(paid)		646	(370)
Net cash generated from/(used in) operating activities		9,643	(30,291)
Cash flows from investing activities			
Purchases of property, plant and equipment		(104)	(250)
Proceeds from disposals of property, plant and equipment	32(b)	387	502
Advances to joint operations		(389)	(2,354)
Repayments from joint operations		561	3,921
Placements of bank deposits with maturity over three months		(128,301)	(64,320)
Withdrawal of bank deposits with maturity over three months		98,895	49,305
Dividend received from financial assets at FVTPL		327	394
Dividend received from an associate		48,017	29,086
Interest received		4,523	5,702
Net cash generated from investing activities		23,916	21,986
Cash flows from financing activities			
Proceeds from bank borrowings		–	5,000
Repayments of bank borrowings	32(c)	(1,667)	(1,571)
Interest paid for bank borrowings	32(c)	(137)	(160)
Repayments of principal element of lease liabilities	16, 32(c)	(4,286)	(4,423)
Repayments of interest element of lease liabilities	16, 32(c)	(214)	(258)
Advances from other partners of joint operations	32(c)	3,920	5,275
Repayments to other partners of joint operations	32(c)	(3,123)	(5,763)
Payments on repurchase shares		–	(41)
Net cash used in financing activities		(5,507)	(1,941)
Net increase/(decrease) in cash and cash equivalents		28,052	(10,246)
Cash and cash equivalents at beginning of the year		143,607	153,853
Cash and cash equivalents at end of the year	24	171,659	143,607

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 12 November 2014 as an exempted company with limited liability under the Companies Law, (Cap. 22, Law 3 of 1961, as combined and revised) of the Cayman Islands. The address of the Company's registered office is P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (together the "Group") are principally engaged in the provision of civil engineering works.

The Company is listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Its ultimate holding company is LOs Brothers (PTC) Limited and its immediate holding company is Jade Vantage Holdings Limited.

The consolidated financial statements are presented in Hong Kong Dollar ("HK\$") and all values are rounded to the nearest thousand ("HK\$'000"), unless otherwise stated.

2 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards ("HKFRSs") as issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). The consolidated financial statements have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss ("FVTPL") which have been measured at fair value.

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

(a) Amended standards adopted by the Group for the financial year beginning 1 April 2025

HKAS 21 and HKFRS 1 (Amendments)

Lack of Exchangeability

The adoption of the amended standards listed above did not have any significant impact on the Group's consolidated financial statements for the current or prior periods.

2 BASIS OF PREPARATION *(Continued)*

(b) New and amended standards and interpretation which have been issued but are not yet effective for the financial year beginning 1 April 2025 and have not been early adopted by the Group

		Effective for accounting periods beginning on or after
HKFRS 7 and HKFRS 9 (Amendments)	Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 7 and HKFRS 9 (Amendments)	Contracts Referencing Nature-dependent Electricity	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
HKFRS 19 (Amendments)	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Hong Kong Interpretation 5 (Amendments)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
HKAS 28 and HKFRS 10 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The management is in the process of making an assessment of the impact on initial adoption of the above new and amended standards and interpretation and these are not expected to have significant impact on the consolidated financial statements of the Group on their effective dates except for the HKFRS 18 as described below.

HKFRS18 – Presentation and Disclosure in Financial Statement

HKFRS 18 will replace HKAS 1 “Presentation of Financial Statements”, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the consolidated statement of profit or loss and other comprehensive income providing management-defined performance measures within the consolidated financial statements.

The management is currently assessing the detailed implications of applying the new standard on the Group’s consolidated financial statements. The Group expects to apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 March 2027 will be restated in accordance with HKFRS 18.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group.

(a) Market risk

(i) Foreign exchange risk

The Group's transactions are substantially denominated in HK\$. The majority of assets and liabilities are denominated in HK\$ except United States dollars ("USD") and British Pound ("GBP") denominated financial assets at FVTPL. The Group is subject to foreign exchange rate risk arising from future commercial transactions and recognised assets and liabilities which are denominated in a currency other than HK\$, which is the functional currency of the major operating companies within the Group. The Group currently does not hedge its foreign currency exposure.

The Group manages its foreign exchange risk by closely monitoring the movement of the foreign currency rates. In the opinion of the directors, HK\$ are reasonably stable against the USD under the Linked Exchange Rate System, and accordingly, no sensitivity analysis with respect to the USD against HK\$ is performed.

At 31 March 2026, if GBP had strengthened/weakened by 5% against the HK\$ with all other variables held constant, profit before income tax for the year then ended would have been approximately HK\$240,000 higher/lower (2025: loss before income tax HK\$101,000 lower/higher).

(ii) Cash flow and fair value interest rate risk

Interest rate risk relates to the risk that the cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's bank deposits with maturity over three months with fixed interest rates expose to fair value interest rate risk. In the opinion of directors, the expected change in fair values as a result of change in market interest rates will not be significant, therefore no sensitivity analysis is presented. The Group's bank balances and bank borrowings with floating interest rates expose to cash flow interest rate risk. The Group currently does not use any derivative contracts to hedge its exposure to interest rate risk. Management monitors interest rate fluctuations to ensure that exposure to interest rate risk is within an acceptable level and will consider hedging significant interest rate exposure should the need arise. Other than bank balances, bank deposits with maturity over three months and bank borrowings, the Group does not have significant interest-bearing assets or liabilities.

As at 31 March 2026, if the interest rates on bank balances and bank borrowings issued at variable rates had been 100 basis point higher/lower with all other variables held constant, the Group's profit before income tax would have been approximately HK\$1,693,000 higher/lower (2025: loss before income tax HK\$1,396,000 lower/higher).

(iii) Price risk

The Group's exposure to price risk arises from investments held by the Group and classified in the consolidated statement of financial position as financial assets at FVTPL.

At 31 March 2026, if the fair values of the investments classified as financial assets at FVTPL had been 5% higher/lower, with all other variables held constant, the Group's profit before income tax would have been approximately HK\$276,000 higher/lower (2025: loss before income tax HK\$270,000 lower/higher). Profit before income tax would increase/decrease as a result of gains/losses on financial assets at FVTPL and vice versa.



3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk

The credit risk of the Group mainly arises from cash at banks, bank deposits with maturity over three months, amounts due from joint operations/an other partner of joint operation, contract assets, trade receivables, deposits and other receivables and financial assets at FVTPL. The carrying amounts of each financial asset represent the Group's maximum exposure to credit risk in relation to financial assets.

(i) Risk management

The Group has policies in place to ensure that credit terms are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers.

The credit risk on cash at banks and bank deposits with maturity over three months are limited because deposits are in banks with sound credit ratings and management does not expect any loss from non-performance by these counterparties.

For the years ended 31 March 2026 and 2025, 98% and 97% of the Group's revenue was derived from various departments of the Government of the Hong Kong Special Administrative Region ("Government departments") respectively, where 85% and 84% of the Group's revenue was derived from its top three customers respectively. As at 31 March 2026 and 2025, 100% of the total trade and retention receivables were due from Government departments respectively.

For other receivables, the Group assessed the credit quality of the counter parties by taking into account their financial position, credit history, forward-looking information and other factors. Management also regularly reviews the recoverability of these receivables and follow up the disputes or amounts overdue, if any.

(ii) Impairment of financial assets

Trade receivables, contract assets and trade-related amounts due from joint operations/an other partner of joint operation

The Group applies HKFRS 9 simplified approach to measuring expected credit loss ("ECL"), which uses a lifetime expected loss allowance for all trade receivables, contract assets and trade-related amounts due from joint operations/an other partner of joint operation.

To measure the ECL, trade receivables and contract assets have been grouped based on shared credit risk characteristics and days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

All trade-related amounts due from joint operations/an other partner of joint operation have been grouped based on shared credit risk characteristics and the days past due to measure the ECL collectively.

The expected loss rates are based on the historical credit losses, repayment history and financial strength of the customers, and adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product and inflation rate of Hong Kong to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables, contract assets and trade-related amounts due from joint operations/an other partner of joint operation are classified as credit-impaired when the customer fails to make contractual payments within 90 days of when they fall due.

As 31 March 2026, approximately HK\$496,000 (2025: approximately HK\$3,178,000) of trade-related amounts due from joint operations/an other partner of joint operation were identified as credit-impaired, as they were past due over 90 days at year end date. Based on the Group's assessment, the identified ECL for these balances were immaterial, as the joint operations/an other partner of joint operation have the financial strength to repay those amounts.

For trade receivables, contract assets and trade-related amounts due from joint operations/an other partner of joint operation which were not credit-impaired, based on the Group's assessment, the expected loss rates were low. The identified ECL for these balances were immaterial.





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Credit risk *(Continued)*

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

Other financial assets at amortised cost

The Group's other financial assets carried at amortised cost include bank deposits, deposits and other receivables and non-trade related amounts due from joint operations/an other partner of joint operation. The Group applies HKFRS 9 general approach to measuring ECL, and ECL is assessed in three stages.

Stage 1: if the financial instruments are not credit-impaired during origination and their credit risk has not increased significantly since origination, and the impairment allowance is measured at an amount up to 12-month ECL.

Stage 2: if the financial instruments are not credit-impaired during origination but their credit risk has increased significantly since origination, and the impairment allowance is measured at an amount equal to the lifetime ECL.

Stage 3: if the financial instruments are credit impaired and their future cash flows of that financial instruments are adversely affected by one or more events, and the impairment allowance is also measured at an amount equal to the lifetime ECL.

To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

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

Regardless of the analysis above, a significant increase in credit risk is presumed if a counterparty is more than 30 days past due in making a contractual payment.

A financial instrument is classified as credit-impaired (stage 3) and default when the counterparty fails to make contractual payments within 90 days of when they fall due.

The Group measures ECL using probability of default, loss given default and exposure at default, with the consideration of forward-looking information.

As at 31 March 2026 and 2025, management considered the credit risk of bank deposits, deposits and other receivables to be low as counterparties have a strong capacity to meet their contractual cash flow obligations in the near term and there were no any significant increase in credit risk. The Group has assessed that the bank deposits, deposits and other receivables were subject to 12-month ECL (stage 1) and the identified ECL were immaterial for both years ended 31 March 2026 and 2025.

As at 31 March 2026, approximately HK\$14,910,000 (2025: approximately HK\$15,082,000) of non-trade related amounts due from joint operations/an other partner of joint operation were identified as credit-impaired (stage 3), due to long-aged overdue receivables. The Group has assessed that the ECL for the credit-impaired non-traded related amounts due from joint operations/an other partner of joint operation was approximately HK\$11,752,000 (2025: approximately HK\$11,752,000) (Note 22(a)). The ECL was estimated based on management's assessment on the eventual shortfall in the contractual amount in consideration of the most recent available financial information of the joint operation. No additional impairment was recognised during the year ended 31 March 2026.

3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(b) Credit risk (Continued)

(ii) Impairment of financial assets (Continued)

Other financial assets at amortised cost (Continued)

For the non-traded related amounts due from joint operations/an other partner of joint operation which were not credit-impaired, management considered the credit risk to be low as counterparties have a strong capacity to meet their contractual cash flow obligations in the near term and there were no any significant increase in credit risk. The balances were subject to 12-month ECL (stage 1) and the identified ECL were immaterial for both years ended 31 March 2026 and 2025.

The significant changes in the gross carrying amount of non-trade related amounts due from joint operations/an other partner of joint operation are further explained below:

	12-month expected credit losses (stage 1) HK\$'000	Lifetime expected credit losses (stage 2) HK\$'000	Lifetime expected credit losses (stage 3 – credit impaired) HK\$'000	Total HK\$'000
Gross amount as at 1 April 2024	16,679	–	–	16,679
Advance to joint operations	2,354	–	–	2,354
Repayments from joint operations	(3,921)	–	–	(3,921)
Individual financial assets transferred to credit- impaired financial assets	(15,082)	–	15,082	–
Gross amount as at 31 March 2025 and 1 April 2025	30	–	15,082	15,112
Advance to joint operations	–	–	389	389
Repayments from joint operations	–	–	(561)	(561)
Gross amount as at 31 March 2026	30	–	14,910	14,940

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT *(Continued)*

3.1 Financial risk factors *(Continued)*

(b) Credit risk *(Continued)*

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

Other financial assets at amortised cost *(Continued)*

The following tables show reconciliation of loss allowances that has been recognised for non-trade related amounts due from joint operations/an other partner of joint operation which is measured under 12-month ECL and lifetime ECL:

	12-month expected credit losses (stage 1) HK\$'000	Lifetime expected credit losses (stage 2) HK\$'000	Lifetime expected credit losses (stage 3 – credit impaired) HK\$'000	Total HK\$'000
As at 1 April 2024	–	–	–	–
Charge for the year	–	–	11,752	11,752
As at 31 March 2025, 1 April 2025 and 31 March 2026	–	–	11,752	11,752

3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT (Continued)

3.1 Financial risk factors (Continued)

(c) Liquidity risk

Liquidity risk refers to the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

Prudent liquidity risk management implies maintaining sufficient cash and bank balances. The Group's liquidity risk is further mitigated through the availability of financing through its own cash resources and the availability of banking facilities to meet its financial commitments. In the opinion of the directors, the Group does not have any significant liquidity risk.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the consolidated statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows (including interests payments computed using contractual rates, or if floating, based on the current rates at the year end dates during the year). Where the loan agreement contains a repayable on demand clause which gives the lender the unconditional right to call the loan at any time, the management does not expect that it is probable that the banks will exercise their rights to demand repayment. The management expect that such bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements. Therefore, management prepare the analysis in the table below based on the scheduled repayment dates. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

	On demand HK\$'000	Less than 1 year HK\$'000	More than 1 year HK\$'000	Total HK\$'000
At 31 March 2026				
Trade and other payables	–	66,489	9,792	76,281
Amounts due to other partners of joint operations	1,122	14,994	–	16,116
Bank borrowings	–	1,666	695	2,361
Lease liabilities	–	3,366	2,232	5,598
	1,122	86,515	12,719	100,356
At 31 March 2025				
Trade and other payables	–	61,039	6,377	67,416
Amounts due to other partners of joint operations	325	18,569	–	18,894
Bank borrowings	–	1,833	2,445	4,278
Lease liabilities	–	4,333	4,177	8,510
	325	85,774	12,999	99,098

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT *(Continued)*

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Group consists of equity and borrowings. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares and sell assets to reduce debt.

The Group monitors capital on the basis of total debt to total capital ratio. Total debt and total capital represent total bank borrowings and total equity respectively. The debt to equity ratios as at 31 March 2026 and 2025 are as follows:

	2026 HK\$'000	2025 HK\$'000
Total borrowings (bank borrowings (Note 28))	2,361	4,028
Total equity	259,629	251,239
Debt to equity ratio	0.9%	1.6%

3.3 Fair value estimation

Financial instruments carried at fair value are analysed by valuation method. The different levels have been defined as follows:

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

The carrying amounts of the Group's financial assets, including trade and other receivable, deposits, amounts due from joint operations/an other partner of joint operation, bank deposits with maturity over three months and cash and cash equivalents; and the Group's financial liabilities, including trade and other payables, amounts due to other partners of joint operations and bank borrowings, approximate their fair values due to their short maturities.

The nominal values less any estimated credit adjustments for financial assets and liabilities with a maturity of less than one year are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3 FINANCIAL RISK AND CAPITAL RISK MANAGEMENT (Continued)

3.3 Fair value estimation (Continued)

The following table presents the carrying value of financial instruments measured at fair value at the consolidated statement of financial position.

	Fair value measurement as at 31 March 2026		
	Level 1 HK\$'000	Level 2 HK\$'000	Total HK\$'000
Recurring fair value measurements			
Financial assets at FVTPL			
– Listed equity securities	2,307	–	2,307
– Unlisted fund investments	–	3,206	3,206
	2,307	3,206	5,513
	Fair value measurement as at 31 March 2025		
	Level 1 HK\$'000	Level 2 HK\$'000	Total HK\$'000
Recurring fair value measurements			
Financial assets at FVTPL			
– Listed equity securities	2,177	–	2,177
– Unlisted fund investments	–	3,214	3,214
	2,177	3,214	5,391

There were no transfers between levels 1 and 2 during the year (2025: Nil).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(a) Construction contracts – recognition of revenue

A contract with customer for civil engineering services usually takes more than one year to complete and involves a series of services and works. From time to time, there are additional work (for example scope changes, claims and disputes). The Group assesses revenue recognition of contracts, including determining transaction price, identification of distinct performance obligations, the method to measure the progress towards complete satisfaction of performance obligation.

The Group considers each contract has only one single performance obligation because the works are integration of various activities, and recognises revenue over time as it creates assets that the customer controls during the course of construction. The progress towards complete satisfaction of relevant performance obligation is measured using output method, based on direct measurements of the values of works transferred by the Group to the customers. The Group considers the output method better depicts the Group's performance in transferring control of goods or services to their customers. The construction works performed by the Group are certified by the surveyors appointed by the customers. The Group has internal project teams to measure their work and counter check with the certificates issued by independent surveyors.

Identification of performance obligation, evaluation of the financial impact of additional work and estimation of the completion status of construction works requires significant judgment and has significant impact on the amount and timing of revenue recognised.

Contract assets mainly include unbilled revenue in respect of the Group's right to receive consideration for a completed project in prior year but not yet billed. Significant judgment is exercised on the assessment of the possibility of the customer approving the respective variations. In making the judgment, management considers a wide range of factors such as results of obtaining legal advice for potential dispute, follow-up procedure with the customer, customer payment trends including subsequent payments.

(b) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in Note 3.1(b)(ii).

5 REVENUE AND SEGMENT INFORMATION

The Company is an investment holding company and the Group is principally engaged in providing civil engineering services in Hong Kong as main contractor ("Civil Engineering Works").

The chief operating decision-maker has been identified as the executive directors of the Company. The executive directors review the Group's internal reporting in order to assess performance and allocate resources. The executive directors have determined the operating segment based on these reports.

The executive directors consider the Group's operation from a business perspective and determine that the Group has one reportable operating segment being the Civil Engineering Works.

The executive directors assess the performance of the operating segment based on a measure of revenue and gross profit.

5 REVENUE AND SEGMENT INFORMATION (Continued)

During the years ended 31 March 2026 and 2025, all the Group's revenue were from contracts with customers and were recognised over time and derived from operations in Hong Kong.

Revenue from civil engineering services amounted to HK\$364,601,000 was recognised during the year ended 31 March 2026 (2025: HK\$324,607,000).

Revenue from auxiliary civil engineering related services amounted to HK\$8,762,000 was recognised during the year ended 31 March 2026 (2025: HK\$11,095,000).

As at 31 March 2026 and 2025, the Group's non-current assets are all located in Hong Kong except for the investment in an associate. The Group's associate is incorporated in Hong Kong and principally operating in Pakistan.

(a) Major customers

Revenue from customers individually contributing over 10% of the total revenue of the Group is as follow:

	2026 HK\$'000	2025 HK\$'000
Customer A	64,986	41,422
Customer B	47,820	59,229
Customer C	205,545	151,930
Customer D	46,250	72,026

(b) Unsatisfied performance obligations

The following table shows unsatisfied performance obligations resulting from long-term construction related services contracts.

	2026 HK\$'000	2025 HK\$'000
Aggregate amount of the transaction price of long-term construction contracts that are partially or fully unsatisfied as at 31 March	277,343	521,139

Management expects that the transaction prices regarding the unsatisfied contracts as of 31 March 2026 and 2025 will be recognised as revenue as follows:

	2026 HK\$'000	2025 HK\$'000
Within one year	207,094	351,186
More than one year but not more than two years	70,249	152,344
More than two years	—	17,609
	277,343	521,139



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5 REVENUE AND SEGMENT INFORMATION *(Continued)*

(c) Accounting policies of revenue recognition in relation to civil engineering services and provision of auxiliary civil engineering related services

(a) Revenue recognition policy

The Group recognises revenue upon the transfer of control of promised goods or services to customers, measured at the fair value of the consideration received or receivable, and represents amounts for the construction service rendered in the ordinary course of the Group's activity. The Group is acting as a principal rather than as an agent given that the Group integrates the materials, labor and equipment into the deliverables promised to the customers.

Civil engineering services

Revenue is recognised over time as the Group creates assets that the customer controls during the course of construction. The Group applies the output method in recognising revenue from construction contracts by estimation of the progress towards complete satisfaction of relevant performance obligation, with reference to certificates issued by independent surveyors. The Group reviews the estimation of independent surveyors on an ongoing basis.

Provision of auxiliary civil engineering related services

Revenue from auxiliary civil engineering related services is recognised over time when the relevant services are rendered.

(b) Contracts

The Group derives revenue primarily from civil engineering projects, including roads and drainage, site formation and port works, with the Government of the Hong Kong Special Administrative Region and some private sector entities, under fixed price contracts, subjected to modification by agreeing claims and variation orders.

(c) Performance obligations

A performance obligation is a contractual promise to transfer a distinct good or service to a customer and is the unit of account under HKFRS 15. Contracts of the Group often require significant services to integrate complex activities and equipment into a single deliverable and are therefore generally accounted for as a single performance obligation. Contract amendments, claims and variation orders, which are generally not distinct from the existing contract, are typically accounted for as a modification of the existing contract and performance obligation.

(d) Variable considerations

The nature of the Group's contracts give rise to several types of variable consideration, including claims and unpriced variation orders. The Group recognises amount of variable consideration (for examples, scope changes, claims and disputes) in the transaction price only to the extent that is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

Factors to be considered in determining whether revenue associated with variable considerations should be recognised including whether there is evidence supporting the variable consideration to be reasonable, objective and reliably estimated.

When there is change in circumstances, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to better predict the circumstances present at the end of the reporting period and the changes in circumstances during the year.

If at any time the costs to complete the contract are estimated to exceed the remaining amount of the consideration under the contract, then a provision is recognised in accordance with the policy set out in Note 37.18.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



6 OTHER INCOME

	2026 HK\$'000	2025 HK\$'000
Management fee income (Note 34)	360	360
Dividend income from financial assets at FVTPL	327	394
Bank interest income	4,523	5,702
Others	282	1,130
	5,492	7,586

7 OTHER GAINS, NET

	2026 HK\$'000	2025 HK\$'000
Fair value changes of financial assets at FVTPL	122	658
Net exchange gain/(loss)	704	(237)
(Loss)/gain on disposals of property, plant and equipment	(439)	331
Gain on early termination of leases (Note 16)	26	20
	413	772

8 FINANCE COSTS

	2026 HK\$'000	2025 HK\$'000
Interest expense on bank borrowings	137	160
Interest expense on lease liabilities (Note 16)	214	258
	351	418

9 PROFIT/(LOSS) BEFORE INCOME TAX

	2026 HK\$'000	2025 HK\$'000
Profit/(loss) before income tax is arrived at after charging:		
Employee benefit expenses (Note 10)	78,558	79,531
Auditor's remuneration	1,600	1,576
Depreciation of property, plant and equipment (Note 15)	4,424	5,608
Depreciation of right-of-use assets (Note 16)	4,255	4,403
Cost of construction materials (Note 19)	42,500	29,352
Subcontracting charges	236,521	230,696



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10 EMPLOYEE BENEFIT EXPENSES

	2026 HK\$'000	2025 HK\$'000
Directors' emoluments (Note 36)	9,868	9,296
Other staff salaries and other allowances	66,856	68,169
Other staff retirement benefit scheme contributions	1,834	2,066
Total employee benefit expenses, including directors' remuneration	78,558	79,531

Notes:

- (a) Post-employment benefits – defined contribution plans
No forfeited contributions for the Group is available to reduce the contribution payment in the future years. Contributions to schemes vest immediately.
- (b) Five highest paid individuals
The five individuals whose remuneration were the highest in the Group for the year include two directors (2025: two) whose remuneration are reflected in the analysis shown in Note 36. The emoluments payable to the remaining three (2025: three) individuals during the year are as follows:

	2026 HK\$'000	2025 HK\$'000
Salaries and other allowances	4,460	4,302
Discretionary bonus	1,615	2,169
Retirement benefit scheme contributions	36	36
	6,111	6,507

The highest paid non-director individuals' remunerations for the year fell within the following bands:

	2026 No. of employees	2025 No. of employees
HK\$1,500,001 to HK\$2,000,000	1	–
HK\$2,000,001 to HK\$2,500,000	2	3

For the years ended 31 March 2026 and 2025, no remuneration was paid by the Group to the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office, and there was no arrangement under which a director or the five highest paid individuals waived or agreed to waive any of the remuneration.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

11 INCOME TAX CREDIT

	2026 HK\$'000	2025 HK\$'000
Hong Kong Profits Tax		
– Current year	12	561
– Over-provision in prior year	(711)	(137)
Deferred taxation (Note 29)	(534)	(567)
	(1,233)	(143)

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits for the year.

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

	2026 HK\$'000	2025 HK\$'000
Profit/(loss) before income tax	6,735	(21,268)
Less: Share of profit of an associate	(22,503)	(20,179)
	(15,768)	(41,447)
Tax at Hong Kong Profits Tax Rate of 16.5%	(2,602)	(6,839)
Income not subject to tax	(918)	(1,134)
Expenses not deductible for tax purposes	132	2,163
Utilisation of previously unrecognised tax losses	(3,553)	(172)
Tax losses for which no deferred tax asset was recognised	6,407	5,960
Over-provision in prior year	(711)	(139)
Withholding tax for dividend income	12	18
Income tax credit for the year	(1,233)	(143)

12 EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share for the year is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2026	2025
Profit/(loss) attributable to owners of the Company (HK\$'000)	7,968	(21,125)
Weighted average number of ordinary shares in issue (thousands) (Note)	419,594	419,656
Basic and diluted earnings/(loss) per share (HK cents)	1.90	(5.03)

Note: For the year ended 31 March 2025, the weighted average number of ordinary shares for the purpose of calculating basic earnings per share has been adjusted for the effect of the ordinary shares of the Company repurchased from the market in July 2024.

For the purpose of determining the diluted earnings/(loss) per share amount, no adjustment has been made to the basic earnings/(loss) per share amount for the years ended 31 March 2026 and 2025 as the Group had no potentially dilutive ordinary shares in issue during these years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13 SUBSIDIARIES

The Group's principal subsidiaries as at 31 March 2026 and 2025 are set out below.

Name of subsidiary	Place of incorporation and operation and kind of legal entity	Principal activities	Particulars of paid up capital	Percentage of effective interest held/controlled by the Group	
				2026	2025
Directly held:					
Keytime Developments Limited	British Virgin Islands ("BVI"), limited liability company	Investment holding	Ordinary shares USD1	100%	100%
Wit Plus Limited	BVI, limited liability company	Investment holding	Ordinary shares USD1	100%	100%
Rich Partner Global Limited ("Rich Partner")	BVI, limited liability company	Investment holding	Ordinary shares USD100	100%	100%
Indirectly held:					
Peako	Hong Kong, limited liability company	Construction and civil engineering	Ordinary shares HK\$22,560,000	100%	100%
Concentric	Hong Kong, limited liability company	Construction and civil engineering	Ordinary shares HK\$28,680,000	100%	100%
Man King Construction Limited	Hong Kong, limited liability company	Investment holding	Ordinary shares HK\$100	100%	100%

Accounting policies in relation to subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group other than business under common control combination.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies in relation to subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Accounting policies in relation to business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary

13 SUBSIDIARIES (Continued)

Accounting policies in relation to business combinations (Continued)

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred;
- amount of any non-controlling interest in the acquired entity; and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in consolidated statement of profit or loss and other comprehensive income.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in consolidated statement of profit or loss and other comprehensive income.

14 JOINT OPERATIONS

Particulars of the Group's material joint operations at the end of each reporting period are as follows:

Name of joint operation	Place of establishment and operation	Form of business structure	Equity interest attributable to the Group		Principal activities
			2026	2025	
Concentric – Hong Kong River	Hong Kong	Unincorporated	49%	49%	Civil engineering works
Peako – Wo Hing	Hong Kong	Unincorporated	70%	70%	Civil engineering works
Penta-Ocean – Concentric	Hong Kong	Unincorporated	49%	49%	Civil engineering works
CGC	Hong Kong	Unincorporated	49%	49%	Civil engineering works
PCJV	Hong Kong	Unincorporated	49%	49%	Civil engineering works

Accounting policies in relation to joint arrangements

Under HKFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has joint operations.

Joint operations

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15 PROPERTY, PLANT AND EQUIPMENT

	Leasehold land and building HK\$'000	Leasehold improvements HK\$'000	Plant and machinery HK\$'000	Motor vehicles HK\$'000	Office equipment HK\$'000	Total HK\$'000
As at 1 April 2024						
Cost	2,350	3,302	10,799	18,899	20,216	55,566
Accumulated depreciation	(498)	(2,315)	(8,224)	(12,017)	(15,677)	(38,731)
Net book amount	1,852	987	2,575	6,882	4,539	16,835
Year ended 31 March 2025						
Opening net book amount	1,852	987	2,575	6,882	4,539	16,835
Additions	–	–	–	36	214	250
Disposals/written-off	–	–	–	(171)	–	(171)
Depreciation charge (Note 9)	(79)	(369)	(999)	(1,917)	(2,244)	(5,608)
	1,773	618	1,576	4,830	2,509	11,306
As at 31 March 2025 and 1 April 2025						
Cost	2,350	3,302	10,799	16,658	18,790	51,899
Accumulated depreciation	(577)	(2,684)	(9,223)	(11,828)	(16,281)	(40,593)
Net book amount	1,773	618	1,576	4,830	2,509	11,306
Year ended 31 March 2026						
Opening net book amount	1,773	618	1,576	4,830	2,509	11,306
Additions	–	–	–	–	104	104
Disposals/written-off	–	–	(341)	(36)	(449)	(826)
Depreciation charge (Note 9)	(80)	(369)	(900)	(1,721)	(1,354)	(4,424)
	1,693	249	335	3,073	810	6,160
As at 31 March 2026						
Cost	2,350	3,302	3,127	17,416	11,924	38,119
Accumulated depreciation	(657)	(3,053)	(2,792)	(14,343)	(11,114)	(31,959)
Net book amount	1,693	249	335	3,073	810	6,160

The Group's leasehold land is held under a medium-term lease in Hong Kong.

16 LEASES

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

(a) Amounts recognised in the consolidated statement of financial position

	2026 HK\$'000	2025 HK\$'000
Right-of-use assets – Properties		
Beginning of the year	8,001	9,623
New leases	1,922	3,492
Depreciation expense (Note 9)	(4,255)	(4,403)
Early termination of leases	(390)	(711)
End of the year	5,278	8,001
Lease liabilities		
Beginning of the year	8,217	9,879
New leases	1,922	3,492
Interest expense (Note 8)	214	258
Repayments of principal element	(4,286)	(4,423)
Repayments of interest element	(214)	(258)
Early termination of leases	(416)	(731)
End of the year	5,437	8,217
Current	3,252	4,237
Non-current	2,185	3,980
	5,437	8,217

(b) Amounts recognised in the consolidated statement of profit or loss and other comprehensive income

The consolidated statement of profit or loss and other comprehensive income shows the following amounts relating to leases:

	2026 HK\$'000	2025 HK\$'000
Depreciation charge of right-of-use assets (Note 9)	4,255	4,403
Interest expense on lease liabilities (Note 8)	214	258
Gain on early termination of leases (Note 7)	26	20

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16 LEASES (Continued)

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

The Group leases various offices and car parks. The leases run for periods up to 6 years but may have termination options as described in (d) below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and leased assets may not be used as security for borrowing purposes.

(d) Termination options

Termination options are included in a number of office and car park leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of termination options held are exercisable only by the Group and not by the respective lessor.

17 INVESTMENT IN AN ASSOCIATE

	2026 HK\$'000	2025 HK\$'000
Unlisted investments in an associate, at cost	96,712	96,712
Share of post-acquisition results and other comprehensive income, net of dividends	(18,129)	6,963
	78,583	103,675

Share of post-acquisition results and other comprehensive income

	2026 HK\$'000	2025 HK\$'000
Beginning of the year	93,730	73,576
Share of profit and other comprehensive income	22,925	20,154
End of the year	116,655	93,730
Dividend received	48,017	29,086

Notes:

(a) Details of the Group's associate at the end of the reporting period are as follows:

Name of entity	Country of incorporation and operation	Proportion of ownership interest held by the Group		Principal activity
		2026	2025	
River King Management Holdings Limited and its subsidiaries ("River King")	Hong Kong, Malta and Pakistan	20.3%	20.3%	Provision of bareboat charter hire services and coal transshipment services

(b) The following is the extract of financial information of the Group's associate which is accounted for using the equity method:

	2026 HK\$'000	2025 HK\$'000
Revenue	187,038	179,348
Profit for the year	110,856	99,407
Other comprehensive income/(loss)	2,071	(124)
Total comprehensive income	112,927	99,283

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17 INVESTMENT IN AN ASSOCIATE (Continued)

Share of post-acquisition results and other comprehensive income (Continued)

Notes: (Continued)

(b) The following is the extract of financial information of the Group's associate which is accounted for using the equity method: (Continued)

	2026 HK\$'000	2025 HK\$'000
Non-current assets		
Property, plant and equipment	336,850	359,334
Other non-current assets	1,999	2,009
	338,849	361,343
Current assets*	77,776	187,146
Total assets	416,625	548,489
Non-current liabilities	(8,123)	(6,814)
Current liabilities	(21,396)	(30,959)
Total liabilities	(29,519)	(37,773)
Net assets	387,106	510,716

* As at 31 March 2026, trade receivables of the Group's associate amounting to approximately HK\$64,266,000 (2025: HK\$127,088,000), were due from a debtor in Pakistan where the remittance of funds denominated in foreign currencies out of Pakistan is subject to the rules and regulations of foreign exchange control promulgated by the Government of Pakistan.

(c) Reconciliation of the summarised financial information presented to the carrying amount of the Group's investment in an associate

	2026 HK\$'000	2025 HK\$'000
Opening net assets as at beginning of the year	510,716	554,714
Profit for the year	110,856	99,407
Dividend paid	(236,537)	(143,281)
Other comprehensive income/(loss)	2,071	(124)
Closing net assets as at end of the year	387,106	510,716
Carrying amount of the Group's investment in an associate	78,583	103,675

Accounting policies in relation to associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

17 INVESTMENT IN AN ASSOCIATE (Continued)

Accounting policies in relation to equity method

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

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

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

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 37.6.

18 FINANCIAL INSTRUMENTS BY CATEGORY

The Group holds the following financial instruments as at 31 March 2026 and 2025:

	2026 HK\$'000	2025 HK\$'000
Financial assets		
Financial assets at amortised cost:		
Trade and other receivables	21,416	26,951
Amounts due from joint operations/an other partner of joint operation	4,136	8,320
Bank deposits with maturity over three months	66,666	37,260
Cash and cash equivalents	171,659	143,607
Financial assets at FVTPL	5,513	5,391
	269,390	221,529
Financial liabilities		
Financial liabilities at amortised cost:		
Trade and other payables	76,281	67,416
Amounts due to other partners of joint operations	16,116	18,894
Bank borrowings	2,361	4,028
	94,758	90,338

19 INVENTORIES

	2026 HK\$'000	2025 HK\$'000
Materials for construction works	883	4,312

The cost of construction materials recognised as an expense during the year is approximately HK\$42,500,000 (2025: HK\$29,352,000) (Note 9).

20 CONTRACT ASSETS

	2026 HK\$'000	2025 HK\$'000
Current		
Retention receivables of civil engineering works (Note)	16,182	14,369
	16,182	14,369
Retention receivables of civil engineering works		
Due within one year	8,736	8,854
Due after one year	7,446	5,515
	16,182	14,369

Note: 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 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 work performed by the Group.

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

The carrying amounts of contract assets approximated their fair values and were denominated in HK\$.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21 TRADE AND OTHER RECEIVABLES

	2026 HK\$'000	2025 HK\$'000
Trade receivables (Note (a))	18,248	22,976
Other receivables, deposits and prepayments:		
– Deposits (Note (b))	2,316	2,656
– Other receivables	852	1,319
– Prepaid expenses	2,755	8,148
	5,923	12,123
	24,171	35,099

Notes:

- (a) Trade debtors are normally due within 30–60 days from customers' certification date.

The ageing analysis of the Group's trade receivables was based on customers' certification date at the end of each reporting period and the ageing analysis of the trade receivables as at 31 March 2026 and 2025 were within 30 days from customers' certification date.

If there was past due trade receivables, the Group would assess the expected credit losses by considering historical default rates, existing market conditions and forward-looking information. Based on the assessment, ECL rate of trade receivables is close to zero. Therefore, the loss allowance provision for these trade receivables balances was not material.

- (b) As at 31 March 2026, there is a rental deposit of approximately HK\$226,000 (2025: HK\$226,000) paid to C & P (Holdings) Hong Kong Limited, which is a related company of the Group (Note 34).

The carrying amounts of trade receivables, other receivables and deposits approximated their fair values and were denominated in HK\$.

Accounting policies in relation to impairment of investments and other financial assets

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22 BALANCES WITH JOINT OPERATIONS AND OTHER PARTNERS OF JOINT OPERATIONS

(a) Amounts due from joint operations/an other partner of joint operation

	2026 HK\$'000	2025 HK\$'000
Trade related (Note (i))	948	4,960
Non-trade related (Note (ii))	14,940	15,112
Less: loss allowance (Note 3.1(b)(ii))	(11,752)	(11,752)
	4,136	8,320

As at 31 March 2025, the management considered there was a significant increase in credit risk after comparing the risk of a default occurring on the amounts due from joint operations/an other partner of joint operation with the risk of default as at the date of initial recognition. Therefore, a provision for impairment of the receivable from the joint operations/an other partner of joint operation amounted to HK\$11,752,000 was recognised during the year ended 31 March 2025. No additional provision for impairment of the receivable from the joint operations/an other partner of joint operation was recognised during the year ended 31 March 2026.

Notes:

- (i) The Group allows credit period of up to 60 days on trade-related amounts due from joint operations/an other partner of joint operation. The ageing analysis of the Group's trade-related amounts due from joint operations/an other partner of joint operation based on invoice date at the end of each reporting period is as follows:

	2026 HK\$'000	2025 HK\$'000
0–30 days	391	803
31–60 days	59	729
61–90 days	2	250
Over 90 days	496	3,178
	948	4,960

The Group's trade-related amounts due from joint operations/an other partner of joint operation with ageing over 90 days are classified as credit-impaired (Note 3.1(b)(ii)).

- (ii) The amounts are unsecured, interest-free and repayable on demand.

The amounts due from joint operations/an other partner of joint operation were ultimately borne by other partners of joint operations. The carrying amounts of these amounts approximated their fair values and were denominated in HK\$.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22 BALANCES WITH JOINT OPERATIONS AND OTHER PARTNERS OF JOINT OPERATIONS

(Continued)

(b) Amounts due to other partners of joint operations

	2026 HK\$'000	2025 HK\$'000
Trade related (Note (i))	14,994	18,569
Non-trade related (Note (ii))	1,122	325
	16,116	18,894

Notes:

- (i) The credit period on trade-related amounts due to other partners of joint operations is up to 60 days. The ageing analysis of the Group's trade-related amounts due to other partners of joint operations based on invoice date at the end of each reporting period is as follows:

	2026 HK\$'000	2025 HK\$'000
0–30 days	5,160	5,017
31–60 days	1,084	1,471
61–90 days	272	658
Over 90 days	8,478	11,423
	14,994	18,569

- (ii) The amounts are unsecured, interest-free and repayable on demand.

The carrying amounts of amounts due to other partners of joint operations approximated their fair values and were denominated in HK\$.

23 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2026 HK\$'000	2025 HK\$'000
Equity securities listed in Hong Kong (Note (a))	2,307	2,177
Global funds – unlisted (Note (b))	3,206	3,214
	5,513	5,391

Notes:

- (a) The fair values of the listed equity securities were determined based on the quoted bid prices in an active market.
- (b) The fair values of unlisted investment funds were determined by the fund administrator with reference to the net asset value of the investment funds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

The financial assets at FVTPL were denominated in the following currencies:

	2026 HK\$'000	2025 HK\$'000
HK\$	2,307	2,177
USD	1,574	1,623
GBP	1,632	1,591
	5,513	5,391

24 BANK DEPOSITS WITH MATURITY OVER THREE MONTHS AND CASH AND CASH EQUIVALENTS

	2026 HK\$'000	2025 HK\$'000
Cash at banks	171,655	143,603
Cash on hand	4	4
Cash and cash equivalents	171,659	143,607
Bank deposits with maturity over three months from the date of origination	66,666	37,260
	238,325	180,867
Maximum exposure to credit risk	238,321	180,863

As at 31 March 2026, the effective interest rate per annum on bank deposits with maturities over three months was ranging from 3.32% to 3.42% (2025: ranging from 3.92% to 4.00%).

The carrying amounts of cash and cash equivalents and bank deposits with maturity over three months were denominated in the following currencies:

	2026 HK\$'000	2025 HK\$'000
HK\$	144,907	116,628
USD	90,125	63,722
GBP	3,176	406
Renminbi	117	111
	238,325	180,867

See Note 21 for the accounting policies in relation to impairment of investments and other financial assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25 SHARE CAPITAL

	Number of ordinary shares (thousand)	Amount HK\$'000
Ordinary shares of HK\$0.01 each		
Authorised:		
At 1 April 2024, 31 March 2025, 1 April 2025 and 31 March 2026	200,000,000	2,000,000
Issued and fully paid:		
At 1 April 2024	419,818	4,198
Share repurchased and cancelled	(224)	(2)
At 31 March 2025, 1 April 2025 and 31 March 2026	419,594	4,196

During the year ended 31 March 2025, the Company repurchased its own shares through the Stock Exchange as follows:

	Number of ordinary shares	Price per share Highest Lowest HK\$ HK\$	Aggregate consideration paid HK\$'000
July 2024	224,000	0.189 0.175	41

The above shares were cancelled upon repurchase. None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year.

26 CONTRACT LIABILITIES

	2026 HK\$'000	2025 HK\$'000
Advances from customers of civil engineering works	13,015	16,822

The Group classifies these contract liabilities as current because the Group expects to recognise these balances as revenue in its normal operating cycle.

Revenue recognition in relation to contract liabilities

The following table shows how much of the revenue recognised during the years ended 31 March 2026 and 2025 relates to carried-forward contract liabilities.

	2026 HK\$'000	2025 HK\$'000
Revenue recognised that was included in the contract liability balance at the beginning of the year	16,143	8,063

The carrying amounts of contract liabilities were denominated in HK\$.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

27 TRADE AND OTHER PAYABLES

	2026 HK\$'000	2025 HK\$'000
Trade payables	45,647	38,395
Retention payables	23,135	22,072
Other payables and accruals:		
– Accrued wages and other staff benefits	5,653	3,398
– Accrued operating expenses	2,095	1,751
– Others (Note)	5,404	5,198
	81,934	70,814

Note: During the year ended 31 March 2025, there was an arbitration proceeding between one of the Group's joint operations and a sub-contractor on the amount of the sub-contract rates and cost estimates. The Group's management estimates the Group's probable liability to be approximately HK\$440,000 based on the opinion of an independent legal adviser. Consequently, a provision of HK\$440,000 has been recognised in relation to this arbitration as at 31 March 2025 and included in the "Others" of the "Other payable and accruals". No additional provision in relation to this arbitration was recognised during the year ended 31 March 2026 based on the updated legal opinion and available information on hand.

The remaining balance of the "Others" included accrued audit fee and temporary receipt.

The credit period on trade purchases is 30 to 60 days.

The ageing analysis of the trade payables based on invoice date is as follows:

	2026 HK\$'000	2025 HK\$'000
0–30 days	36,389	16,805
31–60 days	8,520	16,820
61–90 days	390	3,279
Over 90 days	348	1,491
	45,647	38,395

In the consolidated statement of financial position, retention payables were classified as current liabilities because the Group expects to realise them in its normal operating cycle. The ageing analysis of the retention payables based on invoice date was as follows:

	2026 HK\$'000	2025 HK\$'000
Due within one year	13,343	15,695
Due after one year	9,792	6,377
	23,135	22,072

The carrying amounts of trade and other payables approximated their fair values and were denominated in HK\$.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

28 BANK BORROWINGS

	2026 HK\$'000	2025 HK\$'000
Current		
Bank borrowings which contain a repayment on demand clause	2,361	4,028

As at 31 March 2026, the bank borrowings were carried at a weighted average rate of 4.2% per annum (2025: 5.7% per annum).

As at 31 March 2026 and 2025, the carrying amounts of borrowings approximated their fair values and were denominated in HK\$.

Borrowings due for repayment after one year which contain repayment on demand clause were classified as current liabilities.

Based on the scheduled repayment terms set out in the loan agreements and ignoring the effect of any repayment on demand clause, the maturity of borrowings would be as follows:

	2026 HK\$'000	2025 HK\$'000
Within one year	1,666	1,667
Between 1 and 2 years	695	2,361
	2,361	4,028

As at 31 March 2026, the Group's total undrawn banking facilities amounted to approximately HK\$23,660,000 (2025: HK\$20,660,000).

As at 31 March 2026 and 2025, banking facilities granted to the Group were secured by corporate guarantees provided by the Company and certain subsidiaries.

One of the Group's banking facilities were subject to fulfillment of covenants relating to the Group's financial ratio, which is commonly found in borrowing arrangement with financial institutions. If the Group were to breach the covenants, the drawn down facilities would become payable on demand. The Group regularly monitors its compliance with these covenants. As at 31 March 2026 and 2025, the Group was in compliance with the covenants relating to drawn down facilities.

29 DEFERRED TAX LIABILITIES

The following is the analysis of the deferred tax balance for financial reporting purposes:

	2026 HK\$'000	2025 HK\$'000
Deferred tax liabilities	368	902
		Accelerated tax depreciation HK\$'000
At 1 April 2024		1,469
Credit to profit or loss (Note 11)		(567)
At 31 March 2025 and 1 April 2025		902
Credit to profit or loss (Note 11)		(534)
At 31 March 2026		368

At the end of the reporting period, the Group has unutilised estimated tax losses of approximately HK\$146,715,000 (2025: HK\$129,418,000) available for offset against future profits. As at 31 March 2026 and 2025, no deferred tax asset has been recognised in respect of such losses due to the unpredictability of future profit streams. Tax losses of Hong Kong subsidiaries may be carried forward indefinitely. Certain amounts of unused tax losses are subject to approval from the Hong Kong Inland Revenue Department.

30 SHARE-BASED PAYMENT TRANSACTIONS

The Group adopted a share option scheme on 3 June 2015 ("Share Option Scheme"). The purpose of Share Option Scheme is to provide any directors and full-time employees of any members of the Group, who have contributed or will contribute to the Group ("Participants"), with the opportunity to acquire proprietary interests in the Company and to encourage Participants to work towards enhancing the value of the Company and its shares for the benefit the Company with a flexible means of either retaining, incentivising, rewarding, remunerating, compensating and/or providing benefits to Participants.

Pursuant to the Share Option Scheme, the directors of the Company may invite Participants to take up options at a price determined by the Board of Directors provided that it shall be at least the highest of (a) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date on which an offer is made by the Company to the grantee (which date must be a business day, "Offer Date"); (b) a price being the average of the closing prices of the shares of the Company as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the Offer Date; and (c) the nominal value of a share of the Company.

The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option scheme of the Company shall not in aggregate exceed 41,500,000 shares, representing 10% of the total number of shares in issue as at the date the Shares commence trading on the Stock Exchange unless the Company obtains a fresh approval from the shareholders to refresh the limit.

The maximum entitlement for any one Participant is that the total number of the shares issued and to be issued upon exercise of the options granted under the Share Option Scheme to each participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue unless otherwise approved by the shareholders at a general meeting of the Company.

The option may be exercised in accordance with the terms of the Share Option Scheme at any time during the option period which would be determined and notified by the Board of Directors to the grantee at the time of making an offer.

No options was granted or exercised during the years ended 31 March 2026 and 2025. No share-based payment was recognised during the years ended 31 March 2026 and 2025. The Share Option Scheme has been expired on 2 July 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 DIVIDEND

The Board does not recommend the payment of any dividend for the years ended 31 March 2026 and 2025.

32 CASH FLOW INFORMATION

(a) Reconciliation of profit/(loss) before income tax to cash used in operations

	2026 HK\$'000	2025 HK\$'000
Operating activities		
Profit/(loss) before income tax	6,735	(21,268)
Adjustments for:		
Depreciation of property, plant and equipment	4,424	5,608
Depreciation of right-of-use assets	4,255	4,403
Loss/(gain) on disposals of property, plant and equipment	439	(331)
Gain on early termination of leases	(26)	(20)
Fair value changes of financial assets at FVTPL	(122)	(658)
Dividend income from financial assets at FVTPL	(327)	(394)
Share of profit of an associate	(22,503)	(20,179)
Impairment of financial assets	–	11,752
Interest income	(4,523)	(5,702)
Finance costs	351	418
Operating loss before changes in working capital	(11,297)	(26,371)
Decrease in inventories	3,429	758
Decrease in trade and other receivables	10,928	17,237
(Increase)/decrease in contract assets	(1,813)	944
Decrease/(increase) in amounts due from joint operations/ an other partner of joint operation	4,012	(1,484)
Increase/(decrease) in trade and other payables	11,120	(17,348)
Decrease in contract liabilities	(3,807)	(5,229)
(Decrease)/increase in amounts due to other partners of joint operations	(3,575)	1,572
Cash generated from/(used in) operations	8,997	(29,921)

(b) Proceeds from disposals of property, plant and equipment

In the consolidated statement of cash flows, proceeds from disposals of property, plant and equipment comprise:

	2026 HK\$'000	2025 HK\$'000
Net book amount disposed (Note 15)	826	171
(Loss)/gain on disposals of property, plant and equipment (Note 7)	(439)	331
Proceeds from disposals of property, plant and equipment	387	502

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

32 CASH FLOW INFORMATION (Continued)

(c) Reconciliation of liabilities arising from financing activities

	Bank borrowings HK\$'000 (Note 28)	Lease liabilities HK\$'000 (Note 16)	Amounts due to other partners of joint operations (non-trade) HK\$'000 (Note 22(b)(iii))	Total HK\$'000
At 1 April 2024	599	9,879	813	11,291
Cash flows				
– Proceeds from bank borrowings	5,000	–	–	5,000
– Repayments of bank borrowings	(1,571)	–	–	(1,571)
– Interest paid for bank borrowings	(160)	–	–	(160)
– Repayments of principal element of lease liabilities	–	(4,423)	–	(4,423)
– Repayments of interest element of lease liabilities	–	(258)	–	(258)
– Advances from other partners of joint operations	–	–	5,275	5,275
– Repayments to other partners of joint operations	–	–	(5,763)	(5,763)
Other non-cash movements				
– Interest expense on bank borrowings	160	–	–	160
– New leases	–	3,492	–	3,492
– Interest expense on lease liabilities	–	258	–	258
– Early termination of leases	–	(731)	–	(731)
At 31 March 2025	4,028	8,217	325	12,570
At 1 April 2025	4,028	8,217	325	12,570
Cash flows				
– Repayments of bank borrowings	(1,667)	–	–	(1,667)
– Interest paid for bank borrowings	(137)	–	–	(137)
– Repayments of principal element of lease liabilities	–	(4,286)	–	(4,286)
– Repayments of interest element of lease liabilities	–	(214)	–	(214)
– Advances from other partners of joint operations	–	–	3,920	3,920
– Repayments to other partners of joint operations	–	–	(3,123)	(3,123)
Other non-cash movements				
– Interest expense on bank borrowings	137	–	–	137
– New leases	–	1,922	–	1,922
– Interest expense on lease liabilities	–	214	–	214
– Early termination of leases	–	(416)	–	(416)
At 31 March 2026	2,361	5,437	1,122	8,920

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

33 COMMITMENTS

Capital commitments

As at 31 March 2026 and 2025, the Group had no significant capital expenditure contracted but not recognised as liabilities.

34 RELATED PARTY DISCLOSURES

(a) Transactions

Saved as disclosed elsewhere in the financial statements, the Group had the following transactions with related parties during the year:

Related party	Nature of transaction	2026 HK\$'000	2025 HK\$'000
C & P (Holdings) Hong Kong Limited (Note (i))	Lease payments	1,356	1,356
River King	Management fee income	360	360

Notes:

- (i) C & P (Holdings) Hong Kong Limited is a related company in which a sibling of the executive director and the spouse of an executive director collectively own its entire interest.
- (ii) In the opinion of the directors, these transactions were determined at mutually agreed prices and terms.

(b) Key management personnel compensation

Key management includes directors of the Company and other members of key management was as follows:

	2026 HK\$'000	2025 HK\$'000
Short-term benefits	19,415	18,977
Post-employment benefits	90	90
	19,505	19,067

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

35 STATEMENT OF FINANCIAL POSITION AND RESERVES MOVEMENT OF THE COMPANY

Statement of financial position

	2026 HK\$'000	2025 HK\$'000
ASSETS		
Non-current asset		
Investments in subsidiaries	—*	—*
Current assets		
Amounts due from subsidiaries	15,845	15,707
Other debtors	226	436
Bank deposits with maturity over three months	10,976	22,558
Cash and cash equivalents	33,702	11,171
	60,749	49,872
Total assets	60,749	49,872
EQUITY		
Equity attributable to equity holders of the Company		
Share capital	4,196	4,196
Share premium and reserves	4,332	2,407
Total equity	8,528	6,603
LIABILITIES		
Current liabilities		
Amounts due to subsidiaries	50,741	42,684
Other payables	1,480	585
Total liabilities	52,221	43,269
Total equity and liabilities	60,749	49,872

* The balance was rounded to the nearest thousand.

The statement of financial position of the Company was approved by the Board of Directors on 26 June 2026 and was signed on its behalf.

LO Yuen Cheong
Director

LO Yick Cheong
Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

35 STATEMENT OF FINANCIAL POSITION AND RESERVES MOVEMENT OF THE COMPANY

(Continued)

Movement in the Company's reserves

	Share premium HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1 April 2024	29,797	(28,764)	1,033
Profit for the year	–	1,413	1,413
Shares repurchased and cancelled	(39)	–	(39)
At 31 March 2025 and 1 April 2025	29,758	(27,351)	2,407
Profit for the year	–	1,925	1,925
At 31 March 2026	29,758	(25,426)	4,332

36 BENEFITS AND INTERESTS OF DIRECTORS

(a) Directors' emoluments

The remuneration of each director is set out below:

	Fees HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Discretionary bonus HK\$'000	Employer's contribution to pension scheme HK\$'000	Total HK\$'000
For the year ended 31 March 2026					
Executive directors:					
Lo Yuen Cheong	–	4,257	1,019	–	5,276
Lo Yick Cheong	–	2,978	42	–	3,020
Non-executive director:					
Chan Wai Ying	–	628	186	18	832
Independent non-executive directors:					
Leung Wai Tat Henry	185	–	–	–	185
Lo Man Chi	185	–	–	–	185
Chau Wai Yung	185	–	–	–	185
So Kei Wai	185	–	–	–	185
	740	7,863	1,247	18	9,868

36 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

(a) Directors' emoluments (Continued)

	Fees HK\$'000	Salaries, allowances and benefits in kind HK\$'000	Discretionary bonus HK\$'000	Employer's contribution to pension scheme HK\$'000	Total HK\$'000
For the year ended 31 March 2025					
Executive directors:					
Lo Yuen Cheong	–	4,275	438	–	4,713
Lo Yick Cheong	–	3,035	42	–	3,077
Non-executive director:					
Chan Wai Ying	–	615	186	18	819
Independent non-executive directors:					
Leung Wai Tat Henry	185	–	–	–	185
Lo Man Chi	185	–	–	–	185
Chau Wai Yung	185	–	–	–	185
So Kei Wai (appointed on 15 July 2024)	132	–	–	–	132
	687	7,925	666	18	9,296

(b) Directors' retirement benefits and termination benefits

None of the directors of the Company received or will receive any retirement benefits or termination benefits for the year ended 31 March 2026 (2025: Nil).

(c) Consideration provided to third parties for making available directors' services

During the year ended 31 March 2026, the Company does not pay consideration to third parties for making available directors' service (2025: Nil).

(d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

As at 31 March 2026, there are no loans, quasi-loans and other dealing arrangements in favour of directors, controlled bodies corporate by and controlled entities with such directors (2025: Nil).

(e) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year ended 31 March 2026 (2025: Nil).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES

This note provides a list of other material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are for the Group consisting of Man King Holdings Limited and its subsidiaries.

37.1 Separate financial statements

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

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

37.2 Segment reporting

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

37.3 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

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

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in the consolidated statement of profit or loss and other comprehensive income as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.



37 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(Continued)*

37.4 Investments and other financial assets

(a) Classification

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

- those to be measured subsequently at FVTPL, and
- those to be measured at amortised cost.

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

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

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

(b) Recognition and derecognition

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

(c) Measurement

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

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





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(Continued)*

37.4 Investments and other financial assets *(Continued)*

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

Debt investments

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

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

Equity instruments

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

Changes in the fair value of financial assets at FVTPL are recognised in "other gains, net" in the consolidated statement of profit or loss and other comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.



37 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(Continued)*

37.5 Property, plant and equipment

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

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

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

Land and building	Shorter of the term of the leases or 40 years
Leasehold improvements	Over the term of the leases
Plant and machinery	3 to 5 years
Office equipment	5 years
Motor vehicles	3 to 5 years
Vessels (held by an associate of the Group)	25 years

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

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 37.6).

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of profit or loss and other comprehensive income within "other gains, net".

37.6 Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

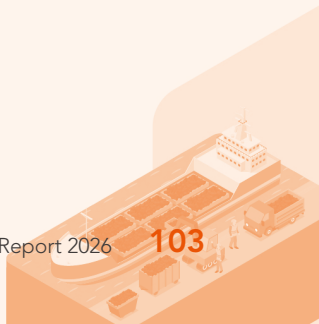
37.7 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

37.8 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined using the first-in, first-out ("FIFO") basis, comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(Continued)*

37.9 Trade and other receivables

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

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

37.10 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents include cash at bank and deposits held at call with banks with original maturity of three months or less.

37.11 Share capital

Ordinary shares are classified as equity.

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

37.12 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

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

37.13 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

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

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

Covenants that the Group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Group is required to comply with after the reporting period do not affect the classification at the reporting date.



37 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(Continued)*

37.14 Borrowing costs

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

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

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

37.15 Current and deferred income tax

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

(a) Current income tax

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

(b) Deferred income tax

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

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

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

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

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





NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(Continued)*

37.16 Employee benefits

(a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the date of consolidated statement of financial position.

Employee entitlements to sick leave and maternity or paternity leaves are not recognised until the time of leave.

(b) Pension obligations

The Group pays contributions to defined contribution plans in Hong Kong. The schemes are generally funded through payments to separate trustee-administered funds, determined by periodic calculations.

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

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

(c) Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of HKAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than twelve months after date of consolidated statement of financial position are discounted to present value.

37.17 Share-based payment

Equity-settled share-based payment transactions

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

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

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

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

37 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(Continued)*

37.18 Provisions

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

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

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

The Group provides for assurance-type warranties in relation to the provision of civil engineering services for general repairs of defects occurring during the warranty period. The assurance-type warrant does not provide incremental service to the customer. Costs incurred to repair of defects are additional costs of providing the initial services. The estimated costs are recorded as a liability when the Group transfers the services to the customer.

37.19 Contingent liabilities

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

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

37.20 Contract assets and contract liabilities

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assume performance obligations to transfer goods or services to the customer. The combination of those rights and performance obligations give rise to a net asset or net liability depending on the relationship between the remaining rights and the performance obligations.

A contract asset is the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer.

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

Incremental costs incurred to obtain a contract, if recoverable, are capitalised and presented as assets and subsequently amortised when the related revenue is recognised.

37.21 Interest income

Interest income is recognised on a time proportion basis using the effective interest method. Interest income is included in other income to the consolidated statement of profit or loss and other comprehensive income.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

37 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(Continued)*

37.22 Loss per share

(a) Basic loss per share

Basic loss per share is calculated by dividing:

- the loss attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares.
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(b) Diluted loss per share

Diluted loss per share adjusts the figures used in the determination of basic loss per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

37.23 Dividend income

Dividends are received from financial assets measured at FVTPL. Dividends are recognised as other income in the consolidated statement of profit or loss and other comprehensive income when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits, unless the dividend clearly represents a recovery of part of the cost of an investment. In this case, the dividend is recognised in other comprehensive income if it relates to an investment measured at FVOCI. However, the investment may need to be tested for impairment as a consequence.

37.24 Leases

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

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

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.



37 SUMMARY OF OTHER POTENTIALLY MATERIAL ACCOUNTING POLICIES *(Continued)*

38.24 Leases *(Continued)*

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

To determine the incremental borrowing rate, the Group, where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

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

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

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

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

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

37.25 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

37.26 Government subsidies

Subsidies from the government are recognised at their fair value where there is a reasonable assurance that the subsidies will be received and the Group will comply with all attached conditions.

Government subsidies relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.



FINANCIAL SUMMARY

RESULTS

	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000	2026 HK\$'000
Revenue	408,200	452,781	338,486	335,702	373,363
Operating (loss)/profit	26,510	38,151	(44,269)	(41,029)	(15,417)
Share of profit of an associate	14,756	13,234	20,059	20,179	22,503
Finance costs	(221)	(413)	(356)	(418)	(351)
Profit/(loss) before tax	41,045	50,972	(24,566)	(21,268)	6,735
Income tax credit/(expense)	(4,123)	(8,837)	1,824	143	1,233
Profit/(loss) for the year	36,922	42,135	(22,742)	(21,125)	7,968
Other comprehensive income/(loss)	1,232	4,273	(971)	(25)	422
Profit/(loss) and total comprehensive income/ (loss) for the year attributable to owners of the Company	38,154	46,408	(23,713)	(21,150)	8,390
Earnings/(loss) per share					
Basic and diluted (in HK cents)	8.79	10.04	(5.42)	(5.03)	1.90
Dividend per share (in HK cents)	3.50	3.50	–	–	–

FINANCIAL POSITION

	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000	2026 HK\$'000
Total assets	415,888	461,531	412,770	371,340	379,231
Total liabilities	136,765	150,694	140,340	120,101	119,602
Total equity	279,123	310,837	272,430	251,239	259,629
Net assets per share (in HK dollars)	0.66	0.74	0.65	0.60	0.62