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Wan Kei Group Holdings Limited
宏基集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1718)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2026

FINANCIAL HIGHLIGHTS

- Revenue of the Group for the Reporting Period amounted to approximately HK$116,071,000 (six months ended 30 September 2025: approximately HK$186,846,000).
- Loss attributable to the owners of the Company for the Reporting Period amounted to approximately HK$51,930,000 (six months ended 30 September 2025: Profit attributable to owners of the Company approximately HK$1,080,000).
- Basic and diluted loss per share of the Company for the Reporting Period amounted to approximately HK cents 17.26 (six months ended 30 September 2025: earnings per share of HK cents 0.50).
- The Board does not recommend the declaration of any interim dividend for the Reporting Period (six months ended 30 September 2025: nil).

RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Wan Kei Group Holdings Limited (the "**Company**") announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 September 2026 (the "**Reporting Period**") together with comparative figures for the corresponding period in 2025 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2026

		For the six months ended 30 September	
		2026	2025
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
Revenue	*4*	**116,071**	186,846
Cost of sales	*6(c)*	**(119,883)**	(145,157)
Gross (loss)/profit		**(3,812)**	41,689
Other income, other gains and losses, net	*5*	**13,632**	3,904
Selling expenses		**(10,604)**	(2,856)
General and administrative expenses		**(48,472)**	(36,467)
Reversal of impairment on financial and contract assets, net	*6(c)*	**478**	227
(Loss)/Profit from operations		**(48,778)**	6,497
Finance costs	*6(a)*	**(5,043)**	(5,188)
(Loss)/Profit before tax	*6*	**(53,821)**	1,309
Income tax credit	*7*	**235**	30
(Loss)/Profit for the period		**(53,586)**	1,339
(Loss)/Profit attributable to:			
Owners of the Company		**(51,930)**	1,080
Non-controlling interests		**(1,656)**	259
		(53,586)	1,339
		HK cents	HK cents
(Loss)/Earnings per share			
– Basic	*9*	**(17.26)**	0.50
– Diluted	*9*	**(17.26)**	0.50

	For the six months ended 30 September	
	2026	2025
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
(Loss)/Profit for the period	**(53,586)**	1,339
Other comprehensive income		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of financial statements of foreign operations	**589**	81
Reclassification adjustment for the release of exchange fluctuation reserve upon disposal and deregistration of subsidiaries	**(1)**	54
Other comprehensive income for the period, net of tax	**588**	135
Total comprehensive income for the period	**(52,998)**	1,474
Attributable to:		
Owners of the Company	**(51,341)**	1,215
Non-controlling interests	**(1,657)**	259
	(52,998)	1,474

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2026

	Notes	**As at 30 September 2026 (Unaudited)** ***HK$'000***	As at 31 March 2026 (Audited) *HK$'000*
Non-current assets			
Property, plant and equipment	*10*	**23,435**	17,684
Intangible assets	*11*	**5,053**	8,128
Goodwill	*12*	**408**	8,904
Total non-current assets		**28,896**	34,716
Current assets			
Inventories		**22,269**	10,348
Contract assets		**77,548**	76,376
Trade and other receivables	*13*	**36,808**	47,683
Loan receivables		**–**	2,795
Other financial assets	*14*	**13,661**	2,092
Cash and cash equivalents		**65,841**	117,412
Total current assets		**216,127**	256,706
Current liabilities			
Trade and other payables and accruals	*15*	**57,366**	54,193
Due to a related company	*16*	**54,016**	55,683
Due to a director of a subsidiary	*16*	**106,909**	107,485
Lease liabilities		**4,517**	3,706
Tax payable		**1,191**	1,191
Total current liabilities		**223,999**	222,258
Net current (liabilities)/assets		**(7,872)**	34,448
Total assets less current liabilities		**21,024**	69,164

	Note	**As at 30 September 2026 (Unaudited)**	As at 31 March 2026 (Audited)
		HK$'000	*HK$'000*
Non-current liabilities			
Long service payment liabilities		**776**	776
Lease liabilities		**6,309**	1,206
Deferred tax liabilities		**1,427**	1,672
Total non-current liabilities		**8,512**	3,654
Net assets		**12,512**	65,510
Capital and reserves attributable to the owners of the Company			
Share capital	*17*	**30,412**	30,412
Reserves		**(19,802)**	31,539
		10,610	61,951
Non-controlling interests		**1,902**	3,559
Total equity		**12,512**	65,510

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 7 October 2014 under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of the Company's registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of the Company's principal place of business in Hong Kong is Offices 5 and 6, 28/F., Bank of America Tower, No. 12 Harcourt Road, Hong Kong.

The Group is principally engaged in the provision of (i) foundation construction works; (ii) ground investigation services; (iii) financial services; (iv) trading of consumer products; (v) e-commerce sales, live streaming and promotion business in the social media; and (vi) the operation of food and beverage business.

The Company is an investment holding company and the Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The unaudited condensed consolidated interim financial statements (the "**Interim Financial Statements**") are presented in Hong Kong Dollars (**HK$**) and all values are rounded to the nearest thousand except otherwise stated. The Interim Financial Statements were approved for issue by the Board on 27 November 2026.

The Interim Financial Statements have not been audited, but have been reviewed by the Company's audit committee (the "**Audit Committee**").

2. BASIS OF PRESENTATION

The Interim Financial Statements have been prepared in accordance with the Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" as issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") as well as with the applicable disclosure requirements of Appendix D2 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

(a) Going concern basis

The Group incurred a loss attributable to owners of the Company of approximately HK$51,930,000 for the Reporting Period and had net current liabilities of approximately HK$7,872,000, as at 30 September 2026. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

Notwithstanding the aforesaid conditions, the Interim Financial Statements have been prepared on a going concern basis. In assessing the appropriateness of the going concern assumption, the directors of the Company (the "**Directors**") have prepared a cash flow forecast of the Group and are satisfied that the Group will have sufficient financial resources to meet its financial obligations as and when they fall due for a period at least 12 months from the date of this announcement, after taking into account, among others, the following measures:

(i) As part of the management continuous efforts to strengthen the Company's capital base and improve the Group's working capital position, the Directors will consider pursuing fund-raising activities by leveraging the management's experience and network in the capital markets, including but not limited to rights issues and/or placing of new shares. The Group will continue to actively explore and secure alternative sources of financing and other funding opportunities on an ongoing basis; and

(ii) the Group remains committed to strengthening its business strategies and plans in order to improve the Group's principal business and thus its financial performance and to implement stringent cost management measures with continuous efforts to optimise operational efficiency and minimise the cash outflow of non-essential items in order to improve its operating cash flows. The Directors consider that the strengthened business strategies, plans and cost management measures, if materialised, could improve the Group's revenue, financial performance, financial position and its operating cash flows.

The Interim Financial Statements do not include any adjustments that would result from a failure to obtain such financing to the Group and to result in a favourable outcome from the fund-raising activities, strengthened business strategies, plans and cost management measures devised by the Directors, which indicates the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Should the Group be unable to continue its business as a going concern, adjustments would have been made to restate the value of assets to the recoverable amounts and to provide for further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

3. CHANGES IN ACCOUNTING POLICIES

Except as described below, the accounting policies applied in the preparation of the Interim Financial Statements for the current period are consistent with those of the annual financial statements for the year ended 31 March 2026, as described in those annual financial statements.

(a) New and revised HKFRS Accounting Standards adopted by the Group

The Group has adopted the following standards, interpretations or amendments for the first time for the current year's consolidated financial statements.

– Amendments to HKFRS 9 and HKFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
– Amendments to HKFRS 9 and HKFRS 7	*Contracts Referencing Nature–dependent Electricity*
– Annual Improvements to HKFRS Accounting Standards – Volume 11	*Amendments to HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7*

(i) Amendments to HKFRS 9 and HKFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

The HKICPA issued Amendments to HKFRS 9 and HKFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- Clarifications of the requirements for recognition and derecognition of financial assets and financial liabilities. In particular, a financial liability is derecognised on the 'settlement date' and an accounting policy choice is introduced (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date

- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (the "**ESG**") and similar features should be assessed

- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments

- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (the "**OCI**")

The amendments had no impact on the Interim Financial Statements.

(ii) Amendments to HKFRS 9 and HKFRS 7 – Contracts Referencing Nature-dependent Electricity

The HKICPA issued Amendments to HKFRS 9 and HKFRS 7 – Contracts Referencing Nature-dependent Electricity. The amendments apply only to contracts that reference nature-dependent electricity, and they:

- Clarify the application of the 'own-use' requirements for in-scope contracts

- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts

- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows

The amendments had no impact on the Interim Financial Statements.

(iii) Annual Improvements to HKFRS Accounting Standards – Volume 11

The HKICPA issued nine narrow scope amendments as part of its periodic maintenance of HKFRS Accounting Standards. The amendments include clarifications, simplifications, corrections or changes to improve consistency in HKFRS 1 First-time Adoption of International Financial Reporting Standards, HKFRS 7 Financial instruments: Disclosure and its accompanying Guidance on implementing HKFRS 7, HKFRS 9 Financial Instruments, HKFRS 10 Consolidated Financial Statements and HKAS 7 Statements of Cash Flows.

The amendments had no impact on the Interim Financial Statements.

(b) Issued but not yet effective HKFRS Accounting Standards

		Effective for accounting periods beginning on or after
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HKFRS 19 and its amendments	Subsidiaries without Public Accountability: Disclosures	1 January 2027
HKFRS 20	Regulatory Assets and Regulatory Liabilities	1 January 2029
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group is in the process of making an assessment on the impact of these new standards and amendments to standards and preliminary results showed that except for the adoption of HKFRS 18 as mentioned below, the adoption of these new standards and amendments to standards are not expected to have a material impact on the financial performance and the financial position of the Group.

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

4. REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group consist of the provision of foundation construction works, ground investigation services, financial services, trading of consumer products, e-commerce business and the operation of food and beverage business. However, the operation of food and beverage business did not form a separate reportable segment during the Reporting Period and was grouped under the segment of others as it was considered immaterial by the management of the Group.

Disaggregation of revenue from contracts with customers of each significant category during the respective periods is as follows:

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers within the scope of HKFRS 15:		
Revenue from foundation construction works	**74,978**	155,688
Revenue from ground investigation services	**15,000**	22,162
Trading of consumer products	**1,472**	1,924
Revenue from e-commerce business	**18,710**	5,257
Revenue from food and beverage business	**4,049**	–
Other revenue	**1,542**	1,570
	115,751	186,601
Revenue from other sources		
Interest income from financial services	**320**	245
	116,071	186,846

Disaggregation of revenue from contracts with customers by the timing of revenue recognition is disclosed in note 4(b).

(b) Segment reporting

The Group manages its businesses by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior management for the purposes of resource allocation and performance assessment, the Group has presented the following six reportable segments.

– Foundation construction works: this segment provides foundation construction works to customers.

– Ground investigation services: this segment provides ground investigation services to customers.

– Financial services: this segment provides investment, financing and money lending business.

– Trading of consumer products: this segment engages in the trading of consumer products.

– E-commerce business: this segment engages in e-commerce sales, and the provision of live streaming and promotion services in the social media.

– Others: this segment comprises the trading of other products and the operation of food and beverage business.

(i) Segment results, assets and liabilities

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

Segment assets include all current and non-current assets with the exception of unallocated head office and corporate assets. Segment liabilities include all current and non-current liabilities with the exception of (i) tax payable, (ii) deferred tax liabilities and (iii) unallocated head office and corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation and amortisation of assets attributable to those segments with the exception of (i) gain on disposal of financial assets at fair value through profit or loss ("**FVTPL**"), (ii) gain on disposal and deregistration of subsidiaries, net and (iii) unallocated head office and corporate expenses. The measure used for reporting segment results is (loss)/profit before tax.

Disaggregation of revenue from contracts with customers by the time of revenue recognition, as well as information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 September 2026 and 2025 are as follows:

	Six months ended 30 September 2026						
	Foundation construction works	Ground investigation services	Financial services	Trading of consumer products	E-commerce business	Others	Total
	HK$'000 (Unaudited)	*HK$'000* (Unaudited)	*HK$'000* (Unaudited)	*HK$'000* (Unaudited)	*HK$'000* (Unaudited)	*HK$'000* (Unaudited)	*HK$'000* (Unaudited)
Disaggregated by timing of revenue recognition							
– over time	**74,978**	**15,000**	**320**	**–**	**–**	**–**	**90,298**
– at a point in time	**–**	**–**	**–**	**1,472**	**18,710**	**5,591**	**25,773**
Revenue from external customers	**74,978**	**15,000**	**320**	**1,472**	**18,710**	**5,591**	**116,071**
Reportable segment revenue	**74,978**	**15,000**	**320**	**1,472**	**18,710**	**5,591**	**116,071**
Reportable segment gross (loss)/profit	**(17,536)**	**701**	**320**	**293**	**11,625**	**785**	**(3,812)**
Reportable segment (loss)/profit before tax	**(31,844)**	**(4,537)**	**(884)**	**216**	**(911)**	**(2,879)**	**(40,839)**
Bank interest income	**–**	**–**	**–**	**–**	**4**	**6**	**10**
Interest expense	**3,473**	**9**	**–**	**–**	**7**	**204**	**3,693**
Depreciation and amortisation for the period	**1,534**	**978**	**24**	**17**	**633**	**2,050**	**5,236**
Impairment losses/(Reversal of impairment losses) on financial and contract assets, net	**1,330**	**71**	**(1,535)**	**(542)**	**4**	**194**	**(478)**
Impairment loss on goodwill	**–**	**–**	**–**	**–**	**8,496**	**–**	**8,496**
Impairment loss on intangible assets	**–**	**–**	**–**	**–**	**2,352**	**–**	**2,352**
Change in fair value of other financial assets	**–**	**–**	**–**	**–**	**(11,569)**	**–**	**(11,569)**

	Six months ended 30 September 2025						
	Foundation construction works	Ground investigation services	Financial services	Trading of consumer products	E-commerce business	Others	Total
	HK$'000 (Unaudited)	*HK$'000* (Unaudited)	*HK$'000* (Unaudited)	*HK$'000* (Unaudited)	*HK$'000* (Unaudited)	*HK$'000* (Unaudited)	*HK$'000* (Unaudited)
Disaggregated by timing of revenue recognition							
– over time	155,688	22,162	245	–	–	–	178,095
– at a point in time	–	–	–	1,924	5,257	1,570	8,751
Revenue from external customers	155,688	22,162	245	1,924	5,257	1,570	186,846
Reportable segment revenue	155,688	22,162	245	1,924	5,257	1,570	186,846
Reportable segment gross profit/(loss)	32,986	6,306	245	(424)	2,332	244	41,689
Reportable segment profit/(loss) before tax	17,531	1,283	(3,462)	(1,361)	(805)	(1,284)	11,902
Bank interest income	–	–	–	–	1	7	8
Interest expense	3,453	–	53	–	196	33	3,735
Depreciation and amortisation for the period	1,129	878	521	17	122	41	2,708
Impairment losses/(Reversal of impairment losses) on financial and contract assets, net	1,103	296	(1,728)	158	15	(7)	(163)

	As at 30 September 2026						
	Foundation construction works	**Ground investigation services**	**Financial services**	**Trading of consumer products**	**E-commerce business**	**Others**	**Total**
	HK$'000 **(Unaudited)**	***HK$'000*** **(Unaudited)**	***HK$'000*** **(Unaudited)**	***HK$'000*** **(Unaudited)**	***HK$'000*** **(Unaudited)**	***HK$'000*** **(Unaudited)**	***HK$'000*** **(Unaudited)**
Reportable segment assets	**254,784**	**59,919**	**105**	**63,915**	**32,639**	**36,107**	**447,469**
Capital expenditure	**–**	**333**	**5,713**	**–**	**3**	**1,170**	**7,219**
Reportable segment liabilities	**(189,072)**	**(14,331)**	**(601)**	**(102,238)**	**(19,446)**	**(26,690)**	**(352,378)**

	As at 31 March 2026						
	Foundation construction works	Ground investigation services	Financial services	Trading of consumer products	E-commerce business	Others	Total
	HK$'000 (Audited)	*HK$'000* (Audited)	*HK$'000* (Audited)	*HK$'000* (Audited)	*HK$'000* (Audited)	*HK$'000* (Audited)	*HK$'000* (Audited)
Reportable segment assets	299,804	64,241	12,851	62,080	33,586	18,336	490,898
Capital expenditure	4,756	333	20	–	8	330	5,447
Reportable segment liabilities	(202,248)	(14,115)	(124,281)	(58,698)	(18,977)	(4,946)	(423,265)

(ii) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue		
Reportable segment revenue and consolidated revenue	**116,071**	186,846
(Loss)/Profit		
Reportable segment (loss)/profit	**(40,839)**	11,902
Gain on disposal of financial assets at FVTPL *(note 5)*	**–**	1,339
Gain on disposal and deregistration of subsidiaries *(note 5)*	**791**	985
Unallocated head office and corporate expenses	**(13,773)**	(12,917)
Consolidated (loss)/profit before tax	**(53,821)**	1,309

	As at 30 September 2026	As at 31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Assets		
Reportable segment assets	**447,469**	490,898
Elimination of inter-segment and head office's receivables	**(226,916)**	(222,298)
	220,553	268,600
Unallocated head office and corporate assets	**24,470**	22,822
Consolidated total assets	**245,023**	291,422
Liabilities		
Reportable segment liabilities	**352,378**	423,265
Elimination of inter-segment and head office's payables	**(178,717)**	(257,575)
	173,661	165,690
Tax payable	**1,191**	1,191
Deferred tax liabilities	**1,427**	1,672
Unallocated head office and corporate liabilities	**56,232**	57,359
Consolidated total liabilities	**232,511**	225,912

(iii) Geographical information

(i) Revenue from external customers

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Hong Kong	**100,628**	180,485
The Chinese Mainland	**15,443**	6,361
	116,071	186,846

(ii) Non-current assets

	As at	As at
	30 September	31 March
	2026	2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Hong Kong	**18,404**	29,190
The Chinese Mainland	**10,492**	5,526
	28,896	34,716

5. OTHER INCOME, OTHER GAINS AND LOSSES, NET

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Bank interest income	**10**	323
Gain on disposal of property, plant and equipment	**620**	108
Gain on disposal of financial assets at FVTPL *(note 4 (b)(ii))*	**–**	1,339
Change in fair value of other financial assets *(note 14)*	**11,569**	–
Sales of raw materials	**719**	579
Gain on disposal and deregistration of subsidiaries *(note 4 (b)(ii))*	**791**	985
Others	**(77)**	570
	13,632	3,904

6. (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax is arrived at after charging/(crediting):

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
(a) Finance costs		
Interest on borrowing from a related company	**1,333**	1,333
Interest on borrowing from a director of a subsidiary	**3,424**	3,614
Interest on lease liabilities	**286**	241
	5,043	5,188
(b) Staff costs (including directors' remuneration)		
Salaries, wages and other benefits	**39,582**	38,902
Contributions to defined contribution retirement plans	**1,441**	1,457
	41,023	40,359
(c) Other items		
Cost of sales:		
– cost of construction	**106,814**	122,701
– cost of services provided	**8,917**	15,952
– cost of goods sold	**4,152**	6,504
	119,883	145,157
Depreciation and amortisation:		
– property, plant and equipment	**2,504**	2,008
– right-of-use assets	**2,209**	1,761
– intangible assets	**723**	5
	5,436	3,774

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Impairment losses/(Reversal of impairment) of financial and contract assets, net		
– loan receivables	**(1,535)**	(1,730)
– trade receivables and contract assets	**907**	1,623
– other receivables	**150**	(120)
	(478)	(227)
Change in fair value of other financial assets	**(11,569)**	–
Impairment loss on intangible assets	**2,352**	–
Impairment loss on goodwill	**8,496**	–
Gain on disposal of property, plant and equipment	**(620)**	(108)
Gain on disposal and deregistration of subsidiaries	**(791)**	(985)

7. INCOME TAX CREDIT

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current tax		
Charge for the period	**10**	175
Deferred tax	**(245)**	(205)
	(235)	(30)

Notes:

(i) Pursuant to the rules and regulations of the Cayman Islands, the Group is not subject to any income tax in the Cayman Islands.

(ii) The provision for Hong Kong Profits Tax is calculated at 16.5% (six months ended 30 September 2025: 16.5%) of the estimated assessable profits for the Reporting Period. Except for one subsidiary the Group selected as qualifying corporation under the two-tiered Profits Tax regime, in which, the first HK$2 million of assessable profits is taxed at 8.25% and the remaining assessable profits is taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in both periods.

(iii) Income tax provision of the Group in respect of operations in the Chinese Mainland has been calculated at the applicable tax rate on the estimated assessable profits for the Reporting Period, based on the existing legislation, interpretations and practices in respect thereof. The general corporate income tax (the "**CIT**") rate in the Chinese Mainland is 25%. According to the relevant announcements of income tax relief policy for small low-profit enterprises issued by the State Administration of Taxation, a lower corporate income tax rate is applicable to small scale enterprises with low profitability that meet certain conditions, pursuant to which, the subsidiaries qualified as small-scale enterprises with assessable profits not over RMB3,000,000 are effectively taxable at 5% (i.e. 20% CIT rate on the 25% of the assessable profits) for the Reporting Period and the six months ended 30 September 2025.

8. DIVIDEND

The Board does not recommend the payment of interim dividend for the Reporting Period (six months ended 30 September 2025: nil).

9. (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share attributable to owners of the Company is based on the following:

	Six months ended 30 September	
	2026	2025
	(Unaudited)	(Unaudited)
(Loss)/Profit		
(Loss)/Profit attributable to owners of the Company *(HK$'000)*	**(51,930)**	1,080
Number of shares		
Weighted average number of ordinary shares for the purpose of basic (loss)/earnings per share *(in thousand)*	**300,956**	213,903
Basic (loss)/earnings per share *(HK cents)*	**(17.26)**	0.50

For the six months ended 30 September 2026 and 2025, the calculation of the basic (loss)/earnings per share attributable to owners of the Company was based on (i) the (loss)/profit attributable to owners of the Company and (ii) the weighted average number of ordinary shares in issue which was adjusted by the effect of (a) 3,164,500 shares held for the Group's share award scheme (note 18); and (b) the rights issue which was completed on 9 May 2025 (note 17(a)(i)).

Diluted (loss)/earnings per share

There were no diluted potential shares in existence during the Reporting Period and the six months ended 30 September 2025.

10. PROPERTY, PLANT AND EQUIPMENT

During the Reporting Period, apart from the depreciation, the movements in the Group's property, plant and equipment are mainly as follows:

(i) Additions to property, plant and equipment amounted to approximately HK$1,852,000 during the Reporting Period (six months ended 30 September 2025: approximately: HK$1,814,000); and

(ii) The Group entered into 4 tenancy agreements with independent third parties for a term from 2 to 5 years during the Reporting Period. The present value of the right-of-use assets and lease liabilities amounting to approximately HK$8,448,000 were initially recognised during the Reporting Period (six months ended 30 September 2025: HK$2,809,000).

11. INTANGIBLE ASSETS

During the Reporting Period, apart from the amortisation, the movements in the Group's intangible assets are mainly as follows:

Impairment of intangible assets

Included in the intangible assets were certain trademarks in the amount (before amortisation and impairment) of approximately HK$6,162,000 arising from the acquisition (the "**Wanyou Acquisition**") of Wanyou Technology (HK) Limited and its subsidiaries (collectively, the "**Wanyou Group**") in December 2025. The trademarks together with the related goodwill in the amount (before impairment) of approximately HK$8,904,000 (note 12) acquired through the Wanyou Acquisition have been allocated to the cash generating unit of the E-commerce business of the Wanyou Group (the "**Wanyou E-commerce CGU**"). Details of the Wanyou Acquisition are set out in the Company's announcements dated 25 November 2025 and 24 December 2025.

The Wanyou E-commerce CGU

The Company engaged an independent professional valuer to perform certain valuations for the purpose of impairment assessment for (i) intangible assets (the "**IA Valuations**") and (ii) goodwill (the "**Goodwill Valuation**") allocated to the Wanyou E-commerce CGU by comparing their respective recoverable amounts with their carrying amounts as at the end of the reporting period.

Pursuant to the valuations, the recoverable amounts of the intangible assets and the goodwill were less than their carrying amounts as at 30 September 2026. Accordingly, impairment losses on intangible assets and goodwill of approximately HK$2,352,000 (31 March 2026: Nil) and HK$8,496,000 (note 12) (31 March 2026: Nil), respectively, were recognised during the Reporting Period.

The recoverable amounts of the trademarks have been determined based on the calculation by using relief from royalty method by the Directors. Under the relief from royalty method, the value of the trademark is derived by estimating the future royalty payments that the Group is relieved from paying as a result of owning the trademarks rather than licensing them from a third party.

The key assumptions used in the IA Valuations are as follows:

- Royalty rate: 3% (31 March 2026:3%)
- Revenue growth rate: ranged from 5%-10% (31 March 2026: 18% to 29%)
- Discount rate: 14.62% (31 March 2026: 18.09%)

Key assumptions and estimation are based on the past performance and management's expectations for the market development of the sales of products using the trademarks. Except for the decline in revenue, there were no material changes in the basis for determining the recoverable amount of the intangible assets as at 30 September 2026 as compared with that as at 31 March 2026.

12. GOODWILL

During the Reporting Period, the movements in the Group's goodwill is the impairment loss on goodwill of approximately HK$8,496,000 (note 11).

Impairment of goodwill

The recoverable amount of the goodwill arising from the Wanyou E-commerce CGU has been determined in the Goodwill Valuation based on a value-in-use calculation using cash flow projections based on financial budgets covering a five-year period approved by the Directors. The discount rate applied to the cash flow projections was 13.62% (31 March 2026: 16.85%), revenue growth rate was ranged from 5%-10% (31 March 2026: 16% to 26%) and the cash flows beyond the five year period were extrapolated using a growth rate of 1.44% (31 March 2026: 1.44%). Other key assumptions for the value-in-use calculation relate to the estimation of cash inflows/outflows which include budgeted revenue and profit margin, such estimation is based on the past performance and management's expectations for the market development of the Wanyou E-commerce CGU.

During the Reporting Period, the Wanyou Group experienced challenging external market conditions that tightened government regulatory measures and affected consumer confidence of the products selling under the trademarks and therefore recorded profit before tax of approximately HK$137,000, which is below plans.

Except for the decline in the operating profits, there were no material changes in the basis for determining the recoverable amount of the goodwill as at 30 September 2026 as compared with that as at 31 March 2026.

13. TRADE AND OTHER RECEIVABLES

	As at 30 September 2026 HK$'000 (Unaudited)	As at 31 March 2026 HK$'000 (Audited)
Trade receivables *(note)*	**20,106**	37,029
Deposits, prepayments and other receivables	**52,309**	46,839
	72,415	83,868
Less: Impairment		
– trade receivables *(note)*	**(5,180)**	(5,974)
– other receivables	**(30,427)**	(30,211)
	(35,607)	(36,185)
	36,808	47,683

Note:

For the operation of food and beverage business, the Group's trading terms with its customers are generally cash on delivery, which mainly settled by cash and other payments gateway.

Except for the operation of food and beverage business, the Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. Trade receivables are normally due within (i) 30 to 60 days from the certificate date, (ii) 60 to 90 days from the invoice date or (iii) 15 days from the transaction date.

Aging analysis

At the end of the Reporting Period, the aging analysis of trade receivables, net of impairment, based on the date of progress certificates issued by customers or date of invoice issued to customers and net of allowance is as follows:

	As at 30 September 2026 HK$'000 (Unaudited)	As at 31 March 2026 HK$'000 (Audited)
Less than 30 days	**11,045**	5,484
31 to 60 days	**–**	19,611
61 to 90 days	**–**	–
Over 90 days	**3,881**	5,960
	14,926	31,055

The movements in the loss allowance for impairment of trade receivables are as follows:

	As at 30 September 2026	As at 31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
At beginning of period/year	**5,974**	5,023
(Reversal of impairment)/Impairment provided during the period/year	**(794)**	951
At end of period/year	**5,180**	5,974

14. OTHER FINANCIAL ASSETS

	As at 30 September 2026	As at 31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Other financial assets	**13,661**	2,092

Other financial assets represented the fair value of the profit guarantees for the year ended 31 March 2026 and for the year ending 31 March 2027 granted by the vendor guarantor of the Wanyou Acquisition in December 2025. The profit guarantees represent a right to the return of previously transferred consideration for the Wanyou Acquisition when the specified conditions are met and to be accounted for as a financial asset at fair value through profit or loss. The profit guarantees for the year ended 31 March 2026 has been fulfilled, for details of the fulfilment of the profit guarantees, please refer to the Company's announcement dated 19 November 2026.

The Group engaged an independent valuer to re-assess the fair value of the profit guarantees as at 30 September 2026 using the Black-Scholes based option pricing model methodology. Due to the decline in the operating profits arising from the Wanyou Group as mentioned in note 11 to this announcement, the Group recorded a fair value change of other financial assets of approximately HK$11,569,000 (note 5) during the Reporting Period.

For the fair value of the other financial assets, the Directors have estimated the potential effect of using possible alternatives as inputs to the valuation report.

The key assumptions used in the valuation for fair value of the other financial assets are as follows:

Expected volatility	20% (31 March 2026: 20%)
Discount rate	20% (31 March 2026: 19%)

15. TRADE AND OTHER PAYABLES AND ACCRUALS

	As at 30 September 2026	As at 31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Trade payables	**18,398**	26,781
Retention payables	**7,563**	8,512
Other payables and accruals	**31,405**	18,900
	57,366	54,193

Aging analysis

As at the end of the Reporting Period, aging analysis of trade payables based on the invoice date is as follows:

	As at 30 September 2026	As at 31 March 2026
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Less than 30 days	**8,396**	12,618
31 to 60 days	**8,008**	10,768
61 to 90 days	**416**	2,278
Over 90 days	**1,578**	1,117
	18,398	26,781

16. DUE TO A RELATED COMPANY/A DIRECTOR OF A SUBSIDIARY

Due to a related company

The amount is owed by Hong Kong Wan Wai Company Limited ("**Wan Wai**"), a subsidiary of the Company, to a related company, Bright Dynasty Trading Limited ("**Bright Dynasty**"), which is unsecured, bearing interest at 5% per annum and is repayable on demand. Bright Dynasty is beneficially owned by Mr. Fong Hon Hung ("**Mr. Fong**"), who is a key management personnel of the Group and a director of a principal subsidiary.

Due to a director of a subsidiary

The amount due to a director of a subsidiary, Mr. Lau Woon Si ("**Mr. Lau**"), in the amount of approximately HK$106,909,000 (31 March 2026: approximately HK$107,485,000) is owed by Wan Kei Machinery Company Limited ("**Wan Kei**"), a subsidiary of the Company, which is unsecured, bearing interest at 6.5% per annum and is repayable on demand. Mr. Lau is a director of a subsidiary.

17. SHARE CAPITAL

	As at 30 September 2026 (Unaudited) *HK$'000*	As at 31 March 2026 (Audited) *HK$'000*
Share capital of the Company		
Authorised:		
1,000,000,000 ordinary shares of HK$0.1 each	**100,000**	100,000
Issued and fully paid:		
304,120,000 ordinary shares of HK$0.1 each	**30,412**	30,412

(a) A summary of movements in the Company's issued and fully paid share capital is as follows:

	30 September 2026 (Unaudited)		31 March 2026 (Audited)	
	Number of ordinary shares	**Nominal value *HK$'000***	Number of ordinary shares	Nominal value *HK$'000*
Issued and fully paid:				
At beginning of period/year, ordinary shares of HK$0.1 each	**304,120,000**	**30,412**	115,200,000	11,520
Issue of shares				
– Rights issue of shares *(note (i))*	**–**	**–**	115,200,000	11,520
– Subscription of shares *(note (ii))*	**–**	**–**	23,040,000	2,304
– Placing of shares *(note (iii))*	**–**	**–**	50,680,000	5,068
At end of period/year, ordinary shares of HK$0.1 each	**304,120,000**	**30,412**	304,120,000	30,412

Notes:

(i) Pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company on 13 March 2025, the Company offered a rights issue (the "**Rights Issue**") by issuing 115,200,000 rights shares (the "**Rights Share(s)**") to the qualifying shareholders at a subscription price of HK$0.2 per Rights Share on the basis of one Rights Share for every one existing share of the Company held on 25 March 2025. The Rights Issue was completed on 9 May 2025 with net proceeds of approximately HK$22,033,000 (net of the issuing expenses of approximately HK$1,007,000), which were used for the Group's foundation construction works and ground investigation services segments and the general working capital of the headquarters.

(ii) On 15 August 2025, the Company entered into a subscription agreement with a subscriber. an independent third party, pursuant to which, the Company allotted and issued (the "**Share Subscription**") a total of 23,040,000 shares at a subscription price of HK$0.215 per share. The Share Subscription was completed on 26 August 2025, with net proceeds of approximately HK$4,801,000 (net of issuing expenses of approximately HK$153,000), which were used for general working capital of the Group.

(iii) On 3 February 2026, the Company entered into a placing agreement with a placing agent, pursuant to which, the placing agent has procured six placees to subscribe for 50,680,000 shares of the Company at a placing price of HK$0.25 per share (the "**Placing**"). The Placing was completed on 27 February 2026, with net proceeds of approximately HK$12,461,000 (net of the issuing expenses of approximately HK$209,000), which will be used for the general working capital of the Group.

18. SHARE AWARD SCHEME

In prior years, the Group has repurchased 3,164,500 (after adjusting the effect from share consolidation) of its own shares through the trustee from open market, which are being held under the share award scheme. During the Reporting Period, the Company did not award any shares to any eligible participant under the share award scheme.

19. COMMITMENTS

As at 30 September 2026, the Group had no significant capital commitment (31 March 2026: Nil).

20. MATERIAL RELATED PARTY TRANSACTIONS

During the Reporting Period, the related parties that had transactions with the Group were as follows:

Name of related parties	**Relationship with the Group**
Chung Hang Enterprises Holdings Limited	A related company owned by Mr. Lau
Chung Wah Investment Company Limited	A related company owned by Mr. Lau
Mr. Chen Yu ("**Mr. Chen**")	A director of subsidiaries
Hangzhou Xianguanjiu Network Technology Co. Ltd. ("**Xianguanjiu**")	A related company owned by Mr. Xia
Mr. Xia Hai ("**Mr. Xia**")	A director of subsidiaries

In addition to the transactions and balances disclosed in notes 6(a) and 16 to the this announcement, the Group had the following transactions with related parties which were carried out in accordance with the terms agreed between the Group and the related parties and in the ordinary and usual course of business:

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Repayment of lease liabilities		
– Chung Hang Enterprises Holdings Limited	**360**	360
– Chung Wah Investment Company Limited	**690**	690
Disposal of a subsidiary		
– Mr. Chen	**–**	13
Management fee paid to Xianguanjiu	**77**	–
	1,127	1,063

Key management personnel remuneration

	Six months ended 30 September	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Short-term employee benefits	**5,444**	6,468
Post-employment benefits	**53**	54
	5,497	6,522

BUSINESS REVIEW

During the Reporting Period, the Group was principally engaged in the provision of (i) foundation construction works; (ii) ground investigation services; (iii) financial services; (iv) trading of consumer products; (v) e-commerce sales, live streaming and promotion business in social media (collectively, the "**E-Commerce Business**"); and (vi) the operation of food and beverage business.

Foundation Construction Works

During the Reporting Period, the Group was principally engaged in the provision of foundation construction works in Hong Kong. The foundation construction works undertaken by the Group mainly consisted of the construction of socketed H-piles, mini piles, soldier piles, pipe piles and king posts. The Group undertook foundation construction projects in both public and private sectors. Revenue from foundation construction works amounted to approximately 64.6% of the total revenue of the Group during the Reporting Period (six months ended 30 September 2025: approximately 83.3%).

Ground Investigation Services

During the Reporting Period, the Group also acted as a contractor to provide ground investigation services in both public and private sectors in Hong Kong. Revenue from ground investigation services amounted to approximately 12.9% of the total revenue of the Group during the Reporting Period (six months ended 30 September 2025: approximately 11.9%).

Financial Services

During the Reporting Period, revenue from financial services amounted to approximately 0.3% of the total revenue of the Group (six months ended 30 September 2025: approximately 0.1%).

To enhance the Group's overall profitability, the Group disposed of the subsidiary operating the money lending business on 30 September 2026. Pivoting toward new growth areas, the Group is currently applying for relevant financial service licenses, with business operations expected to formally commence in the first half of next year.

Trading of consumer products

During the Reporting Period, revenue from trading of consumer products amounted to approximately 1.3% of the total revenue of the Group (six months ended 30 September 2025: approximately 1.0%).

E-Commerce Business

During the Reporting Period, revenue from the E-Commerce Business contributed approximately 16.1% to the total revenue of the Group (six months ended 30 September 2025: approximately 2.8%).

Regarding the E-Commerce Business segment, the Company acquired Wanyou Technology (HK) Limited ("**Wanyou**" and together with its subsidiaries, collectively, the "**Wanyou Group**") in December 2025. During Reporting Period, a counterfeiting incident involving a purported imported health supplement brand tightened regulatory and platform scrutiny across the sector, delaying bonded warehouse inspections and inventory intake while dampening consumer trust and sales. As a result, actual results fell short of expectations and the Group revised its revenue, profit and cash flow forecasts on a more prudent basis. Accordingly, the fair value of the profit guarantee increased, and impairment losses were also recognized on intangible assets and goodwill during the Reporting Period.

Food and beverage business

During the Reporting Period, revenue from the food and beverage business contributed approximately 3.5% to the total revenue of the Group (six months ended 30 September 2025: nil).

FINANCIAL REVIEW

Revenue

The Group's total revenue for the Reporting Period decreased by approximately HK$70,775,000 or approximately 37.9%, from approximately HK$186,846,000 for the six months ended 30 September 2025 to approximately HK$116,071,000 for the Reporting Period, primarily as a net effect of the following:

Foundation Construction Works

The revenue from foundation construction works decreased by approximately 51.8%, from approximately HK$155,688,000 for the six months ended 30 September 2025 to approximately HK$74,978,000 for the Reporting Period, mainly due to a significant decrease in the foundation construction work contracts secured by the Group during the Reporting Period.

Ground Investigation Services

The revenue from ground investigation services decreased by approximately 32.3%, from approximately HK$22,162,000 for the six months ended 30 September 2025 to approximately HK$15,000,000 for the Reporting Period, mainly due to the decrease in number of sizeable ground investigation projects secured by the Group during the Reporting Period.

Financial Services

The revenue from financial services amounted to approximately HK$320,000 for the Reporting Period (six months ended 30 September 2025: approximately HK$245,000).

Trading of Consumer Products

The revenue from trading of consumer products amounted to approximately HK$1,472,000 for the Reporting Period (six months ended 30 September 2025: approximately HK$1,924,000).

E-Commerce Business

The revenue from the E-Commerce Business amounted to approximately HK$18,710,000 for the Reporting Period (six months ended 30 September 2025: approximately HK$5,257,000). The increase in revenue was mainly attributed from certain subsidiaries engaging in the E-Commerce Business which were acquired by the Group at the end of 2025.

Food and beverage business

The revenue from the food and beverage business amounted to approximately HK$4,049,000 for the Reporting Period (six months ended 30 September 2025: nil). The revenue was attributed from certain subsidiaries engaging in the food and beverage business which were acquired by the Group in early 2026.

Gross (Loss)/Profit and Gross (Loss)/Profit Margin

The Group's gross loss amounted to approximately HK$3,812,000 for the Reporting Period (six months ended 30 September 2025: gross profit amounted to approximately HK$41,689,000). The Group's overall gross loss margin during the Reporting Period was approximately 3.3% (six months ended 30 September 2025: gross profit margin of approximately 22.3%).

Gross loss of the Group's foundation construction works segment was approximately HK$17,536,000 for the Reporting Period (six months ended 30 September 2025: gross profit of approximately HK$32,986,000). Gross loss margin of the foundation construction works segment was approximately 23.4% for the Reporting Period (six months ended 30 September 2025: gross profit margin of approximately 21.2%). Pressured by dwindling revenue alongside persistent fixed overheads (including but not limited to certain fixed direct operating expenses such as machinery rental and frontline labor costs), together with the surge in the costs of piling materials and diesel and the higher proportion of piles used in the foundation project secured during the Reporting Period, the foundation works segment ultimately recorded a gross loss during the Reporting Period as compared to a gross profit in the corresponding period in 2025.

Gross profit of the Group's ground investigation services segment was approximately HK$701,000 for the Reporting Period, representing a decrease of approximately 88.9% from approximately HK$6,306,000 as compared to the six months ended 30 September 2025. Gross profit margin of the ground investigation services segment decreased from approximately 28.5% for the six months ended 30 September 2025 to approximately 4.7% for the Reporting Period. The decrease in gross profit margin was mainly due to the dwindling revenue alongside persistent fixed overheads (including but not limited to certain fixed direct operating expenses such as machinery rental and frontline labor costs).

Gross profit of the Group's financial services was approximately HK$320,000 for the Reporting Period (six months ended 30 September 2025: approximately HK$245,000). Gross profit margin of the financial services amounted to approximately 100.0% for the Reporting Period (six months ended 30 September 2025: approximately 100.0%).

Gross profit of the Group's trading of consumer products was approximately HK$293,000 for the Reporting Period (six months ended 30 September 2025: gross loss of approximately HK$424,000). Gross profit margin of the trading of consumer products amounted to approximately 19.9% for the Reporting Period (six months ended 30 September 2025: gross loss margin of approximately 22.0%). The turnaround from gross loss to gross profit is mainly due to the non-recurrence of the tactical clearance of specific inventories that had weighed on margins during the six months ended 30 September 2025, with no such clearance undertaken during the Reporting Period.

Gross profit of the Group's E-Commerce Business segment was approximately HK$11,625,000 for the Reporting Period, representing an increase of approximately 398.5% from approximately HK$2,332,000 as compared to the six months ended 30 September 2025. Gross profit margin of the E-Commerce Business segment increased from approximately 44.4% for the six months ended 30 September 2025 to approximately 62.1% for the Reporting Period. The increase in gross profit margin was mainly due to the addition of higher gross profit margin of supplement products to the existing product line.

Other Income, Other Gains and Losses, Net

The other income, other gains and losses, net increased by approximately HK$9,728,000 from approximately HK$3,904,000 for the six months ended 30 September 2025 to approximately HK$13,632,000 for the Reporting Period. The increase was mainly due to the net change in fair value of other financial assets , i.e. profit guarantee in relation to the acquisition of subsidiaries, of approximately HK$11,569,000 (six months ended 30 September 2025: nil).

Selling expenses

The Group's selling expenses for the Reporting Period were approximately HK$10,604,000 (six months ended 30 September 2025: approximately HK$2,856,000). The increase in selling expenses is mainly due to the commission expenses incurred by certain subsidiaries engaging in the E-Commerce Business which were acquired by the Group at the end of 2025.

General and administrative expenses (including impairment losses on goodwill and intangible assets)

The Group's general and administrative expenses for the Reporting Period was approximately HK$48,472,000 (six months ended 30 September 2025: approximately HK$36,467,000), representing an increase of approximately 32.9% as compared to the corresponding period in 2025. The higher general and administrative expenses incurred during the Reporting Period as compared to that of the six months ended 30 September 2025 was mainly driven by (i) the newly established subsidiaries; and (ii) impairment losses on goodwill and intangible assets in relation to the acquisition of 51% issued share capital of Wanyou of approximately HK$8,496,000 and HK$2,352,000, respectively, were recognised during the Reporting Period.

Impairment losses on goodwill and intangible assets in relation to the acquisition of 51% issued share capital in Wanyou

In the first half of 2026, a counterfeiting incident involving a purported imported health supplement brand led to stricter regulatory and platform scrutiny across the cross-border health supplement sector. As a result, inspections at bonded warehouse entry points became more stringent, which delayed inventory intake, Besides, weaker consumer trust further reduced channel conversion rate, which in turn lead to a sharp drop in recent sales. Consequently, Wanyou Group's actual results fell short of expectations and its growth outlook became more conservative. Accordingly, the recoverable amounts of the intangible assets and the goodwill were less than their carrying amounts as at 30 September 2026. The Group recognised impairment losses on goodwill and intangible assets of approximately HK$8,496,000 and HK$2,352,000, respectively, alongside the change in fair value of approximately HK$11,569,000 in respect of the profit guarantee for the year ending 31 March 2027. Overall, the net impact of these three items resulted in net gain of approximately HK$721,000 to profit or loss.

The reversal of impairment losses on the financial and contract assets, net

The reversal of impairment losses on the financial and contract assets, net for the Reporting Period were approximately HK$478,000 (six months ended 30 September 2025: approximately HK$227,000).

Finance Costs

For the Reporting Period, the finance costs were approximately HK$5,043,000 (six months ended 30 September 2025: approximately HK$5,188,000).

Income Tax

The tax credit for the Reporting Period was approximately HK$235,000 (six months ended 30 September 2025: approximately HK$30,000). The increase in tax credit was mainly due to the discharge of deferred tax liabilities during the Reporting Period.

Financial assets at fair value through profit or loss and the other financial assets

The change in fair value included the (i) profit guarantee in relation to the acquisition of subsidiaries, and (ii) listed equity investments.

(i) Other financial assets - profit guarantee in relation to the acquisition of subsidiaries

Change in fair value of other financial assets represents the fair value change of profit guarantee for the year ended 31 March 2026 (i.e. YR2026 Profit Guarantee (as defined below)) and for the year ending 31 March 2027 (i.e. YR2027 Profit Guarantee (as defined below)) granted by the vendor guarantor of the acquisition of certain subsidiaries in December 2025. Subsequently, the YR2026 Profit Guarantee has been fulfilled.

Profit guarantee is measured at fair value using the Black-Scholes based option pricing model methodology. During the Reporting Period, the change in fair value of the YR2027 Profit Guarantee of approximately HK$11,569,000 (31 March 2026: fair value loss of the YR2026 Profit Guarantee and YR2027 Profit Guarantee amounted to approximately HK$982,000) was recognised. For further details, please refer to the section headed "General and administrative expenses (including impairment losses on goodwill and intangible assets)" above. In the first half of 2026, a counterfeiting incident involving a purported imported health supplement brand in the first half of 2026 tightened regulatory and platform scrutiny across the sector, thereby delaying bonded warehouse inspections and inventory intake while dampening consumer trust and sales.

For details of the profit guarantee, please refer to the paragraph "Profit guarantee in respect of the acquisition of 51% issued share capital of Wanyou" in this announcement.

(ii) Listed Equity Investments

The fair value of listed equity investments was determined with reference to quoted market bid price from The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") and within level 1 of the fair value hierarchy.

In July 2025, the Group disposed of the entire equity interest in the listed equity investments. A gain on disposal of the financial assets at FVTPL of approximately HK$1,339,000 was recognised in the condensed consolidated statement of profit or loss for the six months ended 30 September 2025. Upon completion of the disposal and as at 30 September 2026, the Group did not hold any equity investment classified as the financial assets at FVTPL.

Material provision for expected credit losses in relation to specific corporate loan receivable and other receivable from subscription

In relation to the specific corporate loan receivable for the Group's money lending business (the "**Corporate Loan Receivable**") and the other receivable from subscription, the Group recognised reversal of expected credit losses of the Corporate Loan Receivable of approximately HK$1,500,000 for the Reporting Period following the settlement of the outstanding balances of the Corporate Loan Receivable. After such reversal was made, there was no expected credit loss remaining in respect of the Corporate Loan Receivable as at 30 September 2026.

(a) Corporate Loan Receivable

Prior to the grant of the Corporate Loan Receivable, the Group performed various due diligence and credit assessment work on each of the borrowers and guarantors, which include (i) obtaining of the latest management financial statements, statutory records and credit history (where applicable) to assess the background and financial position of the borrowers and to identify any indicators of high default risks; (ii) considering the key terms by referencing the prevailing market interest rate and the financial position of the borrowers to compensate the associated credit risk (the "**Credit Risk Assessments**"); and (iii) performing an assessment to ensure compliance with the relevant requirements and regulations of anti-money laundering and counter-terrorist financing. The Group, having not identified any indication of high default risk of the loans and having assessed the terms and conditions for the grant of the Corporate Loan Receivable based on Credit Risk Assessments, considered that the initial grant of the loans based on such terms and conditions was fair and reasonable and in the interest of the Company and its shareholders as a whole.

The Corporate Loan Receivable has been past due since June 2020. The Group has commenced the winding up process against the customer company responsible for the non-payment of the Corporate Loan Receivable in April 2023. The hearing of the winding-up petition originally fixed on 28 June 2023 was adjourned to 7 August 2023, and the Group had been liaising with the borrower in the interim with the view of settling the outstanding repayment amount. The Group subsequently entered into a settlement agreement (the "**Settlement Agreement**") and deed of guarantee with the borrower of the Corporate Loan Receivable and related guarantors on 31 July 2023, with the last instalment repayable on or before 30 September 2025, which was further extended to 25 December 2025, based on the repayment scheme. Following the entering into of the Settlement Agreement, the winding-up petition has been withdrawn on 7 August 2023.

Prior to the execution of the Settlement Agreement, the outstanding principal amount of the Corporate Loan Receivable amounted to HK$16,900,000. The effectiveness of the Settlement Agreement and the settlement contemplated thereunder (the "**Settlement**") are subject to the fulfilment (or waiver, where applicable) of certain conditions, which include, inter alia, the debtor having partially repaid not less than HK$1,000,000 to the Group. Further, pursuant to the terms of the Settlement Agreement, conditional upon, among other things, the Settlement Agreement and the Settlement having become valid, binding and effective, the principal amount of the Corporate Loan Receivable shall be reduced to HK$14,900,000, and all interest accrued thereon during the extended period shall be waived. As at 30 September 2026, all the outstanding principal amount of the reduced Corporate Loan Receivable of HK$14,900,000 had been repaid in full. Accordingly, HK$1,000,000 of the principal amount of the Corporate Loan Receivable, together with the interest accrued thereon during the extended period, was written off.

(b) Other receivable from Subscription

Other receivable from subscription represented an outstanding redemption amount arising from the redemption of a debt instrument which was expired on 18 March 2023. The debt instrument is represented by certain class C shares in a fixed-income focused fund portfolio company (the "**Fund**") managed by an external manager (the "**Manager**") and a delegated investment manager (the "**Investment Manager**") (all being independent third parties) which were subscribed by Sino Topper Holdings Limited ("**Sino Topper**"), a wholly-owned subsidiary of the Company, on 20 April 2020 at a total subscription amount of HK$60,000,000 with a term of 36 months after first issuance of any class B shares and class C shares (the "**Subscription**"). The Subscription was made at the material time as an investment to utilize the idle cash balance of the Group. For details of the Subscription, please refer to the announcements of the Company dated 20 April 2020 and 8 May 2020.

Prior to the Subscription, the Group performed various due diligence work on the Fund, the Manager and the Investment Manager, which include (i) conducting the necessary "know your customer" checks by obtaining their constitutional documents and statutory records to assess their background, (ii) reviewing the experience, qualifications and licenses of the Manager, the Investment Manager and the personnel in charge of the day-to-day operation of the Fund to consider their competence, (iii) reviewing the nature, composition, historical performance and future prospects of the target investments of the Fund to consider its risk profile and (iv) reviewing the material terms and conditions of the Fund including but not limited to rate of returns, target investment size, maturity period and exit mechanisms to consider their commercial reasonableness (the "**Investment Risk Assessments**"). The Group, having not identified any indication of high default risk of the Fund, and having assessed the terms and conditions for the Subscription based on the Investment Risk Assessments, considered that the Subscription based on such terms and conditions was fair and reasonable and in the interest of the Company and its shareholders as a whole.

After the expiry date of the debt instrument (i.e. 18 March 2023), and taking into account the repayments received by Sino Topper for the partial redemption made prior to the expiry date, Sino Topper has received an aggregate of approximately HK$40,181,000 (inclusive of accrued interest) as repayments for redemption of its subscription amount with the last batch of repayments received in December 2023, after which no further repayments have been received. Despite repeated efforts made by the Directors throughout the Reporting Period to communicate with the Fund, the Manager and the Investment Manager to demand for settlement of the outstanding redemption amount, Sino Topper has not received any explanation for the delay in repayment, and no further reply has been received since June 2023.

Between April 2024 and July 2024, Sino Topper has issued demand letters against the Fund, the Manager, the Investment Manager, and the former Responsible Officer of the Investment Manager. Meanwhile, Sino Topper has also engaged BVI lawyers in September 2024 to issue a Statutory Demand against the Fund in October 2024 and completed the winding up proceedings against the Fund in the BVI on 14 April 2025. Joint liquidators have been appointed to conduct investigations into the affairs of the Fund. As at the date of this announcement, a total redemption amount of approximately HK$26,926,000 remains outstanding and payable to Sino Topper by the Fund and/or others, which has been fully impaired.

Having considered the preliminary report issued by the joint liquidators, and having sought legal advice from Sino Topper's legal advisers in Hong Kong, Sino Topper has filed a report to the Hong Kong Police Force ("**Police**") on 21 April 2026 on the suspected fraudulent fund investment. Sino Topper has been and will continue to fully cooperate with the Police in respect of their investigation into this matter. The Company will keep the shareholders and potential investors of the Company informed of any update in relation to the aforementioned as and when appropriate in accordance with the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited.

(c) Impairment loss and key value of inputs used and assumptions adopted in impairment assessment

The Group has conducted a valuation in relation to impairment assessment over the financial and contract assets (including loan receivable and other receivable) as at 30 September 2026 (the "**Impairment Assessment**").

The calculation adopted in expected credit loss model (the "**ECL Model**") is to measure the ECL of the loan receivable and other receivable. The ECL Model was adopted in accordance with Hong Kong Financial Reporting Standards 9. Major inputs of the ECL Model include (i) probability of default (the "**PD**") of the borrowers/debtors which in turn affects the credit specific factor by, inter alia, assessing the loss stages and checking forward looking assumptions involved; (ii) loss given default; (iii) exposure at default; and (iv) discount factor reflecting time value of money. There is no significant change in the calculation methodology and major inputs as compared to the Impairment Assessment conducted for 30 September 2025.

The Group recognised reversal of expected credit losses of the Corporate Loan Receivable of approximately HK$1,500,000 for the Reporting Period, following the settlement of the outstanding balance of the Corporate Loan Receivable. After such reversal was made, there was no expected credit loss remaining in respect of the Corporate Loan Receivable as at 30 September 2026 (as at 31 March 2026: the expected credit loss rate (the "**ECL rate**") was 100.0%).

The ECL rate for other receivable from Subscription in respect of the outstanding redemption amount was 100% (as at 31 March 2026: 100%) as joint liquidators have been appointed to conduct investigations into the affairs of the Fund, taking into account the preliminary report issued by the joint liquidators. Accordingly, the Group has provided a full provision of approximately HK$26,926,000 for other receivable from Subscription in respect of the outstanding redemption amount with a gross carrying amount of approximately HK$26,926,000 as at 30 September 2026.

Money lending business

Within the Group's money lending business, prospective borrowers were sourced from the management's business networks. A credit committee ("**Credit Committee**") was established and the primary responsibility of this committee is to assess and approve loans. During the credit assessment phase, multiple approval criteria were considered, including the client's income source, outstanding debt, credit history, loan history with our Company and relevant assessment results obtained during the application procedure.

As of 30 September 2026, there was no outstanding balance in the money lending business (as of 31 March 2026: the combined outstanding balance of the top two clients in the money lending business equated to 100% of the Group's total loan receivables).

Business model of the Group's money lending business

The Group's money lending business was managed through an indirect wholly-owned subsidiary, Fortune Shiny (Hong Kong) Limited ("**Fortune Shiny**"), which held a money lenders license issued under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). Fortune Shiny provided loan financing services to both individual and corporate clients who were third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules). Corporate loans were offered to corporate clients requiring loan financing for their corporate needs, while individual loans were provided to clients who require loan financing for their personal needs.

Fortune Shiny was capable of granting loan financing services to both corporate and individual clients with greater flexibility compared to licensed banks and was established to generate interest income by providing loan financing services in Hong Kong. The Group's money lending business was primarily financed through internal resources.

On 30 September 2026, the Company as vendor entered into a sale and purchase agreement with an individual independent third party as purchaser, pursuant to which the Company agreed to sell to the purchaser the entire issued share capital of Ultimate Proud Limited ("**Ultimate Proud**") (the holding company of Fortune Shiny) at a consideration of HK$800,000, completion of which took place on the same date. Following the disposal, Fortune Shiny ceased to be a subsidiary of the Group, and thus the Group will no longer engage in money lending business.

Credit assessment policy

Loan applications were evaluated and processed on a case-by-case basis, with each application assessed based on its individual merit. Prior to granting loans, the management conducted a financial background and credit check procedure.

The process for loan application involved collecting customer information including identity and financial documents, performing a customer due diligence check to verify identity and understand the purpose of the loan, conducting a background check including legal and property ownership searches, performing a valuation check on the collateral, conducting a credit assessment to determine the borrower's ability to repay, and performing an assessment to ensure compliance with the relevant requirements and regulations of anti-money laundering and counter-terrorist financing. The details of each step may vary depending on the specific circumstances of the loan application.

Overall, the loan application process involved a thorough evaluation of the borrower's financial standing, legal and financial history, collateral, and ability to repay the loan. By performing these checks and assessments, the Group can reduce the risk of default and ensure that their loans are being used for legitimate purposes.

Ongoing monitoring of loan recoverability and loan collection

To ensure recoverability, the Group placed particular emphasis on the financial background, assets or capital base, repayment ability, and reputation of the borrower when establishing loan terms. The manager communicated with borrowers regularly to monitor the recoverability of loans and assessed the conditions of the borrowers. Any delays in payment or defaults on significant terms of the loan agreement were reported to the management. To mitigate risk and potential credit losses, various measures may be implemented, including but not limited to revising repayment terms, executing a settlement agreement, and/or initiating legal proceedings against the borrower to recover any late payments and default interest. These measures were taken after considering the normal market practice and the actual circumstances during the credit collection processes and negotiations with the relevant customers with the ultimate goal of reducing the possibility of credit losses.

Credit Committee

To manage credit risk and operations for the Group's money lending business, the Credit Committee was established, with full authority to handle all credit-related matters of Fortune Shiny. All loans granted under the Group's money lending business must be approved by the Credit Committee, following the authorization matrix for final approval.

The primary responsibilities of the Credit Committee included approving and supervising the Group's money lending business and monitoring the loan portfolio. The Credit Committee was also responsible for overseeing compliance and governance matters such as regularly reviewing and modifying the money lending policy to be in line with changes in the market environment.

Given that following the disposal of Ultimate Proud on 30 September 2026 as disclosed above, the Group will no longer engage in any money lending business, the Credit Committee no longer serves its function of approving loans under, and overseeing the compliance and governance in respect of, money lending business.

Major terms of loans granted

Under the Group's money lending business for the Reporting Period, the Group offered a credit period of 6-24 months for the unsecured loans to its personal customer and corporate customer. The loan to such personal customer was 15% per annum. The loan to such a corporate customer was interest-free, and secured by personal guarantee.

Breakdowns of material loan receivables

As of 30 September 2026, the Group had no outstanding loan. As at 31 March 2026, the outstanding principal amounts of loan receivables related to the Corporate Loan Receivable, which was a corporate loan, and one other personal loan. The Corporate Loan Receivable accounted for 47.2% of the outstanding principal amount of HK$5,300,000 as at 31 March 2026.

As at 31 March 2026, the interest rate for the principal amount of the personal loan was 15% per annum. The Corporate Loan Receivable as of 31 March 2026 was interest free, and secured by personal guarantees.

Loan interest income

For the Reporting Period, the total loan interest income from the Group's money lending business was approximately HK$320,000 (six months ended 30 September 2025: approximately HK$245,000).

Loss attributable to owners of the Company

For the Reporting Period, the Group recorded a net loss attributable to the owners of the Company of approximately HK$51,930,000 as compared with net profit attributable to owners of the Company of approximately HK$1,080,000 for the corresponding period in 2025. The turnaround from profit to loss was mainly attributable to a significant decrease in the foundation construction work contracts secured by the Group during the Reporting Period, which led to a decrease in revenue from the foundation construction works segment. Pressured by dwindling revenue alongside persistent fixed overheads (including but not limited to certain fixed direct operating expenses such as machinery rental and frontline labour costs), together with the surge in the costs of piling materials and diesel and the higher proportion of piles used in the foundation project secured during the Reporting Period, the foundation works segment ultimately recorded a gross loss during the Reporting Period as compared to a gross profit in the corresponding period in 2025.

The 2026 Placing

References are made to the Company's announcements on 3 February 2026 and 27 February 2026 (the "**2026 Announcements**") in relation to the entering into of the placing agreement (the "**Placing Agreement**") by the Company on 3 February 2026 for the placing of 50,680,000 ordinary shares of the Company (the "**2026 Placing**") which raised net proceeds of approximately HK$12.5 million (the "**2026 Net Proceeds**"), representing a net issue price of approximately HK$0.2458 per placing share, and the 2026 Placing was completed on 27 February 2026.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiry, there were not less than six placees under the 2026 Placing who were individual investors that were third parties independent of and not connected with the Company and its connected persons. None of the placees under the 2026 Placing has become a substantial shareholder (as defined under the Listing Rules) of the Company immediately upon completion of the 2026 Placing.

In view of the uncertainties in the economic and business environment of Hong Kong, the Company considered that it is critical to replenish the financial resources of the Group for its development. The Directors were of the view that the 2026 Placing would strengthen the financial position and liquidity of the Group and provide financial resources to the Group without incurring interest costs. The Directors also believed that the 2026 Placing represents an opportunity to raise capital for the Company while broadening its shareholder and capital base.

The aggregate nominal value of the placing shares issued under the 2026 Placing is HK$5,068,000. The placing price of HK$0.25 per placing share represents (i) a discount of approximately 12.28% to the closing price of HK$0.285 per share as quoted on the Stock Exchange on 3 February 2026, being the date of the Placing Agreement; and (ii) a discount of approximately 18.03% to the average closing price of approximately HK$0.305 per share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding 3 February 2026.

Intended use of 2026 Net Proceeds	**Planned use of proceeds as disclosed in the 2026 Announcements** ***HK$'000*** **(approximately)**	**Unutilised 2026 Net Proceeds as at 31 March 2026** ***HK$'000*** **(approximately)**	**Amount utilised during the Reporting Period** ***HK$'000*** **(approximately)**	**Unutilised 2026 Net Proceeds as at 30 September 2026** ***HK$'000*** **(approximately)**	**Expected timeline for utilising all the unutilised proceeds**
General working capital of the Group					31 March 2027
– director's fee, remuneration and staff salaries	9,400	7,986	7,986	–	
– rental expense	1,600	1,451	893	558	
– legal and professional fees	1,500	841	841	–	
	12,500	10,278	9,720	558	

All the 2026 Net Proceeds utilised during the Reporting Period were used in accordance with the proposed allocation as previously disclosed. The remaining unutilised 2026 Net Proceeds as at 30 September 2026 were placed as bank balances with a licensed bank in Hong Kong and will be applied in the manner consistent with the proposed allocations as previously disclosed, which is expected to be fully utilised towards settlement of rental expense by 31 March 2027.

Use of net proceeds from the 2016 Placing

References are made to the Company's announcement on 29 November 2016 (the "**2016 Announcement**") in relation to placing of 160,000,000 new ordinary shares of the Company (the "**2016 Placing**") which raised net proceeds of approximately HK$134.0 million (the "**2016 Net Proceeds**") and the announcements and supplemental announcements in relation to change in use of proceeds from the 2016 Placing dated 2 October 2018 (the "**2018 Announcement**"), 17 August 2021 (the "**2021 Announcement**"), 3 January 2023 (the "**2023 Announcement**"), 17 November 2023 and 23 September 2026, and the annual reports of the Company for the years ended 31 March 2019, 31 March 2022, 31 March 2023, 31 March 2024, 31 March 2025 and 31 March 2026.

The below table sets out the details of the application of the 2016 Net Proceeds:

	Planned use of proceeds as disclosed in the 2016 Announcement *HK$ million (approximately)*	**Revised allocation as at 2 October 2018** *HK$ million (approximately) (Note 1)*	**Unutilised 2016 Net Proceeds as at 31 March 2021** *HK$ million (approximately)*	**Revised allocation as at 17 August 2021** *HK$ million (approximately) (Note 2)*	**Unutilised 2016 Net Proceeds as at 31 March 2022** *HK$ million (approximately)*	**Revised allocation as at 3 January 2023** *HK$ million (approximately) (Note 3)*	**Unutilised 2016 Net Proceeds as at 31 March 2023** *HK$ million (approximately)*	**Unutilised 2016 Net Proceeds as at 31 March 2024** *HK$ million (approximately)*	**Unutilised 2016 Net Proceeds as at 31 March 2025** *HK$ million (approximately)*	**Unutilised 2016 Net Proceeds as at 31 March 2026** *HK$ million (approximately)*	**Revised allocation as at 23 September 2026** *HK$ million (approximately) (Note 6)*	**Amount utilised during the Reporting Period** *HK$ million (approximately)*	**Unutilised 2016 Net Proceeds as at 30 September 2026** *HK$ million (approximately)*	**Expected timeline for utilising all the unutilised proceeds** *(Note 5)*
Investment, financing and money lending services	134.0	57.3	–	–	–	–	–	–	–	–	–	–	–	N/A
Funding the Acquisition (as defined below)	–	76.7	76.7	–	–	–	–	–	–	–	–	–	–	N/A
Funding further possible acquisition(s) *(note 4)*	–	–	–	70.7	70.7	25.7	25.7	25.7	20.7	3.4	–	–	–	N/A
General working capital	–	–	–	6.0	–	45.0	31.4	–	–	–	3.4	–	3.4	By 30 June 2027
	134.0	134.0	76.7	76.7	70.7	70.7	57.1	25.7	20.7	3.4	3.4	–	3.4	

Notes:

1. As disclosed in the 2018 Announcement, (i) the Group had used approximately HK$20.8 million of the proceeds from the 2016 Placing for investment and financial services and for setting up a subsidiary with a money lenders licence and the Group intended to utilise up to approximately HK$36.5 million of the 2016 Net Proceeds in developing the Group's money lending business in the next 12 months; and (ii) the Group intended to change the use of up to approximately HK$76.7 million of the outstanding 2016 Net Proceeds to fund the acquisition of approximately 51.315% of the issued share capital of Blue Marble Limited at a total consideration of HK$320,000,000 (the "**Acquisition**"). The Acquisition then lapsed on 2 April 2020. For details, please refer to the 2018 Announcement and the announcement of the Company dated 2 April 2020.

2. On 17 August 2021, the Company resolved to change the use of the outstanding 2016 Net Proceeds, being approximately HK$76,700,000 as at 31 March 2021 as follows: (i) as to approximately HK$70,700,000, to fund further possible acquisition(s), including possible exercising of the right to acquire 16% of the issued share capital of Matsu Gami IP Development Limited ("**Matsu Gami**"); and (ii) as to the remaining balance of approximately HK$6,000,000, for general working capital. As at 31 March 2022, the Board has not exercised the call option to acquire 16% of the issued share capital of Matsu Gami. For details, please refer to the 2021 Announcement and the announcement of the Company dated 10 September 2021.

3. On 3 January 2023, the Company resolved to change the use of the outstanding 2016 Net Proceeds, being approximately HK$70,700,000 as at 31 March 2022 as follows: (i) as to approximately HK$25,700,000, to fund further possible acquisition(s) and (ii) as to the remaining balance of approximately HK$45,000,000, for general working capital. As at 31 March 2023, the Board has not exercised the call option to acquire 16% of the issued share capital of Matsu Gami. For details, please refer to the 2023 Announcement due to the lapse of the call option as a result of non-fulfillment of the profit guarantee by Matsu Gami.

4. On 17 November 2023, the Company published the announcement and wishes to supplement that the unutilised 2016 Net Proceeds for further acquisitions are intended to be fully utilised by 31 March 2025 in the acquisition of equity interests in target company(ies) engaged in the food and beverage and/or the construction sectors, provided that, if any such opportunity(ies) arise in the meantime, the Group may also utilise the unutilised 2016 Net Proceeds for further acquisitions (or part thereof) in the acquisition of target company(ies) engaged in other sector(s) if such acquisition is considered by the Board to be conducive in broadening the source of the revenue for the Group or otherwise in the best interest of the Company and its shareholders as a whole.

   On 30 April 2024, the Group entered into an agreement and supplemental agreement with the non-controlling interest, pursuant to which, the Group acquired (i) the remaining 49% equity interests of Pure Luck International Limited from the non-controlling interest; and (ii) assumed the outstanding indebtedness due from the non-controlling interest for a cash consideration of HK$5,000,000.

5. On 28 March 2025, the Company resolved to extend the expected timeline of the use of the unutilised 2016 Net Proceeds to 30 September 2026.

6. On 23 September 2026, the Company resolved to further change the use of all the remaining 2016 Net Proceeds, being approximately HK$3,400,000 as at 31 March 2026 from the purpose of funding further possible acquisition(s) to general working capital, such unutilised 2016 Net Proceeds are expected to be fully utilised by 30 June 2027. For details, please refer to the announcement of the Company dated 23 September 2026.

None of the outstanding 2016 Net Proceeds were utilised during the Reporting Period. The remaining unutilised 2016 Net Proceeds as at 30 September 2026 were placed as bank balances with a licensed bank in Hong Kong and will be applied in the manner consistent with the latest proposed allocations as previously disclosed, which are expected to be fully utilised as general working capital by 30 June 2027.

Prospects

Although the 2025-26 Budget has demonstrated the Government's commitment to infrastructure and key projects such as the Northern Metropolis, the short-term land market outlook remains weak, with commercial land transactions stalled. Compounded by market volatility and execution risks, the progression of various projects continues to face headwinds. Meanwhile, a shrinking project pipeline has triggered fiercer bidding competition. Coupled with multiple challenges such as rising oil prices, aggressive bidding strategies have further eroded industry profit margins.

Guided by a principle of prudence and stability, we are actively diversifying our business portfolio while consolidating our core construction business. We are currently applying for relevant financial services licenses and expect to officially commence operations in the first half of next year.

In our E-Commerce Business, we are actively driving cost reduction and efficiency gains through operational optimisation and strategic adjustments, comprehensively enhancing our profitability and market competitiveness. Looking ahead, leveraging our existing strengths, the Group will actively pursue strategic cooperation and investments with quality enterprises to continuously create sustainable value for our stakeholders.

Debts and charge on assets

The total interest-bearing borrowings of the Group mainly consisted of lease liabilities, borrowings from a related company and a director of a subsidiary increased from approximately HK$168,080,000 as at 31 March 2026 to approximately HK$171,751,000 as at 30 September 2026, which were mainly denominated in Hong Kong Dollars. Interest on borrowings are charged at fixed rates. The Group currently does not have any interest rate hedging policy and the Group monitors interest risks continuously and considers hedging any excessive risk when necessary. As at 30 September 2026, the Group did not have any charge on its assets (31 March 2026: nil).

Net current liabilities/assets

As at 30 September 2026, the Group's net current liabilities amounted to approximately HK$7,872,000, representing a reversal of HK$42,320,000 from its net current assets of approximately HK$34,448,000 as at 31 March 2026. The reversal was mainly due to (i) the decrease in cash and cash equivalents of approximately HK$51,571,000; and (ii) the increase in trade and other payables of approximately HK$3,175,000, partly offset by the increase in other financial assets of approximately HK$11,569,000.

The Group incurred a loss attributable to owners of the Company of approximately HK$51,930,000 during the Reporting Period and had net current liabilities of approximately HK$7,872,000, as at 30 September 2026. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

Notwithstanding the aforesaid conditions, the Interim Financial Statements have been prepared on a going concern basis. In assessing the appropriateness of the going concern assumption, the Directors have prepared a cash flow forecast of the Group and are satisfied that the Group will have sufficient financial resources to meet its financial obligations as and when they fall due for a period at least 12 months from the date of this announcement, after taking into account, among others, the following measures:

(i) As part of the management continuous efforts to strengthen the Company's capital base and improve the Group's working capital position, the Directors will consider pursuing fund-raising activities by leveraging the management's experience and network in the capital markets, including but not limited to rights issues and/or placing of new shares. The Group will continue to actively explore and secure alternative sources of financing and other funding opportunities on an ongoing basis; and

(ii) the Group remains committed to strengthening its business strategies and plans in order to improve the Group's principal business and thus its financial performance and to implement stringent cost management measures with continuous efforts to optimise operational efficiency and minimise the cash outflow of non-essential items in order to improve its operating cash flows. The Directors consider that the strengthened business strategies, plans and cost management measures, if materialised, could improve the Group's revenue, financial performance, financial position and its operating cash flows.

Liquidity and financial resources

As at 30 September 2026, the Group had cash and bank balances of approximately HK$65,841,000 (31 March 2026: approximately HK$117,412,000), which were mainly denominated in Hong Kong Dollars.

During the Reporting Period, the Group did not employ any financial instrument for hedging purposes.

Cash flow

The Group's net cash used in operating activities was approximately HK$41,591,000 during the Reporting Period, which was mainly related to (i) decrease in trade and other receivables of approximately HK$11,581,000; (ii) increase in inventories of approximately HK$11,921,000; (iii) decrease in loan receivables of approximately HK$4,330,000; and (iv) increase in trade and other payables and accruals of approximately HK$3,175,000. Net cash used in investing activities during the Reporting Period was approximately HK$432,000, which was mainly related to (i) additions of property, plant and equipment of approximately HK$1,852,000; offset against (ii) the proceeds from disposal of property, plant and equipment of approximately HK$620,000; and (iii) the net cash inflow from disposal and deregistration subsidiaries of approximately HK$790,000. Net cash used in financing activities during the Reporting Period was approximately HK$9,923,000, which was mainly related to (i) decrease in amount due to a related company of approximately HK$3,000,000; and (ii) decrease in amount due to a director of subsidiary of approximately HK$4,000,000.

The gearing ratio of the Group as at 30 September 2026 (defined as net debts divided by capital plus net debts) was approximately 93.9% (as at 31 March 2026: approximately 63.0%). The increase in gearing ratio of the Group is mainly due to the the decrease in equity attributable to owners of the Company resulting from the loss incurred during the Reporting Period.

The current ratio of the Group as at 30 September 2026 was approximately 0.96 (as at 31 March 2026: approximately 1.15).

Treasury policy

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

Foreign exchange exposure

Since the Group mainly operates in Hong Kong and most of the revenue and transactions arising from its operations are settled in Hong Kong Dollars, and the Group's assets and liabilities are primarily denominated in Hong Kong Dollars.

The Group also has operations in the Chinese Mainland and is exposed to currency risk primarily through its principal activities which give rise to receivables, payables and cash balances that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate.

The Directors believe that the Group's risk in foreign exchange is insignificant and that the Group has sufficient foreign exchange to meet its foreign exchange requirements. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates; and it has not adopted any currency hedging policy or other hedging instruments during the Reporting Period. However, the Group's management regularly monitors the Group's foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arise.

Capital structure

As at 30 September 2026, the Company's issued share capital was HK$30,412,000 (as at 31 March 2026: HK$30,412,000) and the number of its issued ordinary shares was 304,120,000 (as at 31 March 2026: 304,120,000) of HK$0.1 each.

Profit guarantee in respect of the acquisition of 51% issued share capital of Wanyou

Reference is made to the announcements of the Company dated 25 November 2025, 24 December 2025 and 19 November 2026 in relation to the acquisition of the 51% issued share capital of Wanyou, which is principally engaged in the E-Commerce Business.

Under the terms of the sale and purchase agreement dated 25 November 2025, Mr. Wang Hanqiang (the "**Vendor Guarantor**") has granted a profit guarantee to the Group, pursuant to which, the actual profit of the Wanyou Group (being the audited consolidated net profits after tax (excluding any extraordinary or exceptional items derived outside the ordinary and usual course of business of the Wanyou Group according to the HKFRS Accounting Standards)) shall not be less than (i) HK$2,350,000 for the year ended 31 March 2026 (the "**YR2026 Profit Guarantee**"); and (ii) HK$3,900,000 for the year ending 31 March 2027 (the "**YR2027 Profit Guarantee**"), respectively. If the actual profit is less than the YR2026 Profit Guarantee and/or the YR2027 Profit Guarantee during the relevant financial year, the Vendor Guarantor shall compensate the Group for the shortfall based on the formula calculated by, among other things, the Group's percentage of the equity interest in the Wanyou Group as of completion (i.e. 51%) and a multiplier of 14 times.

As disclosed in the announcement of the Company dated 19 November 2026, the actual profit of the Wanyou Group for the year ended 31 March 2026 is not less than HK$2,350,000, and hence the YR2026 Profit Guarantee has been fulfilled. Accordingly, the Vendor Guarantor is not required to make any compensation to the purchaser in respect of the YR2026 Profit Guarantee.

Significant Investment Held, Material Acquisitions and Disposal of Subsidiaries, Associated Companies and Joint Ventures

There were no significant investments held, nor were there any material acquisitions or disposals of subsidiaries, associated companies and joint ventures by the Company during the Reporting Period and up to the date of this announcement.

Contingent liabilities

The Group had no significant contingent liabilities as at 30 September 2026 and 31 March 2026.

Event after the reporting period

There was no other significant event subsequent to the end of the Reporting Period and up to the date of this announcement.

Employees and remuneration policy

As at 30 September 2026, the Group had 202 full-time employees (31 March 2026: 164 full-time employees).

The Group determines the remuneration of its employees mainly based on each employee's qualification, relevant experience, position and seniority.

The remuneration policy and packages of the Group's employees are periodically reviewed. Apart from mandatory provident fund and in-house training programmes, salary increment and discretionary bonuses may be awarded to employees according to the assessment of individual performance. The total remuneration cost incurred by the Group for the Reporting Period was approximately HK$41,023,000 compared to approximately HK$40,359,000 for the six months ended 30 September 2025.

INTERIM DIVIDEND

The Board did not recommend the declaration of any interim dividend for the Reporting Period (six months ended 30 September 2025: nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's securities (including sale of treasury shares) during the Reporting Period and up to the date of this announcement. As at 30 September 2026, the Company did not have any treasury shares.

CORPORATE GOVERNANCE

The Company had complied with all applicable code provisions as set out in the Corporate Governance Code (the "**Code**") contained in Appendix C1 to the Listing Rules during the Reporting Period and up to the date of this announcement.

The Group commits to continuously improving its corporate governance practices by periodic review to ensure that the Group continues to meet the requirements of the Code.

Code of Conduct Regarding Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transaction by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry by the Company, that they have complied with the required standard as set out in the Model Code throughout the Reporting Period.

Audit Committee and Review of Financial Information

The audit committee of the Company (the "**Audit Committee**") has reviewed with the Company's management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including the review of the unaudited interim financial statements for the Reporting Period. The Group's unaudited condensed consolidated interim financial statements for the Reporting Period had been reviewed by the Audit Committee. The Audit Committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements as well as the Listing Rules and that adequate disclosures have been made.

PUBLICATION OF INFORMATION ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

The results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.hkex1718.hk, and the interim report of the Company containing all the information required by the Listing Rules will be despatched to the Company's shareholders and published on the Company's and the Stock Exchange's websites in due course.

By Order of the Board
Wan Kei Group Holdings Limited
Xu Lin
Chairman

Hong Kong, 27 November 2026

As at the date of this announcement, the executive Director is Mr. Bai Huawei; the non-executive Director is Mr. Xu Lin; and the independent non-executive Directors are Mr. Jiang Senlin, Mr. Zhang Yi and Ms. Dan Xi.