



PT INTERNATIONAL DEVELOPMENT CORPORATION LIMITED

保 德 國 際 發 展 企 業 有 限 公 司 *

(Incorporated in Bermuda with limited liability)

(Stock Code : 372)

2026

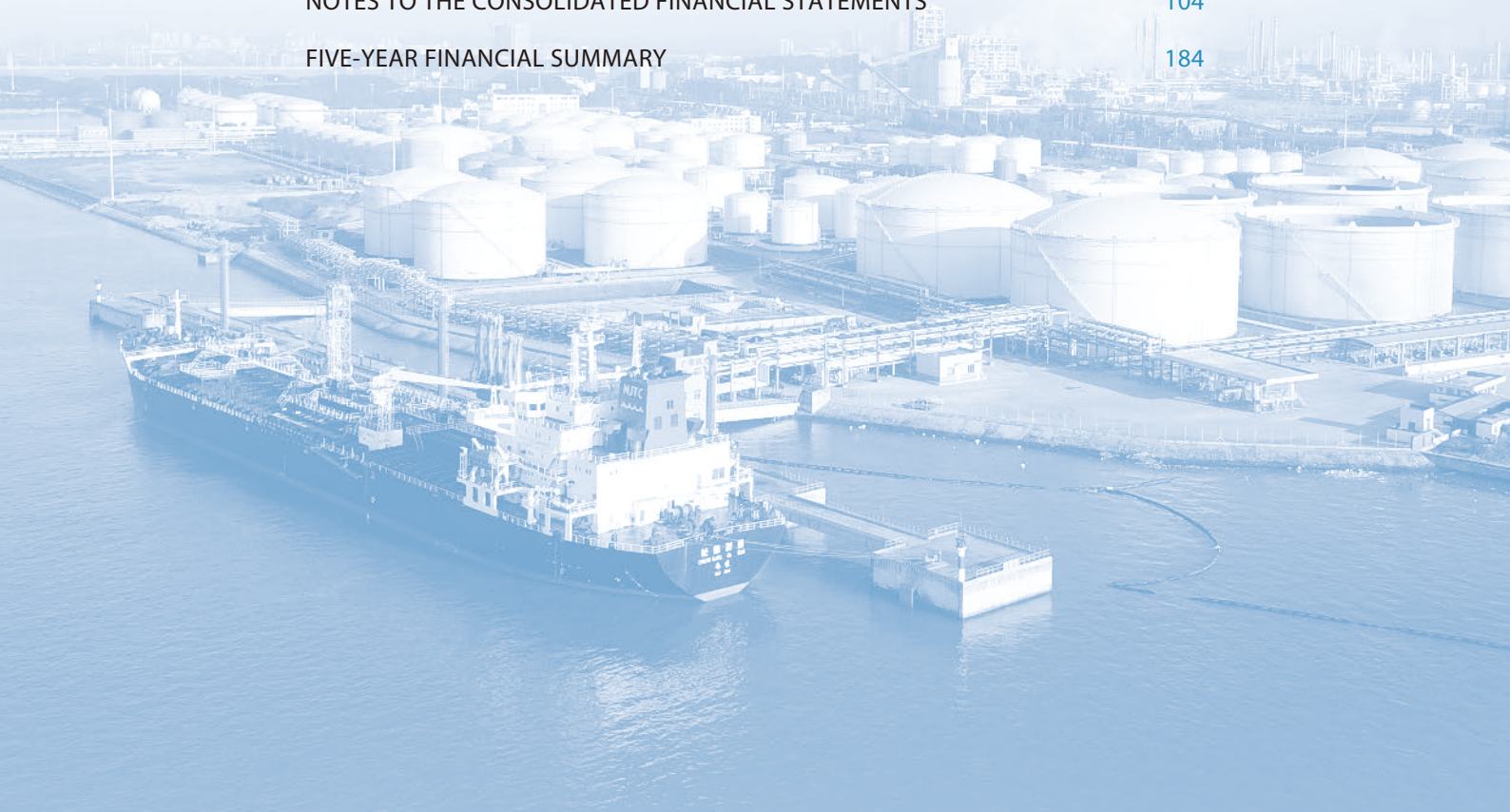
ANNUAL REPORT



** For identification purpose only*

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Definitions and Glossary

In this annual report, the following expressions have the following meanings unless otherwise specified:

"2026 AGM"	annual general meeting of the Company to be held on Tuesday, 4th August, 2026 at 10:30 a.m. or any adjournment thereof
"Board"	Board of Directors of the Company
"Bye-laws"	Bye-laws of the Company
"Company"	PT International Development Corporation Limited
"Current Year"	the year ended 31st March, 2026
"Director(s)"	director(s) of the Company
"Group"	the Company and its subsidiaries
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Jiangsu Hong Mao"	江蘇宏貿倉儲有限公司, an indirect wholly-owned subsidiary of the Company
"Listing Rules"	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
"PRC" and "China"	the People's Republic of China
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	share(s) of the Company
"Shareholder(s)"	shareholder(s) of the Company
"Thousand Vantage"	Thousand Vantage Investment Limited, an indirect non-wholly-owned subsidiary of the Company
"HK\$" and "HK cents"	Hong Kong dollars and cents, the lawful currency of Hong Kong
"%"	per cent.

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Ching Man Chun, Louis, MH
(Chairman and Managing Director)
Mr. Yeung Kim Ting *(resigned on 30th November, 2025)*
Mr. Wong Kung Ho, Alexander

Non-executive Director

Ms. Wong Man Ming, Melinda
(re-designated from executive Director to non-executive Director on 26th July, 2025)

Independent Non-executive Directors

Mr. Yam Kwong Chun
Mr. Wong Yee Shuen, Wilson
Mr. Lam Yik Tung

AUDIT COMMITTEE

Mr. Wong Yee Shuen, Wilson *(Chairman)*
Mr. Yam Kwong Chun
Mr. Lam Yik Tung

REMUNERATION COMMITTEE

Mr. Lam Yik Tung *(Chairman)*
Mr. Yam Kwong Chun
Mr. Wong Yee Shuen, Wilson

NOMINATION COMMITTEE

Mr. Yam Kwong Chun *(Chairman)*
Mr. Wong Yee Shuen, Wilson
Mr. Lam Yik Tung
Ms. Wong Man Ming, Melinda

CORPORATE GOVERNANCE COMMITTEE

Mr. Ching Man Chun, Louis, MH *(Chairman)*
Mr. Yam Kwong Chun
Mr. Wong Yee Shuen, Wilson
Mr. Lam Yik Tung

COMPANY SECRETARY

Ms. Lo Yuen Mei

AUDITOR

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditors

LEGAL ADVISORS

CLKW Lawyers LLP

PRINCIPAL BANKERS

DBS Bank (HK) Limited
Fubon Bank (Hong Kong) Limited
Industrial and Commercial Bank of China
(Asia) Limited
Nonghyup Bank
The Hong Kong and Shanghai Banking
Corporation Limited

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

11th Floor
Centre Point
181-185 Gloucester Road
Wanchai, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Global Corporate Services (Bermuda) Limited
Canon's Court, 22 Victoria Street
PO Box HM 1179, Hamilton HM EX
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
Suites 3301-04, 33th Floor
Two Chinachem Exchange Square
338 King's Road, North Point
Hong Kong

WEBSITE

www.ptcorp.com.hk

STOCK CODE

Hong Kong Stock Exchange 372

Chairman's Statement

Looking ahead, the global economic environment is expected to remain challenging and uncertain. Although inflationary pressures have moderated in certain major economies, geopolitical tensions, developments in international trade relations and the trajectory of global interest rates continue to create volatility across energy markets, capital flows and customer demand. Against this backdrop, the PRC government has continued to promote policies aimed at economic stabilization, infrastructure development and the cultivation of new quality productive forces (新質生產力), which are expected to support selected sectors over the medium term.

Within this context, the Group believes that major regional infrastructure developments in Guangxi may create longer-term opportunities for its petrochemical storage, terminal and logistics operations. In particular, the Pinglu Canal is currently expected to commence utilization around September or October 2026. Once operational, the canal is expected to enhance cargo connectivity between inland regions and the Beibu Gulf, improve transportation efficiency and, over time, support demand for storage, transshipment and bunkering services in the area. The Directors believe this development may strengthen the commercial position and utilization potential of the Group's terminal assets in Guangxi.

The Group is also encouraged by progress on the petrochemical pipeline infrastructure invested in and developed by PipeChina. The relevant inspection and acceptance procedures (驗收) are expected to be completed in the coming months. Subject to final completion and commencement of full utilization, Guangming, the Group's petrochemical storage and berth facility held through Thousand Vantage Investment Limited, is expected to play an important role as a sea access point for PipeChina's regional pipeline network in Guangxi. The integration of pipeline transportation with the Group's storage and berth facilities is expected to improve logistics efficiency, reduce transportation costs and enhance supply chain reliability for customers. Over time, this may contribute to higher throughput volumes, better tank utilization rates and broader customer demand, although the pace and extent of such benefits will depend on market conditions and the timing of full operational ramp-up.

The performance of Guangming's terminal operations has been adversely affected in recent years by legal proceedings and related uncertainties. The Directors note that, if the criminal case develops toward a clearer outcome in the near term, the operating outlook and business environment surrounding Guangming may become clearer going forward. The Group will continue to monitor developments closely and assess their potential impact on operations, counterparties and future planning.

During the year, Thousand Vantage maintained stable operations at the Group's oil port and storage facilities. The Directors remain cautiously optimistic that the combined impact of regional infrastructure development, including the expected utilization of the Pinglu Canal and the advancement of the PipeChina pipeline network, may support the Group's core petrochemical storage and logistics business. The Group will continue to explore opportunities to optimise asset utilisation and, where appropriate, expand berth capacity and storage infrastructure in response to market demand.

Chairman's Statement

The Group's petrochemical trading segment has continued to contribute revenue. However, management has adopted a prudent approach in light of ongoing price volatility, geopolitical uncertainties and elevated funding costs, and will closely monitor market conditions before increasing exposure to this segment. The Group's investment banking operations in Mauritius have continued to perform steadily and contribute positively to diversified income streams, and the Group will seek to strengthen this business on a measured basis.

The Group also holds a limited partnership interest in a Korea-focused fund, which continues to form part of its diversified investment portfolio. As an LP a Limited Partner, the Group does not control the timing of underlying asset disposals. Following the one-year extension of the fund's term approved at the annual general meeting of partners of the fund held on 27th March 2026, the Directors expect that the investment may be realised in the coming accounting year, subject to market conditions and decisions made by the fund's general partner.

In addition, the Group has commenced participation in the payment-related sector, which has begun to generate initial, though currently immaterial, revenue contributions. The Directors will evaluate this business cautiously with a view to identifying appropriate opportunities for gradual development. As part of its longer-term strategic review, the Group will also continue to assess potential opportunities in other complementary areas from time to time, while remaining disciplined and avoiding premature commitments.

Overall, the Directors remain cautiously optimistic about the Group's prospects for the remainder of the year 2026 and beyond, and are committed to enhancing long-term shareholder value through prudent management, operational optimisation and carefully selected growth initiatives.

Ching Man Chun, Louis, MH
Chairman and Managing Director

Hong Kong, 30th June, 2026

Management Discussion and Analysis

BUSINESS REVIEW

Review of Financial Performance

During the year ended 31st March, 2026 (the “**Current Year**”), the Group, pursuant to its long-term strategy of exploring potential investments and enhancing the value of its strategic investments by active participation through close liaisons with the management of the Group’s invested companies, continued to strategically invest or hold significant interests, in a portfolio of listed companies in Korea and explore high-potential private companies and funds, financial assets and securities, and engaged in trading of commodities, petrochemical storage business, port and port-related services, financial institute business and loan financing services.

For the Current Year, the Group reported a loss of HK\$250,310,000 attributable to the owners of the Company (2025: HK\$175,968,000) and basic loss per share of HK82.68 cents (2025: HK58.12 cents). The Current Year loss was mainly due to unrealized fair value loss of financial instruments, in particular, the Group’s investment in AFC Mercury Fund and an impairment loss on property, plant and equipment and right-of-use assets related to the petrochemical segment.

Trading

During the Current Year, the Group generated a segment revenue of HK\$13,247,000 (2025: HK\$70,285,000) and a segment loss of HK\$1,294,000 (2025: HK\$2,625,000). The management has taken a more prudent approach to control the risk of this segment. Moving forward, the management will closely monitor the macro economy and interest rates outlook before increasing exposure towards the trading business.

Management Discussion and Analysis

BUSINESS REVIEW (continued)

Long-term Strategic Investments

During the Current Year, the Group's long-term investment contributed nil segment revenue (2025: nil) and a segment loss of HK\$95,143,000 (2025: HK\$125,794,000). The segment loss for the Current Year was mainly attributed to the unrealised fair value loss of financial instruments from the Group's investment in AFC Mercury Fund.

AFC Mercury Fund

In June 2018, the Group, through its subsidiary, entered into a subscription agreement with certain independent third parties pursuant to which the Group agreed to subscribe for shares in AFC Mercury Fund, as a limited partner, at an aggregate consideration of US\$20,000,000 (equivalent to approximately HK\$156,000,000).

AFC Mercury Fund principally invests in shares of companies listed on the Korea Exchange, principally STX Corporation Limited (stock code: 011810) and STX Green Logis Ltd. (stock code: 465770). STX Corporation Limited is primarily engaged in the business of energy trading, commodity trading, machinery and engine trading, and STX Green Logis Ltd. is primarily engaged in the business of shipping and logistics. The shares of the AFC Mercury Fund held by the Group represent approximately 29.71% of the issued share capital of the AFC Mercury Fund as at 31st March, 2026.

During the Current Year, an unrealised fair value loss of HK\$83,704,000 (2025: HK\$116,454,000) was made.

Petrochemical

Jiangsu Hong Mao (owned as to 90% by the Group)

The Group invested in Yangtze Prosperity Development (HK) Limited ("**YPD (HK)**") through the capitalisation of a loan in 2019. YPD (HK) is incorporated in Hong Kong as an investment holding company which in turn owns the entire equity interest in Jiangsu Hong Mao, which has been granted a sea area use right in respect of a parcel of reclaimed land constructed on the relevant sea plot in Yangkou Port, Nantong, the PRC and is in the course of constructing infrastructure for operating petrochemical storage and related facilities thereon.

Such investment reinforces the Group's commitment towards sustainable development and will help broaden the income stream of the Group in the future. This business segment has not commenced operation as at 31st March, 2026.

Management Discussion and Analysis

BUSINESS REVIEW (continued)

Petrochemical (continued)

Thousand Vantage (owned as to 65% by the Group)

Thousand Vantage is an investment holding company. Its subsidiaries are principally engaged in the provision of petrochemical port and storage services as well as port-related services through operation of a terminal at Yingling Terminal Operation Area of Qinzhou Port, in Guangxi, the PRC. It has become a subsidiary of the Group on 11th October, 2021.

The assets held by Thousand Vantage and its subsidiaries (the “**Thousand Vantage Group**”) mainly include right-of-use assets (representing land and sea areas use right) and property, plant and equipment thereon (representing mainly port infrastructure, oil tanks and related facilities, plant and machinery and construction in progress).

During the Current Year, the Thousand Vantage Group contributed a revenue of HK\$49,997,000 (2025: HK\$51,494,000) and a loss of HK\$265,721,000 (2025: HK\$65,545,000). The loss in the Current Year was mainly due to an impairment loss on property, plant and equipment and right-of-use assets for HK\$237,046,000 (2025: HK\$53,943,000) as a result of the poor macroeconomic environment in the People’s Republic of China which led to lower consumer demand for petrochemical products. As a result of the decline in demand, the Group recorded less revenue than the forecast prepared in the prior year and thus the Group had recognised the impairment losses.

Financial Institute Business

Our insurance brokerage firm, PT Insurance Brokers Company Limited, a member of the Hong Kong Confederation of Insurance Brokers, is allowed to carry out insurance brokerage business in the long term (including linked) insurance in Hong Kong. This Company was disposed during the Current Year.

Muhabura Capital Limited (“**MCL**”), a subsidiary of the Company incorporated in Mauritius, was granted an investment banking licence by Financial Services Commission of Mauritius (“**FSC**”). It manages a client portfolio with a total asset size of USD13,500,000 (equivalent to HK\$105,300,000). In the Current Year, the gross profit of MCL is HK\$12,307,000 (2025: HK\$8,064,000).

For the Current Year, the Group’s financial institute business reported a segment revenue of HK\$39,370,000 (2025: HK\$18,888,000) and a segment gain of HK\$7,751,000 (2025: HK\$3,736,000). Increase in revenue and profit are attributed to improvement in the business of MCL during the year.

Loan Financing Services

For the Current Year, the Group’s loan financing operation reported nil segment revenue (2025: nil) and a segment loss of HK\$12,000 (2025: segment gain of HK\$515,000).

Other Investment

During the Current Year, the Group’s other investment contributed nil segment revenue (2025: nil) and a segment gain of HK\$4,000 (2025: segment loss of HK\$115,000).

Management Discussion and Analysis

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 31st March, 2026, the Group has total assets of HK\$319,484,000 (2025: HK\$654,715,000) represented a decrease of HK\$335,231,000 or 51.2% when compared with the last year. The decrease was mainly due to the impairment of a cash-generating unit under a subsidiary, Thousand Vantage and unrealised fair value loss of AFC Mercury Fund, during the year.

As at 31st March, 2026, equity attributable to owners of the Company amounted to HK\$-74,839,000 (2025: HK\$173,208,000), representing a decrease of HK\$248,047,000 or 143.2% as compared to 31st March, 2025.

The Group continued to adopt a prudent funding and treasury policy to manage its liquidity needs. The objective is to maintain adequate funds for financing working capital and capture investment opportunities as and when they become available.

As at 31st March, 2026, current assets and current liabilities of the Group were HK\$103,134,000 (2025: HK\$220,679,000) and HK\$608,248,000 (2025: HK\$572,155,000) respectively. Accordingly, the Group's current ratio was about 0.17 (2025: 0.39).

Gearing Ratio

As at 31st March, 2026, the Group had bank balances and cash of HK\$14,506,000 (2025: HK\$33,586,000) and bank and other borrowings of HK\$124,658,000 (2025: HK\$111,354,000). The Group's gearing ratio was -147.2% at 31st March, 2026 (2025: 44.9%). The gearing ratio is calculated on the basis of net borrowings over the equity attributable to owners of the Company. Net borrowings are arrived at by deducting bank balances and cash from bank and other borrowings.

Foreign Currency Management

The monetary assets and liabilities as well as business transactions of the Group are mainly denominated in Hong Kong dollars, Korean Won, Renminbi and United States dollars. Appropriate measures would be undertaken by the Group when exchange rate fluctuations become significant.

Pledge of or Restrictions on Assets

Details of the pledge of or restrictions on assets are set out in note 34 to the consolidated financial statements.

Capital Commitments

Details of the capital commitments are set out in note 33 to the consolidated financial statements.

Management Discussion and Analysis

FINANCIAL REVIEW (continued)

Capital Structure

As at 31st March, 2026, the total number of issued shares and the issued share capital of the Company were 302,742,424 (2025: 302,742,424) and HK\$30,274,242 (2025: HK\$30,274,242) respectively. There was no change in the share capital structure of the Company during the Current Year.

SIGNIFICANT INVESTMENTS

Description of investment	Note	Carrying	Fair value	Carrying	Percentage to
		amount as at 1st April, 2025 HK\$'000	loss recognised in profit and loss HK\$'000	amount as at 31st March, 2026 HK\$'000	the Group's audited total assets as at 31st March, 2026

Unlisted investment, at fair value

– Investment in AFC Mercury

Fund	(a)	114,251	(83,704)	30,547	9.6%
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- (a) This unlisted investment at fair value represents 29.71% of the issued share capital of the AFC Mercury Fund, which principally invests in shares of companies listed on the Korea Exchange, principally STX Corporation Limited (stock code: 011810) and STX Green Logis Ltd. (stock code: 465770). STX Corporation Limited is primarily engaged in the business of energy trading, commodity trading, machinery and engine trading, and STX Green Logis Ltd. is primarily engaged in the business of shipping and logistics.

During the Current Year, an unrealised fair value loss of HK\$83,704,000 (2025: HK\$116,454,000) was recognised in profit or loss.

According to the subscription agreement, unless all partners agree to extend the maturity date and the maturity date of the Fund will be within 12 months after the year ended 31st March, 2025. During the year ended 31st March, 2026, all partners agree to extend the maturity date and the maturity date of the Fund will be within 12 months after the year ended 31st March, 2026. Therefore the financial asset at FVTPL has been classified as current asset as at 31st March, 2026.

As at 31st March, 2026, an underlying investment of the Fund has been suspended from trading. The management has made the best estimation of the fair value of the Fund based on the available information.

Biographies of Directors and Company Secretary

EXECUTIVE DIRECTORS

Mr. Ching Man Chun, Louis, MH (“Mr. Ching”), the Chairman and the Managing Director

Mr. Ching, aged 47, joined the Company as an executive Director in June 2017 and is also a director of various subsidiaries of the Company. Mr. Ching was subsequently appointed as the Chairman of the Board and managing director of the Company in September 2017. Mr. Ching holds a bachelor of arts degree in economics from Boston University in the United States of America. He has extensive experience in commodity trading and business development in the PRC and other countries in Asia and Africa. Mr. Ching was awarded a Medal of Honour by the Government of the Hong Kong Special Administrative Region in July 2026. Mr. Ching is the sole shareholder and sole director of MARCHING GREAT LIMITED, being the controlling shareholder of the Company.

Mr. Ching is now a director and executive chairman of GEM RESOURCES PLC (stock code: GEMR), a company listed on the London Stock Exchange.

Mr. Wong Kung Ho, Alexander (“Mr. Wong KH”)

Mr. Wong KH, aged 51, joined the Group since 2019 and was subsequently appointed as an executive Director of the Company in April 2024. He currently serves as chief executive officer of Muhabura Capital Ltd, a wholly-owned subsidiary of the Group. Mr. Wong KH holds a bachelor of science degree in business administration from Boston University in the United States. He has over 25 years of experience in the finance industry. He worked in Citibank N.A., Hong Kong Branch from October 2002 to June 2004 with the last position as investment consultant, American Express Bank Limited from June 2004 to August 2005 with the last position as head – investment consultant, Citibank (Hong Kong) Limited from August 2005 to March 2006 with the last position as branch manager and American Express Bank Limited from April 2006 to June 2008 with the last position as relationship manager. He also worked in BNP Paribas Wealth Management Hong Kong Branch from June 2008 to September 2016 with the last position as relationship manager.

Biographies of Directors and Company Secretary

NON-EXECUTIVE DIRECTORS

Ms. Wong Man Ming, Melinda (“Ms. Wong”)

Ms. Wong, aged 52, joined the Company as a non-executive Director in October 2023. She was re-designated as an executive Director in February 2025, after which, she acted as director of Muhabura Capital Ltd from April to July 2025. Ms. Wong was subsequently re-designated as a non-executive Director of the Company in July 2025. Ms. Wong holds a bachelor’s degree in business administration (accounting) from Washington State University in the United States. She was a certified public accountant in the state of Washington in 2004, and she is currently a regular member of the American Institute of Certified Public Accountants. She has over 20 years of experience in the accounting and corporate finance industry. Ms. Wong started her career with Deloitte Touche Tohmatsu, an international audit firm, in 1999. In 2003, Ms. Wong joined Rexpacital (Hong Kong) Limited and commenced her career in the corporate finance field. Throughout the period from August 2004 to July 2011, Ms. Wong worked in the investment banking or corporate finance departments of Shang International Finance Limited (formerly known as Somerley Capital Limited), UOB Asia (Hong Kong) Limited, Macquarie Capital (Hong Kong) Limited, and Optima Capital Limited respectively, where she was involved in a wide range of takeovers, mergers and acquisitions, initial public offerings, privatisations and other corporate finance advisory work for Hong Kong listed issuers. From August 2011 to January 2019, Ms. Wong worked at the Listed Issuer Regulation team of the Listing Division of Hong Kong Exchanges and Clearing Limited, primarily responsible for monitoring listed issuers’ compliance with the Listing Rules. In January 2019, Ms. Wong rejoined Optima Capital Limited as a director in the corporate finance department and remained in such position until September 2022.

Ms. Wong is now an independent non-executive director of KWG Group Holdings Limited (stock code: 1813), a company listed on the Hong Kong Stock Exchange.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yam Kwong Chun (“Mr. Yam”)

Mr. Yam, aged 61, joined the Company as an independent non-executive Director in March 2017 and is the chairman of Nomination Committee and a member of the Audit Committee, Remuneration Committee and Corporate Governance Committee of the Company. Mr. Yam holds a bachelor of commerce degree and a master of business administration, both from University of Melbourne in Australia. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and a certified practising accountant of the CPA Australia. Mr. Yam had worked for Deloitte Touche Tohmatsu, an international accounting firm and as a finance executive for a number of group of companies operating in Hong Kong, the PRC, the United States of America and other overseas countries. Mr. Yam has extensive experience in auditing, accounting and financial management. Mr. Yam was an independent non-executive director of Reliance Global Holdings Limited (stock code: 723) from December 2017 to December 2024, a company listed on the Hong Kong Stock Exchange.

Biographies of Directors and Company Secretary

INDEPENDENT NON-EXECUTIVE DIRECTORS (continued)

Mr. Wong Yee Shuen, Wilson (“Mr. Wong”)

Mr. Wong, aged 59, joined the Company as an independent non-executive Director in November 2017 and is the chairman of the Audit Committee, a member of Remuneration Committee, Nomination Committee and Corporate Governance Committee of the Company. Mr. Wong is a fellow member of the Hong Kong Institute of Certified Public Accountants and a member of Australia CPA and Australian Institute of Banking and Finance. He holds a master of commerce, majoring in banking and finance from University of New South Wales. With more than 20 years’ experience in audit/assurance at public accounting firms including PricewaterhouseCoopers and Ernst and Young, Mr. Wong specialised in banking audits and auditing listed companies. Mr. Wong was an independent non-executive director of Ping An Securities Group (Holdings) Limited (Stock Code: 231) from February 2020 to November 2022, a company listed on the Hong Kong Stock Exchange.

Mr. Wong is now an independent non-executive director of China Pipe Group Limited (stock code: 380), a company listed on the Hong Kong Stock Exchange.

Mr. Lam Yik Tung (“Mr. Lam”)

Mr. Lam, aged 50, joined the Company as an independent non-executive Director in July 2019 and is the chairman of Remuneration Committee, a member of the Audit Committee, Nomination Committee and Corporate Governance Committee of the Company. Mr. Lam holds a bachelor of business administration degree majoring in finance and accounting from Simon Fraser University in Canada. He has accumulated over 20 years of corporate finance, auditing and accounting experience from a European investment bank and an international accounting firm.

COMPANY SECRETARY

Ms. Lo Yuen Mei (“Ms. Lo”)

Ms. Lo was appointed as Company Secretary in October 2019. Ms. Lo holds a bachelor of arts (honours) degree majoring in accounting from Edinburgh Napier University and subsequently obtained a master of professional accounting from The Hong Kong Polytechnic University. Her first job was in an audit firm in Hong Kong as an audit trainee. She has over 20 years of experience in company secretarial, finance, accounting, compliance and internal auditing and worked for various listed and unlisted companies in Hong Kong and Singapore, in the fields of construction, liquefied petroleum gas trading, commodities trading, metal and plastic packaging, insurance, property development, financial media and securities companies. Ms. Lo had previously served as the company secretary of Richly Field China Development Limited (stock code: 313), a company listed on the Hong Kong Stock Exchange from 2012 to 2015. Ms. Lo is currently a member of The Hong Kong Institute of Certified Public Accountants.

Directors' Report

The Board is pleased to present this annual report together with audited consolidated financial statements of the Group for the Current Year.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. A list of the Company's principal subsidiaries as of 31st March, 2026 and details of the principal activities of the Company's principal subsidiaries are set out in note 38 to the consolidated financial statements.

Further discussion and analysis of the Group's business review as required by Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), including a discussion of the principal risks and uncertainties facing the Group, particulars of important events affecting the Group that have occurred since the end of the financial year and an indication of likely future developments in the Group's business, can be found in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" set out on pages 4 to 10 of this annual report. This discussion forms part of this Directors' report.

RESULTS

Details of the Group's results for the Current Year are set out in the consolidated statement of profit or loss and other comprehensive income on pages 97 to 98 of this annual report.

FINAL DIVIDEND

The Board has resolved not to recommend the payment of a final dividend for the Current Year (2025: nil).

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the last five financial years is set out on page 184 of this annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Current Year are set out in note 16 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the authorised and issued share capital of the Company during the Current Year are set out in note 28 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group and the Company during the Current Year are set out in the consolidated statement of changes in equity on page 101 of this annual report and note 37 to the consolidated financial statements respectively.

Directors' Report

DISTRIBUTABLE RESERVES

The Company has no distributable reserves as at 31st March, 2026 and 2025.

DIRECTORS

The Directors who held office during the Current Year and up to the date of this annual report are:

Executive Directors:

Mr. Ching Man Chun, Louis, MH (*Chairman and Managing Director*)

Mr. Yeung Kim Ting (*resigned on 30th November, 2025*)

Mr. Wong Kung Ho, Alexander

Non-executive Director:

Ms. Wong Man Ming, Melinda (*re-designated from executive Director to non-executive Director on 26th July, 2025*)

Independent Non-executive Directors:

Mr. Yam Kwong Chun

Mr. Wong Yee Shuen, Wilson

Mr. Lam Yik Tung

Pursuant to bye-law 98 of the Bye-laws and the code provision B.2.2 of Part 2 of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules, Ms. Wong Man Ming, Melinda and Mr. Yam Kwong Chun will retire from office by rotation at the 2026 AGM and, being eligible, offer themselves for re-election.

DIRECTORS' SERVICE CONTRACTS

None of the Directors proposed for re-election at the forthcoming AGM has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Non-executive Directors (including independent non-executive Directors) are appointed for a term of twelve-month period which automatically renews for successive twelve-month period unless terminated by either party in writing prior to the expiry of the term, subject to retirement by rotation and re-election in accordance with the Bye-laws.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

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

Directors' Report

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31st March, 2026, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or, as the case may be, the percentage in the equity interest and debentures of the Company or its associated corporations (within the meaning of the SFO), which were required (i) to be notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or deemed to have under such provisions of the SFO), or (ii) pursuant to Section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Listing Rules, to be notified to the Company and the Hong Kong Stock Exchange were as follows:

Long positions in shares, underlying shares and debentures of the Company

Name of Director	Capacity	Number of issued shares held	Approximate percentage of the issued shares of the Company
Mr. Ching Man Chun, Louis, MH ("Mr. Ching")	Interest of controlled corporation	153,897,353 (Note)	50.83%

Note:

The 153,897,353 shares of the Company are beneficially owned by MARCHING GREAT LIMITED ("MARCHING GREAT"), which is wholly and beneficially owned by Mr. Ching. Mr. Ching is also the sole director of MARCHING GREAT. Accordingly, Mr. Ching is deemed to be interested in 153,897,353 shares of the Company directly held by MARCHING GREAT under the SFO.

Save as disclosed above, as at 31st March, 2026, none of the Directors and chief executive of the Company or any of their close associates had any interests and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations as recorded in the register required to be maintained by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

PERMITTED INDEMNITY PROVISIONS

Pursuant to the Bye-laws, every Director or other officer of the Company for the time being acting in relation to any affairs of the Company shall be indemnified out of the assets of the Company against all costs, charges, expenses, losses and liabilities which he/she may sustain or incur in or about the execution of his/her office or otherwise in relation thereto, and no director or other officer shall be liable for any loss, misfortune or damage which may happen in the execution of his/her office or in relation thereto provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of the directors or other officers. The Company has arranged appropriate insurance cover for directors' and officers' liabilities in respect of legal actions against its directors and officers arising out of corporate activities. The level of the coverage is reviewed annually.

Directors' Report

DIRECTORS' REMUNERATION

Details of the Directors' remuneration are set out in note 6 to the consolidated financial statements.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year and up to the date of this report, none of the Directors or their respective close associates (as defined in the Listing Rules) were considered to have an interest in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as required to be disclosed pursuant to Rule 8.10 of the Listing Rules, other than those businesses of which the Directors were appointed to represent the interests of the Company and/or the Group.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Saved as disclosed in note 36 to the consolidated financial statements, no transactions, arrangements or contracts of significance to which the Company or any of its subsidiaries or fellow subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, which subsisted at the end of the Current Year or at any time during the Current Year.

CONTROLLING SHAREHOLDER'S INTEREST IN CONTRACTS OF SIGNIFICANCE

Save as otherwise disclosed, neither the Company or any of its subsidiaries had any contract of significance with its controlling shareholder or any of its subsidiaries, nor any contract of significance for the provision of services to the Company or any of its subsidiaries by the controlling shareholder of the Company or any of its subsidiaries during the Current Year.

CHANGES IN INFORMATION IN RESPECT OF DIRECTORS

Pursuant to Rule 13.51B of the Listing Rules, the changes in information of Directors subsequent to the date of the 2025/26 Interim Report of the Company and up to the date of this report are set out below:

1. Mr. Ching Man Chun, Louis, MH has been appointed as a director and executive chairman of GEM RESOURCES PLC (stock code: GEMR) on 3rd September, 2025, the shares of which are listed on the London Stock Exchange.
2. Mr. Yeung Kim Ting resigned as an executive Director of the Company with effect from 30th November, 2025.

Changes in directors' emoluments during the Current Year are set out in note 6 to the consolidated financial statements.

Directors' Report

SHARE OPTION SCHEME

The existing share option scheme of the Company (the “**Share Option Scheme**”) shall be valid and effective for a period of 10 years until 19th August, 2031. As a result of the share consolidation of every ten (10) existing shares in the share capital of the Company into one (1) consolidated share in the share capital of the Company becoming effective on 11th December, 2024 and in accordance with the Share Option Scheme, the maximum number of share options which can be granted under the Share Option Scheme, being initially 201,828,282 Shares, was adjusted for the share consolidation pursuant to the terms of the Share Option Scheme to 20,182,828 Shares, representing 6.67% of the number of shares in issue of the Company as at the date of this report. There was no service provider sublimit under the Share Option Scheme.

The purpose of the Share Option Scheme is to provide incentive or reward to eligible persons for their contributions to, and continuing efforts to promote the interests of, the Company or any of its subsidiaries and/or any of its invested entities.

Pursuant to the Share Option Scheme, the Board may, on or before 19th August, 2031, in its absolute discretion, subject to the terms of the Share Option Scheme, offer to grant share options to, inter alia, (i) employees (whether full time or part time), executive or non-executive directors of the Company or any of its subsidiaries or any of its invested entities; (ii) any shareholders of the Company or any of its subsidiaries or any of its invested entities; (iii) any advisors (professional or otherwise), consultants, any person or entity who has contributed or will contribute to the growth and development of the Group; (iv) suppliers, (v) customers; (vi) any person or entity that provides research, development or other technological support to any member of the Group or any of its invested entities; and (vii) joint venture partners, business alliance partners or any person or entity who has contributed or may contribute by way of other business arrangement to the development and growth of the Group.

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option scheme(s) adopted by the Group shall not, in aggregate, exceed 30% of the share capital of the Company in issue from time to time.

The exercise price in respect of any options shall be at the discretion of the Board (subject to any adjustments made pursuant to the Share Option Scheme), provided that it shall not be lower than the nominal value of the shares of the Company and shall be the highest of (i) the closing price of the shares of the Company as stated in the Hong Kong Stock Exchange's daily quotations sheet on the date of the offer, which must be a business day; and (ii) the average closing price of the shares of the Company as stated in the Hong Kong Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the offer.

Directors' Report

SHARE OPTION SCHEME (continued)

The Board may in its absolute discretion determine the period in respect of any options, save that such period shall not be more than 10 years from the date of the grant of option, and the minimum period for which a share option must be held before it can be exercised. Unless otherwise determined by the Board and stated in the offer to a grantee, the Share Option Scheme does not specify a minimum period for which an option must be held nor a performance target which must be achieved before an option can be exercised.

The Share Option Scheme shall be valid and effective for a period of ten years commencing on the adoption date i.e. 20th August, 2021. The total number of shares issued and to be issued upon exercise of the share options and the options granted under any other share option scheme of the Group (including both exercised or outstanding options) to each eligible participant in any 12-month period shall not exceed 1% of the number of shares in issue of the Company for the time being. Where any further grant of share options to an eligible participant under the Share Option Scheme would result in the total number of Shares issued and to be issued upon exercise of all share options granted and proposed to be granted to such person (including exercised, cancelled and outstanding options) under the Share Option Scheme and any other share option schemes of the Group in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the number of Shares in issue, such further grant must be separately approved by Shareholders in general meeting with such eligible participate and his close associates (or his associates if the participant is a connected person) abstaining from voting.

Any grant of share options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the shares issued and to be issued upon exercise of all share options already granted and to be granted (including share options exercised, cancelled or outstanding) to such person in the 12-month period up to and including the date of such grant: (i) representing in aggregate over 0.1% of the number of shares in issue; and (ii) having an aggregate value, based on the closing price of the shares as stated in the Hong Kong Stock Exchange's daily quotations sheets on each relevant date on which the grant of such options is made to (and subject to acceptance by) such person under the relevant scheme, in excess of HK\$5,000,000, such further grant of share options shall be subject to prior approval by resolution of the shareholders of the Company (voting by way of poll).

An offer under the Share Option Scheme shall remain open for acceptance by the eligible participant concerned for 21 days from the date of the grant of option. A consideration of HK\$1.00 is payable on acceptance of the offer of the grant of share option.

As at 31st March, 2026, there was no share option was outstanding or had been granted or agreed to be granted under the Share Option Scheme. No options were ever granted under the Share Option Scheme. Details of the Share Option Scheme of the Company are set out in note 29 to the consolidated financial statements.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBT SECURITIES

At no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the directors or the chief executive of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate and none of the directors, the chief executive, their spouses or children under the age of 18 had any right to subscribe for securities of the Company, or had exercised any such right during the year ended 31st March, 2026.

Directors' Report

VOLUNTARY CONDITIONAL CASH OFFER

In April 2025, MARCHING GREAT LIMITED (“**MARCHING GREAT**” or the “**Offeror**”) and the Company jointly announced, among others, the voluntary conditional general cash offer made by the Offeror to acquire all the issued shares (“**Offer Share(s)**”) of the Company (other than those already owned by the Offeror and parties acting in concert with it) at an offer price of HK\$0.175 per Offer Share (the “**Offer**”) in accordance with the Takeovers Code. The Offer closed on 5th June, 2025. MARCHING GREAT had received valid acceptances in respect of a total of 65,697,353 Offer Shares, representing approximately 21.7% of the then entire issued share capital of the Company. Since then, Mr. Ching Man Chun, Louis, MH has become the controlling shareholder of the Company. At the close of the Offer and up to the date of this annual report, Mr. Ching Man Chun, Louis, MH has an aggregate (both direct and deemed) interest of approximately 50.83% in the total issued shares of the Company.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

Save as disclosed below, as at 31st March, 2026, the Directors and chief executive of the Company are not aware of any person who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of the SFO:

Name of Substantial Shareholders	Capacity	Number of issued shares held	Approximate percentage of the issued shares of the Company
Mr. Ching	Interest of controlled corporation	153,897,353 (Note 1 & 2)	50.83%
MARCHING GREAT	Beneficial owner	153,897,353 (Note 2)	50.83%
Mr. Zhu Bin (“ Mr. Zhu ”)	Beneficial owner	31,288,276 (Note 3)	10.33%
	Interest of controlled corporation	234,000 (Note 3)	0.07%

Directors' Report

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS DISCLOSEABLE UNDER THE SFO (continued)

Notes:

- (1) The 153,897,353 shares of the Company are beneficially owned by MARCHING GREAT, which is wholly and beneficially owned by Mr. Ching. Mr. Ching is also the sole director of MARCHING GREAT. Accordingly, Mr. Ching is deemed to be interested in 153,897,353 shares of the Company directly held by MARCHING GREAT under the SFO.
- (2) On 12th November, 2025, there was a shares transfer completed for the purpose of simplification of the shareholding structure of the controlling Shareholder, whereby each of Mr. Ching and Champion Choice Holdings Limited has respectively transferred their respective shareholding, being 15,000,000 Shares and 73,200,000 Shares respectively, to MARCHING GREAT at a nominal consideration of HK\$1 and HK\$1 respectively. Upon completion of the shares transfer, Mr. Ching, through MARCHING GREAT, continues to be interested in 153,897,353 Shares (representing approximately 50.83% of the issued share capital of the Company) and remain as the controlling Shareholder. Details of which were disclosed in the Company's announcement dated 12th November, 2025.
- (3) Based on the disclosure of interest filing of Mr. Zhu as at 18th August, 2023, Mr. Zhu owns 31,288,276 shares of the Company and owns the entire issued share capital of One Perfect Group Ltd ("**One Perfect**"), which holds 234,000 shares of the Company. Accordingly, Mr. Zhu is deemed to be interested in 234,000 shares of the Company held by One Perfect under the SFO.

Directors' Report

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Bye-laws or the applicable laws of Bermuda, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

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

During the Current Year, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

MAJOR CUSTOMERS AND SUPPLIERS

During the Current Year, the Group's sales and purchases attributable to the major customers and suppliers respectively were as follows:

	Customers percentage of total sales	Suppliers percentage of total purchases
Five largest	38%	47%
The largest	14%	26%

None of the Directors, or any of their close associates or any Shareholders (which to the best knowledge of the Directors, own more than 5% of the Company's issued shares) had any beneficial interest in the Group's five largest customers or suppliers during the Current Year.

BORROWINGS

As at 31st March, 2026, the Group had bank and other borrowings of HK\$124,658,000 (2025: HK\$111,354,000).

EQUITY-LINKED AGREEMENTS

Save for the share option scheme of the Company disclosed in the section headed "Share Option Scheme" above, no equity-linked agreement was entered into by the Company during the Current Year or subsisted as at 31st March, 2026.

MANAGEMENT CONTRACTS

Other than a contract of service with any Director or any person under the full employment of the Company, no other contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Current Year.

Directors' Report

CONNECTED TRANSACTION

On 12th February, 2026, the Company (as borrower) entered into a loan agreement with Mr. Ching Man Chun, Louis, MH, the controlling shareholder of the Company (as lender), who agreed to provide a loan of an aggregate sum of HK\$5,000,000 to the Company. Since Mr. Ching Man Chun, Louis, MH is a connected person of the Company and the loan transactions were on normal commercial terms or better, and without granting any security over the Group's assets in respect of the loan transactions. Pursuant to Rule 14A.90 of the Listing Rules, such connected transactions are fully exempt from reporting, annual review, announcement and independent Shareholders' approval requirements.

COMPLIANCE WITH LAWS AND REGULATIONS

As far as the Company is aware, there was no incidence of non-compliance with the all applicable laws and regulations that had a significant impact on the businesses and operations of the Group during the Current Year.

KEY RELATIONSHIPS WITH STAKEHOLDERS

The Group recognises that government and regulators, shareholders, business partners, customers, natural environment and employees are key stakeholders of the Group's success. The Group has put effort to achieve corporate sustainability through engaging employees, providing quality services to customers and collaborating with business partners to deliver sustainable products and services to the market. For more detailed information, details of which was disclosed in the "Environmental, Social and Governance Report" on pages 62 to 64 of this annual report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

The Group is committed to maintain a high standard of environmental, social and corporate governance ("ESG") practices to ensure business development and sustainability. The Group made efforts to reduce our consumption of energy and natural resources in the course of its operations. More information about the Group's ESG performance is set out in the section headed "Environmental, Social and Governance Report" on pages 59 to 92 of this annual report.

EMPLOYEES AND REMUNERATION POLICY

As at 31st March, 2026, the Group had a total of 148 employees (2025: 154 employees), including executive Directors. The Group's remuneration policy is to ensure that the Group's remuneration structure is appropriate and aligns with the Group's goals and objectives. The employees' remuneration is based on the employees' skill, knowledge and involvement in the Company's affairs and is determined by reference to the Company's performance, as well as remuneration benchmark in the industry and the prevailing market conditions. The ultimate objective of the remuneration policy is to ensure that the Group is able to attract, retain and motivate a high-calibre team which is essential to the success of the Company. The Group also offers benefits to employees including discretionary bonus, training and provident funds. The share option scheme of the Company is established for the eligible participants (including employees). No share option was granted during the Current Year and there was no outstanding share option as at 31st March, 2026 and as at the date of this report.

Directors' Report

TAX RELIEF

The Company is not aware of any relief from taxation available to Shareholders by reason of their holdings in the shares of the Company. Intending holders and investors of the Company's shares are recommended to consult their professional advisers if they are in any doubt as to the taxation implications (including tax relief) of subscribing for, purchasing, holding, disposing of or dealing in shares. It is emphasised that none of the Company or its Directors or officers will accept any responsibility for any tax effect on, or liabilities of, holders of shares in the Company resulting from their subscription for, purchase, holding, disposal of or dealing in such Shares.

DONATION

During the Year, the Group made charitable donation amounted to HK\$113,430 to support victims of the Wang Fuk Court fire in Tai Po, Hong Kong (2025: Nil).

SUFFICIENCY OF PUBLIC FLOAT

The applicable public float threshold for the Company is the initial prescribed threshold of at least 25% of the total number of issued shares of the Company (excluding treasury shares, if any) held by the public.

As at 31st March, 2026, the total issued share capital of the Company amounted to approximately HK\$30,274,000, comprising 302,742,424 ordinary shares of HK\$0.1 each. The Company has one class of shares in issue, which ranks pari passu with each other in all respects.

Based on the information publicly available to the Company or otherwise within the knowledge of the Directors as at the date of this report, the Company has complied with the prescribed public float requirements under Rule 13.32B of the Listing Rules as at 31st March, 2026.

As at 31st March, 2026, approximately 49.17% of the total number of issued shares of the Company (excluding treasury shares, if any) were held by the public.

LITIGATIONS

The Group was involved in certain litigations, details of which are set out in note 41 to the consolidated financial statements.

Material Acquisitions or Disposals and Future Plans for Material Investment

During the Current Year, there was no material acquisitions or disposals of subsidiaries, associates or joint ventures nor were there material investments authorised by the Board at the date of this report.

Directors' Report

AUDIT COMMITTEE

The members of Audit Committee comprised of Mr. Wong Yee Shuen, Wilson, Mr. Yam Kwong Chun and Mr. Lam Yik Tung who are the independent non-executive Directors of the Company. The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the audited consolidated financial statements of the Group for the year ended 31st March, 2026 with management and discussed with the independent auditor on auditing, internal control and financial reporting matters in respect of this annual report.

AUDITOR

The consolidated financial statements have been audited by Messrs. Deloitte Touche Tohmatsu, and they shall retire as auditor of the Company upon the expiration of its current term of office with effect from the conclusion of the forthcoming annual general meeting. A resolution for the re-appointment or appointment of auditor of the Company is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

Ching Man Chun, Louis, MH
Chairman and Managing Director

Hong Kong, 30th June, 2026

Corporate Governance Report

The Board is committed to maintaining a high standard of corporate governance practices and procedures and complying with statutory and regulatory requirements with an aim to maximizing the values and interests of the Shareholders as well as enhancing the transparency and accountability to the stakeholders.

CORPORATE GOVERNANCE

The Company adopted the CG Code contained in Appendix C1 to the Listing Rules as its policies and practices on corporate governance.

The Board is responsible for performing the corporate governance duties, including developing and reviewing the Company's policies and practices on corporate governance, reviewing and monitoring the trainings and continuous professional development of the Directors, reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements and reviewing the Company's compliance with the CG Code and disclosure in the Corporate Governance Report. In addition, the Board has also designated corporate governance committee under the Board to assist in the performance of corporate governance duties.

In the opinion of the Directors, the Company had complied with the code provisions set out in Part 2 of the CG Code throughout the year ended 31st March, 2026 except for the following deviations with reasons as explained:

Code Provision C.2.1 of Part 2 of the CG Code

Under the code provision C.2.1 of Part 2 of the CG Code, it stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

Deviation:

Mr. Ching Man Chun, Louis, MH, an executive Director of the Company, has taken up the positions of the Chairman of the Board and the managing director of the Company with effect from 30th September, 2017. The Board considers that vesting the roles of chairman and chief executive in the same person enables more effective and efficient planning and implementation of business plans, the Board also believes that the balance of power and authority is adequately ensured.

Code Provision D.1.2 of Part 2 of the CG Code

Under the code provision D.1.2 of Part 2 of the CG Code, it stipulates that the management should provide the Board with monthly updates, giving a balanced and understandable assessment of the Group's financial and operating performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties under rule 3.08 and Chapter 13 of the Listing Rules.

Deviation:

Management considers that quarterly updates and periodic instant updates when developments arising out of the ordinary business instead of monthly updates are sufficient for the Board to discharge its duties.

Management will continue to provide the Board, in a timely manner, updates on any material changes to the performance, position and prospects of the Company, which are considered to be sufficient for the Board to discharge its duties and allow each Director to give a balanced and understandable assessment of the same to serve the purpose required by the code provision D.1.2.

Corporate Governance Report

CORPORATE GOVERNANCE (continued)

Code Provision F.1.3 of Part 2 of the CG Code

Under the code provision F.1.3 of Part 2 of the CG Code, it provides that the Chairman of the Board should attend the annual general meeting of the Company.

Deviation:

Mr. Ching Man Chun, Louis, MH, the Chairman of the Board, was unable to attend the annual general meeting of the Company held on 12th August, 2025 (the “**2025 AGM**”) due to his other business commitment. Mr. Wong Kung Ho, Alexander, an executive Director, was appointed to chair the 2025 AGM in replying to questions raised by shareholders of the Company at the 2025 AGM.

Except as stated above, the Company has continued to comply with the applicable code provisions of the CG Code. The Board will continue to monitor and review the Company’s corporate governance practices to ensure compliance with the CG Code.

Corporate Governance Report

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has continued to adopt the Model Code set out in Appendix C3 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors of the Company. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standard set out in the Model Code throughout the Current Year. The Company has also continued to adopt a code of conduct governing securities transactions by employees and directors of the subsidiaries who may possess or have access to inside information relating to the Company or its securities.

BOARD OF DIRECTORS

Board Composition and Functions

The members of the Board are individually and collectively responsible for the leadership and control, and for promoting the success, of the Company by directing and supervising the Company's affairs. At the date of this report, the Board comprises of six Directors, including two executive Directors, namely Mr. Ching Man Chun, Louis, MH (*Chairman and Managing Director*) and Mr. Wong Kung Ho Alexander; one non-executive Director, namely Ms. Wong Man Ming, Melinda; and three independent non-executive Directors, namely Mr. Yam Kwong Chun, Mr. Wong Yee Shuen, Wilson and Mr. Lam Yik Tung. Each of the Directors has signed a formal letter of appointment setting out the key terms and conditions of their appointments.

The Board has a balanced composition of executive and independent non-executive Directors so that strong independent elements are included in the Board. The Company has always maintained a sufficient number of independent non-executive Directors representing more than one-third of the Board as required under Rule 3.10A of the Listing Rules. With three members of the Board being independent non-executive Directors who possess professional expertise and a diverse range of experience, the Board can effectively and efficiently exercise independent judgment, give independent advice to the management of the Company and make decisions objectively to the benefits and in the interests of the Company and the Shareholders as a whole.

The Company recognises and embraces the benefits of having a diverse Board and therefore has adopted a policy of diversity on the Board (the "**Board Diversity Policy**"). With a view to achieving a sustainable and balanced development, the Company believes increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. Board diversity would be considered based on a number of measurable objectives, including but not limited to skills, knowledge, experience, gender, age, length of services and cultural and educational background. All Board candidates will be considered and appointed based on meritocracy, contribution that the selected candidates will bring to the Board against objective criteria, having due regard for the benefits of diversity on the Board. The nomination committee has obligation to review the size, structure and composition of the Board on an annual basis.

Corporate Governance Report

BOARD OF DIRECTORS (continued)

Board Composition and Functions (continued)

During the reporting period, the Company has a solid slate of Directors with diverse perspectives, and varied educational background and professional qualifications. All of the Directors have accumulated experience in their respective field of expertise, and made use of their talent and experience to bring sustainable growth to the Company. Biographical details of the Directors are set out on pages 11 to 13 of this annual report. A list containing the names of all Directors and their roles and functions is published on the respective websites of the Hong Kong Stock Exchange and the Company pursuant to code provision B.1.2 of the CG Code, and will be updated from time to time as and when there are any changes.

The Board is responsible for the success and sustainable development of the Company. It has delegated the Executive Board with authority and responsibility for handling the management functions and operations of the day-to-day business of the Company, while reserving certain key matters for the approval by the Board. The types of decisions to be taken by the Board include annual and interim period financial reporting and control, equity fund raising, declaration of interim dividend and making recommendation of final dividend or other distributions, notifiable transactions under Chapters 14 and 14A of the Listing Rules and making recommendation for capital reorganisation or scheme of arrangement of the Company.

The Board monitors the results of business plans implemented by the management; reviews and approves the Company's financial objectives, plans and major financial activities; establishes the internal control system and the risk management system of the Company and discusses with the management regularly to ensure that such systems are operating effectively. The Board promotes a culture of integrity at the Company and requires all Directors and the management to comply with guidance related to integrity and ethics, including conflicts of interest, related party transactions and the treatment of confidential information. At the date of this report, the Board members have no other financial, business, family or other material or relevant relationships with each other.

Director's Training

Every newly appointed Director of the Company will receive an induction training on the general duties of a director of a listed issuer under applicable legal and regulatory requirements and he or she will receive legal advice from the legal adviser of the Company as regards the requirements under the Listing Rules that are applicable to him or her as a Director of the Company and the possible consequences of making a false declaration or giving false information to the Stock Exchange.

Corporate Governance Report

BOARD OF DIRECTORS (continued)

Director's Training (continued)

As part of an ongoing process of Director's training, the Directors keep abreast of the latest developments to enhance and refresh their knowledge and skills. All Directors are provided with briefings and trainings to ensure that they have a proper understanding of the Company's operations and business and are fully aware of their responsibilities under Listing Rules, other relevant laws and regulations. During the Current Year, each of the Directors of the Company participated in continuous professional development to develop and refresh his or her knowledge and skills as detailed in the following table. The Company is responsible for arranging and funding suitable training, placing and appropriate emphasis on the roles, functions and duties of a listed company director. All Directors are required to provide the Company with their training records. The Company has received from the Directors the confirmations on taking continuous professional training during the Current Year.

A summary of training received by the Directors during the year ended 31st March, 2026 based on their training records provided to the Company is as follows:

Name of Director	Types of training	
	Attending webinars or seminars ⁽¹⁾ on various topics ⁽²⁾	Reading materials relevant to the Company or its business and attending corporate events ⁽³⁾
Executive Directors		
Mr. Ching Man Chun, Louis, MH (<i>Chairman and Managing Director</i>)	✓	✓
Mr. Wong Kung Ho, Alexander	✓	✓
Non-executive Director		
Ms. Wong Man Ming, Melinda (<i>re-designated from executive Director to non-executive Director on 26th July, 2025</i>)	✓	✓
Independent Non-executive Directors		
Mr. Yam Kwong Chun	✓	✓
Mr. Wong Yee Shuen, Wilson	✓	✓
Mr. Lam Yik Tung	✓	✓

Notes: (1) by way of external training provided by a legal firm engaged by the Company

(2) Topics include board roles and effectiveness, legal and regulatory obligations, corporate governance and environmental, social and governance, risk management and internal controls, industry and business trends, anti-corruption and anti-money laundering

(3) by way of internal training provided by the Company

Corporate Governance Report

ATTENDANCE AT MEETINGS

During the Current Year, four regular Board meetings were held with at least fourteen days' notice given to all Directors. Directors were provided with relevant information to make informed decisions. The Chairman met with the independent non-executive Directors without the executive Directors being present during the Current Year. The Board and each Director have separate and independent access to the Company's senior management. A Director who considers a need for independent professional advice in order to perform his/her duties as a Director may convene, or request the secretary of the Company (the "**Company Secretary**") to convene, a meeting of the Board to approve the seeking of independent legal or other professional advice.

The Company has arranged insurance coverage in respect of legal action against the Directors and officers arising out of their duties. Such insurance coverage will review periodically to ensure the adequacy of its coverage.

Corporate Governance Report

ATTENDANCE AT MEETINGS (continued)

During the Current Year, the attendance records of each individual Director at Board meetings, audit committee meetings (“**ACM**”), corporate governance committee meetings (“**CGCM**”), nomination committee meetings (“**NCM**”), remuneration committee meetings (“**RCM**”) and the 2025 AGM are set out in the following table:

Name of Director	Number of meetings attended/held					2025 AGM
	Board Meetings	ACM	CGCM	NCM	RCM	
Executive Directors						
Mr. Ching Man Chun, Louis, MH <i>(Chairman and Managing Director)</i>	4/4	N/A	2/2	N/A	N/A	0/1
Mr. Yeung Kim Ting <i>(resigned on 30th November, 2025)</i>	3/3	N/A	N/A	N/A	N/A	1/1
Mr. Wong Kung Ho, Alexander	4/4	N/A	N/A	N/A	N/A	1/1
Non-executive Director						
Ms. Wong Man Ming, Melinda <i>(re-designated from executive Director to non-executive Director on 26th July, 2025)</i>	4/4	N/A	N/A	1/4	N/A	1/1
Independent Non-executive Directors						
Mr. Yam Kwong Chun	4/4	2/2	2/2	4/4	2/2	1/1
Mr. Wong Yee Shuen, Wilson	4/4	2/2	2/2	4/4	2/2	1/1
Mr. Lam Yik Tung	4/4	2/2	2/2	4/4	2/2	1/1

CHAIRMAN AND MANAGING DIRECTOR

The Chairman provides leadership to the Board and is responsible for monitoring board effectiveness and shareholder communications, while the role of managing director is responsible for the overall management of the Group and overseeing the Group’s business activities. During the Current Year, the positions of the Chairman and managing director have been taken up by Mr. Ching Man Chun, Louis, MH.

Corporate Governance Report

NON-EXECUTIVE DIRECTORS

All non-executive Directors (including independent non-executive Director(s) (“INED” or “INEDs”) have respectively entered into a letter of appointment with the Company for a term of twelve months which automatically renews for successive twelve-month periods but subject to retirement by rotation in accordance with the Bye-laws as amended from time to time and the requirements of the Listing Rules.

Non-executive Directors (including INEDs) are highly skilled professionals with expertise and experience in the fields of accounting, finance and business. Their skills and expertise can ensure that strong independent views and judgements are brought in the Board’s deliberations and that such views and judgements carry weight in the Board’s decision-making process. Their presence and participation also enable the Board to maintain high standards of compliance with financial and other mandatory reporting requirements and provide adequate checks and balances to safeguard the interests of Shareholders and the Company.

BOARD INDEPENDENCE

The Company has established the following mechanism to ensure independent views and input are available to the Board:

Board Independence Mechanism

1. The Directors shall apply fiduciary duties and duties of skill, care and diligence to the Company. To fulfil the responsibilities as a Director, he or she shall proactively express his or her independent views and input to the Board, either verbally or in writing, which are in the interests of the Company.
2. The Chairman should promote a culture of openness and debate by facilitating the effective contribution of non-executive Directors in particular and ensuring that the Directors feel at ease while expressing their views and input to the Board.
3. At any time, any Director may, and the Company Secretary on requisition of any Director shall, summon a meeting of the Board. The Chairman should ensure that all Directors are given an opportunity to include matters in the agenda for Board meetings.
4. The Chairman should at least annually hold meetings with INEDs without the presence of other Directors. Where necessary, INED(s) can request for additional meeting(s) with the Chairman individually or jointly with other INEDs to express their views and input.

Corporate Governance Report

BOARD INDEPENDENCE (continued)

Board Independence Mechanism (continued)

5. If a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter should be dealt with by a physical Board meeting rather than a written resolution. INEDs who, and whose close associates, have no material interest in the transaction should be present at that Board meeting to express their views and input on the matter.
6. A Director who has a material interest in a contract, arrangement, proposal or matter to be considered by the Board, shall not vote or be counted in the quorum on any Board resolution approving the same.
7. Directors, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense, to assist them in the performance of their duties to the Company.
8. Any Director who raises his or her concern about any suspected fraud, malpractice, misconduct or irregularity of the Company and/or its subsidiaries shall have the matter investigated according to the Whistleblowing Policy adopted by the Board.
9. Nomination Committee should assist the Board in reviewing the implementation and effectiveness of the mechanism on an annual basis.

Corporate Governance Report

BOARD SKILLS MATRIX

The Board has developed a Board skills matrix setting out the mix of skills, experience and expertise represented on the Board. The matrix provides a structured overview of the key competencies of the Board and assists the Board and the Nomination Committee in assessing whether the current composition of the Board has an appropriate mix of capabilities to support the Group’s long-term development and strategic objectives.

The skills matrix below sets out the collective skills, experience and expertise of the Board that were considered most relevant to the Group’s strategy, governance and business as at 31st March, 2026. These skills enable the Board to effectively discharge its duties and responsibilities in overseeing the Group’s long-term development and strategic objectives.

Skills Area	Description	Importance	Adequacy	Plans to enhance/ expand skills
Strategic Leadership	Ability to identify strategic opportunities and threats, whilst developing and implementing plans to achieve corporate objectives	It enables the Directors to identify growth opportunities, mitigate risks, and make strategic planning to drive business performance. Effective leadership drives performance and provides strong oversight of business development	Adequate	Directors’ training helps to keep abreast of the relevant knowledge
Industry knowledge and experience	Understanding of the Group’s business, its unique characteristics in the market, market development, regulations, competitive advantage, technology and innovation	It enables informed decision-making, strategic planning, and identification of opportunities and risks	Adequate	Briefing or update will be provided when necessary
Financial literacy/ business acumen	Ability to read and comprehend corporate accounts, financial materials and financial reporting requirements	It enables effective oversight e.g. managing financial risks, making investment decisions, complying with financial regulations and reporting	Adequate	Board members are encouraged to keep on enhancing their skills

Corporate Governance Report

BOARD SKILLS MATRIX (continued)

Skills Area	Description	Importance	Adequacy	Plans to enhance/ expand skills
Risk management and compliance	Ability and experience in implementing, managing or overseeing risk management and internal control systems for legal and regulatory compliance	Effective risk management together with proper compliance help protecting the organisation from legal penalties, reputational damage, financial losses, and operational disruptions	The Board, with the assistance of an independent professional advisory firm and legal advisory firm(s), monitor and keep oversight on the effectiveness of the Company's risk management and internal control systems, as well as the compliance status	Directors' training helps to keep abreast of the relevant knowledge
Organisational leadership	Ability to: i) coordinate and oversee all aspects of an organization's operations to achieve its corporate objectives and goals; ii) inspire and motivate teams to achieve corporate goals	It ensures the businesses are operating efficiently and effectively and effective leadership ensures the organisation is working towards its objectives	Adequate	Board members are encouraged to keep on enhancing their skills
Emerging topics (e.g. ESG, artificial intelligence)	Emerging topics are new or rapidly developing areas that are not yet widely recognised or understood but are expected to have a significant impact on the organisation in the future	Understanding of emerging topics helps the Company to quickly adapt to changes, adjust relevant strategies to seize opportunities and reduce potential threats and to remain competitive	Partial	Briefing or update will be provided when necessary

The Board considers that the combination of such skills, experience and expertise supports the Company's purpose, values, strategy and culture, and enables the Board to discharge its duties and responsibilities effectively. The Board and the Nomination Committee will continue to review the Board skills matrix from time to time and consider whether additional skills and experience may be required to support the Group's future development and strategic direction.

Corporate Governance Report

BOARD PERFORMANCE REVIEW

Pursuant to code provision B.1.4 of Part 2 of the CG Code, the Company should conduct a formal evaluation of the Board's performance at least every two years. The formal evaluation of the Board's performance is scheduled to be conducted in the next financial year.

DIRECTORS' TIME COMMITMENT AND CONTRIBUTION TO THE BOARD

The Company requires Directors to disclose to the Company, at the time of appointment and in a timely manner upon any change, the number and nature of offices held in public companies or organisations and other significant external time commitments. The Nomination Committee and the Board take such disclosures into account when assessing whether each Director is able to devote sufficient time to the affairs of the Company and discharge his or her responsibilities effectively.

The Nomination Committee reviewed and assessed each Director's commitment and contribution to the Board during the Current Year, and each Director's ability to discharge his or her responsibilities. By taking into account the following:

- Directors' skills and experience which are summarised in the Board skills matrix set out in pages 35 to 36 of this annual report;
- Each Director's role and positions at the Company and its subsidiaries, as well as his or her external directorships or offices in other listed companies or organisations and/or other significant external commitments; and
- Each Directors' attendance record at the Board and committee meetings of the Company and its subsidiaries during the Current Year.

The Nomination Committee was of the view that each Director gave sufficient time and attention to the affairs of the Company and undertook his or her responsibilities effectively and made effective contributions to the Board during the Current Year.

Corporate Governance Report

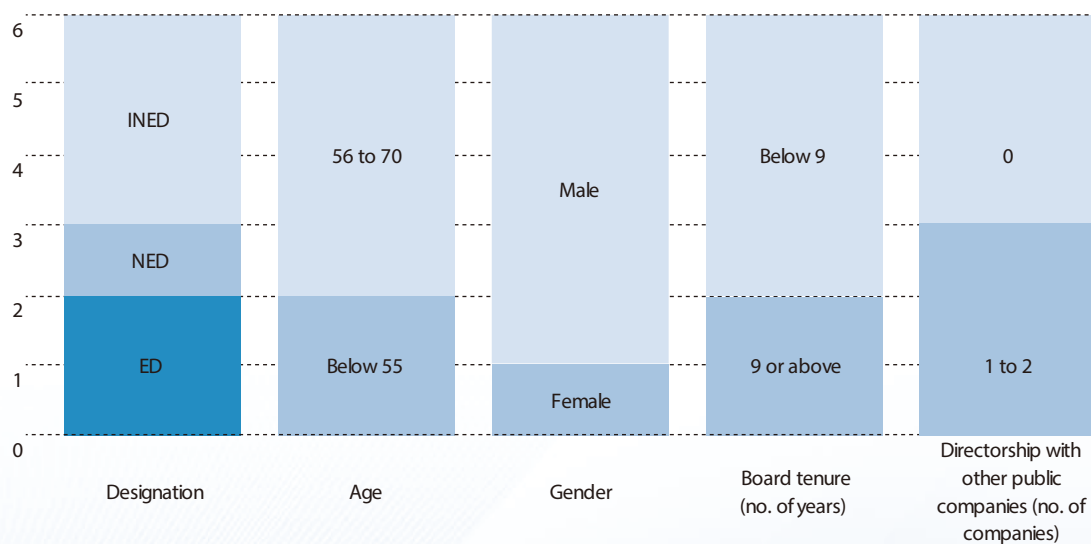
BOARD DIVERSITY

The Board adopted a Board Diversity Policy for identifying individuals suitably qualified to become Directors, the Nomination Committee should consider the benefits of all aspects of diversity in order to maintain an appropriate range of balance of skills, experience and background on the Board. All appointments of Directors should have considered the Board composition under diversified perspectives for the benefit of the Company. The Nomination Committee will regularly discuss and, if appropriate, agree on any measurable objective for achieving diversity on the Board.

The Board diversity profile as at 31st March 2026 is shown below.

BOARD DIVERSITY PROFILE

Number of Directors



ED: executive Director
 NED: non-executive Director
 INED: independent non-executive Director

Corporate Governance Report

BOARD COMMITTEES

The Board has established four Board Committees, namely Audit Committee, Remuneration Committee, Nomination Committee and Corporate Governance Committee. Each of the Board Committees has its terms of reference with defined powers and authorities given to the committee members to discharge their duties.

Audit Committee

The Board has established the Audit Committee with specific written terms of reference which clearly defines its role, authority and function in accordance with Rule 3.22 of the Listing Rules and code provision D.3.3 and D.3.7 of part 2 of the CG Code. The Board has at all times complied with the requirements of Rule 3.21 of the Listing Rules for having a minimum of three non-executive Directors with at least one of them being an independent non-executive Director with appropriate professional qualifications in the Audit Committee. The Company Secretary serves as the secretary of the Audit Committee and minutes of the meetings are sent to the members of the Audit Committee within a reasonable time after the meetings. The quorum necessary for the transaction of business by the Audit Committee is two.

At the date of this report, the members of the Audit Committee comprised of three INEDs namely Mr. Wong Yee Shuen, Wilson (*Chairman of the Audit Committee*), Mr. Yam Kwong Chun and Mr. Lam Yik Tung. Mr. Wong Yee Shuen is a qualified accountant with extensive experience in financial reporting and controls as required by the Listing Rules. Each Audit Committee member has broad commercial experience and there is a suitable mix of expertise in business, accounting and financial management on the Audit Committee.

The principal duties of the Audit Committee include reviewing the Group's interim and annual results prior to recommending them to the Board for its approval as well as the effectiveness of the audit process; making recommendation on the appointment of external auditors and acting as the key representative body for the Company in monitoring the independence and objectivity of the external auditors; and reviewing the Group's financial information and financial reporting system. The Audit Committee is also responsible for reviewing the adequacy and effectiveness of the Group's risk management and internal control systems, and the effectiveness of the internal audit function of the Company. The Board has also adopted the risk management and internal control policy and the procedures for the employees of the Group to raise concerns about possible improprieties in financial reporting, internal controls or other matters. The Audit Committee has been delegated by the Board with the responsibility for reviewing such procedures and related arrangements. The terms of reference of the Audit Committee is published on the respective websites of the Hong Kong Stock Exchange and the Company. The Audit Committee has been provided with sufficient resources to perform its duties.

Corporate Governance Report

BOARD COMMITTEES (continued)

Audit Committee (continued)

During the Current Year, the Audit Committee held two meetings and has performed, inter alia, the following:

- reviewed and discussed with external auditors the annual results for the year ended 31st March, 2025 and the interim results for the six months ended 30th September, 2025 and recommended to the Board for approval respectively;
- reviewed and obtained explanation from management on the interim and annual results, including causes of changes from the previous accounting period, effects on the application of new accounting policies, and compliance with the Listing Rules and relevant legislations;
- reviewed the activities of the Group's internal audit function and its findings and recommendations as laid down in the internal audit reports;
- recommended to the Board regarding the re-appointment of the Company's external auditors;
- reviewed the effectiveness of risk management and internal control systems of the Group, including risk management and internal control policy and reviewed the transaction in compliance with the annual review requirements of the Listing Rules;
- considered the adequacy of resources, professional qualifications and experience of staffs of the Company's accounting and financial reporting function, and their training programs and budget;
- reviewed the terms of reference and internal control policy and recommended the same to the Board for approval; and
- held meetings with the external auditors, at least annually, to discuss matters relating to any issues arising from the audit and any other matters the auditors may wish to raise.

The Board and the members of the Audit Committee did not have any differences in opinion during the Current Year.

Corporate Governance Report

BOARD COMMITTEES (continued)

Remuneration Committee

The Board has established the Remuneration Committee with specific written terms of reference which clearly defines its role, authority and function in accordance with Rule 3.26 of the Listing Rules and code provision E.1.2 of part 2 of the CG Code. The Company Secretary serves as the secretary of the Remuneration Committee and minutes of the meetings are sent to the members of the Remuneration Committee within a reasonable time after the meetings. The quorum necessary for the transaction of business by the Remuneration Committee is two.

At the date of this report, the members of the Remuneration Committee comprised of three Independent Non-executive Directors namely Mr. Lam Yik Tung (*Chairman of the Remuneration Committee*), Mr. Yam Kwong Chun, and Mr. Wong Yee Shuen, Wilson.

The principal responsibilities of the Remuneration Committee include advising the Board on the remuneration policy and structure for all the Directors and the senior management of the Company; making recommendation to the Board on remuneration packages for Directors and senior management of the Company; and ensuring that no Director or any his associates is involved in deciding his own remuneration. The terms of reference of the Remuneration Committee is published on the respective websites of the Hong Kong Stock Exchange and the Company. The Remuneration Committee has been provided with sufficient resources to perform its duties.

The objective of the remuneration policy of the Company is to ensure the Company be able to attract, retain and motivate a high-calibre team which is essential to the success of the Company. In evaluating the remuneration packages for Directors and senior management of the Company, the Remuneration Committee takes into consideration various factors such as skills, knowledge, time commitment, responsibilities, and by reference to the prevailing market conditions.

During the Current Year, the Remuneration Committee held two meetings and has performed, inter alia, the following:

- reviewed the proposal for updated terms of reference and the Remuneration Policy for Directors and Senior Management and recommended the same to the Board for approval; and
- determined, with delegated responsibility, the remuneration packages of individual executive Directors and senior management of the Company.

Information on emoluments of the Directors for the year ended 31st March, 2026 is set out in note 6 to the consolidated financial statements. During the year under review, none of the Directors or any of their associates was involved in deciding his/her own remuneration.

Further details of Directors' emoluments and the five highest paid individuals as required to be disclosed pursuant to paragraph 25 of Appendix D2 to the Listing Rules are set out in note 6 to the consolidated financial statements.

Details of any remuneration paid to the members of senior management (excluding Directors) by band and other remuneration related matters as required to be disclosed pursuant to code provision E.1.5 of part 2 of the CG Code are set out in note 6 to the consolidated financial statements.

Corporate Governance Report

BOARD COMMITTEES (continued)

Remuneration Committee (continued)

Remuneration Policy of the Directors and Senior Management

It is the Company's policy to ensure that its remuneration structure is appropriate and aligns with the Company's goals and objectives which should be sufficient to attract, retain and motivate the Directors and senior management (the "**Senior Management**")^(Note) of the Company to run the Group successfully without paying more than necessary. Besides, the procedure for setting policy on all Directors' remuneration packages should be formal and transparent.

The Remuneration Committee shall consult the Chairman and/or the managing director of the Company about their remuneration proposals for other executive Directors and Senior Management.

The emoluments of Directors and Senior Management are based on their skill, knowledge and involvement in the Company's affairs of each Director or Senior Management and are determined by reference to the Company's performance, as well as remuneration benchmark in the industry and the prevailing market conditions. No Director should be involved in deciding his/her own remuneration.

Note: "Senior Management" refers to the same persons as referred to in the Company's annual report and required to be disclosed under Appendix D2 of the Listing Rules.

The ultimate objective of the remuneration is to ensure that the Company is able to attract, retain and motivate a high-calibre team which is essential to the success of the Company.

The board of directors will make appropriate disclosure of details of Director's and past Director's emoluments on an individual and named basis, and of any remuneration payable to members of Senior Management by band, as well as details of this policy in the Company's annual report pursuant to the requirement of the Rules Governing the Listing of Securities on the Listing Rules.

Nomination Committee

The Board has established the Nomination Committee with specific written terms of reference which clearly defines its role, authority and function in accordance with code provision B.3.1 of part 2 of the CG Code. The Company Secretary serves as the secretary of the Nomination Committee and minutes of the meeting is sent to the members of the Nomination Committee within a reasonable time after the meeting. The quorum necessary for the transaction of business by the Nomination Committee is two.

At the date of this report, the members of the Nomination Committee comprised of one non-executive Director, namely, Ms. Wong Man Ming, Melinda and three INEDs, namely, Mr. Yam Kwong Chun (*Chairman of the Nomination Committee*), Mr. Wong Yee Shuen, Wilson, and Mr. Lam Yik Tung.

On 5th March, 2026, the Board amended the terms of reference of the Nomination Committee by including new requirements under the CG Code and the related Listing Rules with effect from 1st July, 2025, which cover having mixed gender of the Nomination Committee members, assisting the Board in formulating and maintaining a Board skills matrix, supporting the regular evaluation of the Board's performance, and assessing each Director's time commitment and contribution to the Board as well as the Director's ability to discharge responsibilities effectively.

Corporate Governance Report

BOARD COMMITTEES (continued)

Nomination Committee (continued)

The principal responsibilities of the Nomination Committee include reviewing the structure, size, composition and diversity (including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board; formulating and upholding the nomination policy (the “**Nomination Policy**”) and Board Diversity Policy; making recommendations to the Board on the selection of individuals nominated for directorships to complement the Company’s corporate strategy as well as on the appointment or re-appointment of Directors and succession planning for Directors; assessing the independence of the INEDs; assisting the Board in maintaining a board skills matrix; evaluating each Director’s time commitment and contribution to the Board as well as the Director’s ability to discharge his or her responsibilities effectively, and supporting the Board’s regular evaluation of its performance. For effective functioning in the course of the Director’s nomination process, the Board has also adopted (i) the procedures for a member to propose a person for election as a Director in accordance with the Bye-laws; (ii) the Nomination Policy setting out the guidelines and criteria for selecting and recommending the candidates for directorships; and (iii) the Board Diversity Policy. A candidate to be appointed as an INED must satisfy the independence criteria set out in Rule 3.13 of the Listing Rules. The terms of reference of the Nomination Committee is published on the respective websites of the Hong Kong Stock Exchange and the Company. The Nomination Committee has been provided with sufficient resources to perform its duties.

During the Current Year, the Nomination Committee held four meetings and has reviewed and performed, inter alia, the following:

- reviewed the structure, size and composition (including but not limited to the skills, knowledge, experiences and diversity of perspectives) of the Board and reported the same to the Board for consideration;
- reviewed the status of diversity of the Board, the Board Diversity Policy and the Nomination Policy, and reported the same to the Board for consideration;
- assessed the independence of the INEDs and their annual confirmations on independence;
- nominated a candidate to the Board based on the nomination procedures, process, criteria set out in the Nomination Policy for the re-designation of Director;
- reviewed and made recommendations to the Board on the re-appointment of the Directors;
- reviewed the proposal for updated terms of reference and recommended the same to the Board for approval; and
- reviewed time commitment of Directors and the effectiveness of their contributions to the operation of the Board.

Corporate Governance Report

BOARD COMMITTEES (continued)

Nomination Committee (continued)

Nomination Policy

The Board has adopted a Nomination Policy which sets out the criteria, process and procedures for nomination of Directors, a summary of which is as follows:

Selection Criteria

1.1 The factors listed below would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate.

- Reputation for integrity;
- Accomplishment and experience in the financial services industry, in particular, in the securities, commodities and futures markets;
- Commitment in respect of available time and relevant interest; and
- Diversity in all its aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

These factors are for reference only, and not meant to be exhaustive and decisive. The Nomination Committee has the discretion to nominate any person, as it considers appropriate.

1.2 Retiring non-executive Directors, save for those who have served as non-executive Directors for a period of nine (9) consecutive years, are eligible for nomination by the Board to stand for re-election at a general meeting. For the avoidance of doubt, (a) the 9-year period for determining the eligibility of a non-executive Director for nomination by the Board to stand for election at a general meeting would count from his/her date of first appointment as a non-executive Director until the date of the forthcoming annual general meeting when his/her current term of service will expire at the end of that meeting; and (b) a non-executive Director who has been serving on the Board for a period of nine (9) consecutive years or more may continue to hold office until expiry of his/her current term.

1.3 Proposed candidates will be asked to submit the necessary personal information in a prescribed form, together with their written consent to be appointed as a non-executive Director and to the public disclosure of their personal data on any documents or the relevant websites for the purpose of or in relation to their standing for election as a non-executive Director.

1.4 The Nomination Committee may request candidates to provide additional information and documents, if considered necessary.

Corporate Governance Report

BOARD COMMITTEES (continued)

Nomination Committee (continued)

Nomination Procedures

- 1.1 The secretary of the Nomination Committee shall call a meeting of the Nomination Committee, and invite nominations of candidates from Board members if any, for consideration by the Nomination Committee prior to its meeting. The Nomination Committee may also put forward candidates who are not nominated by Board members.
- 1.2 For filling a casual vacancy, the Nomination Committee shall make recommendations for the Board's consideration and approval. For proposing candidates to stand for election at a general meeting, the Nomination Committee shall make nominations to the Board for its consideration and recommendation.
- 1.3 Until the issue of the shareholder circular, the nominated persons shall not assume that they have been proposed by the Board to stand for election at the general meeting.
- 1.4 In order to provide information of the candidates nominated by the Board to stand for election at a general meeting, and to invite nominations from shareholders, a circular will be sent to shareholders. The circular will set out the lodgment period for shareholders to make the nominations. The names, brief biographies (including qualifications and relevant experience), independence, proposed remuneration and any other information of the proposed candidates, as required pursuant to the applicable laws, rules and regulations, will be included in the circular to shareholders.
- 1.5 A shareholder can serve a notice to the Company Secretary within the lodgment period of its intention to propose a resolution to elect a certain person as a non-executive Director, without the Board's recommendation or the Nomination Committee's nomination, other than those candidates set out in the shareholder circular. The particulars of the candidates so proposed will be sent to all shareholders for information by a supplementary circular.
- 1.6 A candidate is allowed to withdraw his candidature at any time before the general meeting by serving a notice in writing to the Company Secretary.
- 1.7 The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election at any general meeting.

Corporate Governance Report

BOARD COMMITTEES (continued)

Nomination Committee (continued)

Board Diversity Policy

The Board has adopted a Board Diversity Policy, for ensuring a balance of skills, experience, expertise and diversity of perspectives appropriate for the strategies of the Company, a summary of which is as follows:

Policy Statement

The Company recognises and embraces the benefits of having a diverse Board. With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development.

Measurable Objectives

Selection of candidates will be based on a number of factors, including but not limited to gender, age, cultural, educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board candidates will be considered and appointed based on meritocracy, contribution that the selected candidates will bring to the Board against objective criteria, having due regard for the benefits of diversity on the Board. The ultimate decision will be based on merit and contribution that the selected candidate will bring to the Board.

Implementation of the Policy

The nomination committee will review annually on the Board's composition under diversified perspectives, including but not limited to progress on achieving any measurable objectives that had been set for implementing this Board Diversity Policy, and monitor the implementation of this Board Diversity Policy.

The nomination committee has primary responsibility for identifying suitably qualified candidates to become members of the Board and, in carrying out this responsibility, will give adequate consideration to this Board Diversity Policy.

Monitoring and Reporting

The Board, the nomination committee or a delegated committee appointed by any of them will disclose in the Corporate Governance Report of the Company's annual report, this Board Diversity Policy or a summary of this Board Diversity Policy, including any measurable objectives that it has set for implementing this Board Diversity Policy, and progress on achieving those objectives.

Corporate Governance Report

BOARD DIVERSITY POLICY (continued)

Nomination Committee (continued)

Review of Board Diversity Policy

The nomination committee will review this Board Diversity Policy, as appropriate, to ensure its effectiveness. The nomination committee will discuss any revisions that may be required, and recommend any proposed changes to the Board for consideration and approval.

During the reporting period, the Board consists of five male members and one female member and the Directors come from a variety of different backgrounds and have a diverse range of business, financial services and professional experience. The Board targets to maintain at least the current level of female representation. The Company is of the opinion that the structure of the Board is reasonable, and the experiences and skills of the directors in various aspects and fields can enable our Company to maintain a high standard of operation.

As at the date of this annual report, the employees of the Group (including senior management) comprised 113 males and 35 females and the gender ratio (male: female) was approximately 3.2 : 1. The Company welcomes all gender to join with an aim to employ a right staff for a right position regardless of the gender. The Company commits to provide equal opportunities to its staff in respect of recruitment, training and development, job advancement and remuneration and benefits.

Corporate Governance Committee

The Board has established the Corporate Governance Committee with specific written terms of reference which clearly defines its role, authority and function. The Company Secretary serves as the secretary of the Corporate Governance Committee and minutes of the meetings are sent to the members of the Corporate Governance Committee within a reasonable time after the meetings. The quorum necessary for the transaction of business by the Corporate Governance Committee is two.

At the date of this report, the members of the Corporate Governance Committee comprised of three INEDs namely Mr. Yam Kwong Chun, Mr. Wong Yee Shuen, Wilson and Mr. Lam Yik Tung together with one executive Director namely Mr. Ching Man Chun, Louis, MH (*Chairman of the Corporate Governance Committee*).

The Board has delegated its corporate governance functions set out in code provision A.2.1 of part 2 of the CG Code to the Corporate Governance Committee. The principal duties of the Corporate Governance Committee include making recommendations to the Board on the Company's policies and practices on corporate governance; and reviewing and monitoring (i) the training and continuous professional development of the Directors and the senior management of the Company; (ii) the Company's policies and practices on compliance with legal and regulatory requirements; (iii) the code of conduct and compliance manual applicable to employees and Directors; and (iv) the Company's compliance with code provisions of the CG Code and disclosures in the Corporate Governance Report. The terms of reference of the Corporate Governance Committee is in compliance with code provisions of the CG Code. The Corporate Governance Committee has been provided with sufficient resources to perform its duties.

During the Current Year, the Corporate Governance Committee held two meetings and has reviewed, considered and made recommendations to the Board for approval on (a) training and continuous professional development of the Directors, (b) the terms of reference of the Corporate Governance Committee, (c) the corporate governance policy, (d) the status of compliance with the CG Code and disclosures of the Corporate Governance Report, and (e) relevant policies of the Company on compliance with legal and regulatory requirements including anti-money laundering policy, anti-corruption policy and whistle-blowing policy.

Corporate Governance Report

ACCOUNTABILITY AND AUDIT

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation of the financial statements for each financial period which gives a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. The statement made by the auditors of the Company regarding their reporting responsibilities on the financial statements of the Group is set out in the "Independent Auditor's Report" on pages 93 to 96 of this annual report. Pursuant to code provision D.1.3 of Part 2 of the CG Code, the Directors were aware that as disclosed in note 3.1 to the consolidated financial statements in this annual report, material uncertainties exist which cast significant doubt on the Group's ability to continue as a going concern.

Going Concern and Mitigation Measures

As set out in note 3.1 to the consolidated financial statements, the Group recorded net current liabilities of HK\$505,114,000 and net liabilities of HK\$304,940,000 as at 31st March, 2026. The Group also reported a loss of approximately HK\$385,960,000 and had a net operating cash outflow of HK\$4,017,000 for the year ended 31st March, 2026.

As at 31st March, 2026, the Group had an outstanding bank loan with a carrying amount of HK\$116,658,000 and outstanding lease liabilities arising from sale and leaseback arrangements of oil storage tanks with a carrying amount of HK\$385,759,000. Under certain legal proceedings in relation to sale and leaseback arrangements and debt dispute, the Group has received property preservation orders to restrict the disposition of certain assets and the withdrawal of bank deposits (details set out in note 34) since August 2022. Accordingly, the Group has breached certain covenants of the bank loan and certain terms of the sale and leaseback contracts, thus the bank may request immediate repayment of the loan and the lessor may request immediate repayment of the remaining lease payments. As at 31st March, 2026, the corresponding loan and lease liabilities have been classified as current liabilities.

As at 31st March, 2026, certain above-mentioned legal proceedings were concluded, and the Group was subject to the legal claims in relation to its sale and leaseback arrangements as below (with details set out in note 41):

- (i) In January 2026, the court issued a compulsory enforcement order with execution amount of approximately RMB98,711,000 (equivalent to HK\$111,938,000) to seize and subsequently auction the assets of the Group in order to immediately repay the remaining lease payments from sale and leaseback contracts of two oil storage tanks.
- (ii) In January 2026, the Group lost the lawsuits in relation to the sale and leaseback contracts of three oil storage tanks pursuant to the final court judgement that the Group was liable to immediately repay the remaining lease payments of approximately RMB158,400,000 (equivalent to HK\$179,626,000) and other related litigation costs of approximately RMB1,387,000 (equivalent to HK\$1,573,000).
- (iii) In January 2026, the Group lost the lawsuit in relation to the sale and leaseback contract of an oil storage tank pursuant to the first-instance court judgement that the Group was liable to immediately repay the full amount of remaining lease payments of approximately RMB52,800,000 (equivalent to HK\$59,875,000) and other related litigation costs of approximately RMB557,000 (equivalent to HK\$632,000). The Group has appealed against the first-instance court judgement. Subsequent to the end of the reporting period, the Group received the final court judgement which the court rejected the appeal and upheld the original judgement.

Corporate Governance Report

ACCOUNTABILITY AND AUDIT (continued)

Going Concern and Mitigation Measures (continued)

The existence of these events or conditions may cast significant doubt on the Group's ability to continue as a going concern.

The Group has taken plans and measures to mitigate its liquidity pressure and improve its financial position, which are set out in note 3.1 to the consolidated financial statements. The validity of the going concern assumptions on which the consolidated financial statements have been prepared depends on the outcome of these plans and measures, including: (i) successful negotiation with a bank for revising the loan covenants and not demanding immediate repayment of existing bank loan due to the breach of loan covenants and also for deferral of payment of loan principal of bank borrowing; (ii) working with the People's Republic of China (the "PRC") legal advisers of the Group to gather evidence to defend itself against the civil complaints filed by the lessor and to suspend and/or terminate the enforcement of the judgment and the settlement agreement, and to defend against the lessor for the request of immediate repayment of the remaining lease payments; (iii) successfully negotiating with a construction company for not demanding immediate payment in relation to the overdue fee for construction of a port infrastructure and related late repayment charge; and (iv) successfully obtaining additional loans of financing from banks.

Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments might have to be made to write down the carrying values of the Group's assets to their recoverable amounts and to recognise a liability for any contractual commitments that may have become onerous, where appropriate. The effects of these adjustments have not been reflected in the consolidated financial statements.

Disclaimer of Opinion (the "Disclaimer Opinion")

Given the execution of the above plans and measures by the Group are in preliminary stage or in progress and no written contractual agreements or documentary supporting evidence from the relevant banks and creditors are available to the Group as at the date of the approval for issuance of the consolidated financial statements, the auditors are unable to obtain sufficient appropriate audit evidence to provide a basis for an opinion as to whether the going concern basis of preparation of the consolidated financial statements of the Group is appropriate and the auditors disclaim their opinion on the consolidated financial statements of the Group in respect of year ended 31st March, 2026.

The details of the Disclaimer Opinion are set out in the Independent Auditor's Report on pages 93 to 96.

Corporate Governance Report

ACCOUNTABILITY AND AUDIT (continued)

Going Concern and Mitigation Measures (continued)

Management's Position, View and Assessment on the Disclaimer Opinion

In respect of the going concern assumption, the management of the Company are of the opinion that the Company is able to continue as a going concern based on the plans and measures taken by the Group to mitigate its liquidity pressure and improve its financial position, including the following:

- (i) The Group has been in negotiation with a bank for revising the loan covenants and not demanding immediate repayment of existing bank loan due to the breach of loan covenants and in addition, the Group has also been in negotiation with the bank for deferral of payment of loan principal of the bank borrowing;
- (ii) The Group will continue to work with the PRC legal advisers of the Group to gather evidence to defend itself against civil complaints filed by Lianwei (Shanghai) Finance Lease Limited* (聯蔚(上海)融資租賃有限公司) (“Lianwei”) and to suspend and/or terminate the enforcement of the judgment and the settlement agreement so to maintain the normal operation of Guangming, and the Group will continue to defend against Lianwei for the request of immediate repayment of the remaining lease payments;
- (iii) The Group will continue to negotiate with a construction company for not demanding immediate payment in relation to the overdue fee for construction of a port infrastructure and related late repayment charge; and
- (iv) The Group will continue to seek additional loans of financing from banks.

The management of the Group understands that the auditors' Disclaimer Opinion was due to the reason that the validity of the going concern assumptions on which the consolidated financial statements have been prepared depends on the outcome of the plans and measures as mentioned above which the execution of the plans and measures by the Group were in preliminary stage of in progress and no written contractual agreements or other documentary supporting evidence from the relevant banks and creditors were available to the Group as at the date of the approval for issuance of the consolidated financial statements on 30th June, 2026. Although no written contractual agreements have been entered into as at the date of the approval for issuance of the consolidated financial statements, the Group is actively implementing the plans and measures with details as set out in the paragraph “Proposed Action Plan to resolve the Going Concern issue and the Disclaimer Opinion” below. The management of Group considers that such plans and measures to address the Disclaimer Opinion are effective and upon successful implementation of such plans and measures, the Disclaimer Opinion would be removed in the auditors' report for the year ending 31st March, 2027.

* For identification purposes only

Corporate Governance Report

ACCOUNTABILITY AND AUDIT (continued)

Going Concern and Mitigation Measures (continued)

Audit Committee's View towards the Disclaimer Opinion

The Audit Committee had reviewed the facts and circumstances leading to the Disclaimer Opinion relating to going concern, discussed with the auditors and the management of the Company regarding the Disclaimer Opinion and taken into account the Board's response to the Disclaimer Opinion. Based on (i) the management's plans and measures to address the Disclaimer Opinion and the implementation of the management's action plan; and (ii) its review of the cash flow projections of the Group which cover a period of not less than 12 months from 31st March, 2026, the Audit Committee has agreed with the management's position and basis including matters involving management's substantial judgments.

The Audit Committee noted that the Group is in the progress of undertaking the plans and measures to mitigate its liquidity pressure and improve its financial position and understands that such plans and measures, especially with regards to the legal proceedings as set out in (ii) below, may involve considerable time before its resolution. The Audit Committee acknowledges that despite the lengthy processes involved, the Group has made considerable progress on the implementation of the action plan. The Audit Committee concurs with the view of the management of the Group that such plans and measures if implemented successfully will mitigate its liquidity pressure and improve its financial position and resolve the Disclaimer Opinion in the auditor's report for the year ending 31st March, 2027.

Proposed Action Plan to resolve the Going Concern issue and the Disclaimer Opinion

The Group's plans and measures to resolve the going concern issue are as follows:

- (i) The Group has been in negotiation with a bank for revising the loan covenants and not demanding immediate repayment of existing bank loan due to the breach of loan covenants and also for deferral of payment of loan principal of bank borrowing.

The Group has continued its negotiation with the management of Qinzhou Branch of Guilin Bank Co., Ltd. ("**Guilin Bank**") for revising the loan covenants and not demanding immediate repayment of existing bank loan due to the breach of loan covenants and also for deferral of payment of loan principal of bank borrowing. Although Guilin Bank has not provided the Group with a written confirmation that it will not demand immediate repayment from the Group for the existing bank loans due to the breach of loan covenants, the Group has been in negotiations with Guilin Bank since May 2023 by means such as telephone and in person meetings from time to time in respect of providing the written confirmation and revising the loan covenants and understands Guilin Bank has no intention to demand immediate repayment at the moment. It is expected that substantial negotiations will take place pending the results and/or based on the conclusion of the proceedings set out in (ii) below.

Corporate Governance Report

ACCOUNTABILITY AND AUDIT (continued)

Going Concern and Mitigation Measures (continued)

Proposed Action Plan to resolve the Going Concern issue and the Disclaimer Opinion (continued)

- (ii) The Group will continue to work with the PRC legal advisers of the Group to gather evidence to defend itself against civil complaints filed by Lianwei and to suspend and/or terminate the enforcement of the judgment and the settlement agreement and to defend against Lianwei for the request of immediate repayment of the remaining lease payments.

As at the date of this report, the progress of the four active cases and the Settlement Agreement (as defined below) in respect of the disputes with Lianwei over sale and leaseback contracts of oil storage tanks are as follows:

- (a) In relation to the appeal against the judgment (the “**Judgment**”) handed down by the court on 26th August 2025 for the three civil complaints (the “**Three Civil Complaints**”) filed by Lianwei, the appeal court has upheld the Judgment and the Group is in the process of applying for a retrial of the Three Civil Complaints and the enforcement procedure was ruled as terminated in respect of the current enforcement cycle.
- (b) In relation to the remaining case, the court has ordered that Guangming do pay to Lianwei the remaining rent for the remaining lease period for the oil tanks in full, being RMB52,800,000 for the lease, and retention purchase price of RMB100 and the legal costs of Lianwei, within 10 days from the effective date of the judgment. The Group has appealed against the judgment but the court rejected the appeal and upheld the original judgment. The Group will apply for a retrial of the case.
- (c) In relation to the settlement agreement (the “**Settlement Agreement**”) dated 22nd February 2024 with Lianwei in respect of a civil complaint filed by Lianwei as at the date of this report, Guangming had applied for a stay of the enforcement of the Settlement Agreement which was rejected and Guangming has appealed against such decision and will apply for a retrial of the civil complaint. For details of the Settlement Agreement, please refer to the announcement of the Company dated 23rd February 2024.

Corporate Governance Report

ACCOUNTABILITY AND AUDIT (continued)

Going Concern and Mitigation Measures (continued)

Proposed Action Plan to resolve the Going Concern issue and the Disclaimer Opinion (continued)

- (d) As informed by the Group's legal counsel in the PRC, it is suspected that Mr. Zhu Bin and Ms. Chen Kui together with Mr. Zhu Xuefeng, a former Deputy General Manager (General Affairs) of Guangming who does not currently hold any position with the Group, Mr. Zhao Zecheng, the brother-in-law of Mr. Zhu Bin and certain external parties were involved in the suspected misappropriation of funds (the "**Suspected Misappropriation of Funds**") in the amount of RMB22,441,200 of Guangming in early 2021 before the Group subscribed for 65% equity interest in Thousand Vantage Investment Limited ("**Thousand Vantage**") in October 2021. Mr. Zhu Bin was previously the 100% shareholder of Thousand Vantage which holds 75% of the equity interest in Guangming, prior to the Group's subscription of new shares representing 65% of the enlarged share capital of Thousand Vantage in 2021. Among RMB22,441,200 of the funds suspected to have been misappropriated, RMB9,641,200 has been recovered and seized by the Public Security Bureau and there was return of RMB12,800,000 and the Group is confirming the nature of such funds and whether they represent the return of part of the misappropriated funds as at the date of this report. It is suspected that the misappropriated amount of RMB12,800,000 was channelled through Lianwei to Mr. Zhu Bin and other companies controlled by Mr. Zhu Bin and Mr. Zhao Zecheng.

Ms. Chen and Mr. Zhao Zecheng have been arrested by the Qinzhou Municipal Public Security Bureau of the PRC for the Suspected Misappropriation of Funds. Mr. Zhu Xuefeng has been subjected to criminal interrogation, while Mr. Zhu Bin has not reported to the authority. According to the Group's legal counsel in the PRC, Ms. Chen is currently being detained by the Public Security Bureau and her arrest has been approved by the prosecution authority, while Mr. Zhao Zecheng has been released on bail pending trial, if applicable.

For further details, please refer to the announcement of the Company dated 2nd June 2026.

- (iii) The Group will continue to negotiate with a construction company for not demanding immediate payment in relation to the overdue fee for construction of a port infrastructure and related late repayment charge.
- (iv) The Group will continue to seek additional loans of financing from banks. In particular, the Group was in discussions with different banks and asset management financial institutions for loan facility.

Taking into account the proposed measures set out above, provided that the plans and measures being executed successfully to mitigate the Company's liquidity position, the Company expects that the Disclaimer Opinion would be removed in the auditors' report for the year ending 31st March, 2027.

Corporate Governance Report

ACCOUNTABILITY AND AUDIT (continued)

Auditor's Remuneration

Deloitte Touche Tohmatsu ("**Deloitte**"), the Group's principal auditor, was re-appointed by the Shareholders at last annual general meeting held on 12th August, 2025 as the Company's external auditor to hold office until the forthcoming annual general meeting. For the Current Year, the total auditor's remuneration in respect of statutory audit and non-audit services provided by Deloitte was set out below:

Services rendered	Fees paid/ payable <i>HK\$'000</i>
Statutory audit fee	<u>2,000</u>
Fees for non-audit services	<u>24</u>
Total auditor's remuneration for the Current Year	<u>2,024</u>

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has the overall responsibility for maintaining a sound and effective system of risk management and internal control and for reviewing its effectiveness, particularly in respect of the controls on financial, operational, compliance and risk management, to achieve the Company's business strategies and the Group's business operations. The Directors have adopted an internal control policy for the Group. The internal control policy is fundamental to the successful operation and day-to-day running of a business and it assists the Company in achieving its business objectives.

The policy has been developed with a primary objective of providing general guidance and recommendations on a basic framework of risk management and internal control. The Company's risk management and internal control systems comprise of a well-established organisational structure and comprehensive policies and standards. Procedures have been designed to safeguard assets against unauthorised use or disposition, to ensure maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and to ensure compliance with applicable laws and regulations. The purposes of the Company's risk management and internal control systems are to provide reasonable and not absolute assurance against material misstatement or loss and to manage rather than eliminate risks of failure to achieve Company's business objectives.

Corporate Governance Report

RISK MANAGEMENT AND INTERNAL CONTROL (continued)

The following risk management and internal control systems have been established and executed within the Group:

- control environment including organisational structure, limit of authority, reporting lines and responsibilities;
- risk management self-assessment and internal control review conducted from time to time by the Group;
- appropriate risk management measures such as written policies and procedures; and
- effective information platforms to facilitate internal and external information flow.

The Board oversees the Group's risk management and internal control systems on an ongoing basis. A review of the effectiveness of the systems of risk management and internal control systems of the Group is conducted annually and the results are reported to the Board by the Audit Committee. Current year annual review covers the changes in the nature and extent of significant risks since last annual review, the scope and quality of management's ongoing monitoring of risks and of the internal control systems, risk management weaknesses and all material controls, including financial, operational, compliance controls, and particularly the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions.

During the year ended 31st March, 2026, the Company has engaged an independent professional advisory firm to conduct a review of the effectiveness of the Group's risk management and internal control systems and the review results were reported to the Audit Committee. The Current Year under review covered all material controls, including financial, operational and compliance controls and the adequacy of resources, staff qualifications and experience, training programmes and budget of the issuer's accounting, internal audit and financial reporting functions. The Board considered the risk management and internal control systems of the Group during the reporting year were reasonably implemented, effective and adequate.

DISSEMINATION OF INSIDE INFORMATION

The Company is committed to a consistent practice of timely, accurate and sufficiently detailed disclosure of material information about the Group. The Board has adopted an internal control policy on disclosure of inside information which sets out the obligations, guidelines, procedures and internal controls for handling and dissemination of inside information. With these guidelines and procedures, the Group has management controls in place to ensure that potential inside information can be promptly identified, assessed and escalated for the attention of the Board to decide about the need for disclosures.

The Board has observed the duty and responsibility of inside information announcement, restriction on sharing non-public information, handling of rumours, unintentional selective disclosure, exemption and waiver to the disclosure of inside information, and also compliance and reporting procedures. Every senior management should take all reasonable measures to ensure that proper safeguards exist to prevent a breach of a disclosure requirement in relation to the Company from time to time. They should promptly bring any possible leakage or divulgence of inside information to the attention of the Board. For any possible material breach of the relevant disclosures requirement, the Board will decide, or designate appropriate persons to decide the course of actions for rectifying the problem and avoiding re-occurrence.

Corporate Governance Report

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Group is also committed to social responsibilities and its philosophies of sustainable development, and has conducted an annual review on the efforts and achievements made by the Group for environmental, social and governance issues for the Current Year, details of which was disclosed in the “Environmental, Social and Governance Report” on pages 59 to 92 of this annual report, which also serves as a platform for communication with all equity owners by making responses to the major concerns of all stakeholders in our efforts to facilitate mutual understandings.

COMPANY SECRETARY

Ms. Lo Yuen Mei, the Company Secretary, is an employee of the Group and is responsible for facilitating the Board process, as well as communications among Board members. The Company Secretary’s biography is set out in the section headed “Biographies of Directors and Company Secretary” on pages 11 to 13 of this annual report.

The Company Secretary confirmed that she has taken no less than 15 hours of the relevant professional training during the Current Year and complied with all the qualifications, experience and training requirements as required by the Listing Rules.

COMMUNICATION WITH SHAREHOLDERS

The Board has adopted a Shareholders’ communication policy reflecting the most current practices of the Company for communication with its Shareholders. Such policy aims at providing the Shareholders and potential investors with ready and timely access to balanced and understandable information of the Company. It will be reviewed regularly to ensure its effectiveness and compliance with the prevailing regulatory and other requirements.

The Company has established a number of channels for maintaining on-going dialogue with the Shareholders as follows:

- (a) corporate communications such as annual reports, interim reports and circulars are issued in printed form and are available on the Hong Kong Stock Exchange’s website at www.hkexnews.hk and the Company’s website at www.ptcorp.com.hk;
- (b) periodic announcements are published on the respective websites of the Hong Kong Stock Exchange and the Company;
- (c) corporate information is made available on the Company’s website;
- (d) Shareholders are encouraged to provide, amongst other things, their contact details, in particular, their email address to the Company’s branch share registrar and transfer office in Hong Kong in order to facilitate timely and effective communications;
- (e) annual and special general meetings provide a forum for the Shareholders to make comments and exchange views with the Directors and senior management; and

Corporate Governance Report

COMMUNICATION WITH SHAREHOLDERS (continued)

- (f) the Company's share registrars serve the Shareholders in respect of share registration, dividend payment, change of Shareholders' particulars and related matters.

With the above channels in place, the Shareholders' communication policy is considered to have been effectively implemented throughout the Current Year.

SHAREHOLDERS' RIGHTS

Procedures for Shareholders to convene a Special General Meeting

Pursuant to Bye-law 71 of the Bye-laws, Shareholder(s) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition sent to the Registered Office and the Company's principal place of business in Hong Kong for the attention of the Board and the Company Secretary, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition.

The requisition must state the purposes of the meeting, and must be signed by the requisitioner(s), deposited at the Company's principal place of business in Hong Kong, 11/F., Centre Point, 181-185 Gloucester Road, Wan Chai, Hong Kong, and marked for the attention of the Board and the Company Secretary, and may consist of several documents in like form each signed by one or more requisitionists.

Procedures for putting enquiries to the Board

Shareholders and other stakeholders of the Company may send their enquiries and concerns in writing to the Board by addressing them to the Company Secretary at the Company's principal place of business in Hong Kong, 11/F., Centre Point, 181-185 Gloucester Road, Wan Chai, Hong Kong, and the Company Secretary shall forward such written enquiries and concerns received to the Chairman of the Board and managing director of the Company for further handling.

Procedures for putting forward proposals at Shareholders' meetings

Pursuant to the Bermuda Companies Act 1981, Shareholders representing not less than one-twentieth of the total voting rights of all the Shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates, or not less than one hundred Shareholders, may submit to the Company a written request unless the Company otherwise resolves,

- (a) to give to the Shareholders entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and
- (b) to circulate to the Shareholders entitled to have notice of any general meeting sent to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

A copy of such written requisition signed by the requisitioner(s) together with a sum reasonably sufficient to meet the Company's relevant expenses in giving effect thereto must be deposited at the Registered Office or the principal place of business of the Company (i) not less than six weeks before the meeting in the case of a requisition requiring notice of a resolution and (ii) not less than one week before the meeting in the case of any other requisition.

Corporate Governance Report

CORPORATE COMMUNICATIONS

Corporate communications (as defined in the Listing Rules), any documents issued or to be issued by the Company for the information or action of Shareholders, including, but not limited to, the directors' report and annual accounts together with a copy of the independent auditor's report, the interim report, a notice of meeting, a circular and a proxy form will be provided to Shareholders in plain language and in both English and Chinese versions to facilitate Shareholders' understanding. Shareholders have the right to choose the language (either English or Chinese) or means of receipt of the corporate communications (in hard copy or through electronic means).

Shareholders are encouraged to provide, amongst other things, in particular, their email addresses to the Company in order to facilitate timely and effective communications.

DIVIDEND POLICY

The Company aims at providing stable and sustainable returns to Shareholders. In deciding whether to propose a dividend and in determining an appropriate basis and method for dividend distribution, the Board will take into account, inter alia, the reasonable return on investment of the investors and the Shareholders, the actual and expected financial conditions, business plans, future operations and earnings, capital requirements and expenditure plans of the Company, any restrictions on payment of dividends that may be imposed by the Company's lenders, the general market sentiment and circumstances and any other factors the Board deems appropriate.

CONSTITUTIONAL DOCUMENTS

During the Current Year under review, there is no change to the Bye-laws of the Company. A copy of the Bye-laws is available at the "Corporate Governance" section of the Company's website and posted on the website of the Hong Kong Stock Exchange.

Environmental, Social and Governance Report

1. ABOUT THE REPORT

The Environmental, Social and Governance (“ESG”) Report published by PT International Development Corporation Limited presents the efforts and achievements made in sustainability and social responsibility by the Company and its subsidiaries collectively the “Group” or “we”). The ESG Report details the performance of the Group in carrying out the environmental and social policies and fulfilling the principle of sustainable development.

1.1. Scope of the Report

The ESG Report covers the environmental and social performance of the Group’s businesses for the period between 1st April, 2025 and 31st March, 2026 (the “Year” or “FY 2026”). Compared to the previous reporting period, the reporting scope of key performance indicators (“KPIs”) in the ESG Report has been updated to cover the Group’s revenue-generating business segments.

Principal Business	Place of Operation
Head office	Hong Kong
Provision of port and port-related services	The PRC excluding Hong Kong
Trading of chemicals and energy	The PRC excluding Hong Kong
Equity and insurance brokerage services	Mauritius

For details of corporate governance, please refer to the Corporate Governance Report on pages 26 to 58 of the Company’s annual report.

1.2. Reporting Standard

The ESG Report was prepared in accordance with the “Environmental, Social and Governance Reporting Code” (“ESG Reporting Code”) under Appendix C2 of the Rules Governing the Listing of Securities issued by the Hong Kong Stock Exchange and compiled with the mandatory disclosure requirements and the “comply or explain” provisions of the ESG Reporting Code.

1.3. Reporting Principle

The content of the ESG Report is determined through stakeholder engagement processes, which include identifying ESG-related issues, collecting and reviewing the opinions of management and stakeholders, assessing the relevance of the issues and preparing and validating the information reported. The ESG Report covers the key issues concerned by different stakeholders.

Environmental, Social and Governance Report

1. ABOUT THE REPORT (continued)

1.3. Reporting Principle (continued)

Quantitative environmental and social KPIs are disclosed in the ESG Report so that stakeholders are able to have a comprehensive understanding of the Group's ESG performance. Information on the standards, methodologies, references and sources of key emission and conversion factors used on these KPIs are stated wherever appropriate. In order to enhance and maintain comparability of ESG performance between years, we have strived to adopt consistent reporting and calculation methodologies as far as reasonably practicable. For any changes in methodologies and specific standards, we have presented and explained them in detail in corresponding sections. We will continue to adopt consistent methodologies as far as reasonably practicable in the future, in case of any changes that could affect a meaningful comparison of the KPIs between years.

1.4. ESG Governance

The Group believes that well-established ESG governance principles and practices will increase investment values, and provide long-term returns to stakeholders. In order to ensure the establishment of appropriate and effective ESG and climate-related risk management measures and internal control systems, the Board of Directors (the "**Board**") has assumed responsibility for overseeing our ESG strategies, reporting, and the identification and management of ESG-related risks. The Board monitors and reviews the compliance status of ESG-related laws and regulations, and ensures that the latest regulatory trends are followed when necessary. The Board is also responsible for assessing whether the ESG performance remains consistent with the strategies and approaches, and monitoring the formulation of the annual ESG report, as well as discussing the content and quality of the ESG reports during Board meetings.

During the Year, the Board has engaged an independent ESG consultancy to manage the ESG performance of the Group. With the assistance of the consultancy, the Board is able to identify potential and material issues to our business and stakeholders. The Board is responsible for supervising stakeholder communication channels and ensuring that stakeholders' expectations are met.

To improve the Group's ESG governance, the Board regularly arranges independent assessments and efficiency evaluations on the adequacy and effectiveness of the aforementioned system through an internal review function. The Board also oversees the coordination between departments according to their respective targets, and will look for opportunities to set more explicit ESG goals and targets.

Environmental, Social and Governance Report

1. ABOUT THE REPORT (continued)

1.5. Information and Feedback

Your opinions on the Group's ESG performance are highly valued. If you have any advice or suggestions, please feel free to contact the Company by referring to "Corporate Information" on page 3 of the Company's annual report.

2. ABOUT US

Pursuant to the Group's long-term strategy of exploring potential investments and enhancing their value through active participation in or close liaison with investee companies, we strategically hold significant interests, directly and indirectly, in a diversified portfolio of listed and private companies. These companies are engaged in a variety of business activities, including trading of chemicals and energy, petrochemical storage, port and port-related services, provision of management services, financial institution business, and loan financing services.

The Group recognises that our businesses, across the investment, port and port-related services, trading, petrochemical storage, and financial institution segments, may have environmental and social impacts, either directly or indirectly. Accordingly, we place strong emphasis on our environmental and social performance by striving to protect the natural environment, share the benefits of our growth with employees, and contribute to society through dedicated efforts in sustainable development. Guided by our mission "to become a leading, diversified investment conglomerate that excels at investing in and maximising returns of companies with high growth potential", we have integrated ESG considerations into our business strategies, risk management approach, and daily operations. We strive to foster a harmonious, inclusive, and sustainable future through high-integrity operations, quality services, and genuine care for the environment, our people, and the communities we serve.

Environmental, Social and Governance Report

3. STAKEHOLDER ENGAGEMENT

The Group believes that to communicate with stakeholders and address their concerns correlates with our success in environmental and social development. Therefore, we actively engage with our key stakeholders through multiple channels, such as meetings, announcements, company websites, and emails, to understand their expectations regarding ESG aspects, which could help us to integrate sustainability strategies into our business practices in the long term.

The following table sets out our key stakeholders, their requirements and expectations for the Group, and the corresponding response and communication channels:

Stakeholders	Requirements and Expectations	Response and Communication Channels
Government and Regulators	<ul style="list-style-type: none"> • Compliance with national policies, laws and regulations • Support for local economic growth • Contribution in local employment • Tax payment in full and on time • Production safety 	<ul style="list-style-type: none"> • Regular information reporting • Regular meetings with regulators • Dedicated reports • Examination and inspection
Shareholders	<ul style="list-style-type: none"> • Returns • Compliant operation • Rise in company value • Transparency and effective communication 	<ul style="list-style-type: none"> • General Meetings • Announcements • Email, telephone communication and company website • Dedicated reports

Environmental, Social and Governance Report

3. STAKEHOLDER ENGAGEMENT (continued)

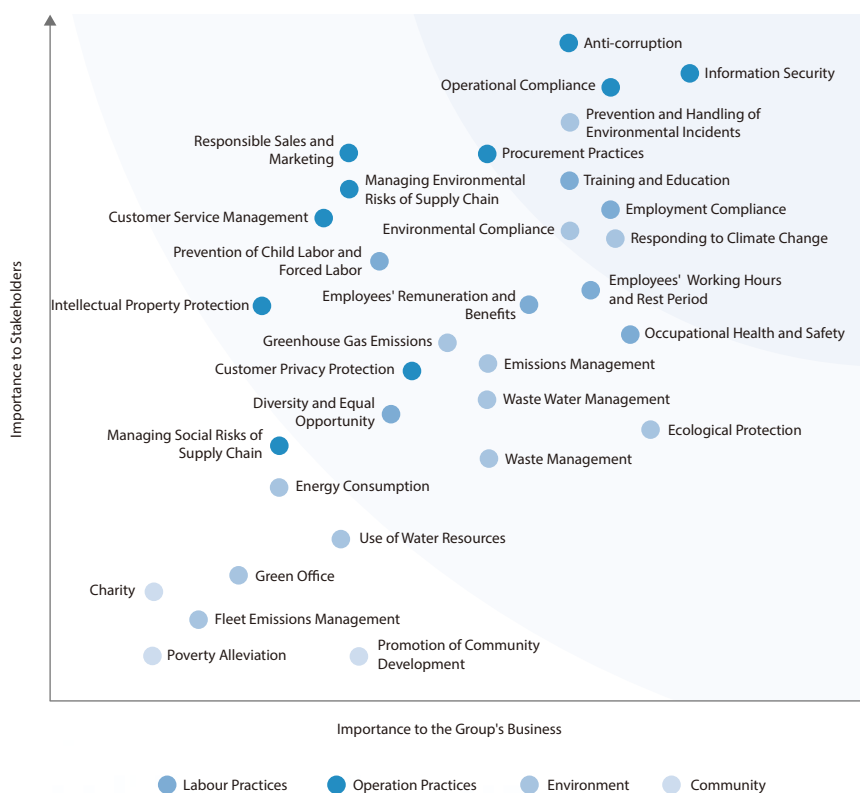
Stakeholders	Requirements and Expectations	Response and Communication Channels
Partners	<ul style="list-style-type: none"> • Operation with integrity • Performance of contracts • Mutual benefits 	<ul style="list-style-type: none"> • Review and appraisal meetings
Customers	<ul style="list-style-type: none"> • Performance of contracts 	<ul style="list-style-type: none"> • Meetings with customers
Environmental Regulatory Department	<ul style="list-style-type: none"> • Environmental protection 	<ul style="list-style-type: none"> • ESG reporting • Investigations and inspections
Employees	<ul style="list-style-type: none"> • Protection of rights • Occupational health and safety • Remuneration and benefits • Career development 	<ul style="list-style-type: none"> • Meetings with employees • Trainings and workshops

3.1. Materiality Assessment

Through opinions and information collected from stakeholders via various channels, the Group has gained a better understanding of the ESG-related issues of concern to our stakeholders. During the Year, we gathered the views of both external and internal stakeholders on ESG-related matters through questionnaires, and analysed together with materiality maps from well-recognised external institutions and professional opinions from third-party experts. This process enabled us to identify and prioritise ESG issues that are of concern to stakeholders and are highly relevant to our business operations.

Environmental, Social and Governance Report

3. STAKEHOLDER ENGAGEMENT (continued)



Aspect

Most Material Issues Identified

Environment

Environmental Compliance
Responding to Climate Change
Prevention and Handling of Environmental Incidents

Labour Practices

Employment Compliance
Training and Education

Operation Practices

Operational Compliance
Procurement Practices
Information Security
Anti-Corruption

Environmental, Social and Governance Report

4. ENVIRONMENTAL PROTECTION

As a responsible corporation, the Group strictly conforms to a series of environmental laws and regulations and is committed to addressing climate change through a comprehensive environmental protection management system that integrates climate considerations into its core operations. We also hold a valid Pollution Discharge Permit issued by the Qinzhou Municipal Ecology and Environment Bureau, authorising regulated discharge from our oil port and storage operations.

During the Year, the Group was not aware of any material non-compliance with relevant laws and regulations relating to environmental issues.

Case Sharing: Implementation of the “Three Simultaneities” System

Provision of port and port-related services may have a greater environmental impact due to its operation at the oil port and storage facilities compared to the office operations of the Company and other subsidiaries. The port and port-related services operating company has therefore established a dedicated Environmental Protection Committee chaired by the General Manager to oversee relevant environmental protection policies, laws, regulations, and decrees issued by the national, provincial, and municipal governments.

Guided by the “Three Simultaneities” system instructed in the Environmental Protection Law of the PRC, the port and port-related services operating company ensures that all pollution prevention and control installations for a construction project shall be designed, constructed and put into use simultaneously with the main body of the project. By strictly implementing the “Three Simultaneities” principle for new projects and promoting continuous improvement, the subsidiary effectively minimises its carbon footprint while advancing the Group’s long-term climate management objectives.

4.1. Climate Change

The Group has integrated climate-related matters into our core strategic decision-making processes. We recognise the importance of these issues and proactively identify, evaluate, and monitor the potential impacts of climate-related risks and opportunities. In accordance with Part D of the ESG Reporting Code, we have provided detailed disclosures on climate-related issues during the Year.

4.1.1. Governance

The Group has embedded climate-related risk assessment within our broader governance framework, with the Board acting as the ultimate decision-making authority. To enhance the Board’s capability, we organise regular internal training sessions focused on climate change and its implications.

Environmental, Social and Governance Report

4. ENVIRONMENTAL PROTECTION (continued)

4.1. Climate Change (continued)

4.1.1. Governance (continued)

Climate-related matters are tabled for discussion at least once annually during Board meetings. These discussions enable the Board to assess the quality and completeness of climate disclosures, track changes in the external environment, and make necessary adjustments to operational policies. Dedicated cross-departmental communication channels have been established to ensure the Board receives timely feedback on the overall effectiveness of climate initiatives. The Group's climate governance structure is shown as follows:

The Board

- Overseeing the identification, evaluation, and management of climate-related risks and opportunities;
- Formulating relevant strategies and emission reduction targets; and
- Monitoring cross-departmental collaboration to ensure effective implementation of climate initiatives.

Management team and relevant departments

- Executing climate strategies to build business resilience;
- Regularly reporting to the Board on progress regarding climate-related risk and opportunity assessments; and
- Implementing management plans and mitigation measures derived from risk assessments.

Although the current remuneration policy focuses primarily on business performance and long-term value creation, the Group will continue to monitor climate-related indicators and evolving industry practices, with the intention of incorporating relevant climate considerations into our remuneration framework at an appropriate time.

Environmental, Social and Governance Report

4. ENVIRONMENTAL PROTECTION (continued)

4.1. Climate Change (continued)

4.1.2. Climate Scenario Analysis and Strategy

During the Year, the Group completed our first climate scenario analysis. The analysis drew on scenarios from the Intergovernmental Panel on Climate Change (“IPCC”) Sixth Assessment Report and the Network for Greening the Financial System (“NGFS”) Phase 5 public release. Both low-emission and high-emission scenarios were adopted to provide a broad contrast, enabling a robust evaluation of potential impacts across different greenhouse gas emission pathways.

Business	<ul style="list-style-type: none"> • Provision of port and port-related services • Trading of chemicals and energy • Financial services 	
Assumption	There will be no changes to the Group’s mitigation policies and reporting scope within the anticipated time horizons	
Time Horizons	Align with the Group’s operational budgeting cycle and strategic business planning cycle, the anticipated time horizons are set as follows: <ul style="list-style-type: none"> • Short-term: 2030 • Medium-term: 2040 • Long-term: 2050 	
Climate Scenario	Physical risk scenarios	Transition risk scenarios
	IPCC SSP 1-2.6	NGFS Net Zero 2050
	Global warming reaches 2.0°C. Stringent policies aligned with historical trends increase transition risks; physical risks remain notable	Early stringent policies achieve net-zero carbon dioxide emissions around 2050
	IPCC SSP 5-8.5	NGFS Current Policies
	Global warming exceeds 4°C. Delayed action and insufficient policies lead to severe physical risks in the short and long term	Only current policies remain, resulting in continued emissions growth and severe physical risks

Environmental, Social and Governance Report



4. ENVIRONMENTAL PROTECTION (continued)

4.1. Climate Change (continued)

4.1.2. Climate Scenario Analysis and Strategy (continued)

The Group recognises that addressing climate change is a long-term endeavour and that uncertainties may affect the implementation of our strategies. Nevertheless, we maintain strong adaptive capacity to respond to evolving risks, policies, and market conditions.

Considering that the Group operates across different business segments that may be exposed to climate-related risks and opportunities, we have structured our climate scenario analysis and risk assessment into two major parts: (i) provision of port and port-related services together with trading of chemicals and energy, and (ii) financial services. The first segment primarily focuses on the storage and handling of liquefied hazardous products, as well as refined oil trading operated in the PRC.




Levels ^{1,2}	Impacts on business model, value chain and financial performance	Resilience Strategy
Physical risk – Extreme weather events (Acute)		
	<ul style="list-style-type: none"> • Damage to storage tanks, pipelines and handling equipment, leading to loading suspended or operation disrupted, and increasing cost of insurance due to higher premiums • Interrupt product delivery and increase the transportation risks, affect worker safety and on-time delivery • Breach or spill potential containment or hazardous liquids, increasing compliance or maintenance costs 	<ul style="list-style-type: none"> • Upgrade infrastructure for resilience such as reinforced seawalls/flood barriers • Implement integrated early-warning systems regarding different weather events to pause high-risk activities • Formulate a comprehensive emergency management plan and study the establishment of a graded risk warning system for different leakage scenarios
Physical risk – Extreme heat (Chronic)		
	<ul style="list-style-type: none"> • Expand the volume of oil and increase internal pressure within the pipelines, leading to safety hazards such as leaks • Affect the performance characteristics of oil due to the increased temperature, leading to compromised quality during wholesale distribution and storage, resulting in a loss of customers 	<ul style="list-style-type: none"> • Schedule maintenance and servicing of equipment to prevent overload and damage, which could otherwise lead to deterioration or leakage of oil products

Environmental, Social and Governance Report

4. ENVIRONMENTAL PROTECTION (continued)

4.1. Climate Change (continued)

4.1.2. Climate Scenario Analysis and Strategy (continued)

Levels ^{1,2}	Impacts on business model, value chain and financial performance	Resilience Strategy
	<p>Transition – Market risk: Reduced volumes or pricing pressure and customer preference shift towards low-carbon products</p> <ul style="list-style-type: none"> Reduce demand for refined oil trading and carbon product storage services as high-carbon fuels are gradually phased out by renewable energy, leading to customer loss and threatening long-term business sustainability 	<ul style="list-style-type: none"> Assess feasibility of extending existing warehousing capabilities to low-carbon alternative products
	<p>Transition – Technology risk: Phase-out of high-carbon fuels</p> <ul style="list-style-type: none"> Strict supply of oil products due to the transition pressure faced by refineries, leading to stranded assets, and decreased storage load and revenue 	<ul style="list-style-type: none"> Work closely with downstream customers to understand their transition timelines and co-develop solutions
	<p>Opportunity – Tightening government policy and green initiatives on the ports' green transformation</p> <ul style="list-style-type: none"> Improve operational efficiency and lower energy consumption while advancing green port transformation Enhance throughput, improve port utilisation and customer stickiness through the intelligent services, leading to revenue rises 	<ul style="list-style-type: none"> Explore equipment upgrades and opportunities to phase out existing high-carbon machines Proactively monitor regulatory changes and strengthen compliance resilience

Notes:

- The affected time horizon in chart is indicated as short-term, medium-term, long-term (from up to down).
- After conducting the climate scenario analysis, impact levels of risks and opportunities are identified. They are indicated by different colours: light colour (handled through standard existing processes), regular colour (requires consistent monitoring) and dark colour (requires promptly actions and strategy planning).

Environmental, Social and Governance Report

4. ENVIRONMENTAL PROTECTION (continued)

4.1. Climate Change (continued)

4.1.2. Climate Scenario Analysis and Strategy (continued)

The second segment is the financial services, mainly focused on the Group’s investment banking business operated in Mauritius.

Levels ^{1,2}	Impacts on business model, value chain and financial performance	Resilience Strategy
Transition – Market risk: Shifting client preferences toward ESG-integrated advice, climate risk assessment, and sustainable investment products		
	<ul style="list-style-type: none"> Reduce demand for traditional advisory and corporate finance services if there are no sufficient climate-related services Reduce the competitiveness of advisory and corporate finance services, leading to lost mandates from family offices and institutional clients, and decreased revenue 	<ul style="list-style-type: none"> Build internal expertise and capabilities in climate risk assessment, and sustainable finance to meet evolving client expectations Enhance staff training and knowledge on climate finance topics
Opportunity – Energy transition with renewable energy		
	<ul style="list-style-type: none"> Expand the corporate finance advisory and finance activities by supporting renewable energy projects and green bonds, generating new advisory fees and arrangement fees 	<ul style="list-style-type: none"> Strengthening client relationships with corporates and investors seeking energy transition solutions

Notes

- The affected time horizon in chart is indicated as short-term, medium-term, long-term (from up to down).
- After conducting the climate scenario analysis, impact levels of risks and opportunities are identified. They are indicated by different colours: light colour (handled through standard existing processes), regular colour (requires consistent monitoring) and dark colour (requires promptly actions and strategy planning).

Environmental, Social and Governance Report

4. ENVIRONMENTAL PROTECTION (continued)

4.1. Climate Change (continued)

4.1.2. Climate Scenario Analysis and Strategy (continued)

Due to the absence of widely recognised or industry-standardised calculation methodologies and the dispersed nature of operational data across business units, the Group is currently unable to apply cross-industry or industry-based metrics or disclose the amount and percentage of assets or business activities vulnerable to climate-related risks and opportunities in a reasonable and cost-effective manner. Additionally, as climate-related actions are embedded in day-to-day operations with no separately identifiable funding, no quantitative data on anticipated financial impacts can be provided. Should there be any significant changes to our operational strategy in the future, we will disclose our material financial impacts on the financial position, operating performance, and cash flows as appropriate.

While the Group has not yet developed a dedicated climate transition plan, building climate resilience has been elevated as a strategic priority. Dedicated human resources and internal capital have been allocated to systematically identify physical and transition risks and to develop appropriate mitigation measures. During the Year, no capital expenditure, financing, or investment was deployed specifically towards our resilience strategies.

4.1.3. Climate Risk Assessment

The Group has strengthened our enterprise risk management by mapping the key drivers of climate-related risks against our existing risk register and fully integrating climate risk management into the overall framework. The assessment considers factors including asset location and type, historical exposure to extreme weather events, and energy consumption patterns. We are informed by publicly available climate data from recognised scenario sources and supplemented by internal utility consumption records.

The Group's climate risk assessment follows a systematic four-step process of identification, assessment, prioritisation and monitoring, as set out below:

1. Identification

The Group performs benchmarking, stakeholder consultations, and research on climate trends through scenario analyses. This enables the identification of physical and transition risks, together with potential opportunities, across operations within the reporting scope.

2. Assessment

A comprehensive evaluation is conducted on the identified climate-related risks and opportunities to assess their potential impacts on the business model, value chain, and financial performance.

Environmental, Social and Governance Report

4. ENVIRONMENTAL PROTECTION (continued)

4.1. Climate Change (continued)

4.1.3. Climate Risk Assessment (continued)

3. Prioritisation

The identified climate risks and opportunities are integrated into the existing risk register and prioritised according to likelihood and significance. This ensures alignment with the Group's overall business objectives and strategic priorities.

4. Monitoring

Appropriate risk response strategies and opportunity realisation plans are developed. The management team and relevant departments regularly monitor and evaluate the effectiveness of these measures. Progress on the identification, assessment, and management of climate-related risks and opportunities is reported to the Board, supporting the effective implementation of climate actions.

During the Year, there were no significant changes to the Group's overall risk management system.

4.1.4. Environmental Goal and Progress

In alignment with Hong Kong's target of achieving carbon neutrality by 2050, China's Dual Carbon targets and Mauritius' government pledge to reduce its greenhouse gas emissions by 2030, the Group has established quantified short-term environmental targets during the Year under the oversight of the Board. Although these targets have not been validated by a third party and were not derived from sectoral decarbonisation approach, we are committed to reducing our environmental impact through continuous improvement. Performance against the targets is regularly evaluated to enhance our overall climate resilience.

The Board reviews the progress and performance of the Group's climate targets on an annual basis and assesses whether revisions are necessary. The Board will also continue to strengthen the processes for formulating, evaluating, and verifying these targets to enhance the transparency and credibility of our decarbonisation efforts.

The table below summarises the Group's environmental targets:

Aspect	Our Goals (with a baseline of FY2026)	Section
Emissions	Reducing Scope 1 emissions intensity by 3% by FY2031	Emissions Management
	Reducing Scope 2 emissions intensity by 3% by FY2031	
Resources	Reducing energy consumption intensity by 3% by FY2031	Energy Conservation

Environmental, Social and Governance Report

4. ENVIRONMENTAL PROTECTION (continued)

4.2. Emissions Management

4.2.1. Air Pollutant Emissions

The Group strictly complies with the relevant laws and regulations, such as Law of the People's Republic of China on Prevention and Control of Atmospheric Pollution and Standard for Fugitive Emission Control of Volatile Organic Compounds.

Within the Group's petrochemical storage and oil port services, waste gas produced is processed via activated carbon adsorption and condensation. During the Year, to ensure full compliance with the "GB 20950-2020 National Emission Standard of Air Pollutants for Oil Storage Depots", we commissioned qualified third-party inspection agencies to perform tests at the inlet and outlet points of the oil and gas recovery treatment system. All test results confirmed that our non-methane total hydrocarbon emissions were substantially below the national standard.

The Group's major source of air pollutants is mainly from the vehicles used in supporting and maintaining our daily business operation.

Air pollutants emissions during the Year:

Type ¹	FY2026	FY2025
Nitrogen oxides (NO _x) (kg)	41.1	60.4
Sulphur oxides (SO _x) (kg)	0.5	0.7
Particulate matter (PM) (kg)	3.6	5.5

Note:

1. The emission factors are referred to the "Guidelines on Greenhouse Gas Emission Accounting and Reporting" and Appendix II "Reporting Guidance on Environmental KPIs" ("Appendix II") provided by the National Development and Reform Commission ("NDRC") of the PRC and the Hong Kong Stock Exchange.

Environmental, Social and Governance Report

4. ENVIRONMENTAL PROTECTION (continued)

4.2. Emissions Management (continued)

4.2.2. Greenhouse Gas Emissions

Under the oversight of the Board, the Group is strengthening the processes for developing, assessing, and verifying our environmental targets while regularly monitoring and disclosing greenhouse gas emissions data to stakeholders. Due to the current lack of market maturity and limited industry coverage, carbon pricing has not yet been incorporated into our decision-making processes. We will continue to monitor developments in carbon pricing mechanisms and assess their potential applicability as market conditions evolve.

Following the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) and the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011), the Group's greenhouse gas emissions can be classified into three scopes:

- **Scope 1:** direct emissions from combustion of fuels in vehicles, stationary combustion facilities and greenhouse gas removal from planted trees;
- **Scope 2:** energy indirect emissions from purchased electricity; and
- **Scope 3:** other indirect emissions from category 1: purchased goods and services, category 2: capital goods, category 5: waste generated from operations and category 6: business travel.

The Group has not yet planned the use of carbon credits to offset greenhouse gas emissions. However, we will consider its applicability when appropriate.

Greenhouse gas emissions generated during the Year:

Type ¹	FY2026	FY2025
Total emissions (tonnes CO ₂ e) ^{1, 2}	929	812
Direct emissions (Scope 1) (tonnes CO ₂ e) ³	99	238
Indirect energy emissions (Scope 2) (tonnes CO ₂ e) ⁴	703	550
Indirect emission (Scope 3) (tonnes CO ₂ e) ⁵	127	24
Intensity (tonnes CO ₂ e/employee)	6.7	6.1

Environmental, Social and Governance Report

4. ENVIRONMENTAL PROTECTION (continued)

4.2. Emissions Management (continued)

4.2.2. Greenhouse Gas Emissions (continued)

Notes:

1. The Group's greenhouse gas inventory includes carbon dioxide, methane and nitrous oxide. For the ease of reading and understanding, the greenhouse gas emissions data is presented in carbon dioxide equivalent (CO₂e).
2. The Group adopts the operational control approach to establish our greenhouse gas emissions accounting boundary. The reporting scope defined is based on our authority to direct and enforce operational policies across our business activities. It provides a more accurate picture of our actual responsibilities for managing greenhouse gas emissions. During the Year, there were no changes to our measurement approach.
3. The emission factors are referred to the "Guidelines on Greenhouse Gas Emission Accounting and Reporting", the "Energy Statistics Manual" and Appendix II issued by the NDRC of the PRC, International Energy Agency and the Hong Kong Stock Exchange. During the Year, the Scope 1 emissions decreased because there were no HFC emissions for refrigeration and the fleet emissions were reduced.
4. The emission factors are referred to the "2025 ESG Data Book" and "Average Carbon Dioxide Emission Factor of China Regional Power Grid" issued by CLP Holdings Limited and NDRC. During the Year, the Scope 2 emissions increased due to the higher electricity consumption by the port and port-related services operating company.
5. The emission factors are referred to the "Supply Chain Greenhouse Gas Emission Factors" and "Carbon Emissions Calculator" provided by United States Environmental Protection Agency and International Civil Aviation Organisation, as well as "China Products Carbon Footprint Factors Database". During the Year, the Scope 3 emissions increased due to the expanded reporting categories compared to the last reporting year.

4.3. Waste Management

The Group strictly complies with all applicable laws, regulations, and standards relating to solid waste and hazardous waste management. These include the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, the Standard for Pollution Control on Hazardous Waste Storage, and the Measures for the Prevention and Control of Environmental Pollution by Discarded Hazardous Chemicals.

The Group has aligned with the waste management principles of "Reduce", "Reuse", "Recycle" and "Replace" to minimise the negative environmental impacts of waste and to ensure the disposal of waste materials in an environmentally responsible manner. We actively promote reuse and recycling practices in our operations, facilitate waste reduction and separation at source, and enable effective waste recycling.

Environmental, Social and Governance Report

4. ENVIRONMENTAL PROTECTION (continued)

4.3. Waste Management (continued)

At the Group's oil port and storage operations, all hazardous wastes generated, including sludge, oil sludge, oil-water mixtures and contaminated materials, are properly identified, stored, packaged, and labelled in full compliance with the "Technical Specifications for Collection, Storage, and Transportation of Hazardous Waste" (HJ 2025-2012). A formal contract is entered with a qualified licensed contractor for the safe collection, transportation, and final treatment.

During the Year, non-hazardous waste, which includes general refuse from office and port operations, was disposed of properly by qualified parties in a legally compliant manner. Hazardous waste, comprising oil sludge, ink cartridges, chemicals, and used electronic devices, is returned to suppliers for recycling or safely collected by licensed contractors to avoid adverse environmental impacts.

Waste generated during the Year:

Hazardous Waste¹	FY2026	FY2025
Weight (tonnes)	4.79	14.23
Intensity (tonnes/employee)	0.03	0.11
Non-hazardous Waste²	FY2026	FY2025
Weight (tonnes)	36.65	39.29
Intensity (tonnes/employee)	0.26	0.30

Notes:

1. The hazardous waste in FY2026 is significantly reduced due to the decreased generation of waste oil sludge.
2. Non-hazardous waste data generated by the Hong Kong's office during the Year is based on the daily estimated volume of general waste and the volume-to-weight conversion factors provided by the "Monitoring of Solid Waste in Hong Kong (2023 statistics)" provided by the Hong Kong Environmental Protection Department.

Environmental, Social and Governance Report

4. ENVIRONMENTAL PROTECTION (continued)

4.4. Energy Conservation

The Group has dedicated considerable efforts to reducing energy consumption and improving energy efficiency in our office operation. We have established the “Environmental Policy” to improve energy and operational efficiency, while enhancing the energy conservation awareness through sustainable working practices such as cleaning all light fixtures and lamps regularly, separating the office area into different lighting zones, and installing dimmers where possible to adjust light intensity.

The Group’s major sources of energy consumption are direct consumption from vehicles and stationary combustion facilities, and indirect consumption from purchased electricity.

Energy consumption during the Year:

Type	FY2026	FY2025
Total energy consumption (MWh)	1,723	1,722
Direct energy consumption (MWh) ¹	391	472
Indirect energy consumption (MWh) ²	1,332	1,250
Intensity (MWh/employee)	12.39	12.95

Notes:

1. Direct energy consumption includes fuel consumption from the fleet and stationary combustion equipment.
2. The electricity consumption of the equity and insurance brokerage services operating company is not included because fees are included in the management fees.

Environmental, Social and Governance Report

4. ENVIRONMENTAL PROTECTION (continued)

4.5. Water Conservation

The Group has recognised that raising employees' awareness of water saving is essential in bringing actual effects to water conservation. We continue to promote water saving awareness and practices such as installing and using water-efficient or low-flow water fixtures. During the Year, we did not face any issue in sourcing water.

Water consumption during the Year:

Type	FY2026	FY2025
Water Consumption (m ³) ^{1,2}	34,968	25,966
Water Intensity (m ³ /employee)	251.57	195.23

Notes:

1. The water consumptions of the Hong Kong's head office, the equity and insurance brokerage services operating company, and the chemicals and energy trading company are not included because the fees are included in the management fees.
2. During the Year, the water consumption increased due to a higher amount of water consumption by the port and port-related services operating company.

4.6. Green Operations

To advocate the Group's corporate social responsibility, we have adopted the "Environmental and Natural Resources Policy" to preserve our environment and conserve natural resources. We minimise and manage our operation's significant impacts by adopting environmental protection measures with fully legal compliance, as well as embrace green purchasing practices to conserve natural resources when applicable.

The Group is dedicated to reducing carbon footprint through numerous measures. For example, employees who are engaged actively in overseas meetings are encouraged to substitute phone or video conferences for overseas business travels to avoid unnecessary outbound travels; in cases where outbound business trips are available, we prioritise direct flights over trips with multiple flights in order to minimise greenhouse gas emissions.

The Group also purchases products with improved recyclability, higher recycled content, reduced packaging and greater durability. Due to our business nature, we were not involved in the production process and hence the use of packaging materials.

Environmental, Social and Governance Report

4. ENVIRONMENTAL PROTECTION (continued)

4.7. Environmental Pollution Management

4.7.1. Oil Leakage Prevention

The Group maintains a stringent environmental pollution management system with particular focus on the effective operation and upkeep of anti-pollution facilities and equipment. Within our petrochemical storage and oil port services, we conduct regular inspections, testing, and maintenance of key equipment including oil booms, oil recovery machines, absorbent materials, etc. These measures ensure that all pollution control facilities remain in optimal working condition, enabling rapid and effective response to any environmental incidents.

During the Year, the port and port-related services operating company has established a comprehensive oil leakage prevention and emergency response system through a dedicated service contract with a qualified professional provider. Key measures include the deployment of oil booms around vessels during loading/unloading operations, and regular maintenance of extensive spill response equipment. At least two full-scale pollution response drills have been conducted annually and a complete emergency equipment inventory is maintained. In the event of any oil spill or leakage incident, immediate containment, recovery, and clean-up operations are activated to minimise environmental impact.

4.7.2. Wastewater Discharge Monitoring

Regular third-party monitoring of wastewater at the rainwater discharge outlet demonstrates the Group's consistent compliance with regulatory standards. During the Year, the port and port-related services operating company invited qualified inspection agency to conduct on-site wastewater testing. All the key parameters including ammonia nitrogen, chemical oxygen demand, and petroleum were well within permissible limits. These results confirm effective operation of pollution control facilities and our ongoing commitment to preventing environmental pollution through systematic monitoring and proper facility maintenance.

4.7.3. Emergency Response Mechanism

The port and port-related services operating company has implemented a "Sudden Environmental Incident Emergency Response Plan" to effectively prevent, control, and mitigate environmental emergencies. The plan is supported by dedicated emergency equipment, professional response teams, and close coordination with government authorities, the framework ensures swift and orderly response to incidents such as material leaks, oil spills, fires, or wastewater overflows, minimising environmental impact, protecting personnel safety, and safeguarding surrounding sensitive areas. Regular drills and plan reviews further strengthen the Group's emergency preparedness and response capabilities.

Environmental, Social and Governance Report

5. EMPLOYEE-FOCUSED

The Group is committed to strict compliance with all applicable labour laws and regulations governing recruitment, promotion, remuneration, and dismissal of employees. These include the Employment Ordinance of Hong Kong, the Labour Law of the People's Republic of China, the Labour Contract Law of the People's Republic of China, and the Worker's Rights Act and Regulations of Mauritius.

To support fair and consistent employment practices, the Group has implemented robust human resources policies covering recruitment and termination procedures, salary reviews and promotions, employee welfare, and equal opportunity principles.

5.1. Employment

As an equal opportunity employer, the Group assures all candidates of a fair and open recruitment process. We do not tolerate any form of discrimination on the grounds of age, sex, physical or mental health status, marital status, family status, race and other factors.

The Group has established a "Human Resources Policy" dealing with salary reviews, promotion, termination and equal opportunities. Employees are recognised and rewarded by their contribution, performance and skills. We adjust the salary structure of employees annually and offer competitive remuneration to build a high-calibre team. Whenever an employee offers to resign or is being laid off, an interview will be arranged by human resources to gather valuable feedback for improving our policies.

The Group strictly prohibits the employment of child labour in accordance with the relevant laws and regulations such as the Employment of Children Regulations of Hong Kong and Provision on the Prohibition of Using Child Labour of the PRC. We ensure that no child labour is employed by verifying the identity of new employees before the commencement of work. New employees on probation are required to submit valid originals and copy of their identity cards, academic certificates and other necessary proofs. Forced labour is also strictly prohibited. No employee shall be engaged in hazardous work, physical punishment, abuse, servitude, peonage or trafficking. If violation is involved, corrective actions will be taken immediately by terminating the employment contract.

Environmental, Social and Governance Report

5. EMPLOYEE-FOCUSED (continued)

5.1. Employment (continued)

During the Year, the Group has employed a total of 139 employees in Hong Kong, the PRC, and Mauritius.

Employment data during the Year:

Indicators	FY2026	FY2025
Total number and percentage (%)		
By gender		
Male	109(78)	109(82)
Female	30(22)	24(18)
By age		
< 30	20(14)	28(21)
30 – 50	100(72)	86(65)
> 50	19(14)	19(14)
By employment type		
Permanent	138(99)	131(98)
Temporary	1(1)	2(2)
By geographical location		
Hong Kong	21(15)	24(18)
The PRC	113(81)	106(80)
Mauritius	5(4)	3(2)
Turnover rate (%)		
By gender		
Male	9	5
Female	7	12
By age		
< 30	19	13
30 – 50	7	4
> 50	5	6
By geographical location		
Hong Kong	17	4
The PRC	7	5
Mauritius	0	67

Environmental, Social and Governance Report

5. EMPLOYEE-FOCUSED (continued)

5.2. Promotion and Development

5.2.1. Promotion

The Group provides promotion chances and a clear career pathway to employees. Appraisal reviews for employees are conducted regularly so that employees' contribution and work performance can be recognised and rewarded. Employees who have met the expectations and achieved strong performance will be considered for promotion. We always prefer internal promotion over external recruitment so as to promote organisational growth.

5.2.2. Training

The Group recognises that business success depends on the continuous improvement of employees' performance and productivity. We are committed to enhancing our employees' knowledge and skills while supporting their long-term career development. We provide internal training and encourage employees to attend external seminars and courses to stay updated with relevant knowledge and techniques.

During the Year, the Group continued to prioritise employee training to strengthen safety awareness, professional competencies and regulatory compliance. In our oil storage business, annual safety education and training plans were executed, encompassing company safety management systems and operating procedures. All targeted personnel achieved the planned 100% certification and participation rates for key roles, new employees and refresher training. In our investment banking subsidiary, staff participated in training programmes focused on compliance and professional development topics, including client onboarding and screening, data protection, and industry updates, to support continuous improvement and regulatory adherence.

Training data during the Year:

Indicators	FY2026	FY2025
Average training hours and percentage of trained employees (%)		
By gender		
Male	19(100)	19(93)
Female	10(100)	10(88)
By employee level		
Senior	16(100)	10(91)
Middle	20(100)	16(88)
Junior	17(100)	19(92)

Environmental, Social and Governance Report

5. EMPLOYEE-FOCUSED (continued)

5.3. Health and Safety

The Group strictly complies with all relevant laws, including the Occupational Safety and Health Ordinance of Hong Kong, the Law of the PRC on the Prevention and Control of Occupational Diseases, and the Occupational Safety and Health Act 2005 of Mauritius. During the Year, there have been no work-related fatalities over the past three years. No work-related injuries were recorded during the Year, and the number of lost days due to work-related injury was zero.

All employees, particularly those in management, are responsible for maintaining a safe and injury-free working environment in line with the Group's safety initiatives. Periodic cleaning of air-conditioning systems, regular floor care maintenance, routine pest control services, and disinfection of carpets are carried out to ensure a hygienic workplace. We also participate in the annual fire and evacuation drill, enabling employees to familiarise themselves with the evacuation routes and strengthening their fire safety awareness.

At the Group's oil port and storage operations, we strive to maintain a high level of health and safety. "Health, Safety and Environmental Policy" has been established, which clearly states the regulations that contractors shall abide by, and punishments for violation. Standards for the provision of safety equipment to employees by the contractors are clearly stated, including site signboards and notices for safety and instruction and personal protective gear. These measures are closely monitored and strictly executed.

As the storage, loading, and unloading of flammable and explosive hazardous petrochemicals are involved in the Group's operation, the storage area is subject to inherent safety risks. An "Oil Tank Safety Management System" is established to regulate safe operations at the port. All employees shall strictly follow operating procedures and use facilities and equipment properly. A "Production Safety Incidents Response Plan" is also in place to strengthen emergency response capabilities and minimise potential casualties and property losses. New employees must complete a series of safety training programmes, ensuring they possess the necessary knowledge to maintain operational safety.

Case Study: 2025 and 2026 Annual Safety Training Plans

The port and port-related services operating company implemented its annual training plans, covering national and local safety laws and standards, safety management systems and operating procedures, hazardous chemical safety, fire prevention and explosion protection, emergency response and drills, occupational health, proper use of labour protection equipment, and analysis of typical accident cases. All training activities were properly documented, including teaching materials and attendance records, to ensure effectiveness and support continuous improvement.

Environmental, Social and Governance Report

5. EMPLOYEE-FOCUSED (continued)

5.4. Welfare

The Group is committed to providing competitive employee welfare and benefits to support work-life balance and overall well-being. Full-time employees are entitled to annual leave and other leave entitlements, including maternity leave, paternity leave, compassionate leave, and jury duty leave. We ensure employees are covered under the Employees' Compensation Scheme for work-related accidents worldwide and participate in the Mandatory Provident Fund (MPF) Scheme. Additionally, business travel insurance is arranged for employees on official trips. To recognise performance and service, we offer a discretionary bonus, subject to individual performance and company results.

The Group's employee welfare benefits are tailored to the subsidiaries' business needs and operational locations. The port and port-related services operating company provides free accommodation to its employees under the unified arrangement of the General Affairs Department. Eligible employees are also entitled to special leave benefits, including only-child nursing leave and home visit leave. In the equity and insurance brokerage services operating company, additional benefits include timely salary payments with statutory deductions, telephone allowances, and monthly bus fare refunds.

Staff and Community Activity

The port and port-related services operating company actively participated in the China-Malaysia Qinzhou Industrial Park Women's Day Fun Sports Meeting. The event not only promotes physical and mental health but also strengthens team cohesion, and contributes to a positive and supportive corporate culture.



China-Malaysia Qinzhou Industrial Park Women's Day Fun Sports Meeting

Environmental, Social and Governance Report

6. BUSINESS OPTIMISATION

The Group believes that sustainable development depends on the quality and efficiency of our operations. We are committed to optimising our operations and safeguarding our reputation through effective supply chain management, stringent quality control, dedicated customer service, and ethical business conduct.

6.1. Supply Chain Management

The Group recognises that robust supply chain management is critical to fulfilling its environmental and social responsibilities. To ensure quality products and services, we collaborate closely with supply chain partners and apply strict supplier selection procedures. Suppliers are evaluated on their credibility, ethical standards, and associated environmental and social risks, including discrimination, child or forced labour, bribery, corruption, and irresponsible environmental practices. We do not engage with suppliers that fail to comply with relevant laws and regulations. We may suspend or terminate relationships where non-compliance with our policies is identified, until satisfactory improvements are demonstrated.

Guided by our “Supply Chain Management Policy”, the Group promotes responsible and green procurement by favouring environmentally preferable products. During the Year, all suppliers underwent our established selection and due diligence procedures.

For the petrochemical storage business, the Group recognises the various risks associated with construction sites, such as construction quality, environmental impact, and health and safety. We have engaged a contractor holding ISO 9001 (quality management) and ISO 14001 (environmental management) certifications, to minimise the potential risks involved. Likewise, for the port and port-related services business, we place strong emphasis on the selection of contractors for berth construction and maintenance. During the prequalification stage, potential contractors are assessed on their performance track record, technical capability to undertake construction and installation works, and the adequacy of their equipment.

During the Year, the Group’s major suppliers by geographical location are as below:

Supplier locations	FY2026	FY2025
Hong Kong	4	10
The PRC	22	24
Mauritius	27	11
United Kingdom	1	–
United States	2	–
Estonia	1	–

Environmental, Social and Governance Report

6. BUSINESS OPTIMISATION (continued)

6.2. Products and Services Quality

In pursuit of excellence in product and service quality, the Group is committed to providing products and services that fully meet customers' needs and expectations. We operate in full compliance with all applicable product quality-related laws and regulations, including but not limited to the Securities and Futures Ordinance of Hong Kong, the Product Quality Law of the People's Republic of China, and the Financial Services Act 2007 of Mauritius.

The Group places the greatest emphasis on adhering to relevant technical standards in our petrochemical storage business. We uphold the highest standards of quality and safety in all operations involving special equipment, storage tanks, industrial piping, and welding activities. We have also implemented a comprehensive quality management system that covers material acceptance and traceability, welding procedure and skill qualifications, prefabrication, assembly, welding, multi-stage inspections and corrective actions for non-conformities. These measures ensure structural integrity, operational safety, regulatory adherence, and minimal environmental impact.

During the Year, the Group was not subjected to any product recalls for safety and health reasons.

6.3. Customer Services

The Group is committed to achieving the highest standards of customer satisfaction by delivering services that are customer-focused, service-oriented, and community-oriented. We endeavour to understand and address the diverse needs of our customers through responsive, caring, professional, and tailored services. This approach aligns with our business operations while fostering long-term customer relationships.

The Group maintains a robust complaints-handling policy to ensure timely and fair resolution of customer grievances. We view complaints as valuable feedback for improving organisational performance and accountability. In our investment banking business, all complaints received via telephone or other channels are promptly recorded by the Compliance Team, assigned to a designated investigator, and thoroughly investigated. We aim to resolve complaints within 10 working days and provide written replies to complainants detailing the outcome and any corrective measures taken. Unresolved cases are escalated to senior management or the Compliance Team in accordance with established procedures. Employees are required to strictly comply with the policy, ensuring transparency, professionalism, and continuous enhancement of service quality.

During the Year, the Group did not receive any product and service-related complaints.

Environmental, Social and Governance Report

6. BUSINESS OPTIMISATION (continued)

6.4. Intellectual Property Rights

The Group places strong emphasis on the protection of intellectual property rights and strictly requires all employees to comply with applicable copyright laws during their employment. Employees shall avoid any infringement of intellectual property rights. No copies of materials may be made for business purposes unless appropriate licences or permissions have been obtained from the copyright owners or the Company. Employees are required to identify the copyright owner by checking relevant copyright notices and licences, and to strictly adhere to the terms of any applicable licences when making copies.

6.5. Data Protection and Privacy

The Group places the highest importance on data security and privacy. We strictly comply with relevant laws in our places of operation, including the Personal Data (Privacy) Ordinance of Hong Kong and the Mauritius Data Protection Act 2017, and have adopted multiple measures to safeguard privacy.

6.5.1. Data Security

The Group places paramount importance on data security and the proper use of IT systems and equipment. Company computer devices are protected by anti-virus systems, and any disabling or tampering with these systems is regarded as gross misconduct. We strictly prohibit the unauthorised connection of computers to the Company network (except for statutory auditors), and regular patching of operating systems and firmware as recommended by vendors. Employees are required to adhere strictly to the IT policy regarding private use of internet and email facilities. Any breach, including introducing viruses from personal devices or misuse of IT resources, may result in disciplinary action, including immediate dismissal or legal proceedings.

6.5.2. Confidentiality Obligations

The Group upholds the highest standards of data privacy and confidentiality to safeguard sensitive business information. Confidential information includes all proprietary or non-public data relating to our business, finances, transactions, and customers. Employees and Directors are strictly prohibited from disclosing, using, divulging, or communicating any inside information, trade secrets, or confidential information to unauthorised parties, except where necessary for the proper performance of their duties. These confidentiality obligations continue to apply for a reasonable period even after the termination of employment or directorship.

In the Group's financial institutions business, officers are required to release information only when duly authorised in the course of their duties. Employees should keep telephone conversations, internet chats, and client meetings confidential, discuss sensitive matters only in secure private locations, and exercise due care when handling or removing papers from the office. Any breach of these obligations constitutes a violation of both the Code of Ethics and the employee's employment agreement.

Environmental, Social and Governance Report

6. BUSINESS OPTIMISATION (continued)

6.6. Business Ethics

Ethics and professionalism are core values that guide the Group's business conduct. We strictly comply with all the relevant laws and regulations related to Anti-money Laundering ("**AML**") and Combatting Terrorist Financing and Proliferation ("**CFT**") in the place we operate, such as the Prevention of Bribery Ordinance and Anti-money Laundering and Counter-terrorist Financing Ordinance of Hong Kong, Anti-money Laundering Law of the PRC, and Prevention of Corruption Act 2002 of Mauritius.

The Group does not tolerate any bribery, corruption, extortion, money-laundering or other fraudulent activities, and has established a "Code of Conduct", which includes provisions for avoiding conflicts of interest. Our "Anti-corruption Policy" also outlines the requirements in relation to the prevention, detection, reporting and investigation of any suspected bribery or corruption. During the Year, we were not aware of any breach of laws and regulations that have a significant impact in relation to bribery, corruption, extortion, fraud and money laundering.

To achieve AML compliance, the "Terms of Reference" list the core responsibilities for AML Committee, including making recommendations to the Board and monitoring for suspicious corrupt behaviour. If an employee suspects that there is an instance of bribery or corruption activities, they are required to report details of suspected bribery or any form of corruption through the established communication channel in accordance with our "Whistle-blowing Policy". All reports will be treated confidentially and the reporting employee is assured of protection against unfair dismissal, victimisation or unwarranted disciplinary action.

During the Year, the equity and insurance brokerage services operating company conducted two anti-corruption training sessions delivered by external experts. Topics included the Alternative Minimum Tax and Fair Share contribution, as well as the legislative and regulatory framework, risk assessment, and money laundering. A total of 23 training hours were provided, with 100% of employees participating in the training.

7. COMMUNITY CONTRIBUTION

The Group actively supports community welfare and disaster relief efforts as part of its commitment to corporate social responsibility. During the Year, we made a donation of RMB 100,000 to support victims of the Wang Fuk Court Fire in Hong Kong. This contribution reflects our ongoing dedication to serving the community with care and compassion. We will continue to encourage employee participation in charitable and community activities and dedicate greater resources that share the benefits of our growth with society.

Environmental, Social and Governance Report

APPENDIX: KPIS IN THE ESG REPORTING CODE

KPI	Description	Chapters	Page no.
Environmental Aspect			
A1 Emissions			
A1.1	The types of emissions and respective emissions data.	Emissions Management	73-75
A1.2	Repealed 1st January 2025		
A1.3	Total hazardous waste produced and, where appropriate, intensity.	Waste Management	75-76
A1.4	Total non-hazardous waste produced and, where appropriate, intensity.	Waste Management	75-76
A1.5	Description of emissions target(s) set and steps taken to achieve them.	Climate Change	65-72
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Climate Change; Waste Management; and Green Operations	65-72, 75-76, 78
A2 Use of Resources			
A2.1	Direct and/or indirect energy consumption by type in total and intensity.	Energy Conservation	77
A2.2	Water consumption in total and intensity.	Water Conservation	78
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Climate Change; and Energy Conservation	65-72, 77
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Water Conservation	78
A2.5	Total packaging material used for finished products and, if applicable, with reference to per unit produced.	Green Operations	78

Environmental, Social and Governance Report

KPI	Description	Chapters	Page no.
A3 Environmental and Natural Resources			
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Green Operations; and Environmental Pollution Management	78-79
A4 Climate Change			
A4.1	Repealed 1st January 2025		
Social Aspect			
B1 Employment			
B1.1	Total workforce by gender, employment type, age group and geographical region.	Employment	80-81
B1.2	Employee turnover rate by gender, age group and geographical region.	Employment	80-81
B2 Health and Safety			
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Health and Safety	83
B2.2	Lost days due to work injury.	Health and Safety	83
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Health and Safety	83

Environmental, Social and Governance Report

KPI	Description	Chapters	Page no.
B3 Development and Training			
B3.1	The percentage of employees trained by gender and employee category.	Promotion and Development	82
B3.2	The average training hours completed per employee by gender and employee category.	Promotion and Development	82
B4 Labour Standards			
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Employment	80-81
B4.2	Description of steps taken to eliminate such practices when discovered.	Employment	80-81
B5 Supply Chain Management			
B5.1	Number of suppliers by geographical region.	Supply Chain Management	85
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Supply Chain Management	85
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management	85
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management	85

Environmental, Social and Governance Report

KPI	Description	Chapters	Page no.
B6 Product Responsibility			
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Products and Services Quality	86
B6.2	Number of products and service related complaints received and how they are dealt with.	Customer Services	86
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Intellectual Property Rights	87
B6.4	Description of quality assurance process and recall procedures.	Products and Services Quality	86
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Data Protection and Privacy	87
B7 Anti-corruption			
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Business Ethics	88
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Business Ethics	88
B7.3	Description of anti-corruption training provided to directors and staff.	Business Ethics	88
B8 Community Investment			
B8.1	Focus areas of contribution.	Community Contribution	88
B8.2	Resources contributed to the focus area.	Community Contribution	88

Independent Auditor's Report

Deloitte.

德勤

TO THE SHAREHOLDERS OF PT INTERNATIONAL DEVELOPMENT CORPORATION LIMITED

(incorporated in Bermuda with limited liability)

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of PT International Development Corporation Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 97 to 183, which comprise the consolidated statement of financial position as at 31st March, 2026, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

The Group recorded net current liabilities of HK\$505,114,000 and net liabilities of HK\$304,940,000 as at 31st March, 2026. The Group also reported a loss of approximately HK\$385,960,000 and had a net operating cash outflow of HK\$4,017,000 for the year ended 31st March, 2026.

As at 31st March, 2026, the Group had an outstanding bank loan with a carrying amount of HK\$116,658,000 and outstanding lease liabilities arising from sale and leaseback arrangements of oil storage tanks with a carrying amount of HK\$385,759,000. Under certain legal proceedings in relation to sale and leaseback arrangements and debt dispute, the Group has received property preservation orders to restrict the disposition of certain assets and the withdrawal of bank deposits since August 2022. Accordingly, the Group has breached certain covenants of the bank loan and certain terms of the sale and leaseback contracts, thus the bank may request immediate repayment of the loan and the lessor may request immediate repayment of the remaining lease payments. As at 31st March, 2026, the corresponding loan and lease liabilities have been classified as current liabilities.

Independent Auditor's Report

BASIS FOR DISCLAIMER OF OPINION (continued)

As at 31st March, 2026, certain above-mentioned legal proceedings were concluded, and the Group was subject to the legal claims in relation to its sale and leaseback arrangements as below:

- (i) In January 2026, the court issued a compulsory enforcement order with execution amount of approximately RMB98,711,000 (equivalent to HK\$111,938,000) to seize and subsequently auction the assets of the Group in order to immediately repay the remaining lease payments from sale and leaseback contracts of two oil storage tanks.
- (ii) In January 2026, the Group lost the lawsuits in relation to the sale and leaseback contracts of three oil storage tanks pursuant to the final court judgement that the Group was liable to immediately repay the remaining lease payments of approximately RMB158,400,000 (equivalent to HK\$179,626,000) and other related litigation costs of approximately RMB1,387,000 (equivalent to HK\$1,573,000).
- (iii) In January 2026, the Group lost the lawsuit in relation to the sale and leaseback contract of an oil storage tank pursuant to the first-instance court judgement that the Group was liable to immediately repay the full amount of remaining lease payments of approximately RMB52,800,000 (equivalent to HK\$59,875,000) and other related litigation costs of approximately RMB557,000 (equivalent to HK\$632,000). The Group has appealed against the first-instance court judgement. Subsequent to the end of the reporting period, the Group received the final court judgement which the court rejected the appeal and upheld the original judgement.

The existence of these events or conditions may cast significant doubt on the Group's ability to continue as a going concern.

Independent Auditor's Report

BASIS FOR DISCLAIMER OF OPINION (continued)

The Group has been undertaking plans and measures to mitigate its liquidity pressure and improve its financial position, including: (i) negotiating with a bank for revising the loan covenants and not demanding immediate repayment of existing bank loan due to the breach of loan covenants and also for deferral of payment of loan principal of the bank borrowing; (ii) working with the People's Republic of China (the "PRC") legal advisers of the Group to gather evidence to defend itself against the civil complaints filed by the lessor and to suspend and/or terminate the enforcement of the judgment and the settlement agreement, and to defend against the lessor for the request of immediate repayment of the remaining lease payments; (iii) negotiating with a construction company for not demanding immediate payment in relation to the overdue fee for construction of a port infrastructure and related late repayment charge; and (iv) seeking additional loans of financing from banks, in which the details are set out in note 3.1 to the consolidated financial statements. The directors of the Company performed an assessment of the Group's future liquidity and cash flows, which included a cash flow projection for a period of not less than twelve months from 31st March, 2026 and considered the likelihood of successfully implementing the above-mentioned plans and measures and considered the underlying bases of management's cash flow projection, the directors of the Company are of the opinion that the Group will have funds available to meet its financial obligations as and when they fall due within the next twelve months from 31st March, 2026. Accordingly, the directors of the Company considered it is appropriate to prepare the Group's consolidated financial statements on a going concern basis.

The validity of the going concern assumptions on which the consolidated financial statements have been prepared depends on the outcome of these plans and measures. However, given the execution of the above plans and measures by the Group are in preliminary stage or in progress, and no written contractual agreements or other documentary supporting evidence from the relevant banks and creditors are available to the Group as at the date of the approval of the consolidated financial statements, we are unable to obtain sufficient appropriate evidence we considered necessary to assess whether the Group will be able to continue as a going concern. There were no other satisfactory procedures that we could adopt to satisfy ourselves regarding the appropriateness of the directors' use of the going concern basis of accounting and the adequacy of the related disclosures in the consolidated financial statements.

Should the Group fail to implement the above-mentioned plans and measures, it might not be able to continue as a going concern, and adjustments might have to be made to write down the carrying values of the Group's assets to their recoverable amounts and to recognise a liability for any contractual commitments that may have become onerous. The effects of these adjustments have not been reflected in these consolidated financial statements.

The possible effects on the consolidated financial statements of undetected misstatements, if any, could be both material and pervasive.

Independent Auditor's Report

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

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

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

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

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing as issued by the HKICPA and to issue an auditor's report in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

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

The engagement partner on the audit resulting in this independent auditor's report is TSE, Fung Chun (practising certificate number: P05156).

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
30th June, 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31st March, 2026

	NOTES	2026 HK\$'000	2025 HK\$'000
Continuing operations			
Revenue	5	102,614	140,667
Cost of sales		(315,569)	(169,621)
Gross loss		(212,955)	(28,954)
Other income and expenses, other gains and losses	7	(9,733)	2,490
Net loss on financial instruments	8	(83,700)	(116,482)
Selling and distribution expenses		(91)	(205)
Administrative expenses		(64,031)	(64,904)
Finance costs	10	(14,021)	(15,979)
Share of results of a joint venture		(8)	(308)
Share of results of an associate		(672)	–
Loss before taxation	11	(385,211)	(224,342)
Income tax expense	12	(749)	–
Loss for the year from continuing operations		(385,960)	(224,342)
Discontinued operation			
Profit for the year from discontinued operation	15	–	15,248
Loss for the year		(385,960)	(209,094)
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		49	2,699
Exchange differences reclassified to profit or loss upon deconsolidation of a subsidiary		–	2,430
Other comprehensive income for the year		49	5,129
Total comprehensive expenses for the year		(385,911)	(203,965)

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31st March, 2026

	NOTE	2026 HK\$'000	2025 HK\$'000
(Loss) profit for the year attributable to owners of the Company			
– from continuing operations		(250,310)	(191,312)
– from discontinued operation		–	15,344
Loss for the year attributable to owners of the Company		<u>(250,310)</u>	<u>(175,968)</u>
Loss for the year attributable to non-controlling interests			
– from continuing operations		(135,650)	(33,030)
– from discontinued operation		–	(96)
Loss for the year attributable to non-controlling interests		<u>(135,650)</u>	<u>(33,126)</u>
		<u>(385,960)</u>	<u>(209,094)</u>
Total comprehensive expenses for the year attributable to:			
Owners of the Company		(248,047)	(170,927)
Non-controlling interests		<u>(137,864)</u>	<u>(33,038)</u>
		<u>(385,911)</u>	<u>(203,965)</u>
		<i>HK cents</i>	<i>HK cents</i>
Loss per share:	14		
From continuing and discontinued operations			
– Basic		<u>(82.68)</u>	<u>(58.12)</u>
From continuing operations			
– Basic		<u>(82.68)</u>	<u>(63.19)</u>

Consolidated Statement of Financial Position

At 31st March, 2026

	NOTES	2026 HK\$'000	2025 HK\$'000
Non-current assets			
Property, plant and equipment	16	144,322	295,742
Right-of-use assets	17	68,480	136,579
Interest in an associate		919	1,522
Interest in a joint venture		184	193
Restricted bank balances	21	2,445	–
		216,350	434,036
Current assets			
Trade and other receivables	19	58,081	69,550
Equity investments held for trading	20	–	47
Financial assets at fair value through profit or loss	18	30,547	114,251
Restricted bank balances	21	–	3,245
Cash and cash equivalents	21	14,506	33,586
		103,134	220,679
Current liabilities			
Trade and other payables	22	97,220	91,838
Provisions	41	4,700	–
Contract liabilities	23	1,157	1,350
Tax payables		749	–
Borrowings	24	116,658	111,354
Lease liabilities – due within one year	25	387,764	367,613
		608,248	572,155
Net current liabilities		(505,114)	(351,476)
Total assets less current liabilities		(288,764)	82,560
Non-current liabilities			
Borrowings – due after one year	24	8,000	–
Lease liabilities – due after one year	25	3,176	1,589
Amount due to a director	26	5,000	–
		16,176	1,589
Net (liabilities) asset		(304,940)	80,971

Consolidated Statement of Financial Position

At 31st March, 2026

	NOTE	2026 HK\$'000	2025 HK\$'000
Capital and reserves			
Share capital	28	30,274	30,274
Share premium and reserves		<u>(105,113)</u>	<u>142,934</u>
Equity attributable to the owners of the Company		(74,839)	173,208
Non-controlling interests		<u>(230,101)</u>	<u>(92,237)</u>
Total equity		<u>(304,940)</u>	<u>80,971</u>

The consolidated financial statements on pages 97 to 183 were approved and authorised for issue by the Board of Directors on 30th June, 2026 and are signed on its behalf by:

Ching Man Chun, Louis, MH
Chairman and Managing Director

Wong Kung Ho, Alexander
Executive Director

Consolidated Statement of Changes In Equity

For the year ended 31st March, 2026

	Attributable to the owners of the Company					Sub-total HK\$'000	Non- controlling interests HK\$'000	Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Capital redemption reserve HK\$'000	Translation reserve HK\$'000	Accumulated losses HK\$'000			
At 1st April, 2024	30,274	984,885	908	(15,692)	(656,240)	344,135	(67,054)	277,081
Loss for the year	-	-	-	-	(175,968)	(175,968)	(33,126)	(209,094)
Exchange differences arising on translation of foreign operations	-	-	-	2,611	-	2,611	88	2,699
Exchange differences reclassified to profit or loss upon deconsolidation of a subsidiary	-	-	-	2,430	-	2,430	-	2,430
Total comprehensive income (expenses) for the year	-	-	-	5,041	(175,968)	(170,927)	(33,038)	(203,965)
Deconsolidation of a subsidiary (Note 15)	-	-	-	-	-	-	7,855	7,855
At 31st March, 2025	30,274	984,885	908	(10,651)	(832,208)	173,208	(92,237)	80,971
Loss for the year	-	-	-	-	(250,310)	(250,310)	(135,650)	(385,960)
Exchange differences arising on translation of foreign operations	-	-	-	2,263	-	2,263	(2,214)	49
Total comprehensive income (expenses) for the year	-	-	-	2,263	(250,310)	(248,047)	(137,864)	(385,911)
At 31st March, 2026	30,274	984,885	908	(8,388)	(1,082,518)	(74,839)	(230,101)	(304,940)

Consolidated Statement of Cash Flows

For the year ended 31st March, 2026

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
OPERATING ACTIVITIES		
Loss before taxation – continuing operations	(385,211)	(224,342)
Profit before taxation – discontinued operation	–	15,248
Adjustments for:		
Impairment losses on property, plant and equipment	163,993	35,997
Impairment losses on right-of-use assets	73,053	17,946
Loss on lease modification	–	308
Expected credit loss on trade and other receivables	426	294
Depreciation of property, plant and equipment	15,367	17,758
Depreciation of right-of-use assets	11,424	11,990
Loss (gain) on disposal of property, plant and equipment	50	(2)
Net gain on deconsolidation of a subsidiary	–	(16,204)
Gain on disposal of a subsidiary	(1,206)	–
Interest income	(729)	(1,673)
Finance costs	14,021	15,979
Net loss on financial instruments	83,700	116,482
Share of results of a joint venture	8	308
Share of results of an associate	672	–
	(24,432)	(9,911)
Operating cash flows before movements in working capital	(24,432)	(9,911)
Increase (decrease) in trade and other payables	4,362	(5,972)
Increase in provisions	4,700	–
Decrease in contract liabilities	(258)	(1,495)
Decrease in trade and other receivables	11,560	2,322
Decrease in equity investments held for trading	51	1,016
	(4,017)	(14,040)
NET CASH USED IN OPERATING ACTIVITIES		
INVESTING ACTIVITIES		
Withdrawal of restricted deposits	1,075	233
Interest received	308	1,455
Investment in a joint venture	–	(500)
Proceeds from disposal of property, plant and equipment	1,278	821
Acquisition of property, plant and equipment	(13,228)	(10,610)
Cash outflow from deconsolidation of a subsidiary	–	(98)
Proceeds from disposal of a subsidiary	1,807	–
	(8,760)	(8,699)
NET CASH USED IN INVESTING ACTIVITIES		

Consolidated Statement of Cash Flows

For the year ended 31st March, 2026

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
FINANCING ACTIVITIES		
New borrowings raised	16,000	–
Advance from a director	5,000	–
Repayment of borrowings	(9,103)	(1,072)
Interest paid	(17,300)	(19,582)
Repayment of lease liabilities	(2,003)	(1,876)
NET CASH USED IN FINANCING ACTIVITIES	(7,406)	(22,530)
DECREASE IN CASH AND CASH EQUIVALENTS	(20,183)	(45,269)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	33,586	81,999
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	1,103	(3,144)
TOTAL CASH AND CASH EQUIVALENTS CARRIED FORWARD, represented by bank balances and cash	14,506	33,586

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

1. GENERAL

PT International Development Corporation Limited (the “**Company**”) is an exempted company incorporated in Bermuda with limited liability. Its shares are listed on Main Board of The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”). The addresses of the registered office and the principal place of business of the Company are disclosed in the “Corporate Information” section of this annual report.

The Company is an investment holding company. The principal activities of the Company’s principal subsidiaries (the Company together with the Company’s subsidiaries are collectively referred to as the “**Group**”) are set out in note 38.

The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

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

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

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

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

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

Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³

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

² Effective for annual periods beginning on or after 1st April, 2026.

³ Effective for annual periods beginning on or after 1st April, 2027.

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

HKFRS 18 Presentation and Disclosure in Financial Statements

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

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1st April, 2027, with early application permitted. HKFRS 18 requires retrospective application with specific transition provisions.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “**Listing Rules**”) and by the Hong Kong Companies Ordinance.

Going concern

The existence of following events or conditions may cast significant doubt on the Group’s ability to continue as a going concern and the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Group recorded net current liabilities of HK\$505,114,000 and net liabilities of HK\$304,940,000 as at 31st March, 2026. The Group also reported a loss of approximately HK\$385,960,000 and had a net operating cash outflow of HK\$4,017,000 for the year ended 31st March, 2026.

As at 31st March, 2026, the Group had an outstanding bank loan with a carrying amount of HK\$116,658,000 and outstanding lease liabilities arising from sale and leaseback arrangements of oil storage tanks with a carrying amount of HK\$385,759,000. Under certain legal proceedings in relation to sale and leaseback arrangements and debt dispute, the Group has received property preservation orders to restrict the disposition of certain assets and the withdrawal of bank deposits (details set out in note 34) since August 2022. Accordingly, the Group has breached certain covenants of the bank loan and certain terms of the sale and leaseback contracts, thus the bank may request immediate repayment of the loan and the lessor may request immediate repayment of the remaining lease payments. As at 31st March, 2026, the corresponding loan and lease liabilities have been classified as current liabilities.

As at 31st March, 2026, certain above-mentioned legal proceedings were concluded, and the Group was subject to the legal claims in relation to its sale and leaseback arrangements as below (with details set out in note 41):

- (i) In January 2026, the court issued a compulsory enforcement order with execution amount of approximately RMB98,711,000 (equivalent to HK\$111,938,000) to seize and subsequently auction the assets of the Group in order to immediately repay the remaining lease payments from sale and leaseback contracts of two oil storage tanks.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.1 Basis of preparation of consolidated financial statements (continued)

Going concern (continued)

- (ii) In January 2026, the Group lost the lawsuits in relation to the sale and leaseback contracts of three oil storage tanks pursuant to the final court judgement that the Group was liable to immediately repay the remaining lease payments of approximately RMB158,400,000 (equivalent to HK\$179,626,000) and other related litigation costs of approximately RMB1,387,000 (equivalent to HK\$1,573,000).
- (iii) In January 2026, the Group lost the lawsuit in relation to the sale and leaseback contract of an oil storage tank pursuant to the first-instance court judgement that the Group was liable to immediately repay the full amount of remaining lease payments of approximately RMB52,800,000 (equivalent to HK\$59,875,000) and other related litigation costs of approximately RMB557,000 (equivalent to HK\$632,000). The Group has appealed against the first-instance court judgement. Subsequent to the end of the reporting period, the Group received the final court judgement which the court rejected the appeal and upheld the original judgement.

The existence of these events or conditions may cast significant doubt on the Group's ability to continue as a going concern.

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and the financial position of the Group and the Group's available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. The Group has been undertaking plans and measures to mitigate its liquidity pressure and improve its financial position, including:

- (i) The Group has been in negotiation with a bank for revising the loan covenants and not demanding immediate repayment of existing bank loan due to the breach of loan covenants as mentioned above, and in addition, the Group has also been in negotiation with the bank for deferral of payment of loan principal of the bank borrowing;
- (ii) The Group will continue to work with the People's Republic of China (the "PRC") legal advisers of the Group to gather evidence to defend itself against the civil complaints filed by Lianwei (Shanghai) Finance Lease Limited* (聯蔚(上海)融資租賃有限公司) ("Lianwei") and to suspend and/or terminate the enforcement of the judgment and the settlement agreement so to maintain the normal operation of Guangming, and the Group will continue to defend against Lianwei for the request of immediate repayment of the remaining lease payments;
- (iii) The Group will continue to negotiate with a construction company for not demanding immediate payment in relation to the overdue fee for construction of a port infrastructure and related late repayment charge; and

* For identification purposes only

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.1 Basis of preparation of consolidated financial statements (continued)

Going concern (continued)

(iv) The Group will continue to seek additional loans of financing from banks.

The directors of the Company performed an assessment of the Group's future liquidity and cash flows, which included a cash flow projection for a period of not less than twelve months from 31st March, 2026 and considered the likelihood of successfully implementing the above-mentioned plans and measures, the directors of the Company are of the opinion that the Group will have funds available to meet its financial obligations as and when they fall due within the next twelve months from 31st March, 2026. Accordingly, the directors of the Company consider it is appropriate to prepare the Group's consolidated financial statements on a going concern basis.

Notwithstanding the above, since the execution of the above plans and measures by the Group are in the preliminary stage or in progress, and no written contractual agreements or other documentary supporting evidence from the relevant banks and creditors are available to the Group as at the date of the approval for issuance of the consolidated financial statements, material uncertainties exist as to whether the Group can continue as a going concern.

Should the Group fail to implement the above-mentioned plans and measures, it might not be able to continue as a going concern, and adjustments might have to be made to write down the carrying values of the Group's assets to their recoverable amounts and to recognise a liability for any contractual commitments that may have become onerous. The effects of these adjustments have not been reflected in these consolidated financial statements.

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

3.2 Material accounting policy information

Basis of consolidation

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

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.2 Material accounting policy information (continued)

Basis of consolidation (continued)

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

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

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

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

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent present ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Revenue from contracts with customers

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

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.2 Material accounting policy information (continued)

Revenue from contracts with customers (continued)

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

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

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

A receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.2 Material accounting policy information (continued)

Revenue from contracts with customers (continued)

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

Output method

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

As a practical expedient, if the Group has a right to consideration in an amount that corresponds directly with the value of the Group's performance completed to date (for example, a service contract in which the Group bills a fixed amount for each month of service provided), the Group recognises revenue in the amount to which the Group has the right to invoice.

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.2 Material accounting policy information (continued)

Leases

The Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 Leases (“**HKFRS 16**”) at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Short-term leases

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

Right-of-use assets

The cost of right-of-use assets includes:

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

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.2 Material accounting policy information (continued)

Leases (continued)

The Group as a lessee (continued)

Lease liabilities

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

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

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

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

Sales and leaseback transactions

Except for contracts entered into before the date of initial application of HKFRS 16, the Group applies the requirements of HKFRS 15 Revenue from Contracts with Customers (“**HKFRS 15**”) to assess whether sale and leaseback transaction constitutes a sale by the Group.

For a transfer that does not satisfy the requirements as a sale, the Group as a seller-lessee continues to recognise the assets and accounts for the transfer proceeds as borrowings within the scope of HKFRS 9.

For a transfer that satisfies the requirements as a sale, the Group as a seller-lessee measures the right-of-use asset arising from the leaseback at the proportion of the previous carrying amount of the asset that relates to the right of use retained by the seller-lessee, and recognises any gain or loss that relates to the rights transferred to the buyer-lessor only. Right-of use asset and lease liability with fixed payments are subsequently measured in accordance with the general requirements under HKFRS 16. In measuring the lease liability, the Group determines “lease payments” or “revised lease payments (including both lease payments that are fixed or variable) in a way that the Group would not recognise any amount of the gain or loss that relates to the right-of-use assets retained by the Group.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.2 Material accounting policy information (continued)

Taxation

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

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

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

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

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

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

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.2 Material accounting policy information (continued)

Taxation (continued)

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

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

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

Current and deferred tax are recognised in profit or loss. When current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the amounting for the business combination.

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

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

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

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established. The recoverable amount is determined for the cash-generating unit to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit.

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.2 Material accounting policy information (continued)

Impairment on property, plant and equipment and right-of-use assets other than goodwill (continued)

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

Provisions

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

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

Contingent liabilities

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

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.2 Material accounting policy information (continued)

Financial instruments

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss (“FVTPL”)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

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

Classification and subsequent measurement of financial assets

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

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

All other financial assets are subsequently measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the “net loss on financial instruments” line item.

Impairment of financial assets

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Impairment of financial assets (continued)

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

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

(i) Significant increase in credit risk

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

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

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Impairment of financial assets (continued)

(ii) Definition of default

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

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

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(v) Measurement and recognition of ECL

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

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

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the nature of financial instruments and past-due status.

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

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

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Derecognition of financial assets

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

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

Financial liabilities and equity

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

Financial liabilities at amortised cost

Financial liabilities (representing trade and other payables, amount due to a director and borrowings) are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

Critical judgment in applying accounting policies

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

Principal versus agent consideration (principal)

The Group engages in trading of chemicals and energy. The Group concluded that the Group acts as the principal for such transactions as it controls the specified good before it is transferred to the customer after taking into consideration that the Group is primarily responsible for fulfilling the promise to provide the goods. The Group is also subject to inventory risk and has discretion in establishing the price of the goods. When the Group satisfies the performance obligation, the Group recognises trading revenue in the gross amount of consideration to which the Group expects to be entitled as specified in the contracts.

During the year ended 31st March, 2026, the Group recognised revenue relating to trading of chemicals and energy amounting to HK\$13,247,000 (2025: HK\$70,285,000).

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty

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

Estimated impairment of property, plant and equipment and right-of-use assets

For the purposes of impairment testing, property, plant and equipment and right-of-use assets that generate cash flows are included in the cash-generating unit for the provision of port and port-related services in the petrochemical segment. In determining whether an asset is impaired, the Group has to exercise judgment and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset as it is expected that the execution of assets under the compulsory enforcement order would take a substantial period of time to complete; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. The assets that were subject to seizure under the compulsory enforcement order are still under the control of the Group as at the date of the approval of the consolidated financial statements. The impairment assessment requires an estimation of the recoverable amount of the cash-generating unit, which is the higher of the value in use and fair value less costs of disposal. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash flows or upward revision of discount rate, a material impairment loss may arise.

As at 31st March, 2026, the carrying amounts of property, plant and equipment and right-of-use assets were HK\$144,322,000 and HK\$68,480,000 (2025: HK\$295,742,000 and HK\$136,579,000) respectively, of which the impairment of property, plant and equipment of HK\$163,993,000 (2025: HK\$35,997,000), impairment of right-of-use assets of HK\$73,053,000 (2025: HK\$17,946,000) were recognised for the year then ended. Details of the recoverable amount calculation are disclosed in note 9.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

5. REVENUE AND SEGMENT INFORMATION

Revenue

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

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Revenue from contracts with customers		
– Trading income	13,247	70,285
– Port and port-related services income	49,997	51,494
– Equity and insurance brokerage income	39,370	18,888
	102,614	140,667

Disaggregation of revenue from contracts with customers

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Types of goods or services		
Trading income		
– Chemicals and energy	13,247	70,285
Port and port-related services income	49,997	51,494
Equity and insurance brokerage income	39,370	18,888
	102,614	140,667

Timing of revenue recognition

A point in time	52,617	89,173
Over time	49,997	51,494
	102,614	140,667

Geographical location (based on the locations of transactions conducted)

Hong Kong	59	56
The PRC excluding Hong Kong	63,244	121,779
Mauritius	39,311	18,832
	102,614	140,667

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

5. REVENUE AND SEGMENT INFORMATION (continued)

Revenue (continued)

Trading income

Revenue from trading of chemicals and energy is recognised at a point in time when the control of the goods is transferred to the customers upon delivery of the goods. Customers are either required to prepay in advance in full or are granted an average credit term of 30 days. Contracts with customers in relation to the trading of chemicals and energy are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts are not disclosed.

Port and port-related services income

The Group's port and port-related services mainly consist of (i) unloading petrochemicals owned by the Group's customers from incoming vessels at the berth of the Group's port to the Group's oil tanks and related facilities; (ii) storage of petrochemicals owned by the Group's customers at the Group's oil tanks and related facilities; and (iii) loading petrochemicals of the Group's customers onto outgoing vessels, trains and oil trucks from the Group's oil tanks and facilities. The Group provides a bundle of service including the unloading, storage and loading services, and are thus one single performance obligation as identified within the contract. Customers are allowed an average credit period of 5 days upon issuance of invoice.

Revenue from port and port-related services is recognised over time using the output method. The Group applied the practical expedient to recognise the revenue in an amount to which the Group has the right to invoice. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts are not disclosed.

Equity and insurance brokerage income

Revenue from provision of equity brokerage services is recognised at a point in time when the broker satisfies the performance obligation by executing the trade to buy or sell the equity, which is usually the trade date. The amount recognised is based on the transaction price agreed upon between the broker and the customers, typically representing the commission or fee for facilitating the transaction. Contracts with the customers in relation to the provision of equity and insurance brokerage services are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts are not disclosed.

Revenue from provision of insurance brokerage services is recognised at a point in time when (i) the terms of the insurance policy have been contractually agreed by the insurer and policyholder; and (ii) the insurer has received or has a present right to payment from the policyholder.

Set out below is the reconciliation of revenue from continuing operations from contracts with external customers with amounts disclosed in the segment information.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

5. REVENUE AND SEGMENT INFORMATION (continued)

Revenue (continued)

Continuing operations

For the year ended 31st March, 2026

	Trading HK\$'000	Long-term investment HK\$'000	Petrochemical HK\$'000	Financial institute business HK\$'000	Finance HK\$'000	Other investment HK\$'000	Total HK\$'000
Trading income	13,247	-	-	-	-	-	13,247
Port and port-related services income	-	-	49,997	-	-	-	49,997
Equity and insurance brokerage income	-	-	-	39,370	-	-	39,370
Revenue from contracts with customers	13,247	-	49,997	39,370	-	-	102,614
Total revenue from continuing operations	13,247	-	49,997	39,370	-	-	102,614

For the year ended 31st March, 2025

	Trading HK\$'000	Long-term investment HK\$'000	Petrochemical HK\$'000	Financial institute business HK\$'000	Finance HK\$'000	Other investment HK\$'000	Total HK\$'000
Trading income	70,285	-	-	-	-	-	70,285
Port and port-related services income	-	-	51,494	-	-	-	51,494
Equity and insurance brokerage income	-	-	-	18,888	-	-	18,888
Revenue from contracts with customers	70,285	-	51,494	18,888	-	-	140,667
Total revenue from continuing operations	70,285	-	51,494	18,888	-	-	140,667

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

5. REVENUE AND SEGMENT INFORMATION (continued)

Segment information

The Group's operating segments, based on information reported to the chief operating decision maker ("CODM"), being the executive directors of the Company, for the purposes of resources allocation and performance assessment are as follows:

Trading	-	trading of chemicals and energy
Long-term investment	-	investments including long-term debt instruments and equity investments
Petrochemical	-	storage, unloading and loading services for petrochemical products
Financial institute business	-	provision of asset management, equity and insurance brokerage and related services
Finance	-	loan financing services
Other investment	-	investment in trading of securities

Segment information reported below does not include any amounts for the discontinued operation. Details of which are set out in note 15.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

5. REVENUE AND SEGMENT INFORMATION (continued)

Segment information (continued)

Continuing operations

Segment revenue and results

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

For the year ended 31st March, 2026

	Trading HK\$'000	Long-term investment HK\$'000	Petrochemical HK\$'000	Financial institute business HK\$'000	Finance HK\$'000	Other investment HK\$'000	Adjustments and eliminations HK\$'000	Consolidated HK\$'000
SEGMENT REVENUE								
External sales	13,247	-	49,997	39,370	-	-	-	102,614
RESULTS								
Segment results	(1,294)	(95,143)	(265,721)	7,751	(12)	4	-	(354,415)
Central administration costs								(33,982)
Other income and expenses, other gains and losses								4,626
Finance costs								(760)
Share of results of a joint venture								(8)
Share of results of an associate								(672)
Loss before taxation from continuing operations								(385,211)

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

5. REVENUE AND SEGMENT INFORMATION (continued)

Segment information (continued)

Continuing operations (continued)

Segment revenue and results (continued)

For the year ended 31st March, 2025

	Trading <i>HK\$'000</i>	Long-term investment <i>HK\$'000</i>	Petrochemical <i>HK\$'000</i>	Financial institute business <i>HK\$'000</i>	Finance <i>HK\$'000</i>	Other investment <i>HK\$'000</i>	Adjustments and eliminations <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
SEGMENT REVENUE								
External sales	70,285	-	51,494	18,888	-	-	-	140,667
RESULTS								
Segment results	(2,625)	(125,794)	(65,545)	3,736	515	(115)	-	(189,828)
Central administration costs								(34,516)
Other income and expenses, other gains and losses								384
Finance costs								(74)
Share of results of a joint venture								(308)
Loss before taxation from continuing operations								(224,342)

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3.2. Segment result represents the result of each segment without allocation of central administration costs, including directors' salaries, certain other income and expenses, other gains and losses, certain finance costs, share of results of a joint venture and share of results of an associate. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

5. REVENUE AND SEGMENT INFORMATION (continued)

Segment information (continued)

Segment assets and liabilities

As at 31st March, 2026

	Trading HK\$'000	Long-term investment HK\$'000	Petrochemical HK\$'000	Financial institute business HK\$'000	Finance HK\$'000	Other investment HK\$'000	Segment total HK\$'000	Unallocated HK\$'000	Total HK\$'000
SEGMENT ASSETS									
Segment assets	6,691	30,582	256,957	3,135	97	-	297,462	-	297,462
Unallocated corporate assets	-	-	-	-	-	-	-	22,022	22,022
Total assets	6,691	30,582	256,957	3,135	97	-	297,462	22,022	319,484
SEGMENT LIABILITIES									
Segment liabilities	1,220	2,488	598,996	1,759	-	-	604,463	-	604,463
Unallocated corporate liabilities	-	-	-	-	-	-	-	19,961	19,961
Total liabilities	1,220	2,488	598,996	1,759	-	-	604,463	19,961	624,424

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

5. REVENUE AND SEGMENT INFORMATION (continued)

Segment information (continued)

Segment assets and liabilities (continued)

As at 31st March, 2025

	Trading HK\$'000	Long-term investment HK\$'000	Petrochemical HK\$'000	Financial institute business HK\$'000	Finance HK\$'000	Other investment HK\$'000	Segment total HK\$'000	Unallocated HK\$'000	Total HK\$'000
SEGMENT ASSETS									
Segment assets	11,370	114,287	477,433	21,683	2,277	47	627,097	-	627,097
Unallocated corporate assets	-	-	-	-	-	-	-	27,618	27,618
Total assets	11,370	114,287	477,433	21,683	2,277	47	627,097	27,618	654,715
SEGMENT LIABILITIES									
Segment liabilities	3,944	70	557,571	9,635	-	-	571,220	-	571,220
Unallocated corporate liabilities	-	-	-	-	-	-	-	2,524	2,524
Total liabilities	3,944	70	557,571	9,635	-	-	571,220	2,524	573,744

For the purposes of monitoring segment performance and allocating resources among segments:

- all assets are allocated to operating segment other than certain property, plant and equipment, certain right-of-use assets, certain other receivables, interest in an associate and a joint venture, certain cash and cash equivalents.
- all liabilities are allocated to operating segments, other than certain other payables and accrued expenses, certain borrowings, certain lease liabilities and amount due to a director.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

5. REVENUE AND SEGMENT INFORMATION (continued)

Segment information (continued)

Other information

For the year ended 31st March, 2026

Continuing operations

	Trading <i>HK\$'000</i>	Long-term investment <i>HK\$'000</i>	Petrochemical <i>HK\$'000</i>	Financial institute business <i>HK\$'000</i>	Finance <i>HK\$'000</i>	Other investment <i>HK\$'000</i>	Segment total <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Amounts included in the measurement of segment results or segment assets:									
Additions to property, plant and equipment	-	-	13,189	11	-	-	13,200	28	13,228
Additions to right-of-use assets	-	-	3,378	-	-	-	3,378	4,996	8,374
Depreciation of property, plant and equipment	85	-	11,876	30	-	-	11,991	3,376	15,367
Depreciation of right-of-use assets	-	-	9,445	281	-	-	9,726	1,698	11,424
Impairment losses on property, plant and equipment	-	-	163,993	-	-	-	163,993	-	163,993
Impairment losses on right-of-use assets	-	-	73,053	-	-	-	73,053	-	73,053
Interest income	371	51	3	89	-	-	514	215	729
Net loss (gain) on financial instruments	-	83,704	-	-	-	(4)	83,700	-	83,700
Finance costs	57	-	13,168	36	-	-	13,261	760	14,021

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

5. REVENUE AND SEGMENT INFORMATION (continued)

Segment information (continued)

Other information (continued)

For the year ended 31st March, 2025

Continuing operations

	Trading <i>HK\$'000</i>	Long-term investment <i>HK\$'000</i>	Petrochemical <i>HK\$'000</i>	Financial institute business <i>HK\$'000</i>	Finance <i>HK\$'000</i>	Other investment <i>HK\$'000</i>	Segment total <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Total <i>HK\$'000</i>
Amounts included in the measurement of segment results or segment assets:									
Additions to property, plant and equipment	-	-	10,582	10	-	-	10,592	18	10,610
Additions to right-of-use assets	-	-	-	850	-	-	850	-	850
Depreciation of property, plant and equipment	84	-	13,420	30	-	-	13,534	4,224	17,758
Depreciation of right-of-use assets	243	-	9,393	300	-	-	9,936	2,054	11,990
Impairment losses on property, plant and equipment	-	-	35,997	-	-	-	35,997	-	35,997
Impairment losses on right-of-use assets	-	-	17,946	-	-	-	17,946	-	17,946
Interest income	336	557	242	-	218	-	1,353	320	1,673
Net loss on financial instruments	-	116,454	-	-	-	28	116,482	-	116,482
Finance costs	212	-	15,658	35	-	-	15,905	74	15,979

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

5. REVENUE AND SEGMENT INFORMATION (continued)

Segment information (continued)

Geographical information

The Group's continuing operations are located in Hong Kong, the PRC and Mauritius (2025: Hong Kong, the PRC and Mauritius).

Information about the Group's revenue from external customers or counterparties is presented based on the locations of transactions conducted. Information about the Group's non-current assets is presented based on the physical locations of the assets.

	Revenue		Carrying amount of non-current assets (Note)	
	2026 HK\$'000	2025 HK\$'000	2026 HK\$'000	2025 HK\$'000
Hong Kong	59	56	19,044	19,091
The PRC, excluding Hong Kong	63,244	121,779	193,347	412,520
Mauritius	39,311	18,832	411	710
	102,614	140,667	212,802	432,321

Note: Non-current assets excluded restricted bank balances, interests in an associate and a joint venture.

Information about major customers

Revenue from continuing operations from customers of the corresponding years contributing over 10% of the total revenue of the Group is as follows:

Customer	Segment	2026 HK\$'000	2025 HK\$'000
Customer A	Trading	14,236	N/A ¹
Customer B	Trading	N/A ¹	16,552
Customer C	Trading	N/A ¹	N/A ¹

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

Revenue by products, services and investments

The Group's major revenue from continuing operations by services and investments was disclosed above.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

6. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES

The emoluments paid or payable to each of the directors and the chief executive were as follows:

(a) Directors' emoluments

	Fees <i>HK\$'000</i>	Salaries and other benefits <i>HK\$'000</i>	Retirement benefit scheme contributions <i>HK\$'000</i>	Discretionary bonus <i>HK\$'000</i>	Total <i>HK\$'000</i>
2026					
Executive directors:					
Ching Man Chun, Louis, MH <i>(chief executive)</i>	10	5,928	18	380	6,336
Yeung Kim Ting <i>(resigned on 30th November, 2025)</i>	7	1,264	12	-	1,283
Wong Kung Ho, Alexander	10	1,800	18	-	1,828
Non-executive director:					
Wong Man Ming, Melinda <i>(re-designated on 26th July, 2025) (note)</i>	167	248	6	-	421
Independent non-executive directors:					
Wong Yee Shuen, Wilson	200	-	-	-	200
Yam Kwong Chun	200	-	-	-	200
Lam Yik Tung	200	-	-	-	200
Total	794	9,240	54	380	10,468

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

6. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (continued)

(a) Directors' emoluments (continued)

	Fees HK\$'000	Salaries and other benefits HK\$'000	Retirement benefit scheme contributions HK\$'000	Discretionary bonus HK\$'000	Total HK\$'000
2025					
Executive directors:					
Ching Man Chun, Louis, MH (chief executive)	10	5,928	18	380	6,336
Heinrich Grabner (resigned on 18th April, 2024)	1	110	2	54	167
Yeung Kim Ting (resigned on 30th November, 2025)	10	1,800	18	75	1,903
Wong Man Ming, Melinda (re-designated on 26th February, 2025) (note)	219	72	2	-	293
Wong Kung Ho, Alexander (appointed on 18th April, 2024)	10	1,715	17	75	1,817
Independent non-executive directors:					
Wong Yee Shuen, Wilson	200	-	-	-	200
Yam Kwong Chun	200	-	-	-	200
Lam Yik Tung	200	-	-	-	200
Total	850	9,625	57	584	11,116

Note: Wong Man Ming, Melinda was re-designated from a non-executive director to an executive director on 26th February, 2025. On 26th July, 2025, she was re-designated from an executive director to a non-executive director.

Ching Man Chun, Louis, MH is the chief executive of the Company and his emoluments disclosed above include those for services rendered by him as the chief executive of the Company.

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

6. DIRECTORS' AND CHIEF EXECUTIVES' EMOLUMENTS AND FIVE HIGHEST PAID EMPLOYEES (continued)

(b) Five highest paid employees

The five highest paid employees of the Group during the year included three (2025: three) directors of the Company, details of whose emoluments are set out in note (a) above. Amounts disclosed below represent the remuneration of the remaining two (2025: two) highest paid employees who are neither directors nor chief executive of the Company.

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Salaries and other benefits	3,149	3,646
Discretionary bonus	98	98
Retirement benefit scheme contributions	36	36
	3,283	3,780

Their emoluments were within the following bands:

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

During the year, no emoluments were paid by the Group to these individuals and directors of the Company, as an inducement to join or upon joining the Group or as compensation for loss of office. In addition, neither the chief executive nor any of the directors has waived any emoluments during the year.

The discretionary bonus is based on the directors' and employees' skills, knowledge and involvement in the Group's affairs and determined by reference to the Group's performance, as well as remuneration benchmark in the industry and the prevailing market conditions.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

7. OTHER INCOME AND EXPENSES, OTHER GAINS AND LOSSES

	2026 HK\$'000	2025 HK\$'000
Continuing operations		
Late repayment charge on construction payables (<i>note i</i>)	(6,379)	–
Losses for legal proceedings (<i>note ii</i>)	(6,019)	–
(Loss) gain on disposal of property, plant and equipment	(50)	2
Net foreign exchange gain (loss)	560	(1,575)
Bank interest income	308	1,145
Interest income on loan to third parties	421	528
Government grants	114	32
Reimbursement of legal costs (<i>note iii</i>)	–	1,978
Gain on disposal of a subsidiary (<i>note iv</i>)	1,206	–
Others	106	380
	(9,733)	2,490

Notes:

- (i) The amount represented charge on late repayment of outstanding payment in relation to the fee for construction of port infrastructure from a construction company in the PRC. Details are disclosed in note 22.
- (ii) The amount includes litigation costs in relation to disputes over sale and leaseback arrangements of HK\$2,205,000 and construction fee together with late repayment charge of HK\$3,814,000 in relation to a construction dispute, pursuant to the court judgements. Details are disclosed in note 41.
- (iii) During the year ended 31st March, 2025, the Group resolved certain legal proceedings and as a result, there were reimbursement of legal costs incurred in prior years and the amount was recognised as other income.
- (iv) The amount represents gain on disposal of PT Insurance Brokers Company Limited (“**PT Insurance**”) (details set out in note 38) during the year ended 31st March, 2026. The net sales proceeds amounted to HK\$1,807,000 and the net assets of PT Insurance before disposal amounted HK\$601,000, which resulted in a gain on disposal of HK\$1,206,000.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

8. NET LOSS ON FINANCIAL INSTRUMENTS

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Continuing operations		
Decrease in fair values of financial assets at FVTPL	(83,704)	(116,454)
Increase (decrease) in fair value of equity investments held for trading	4	(28)
	(83,700)	(116,482)

9. IMPAIRMENT TESTING ON PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

The management of the Group concluded there was indication for impairment of the cash-generating unit for the provision of port and port-related services in the petrochemical segment, which is represented by Thousand Vantage Investment Limited and its subsidiaries (the "**Thousand Vantage Group**"). As at 31st March, 2026, the carrying amounts of property, plant and equipment and right-of-use assets of the cash-generating unit for the provision of port and port-related services in the petrochemical segment ("**Thousand Vantage Related Assets**") were HK\$94,832,000 and HK\$42,242,000 (2025: HK\$258,747,000 and HK\$120,820,000) respectively.

The recoverable amount of the cash-generating unit has been determined based on a value-in-use calculations. These calculations use cash flow projections based on financial budgets of the cash-generating unit approved by management covering a 5-year period, and pre-tax discount rate of 11.81% (2025: 10.80%). Cash flows beyond the 5-year period are extrapolated using a steady growth rate of 2.0% (2025: 2.0%) which is based on the long-term average growth rate in the PRC. The cash flow projections are prepared on the assumption that the cash-generating unit will operate on a business-as-usual ("**BAU**") basis normally throughout the forecasted period as it is expected that the execution of assets under the compulsory enforcement order would take a substantial period of time to complete (details set out in note 3.1). The assets that were subject to seizure under the compulsory enforcement order are still under the control of the Group as at the date of the approval of the consolidated financial statements. The management of the Group considered that the cash flow projections under BAU basis should approximate the future cash flows to be derived from continuing use of the cash generating unit and from its ultimate disposal.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

9. IMPAIRMENT TESTING ON PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS (continued)

Based on the result of the assessment, management of the Group determined that the recoverable amount of the cash-generating unit is lower than the carrying amount. The impairment amount has been allocated to each category of property, plant and equipment and right-of-use assets such that the carrying amount of each category of asset is not reduced below the highest of its fair value less cost of disposal, its value-in-use and zero. Based on the value-in-use calculation and allocation, impairment losses of property, plant and equipment of HK\$163,993,000 (2025: HK\$35,997,000) and impairment losses of right-of-use assets of HK\$73,053,000 (2025: HK\$17,946,000) were recognised for the year ended 31st March, 2026.

As at 31st March, 2026, if the discount rate was increased by 1% (2025: 1%), while other parameters remain constant, the recoverable amount would be reduced to HK\$132,877,000 (2025: HK\$344,389,000) and a further impairment of HK\$4,197,000 (2025: HK\$33,060,000) would be recognised. If the budgeted revenue covering 5-year period were reduced by 5% (2025: 5%), while other parameters remain constant, the recoverable amount would be reduced to HK\$120,576,000 (2025: HK\$359,321,000) and a further impairment of HK\$28,017,000 (2025: HK\$18,040,000) would be recognised.

10. FINANCE COSTS

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Continuing operations		
Interest on lease liabilities	10,688	13,243
Interest on borrowings	7,172	7,037
Interest on amount due to a director	58	–
Total	17,918	20,280
Amounts capitalised in the cost of qualifying assets	(3,897)	(4,301)
	14,021	15,979

Borrowing costs capitalised during the year ended 31st March, 2026 that arose on the general borrowing pool are calculated by applying a capitalisation rate of 5.71% (2025: 5.81%) per annum to expenditures on qualifying assets.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

11. LOSS BEFORE TAXATION

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Continuing operations		
Loss before taxation has been arrived at after charging:		
Staff costs, including directors' emoluments:		
Salaries and other benefits	29,177	30,779
Retirement benefit scheme contributions	1,335	1,375
Total staff costs	<u>30,512</u>	<u>32,154</u>
Impairment losses on property, plant and equipment included in cost of sales	163,993	35,997
Impairment losses on right-of-use assets included in cost of sales	73,053	17,946
Expected credit loss on trade and other receivables	426	294
Depreciation of property, plant and equipment	15,367	17,758
Depreciation of right-of-use assets	<u>11,424</u>	<u>11,990</u>
Total depreciation	<u>26,791</u>	<u>29,748</u>
Auditor's remuneration – audit services	<u>2,000</u>	<u>2,000</u>

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

12. INCOME TAX EXPENSE

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years. No provision for Hong Kong Profits Tax has been made for the years ended 31st March, 2026 and 2025 as the Group has no assessable profits for both years.

Under the Law of the PRC on Enterprise Income Tax (the “**EIT Law**”) and Implementation Regulation of the EIT Law, PRC Enterprise Income Tax (“**EIT**”) is calculated at 25% of the assessable profits for the subsidiaries in the PRC. No provision for EIT has been made as the relevant subsidiaries had no assessable profits arising in the PRC for the years ended 31st March, 2026 and 2025.

Income tax is calculated at 15% of the assessable profit for the subsidiary in Mauritius. No provision has been made for the year ended 31st March, 2025 as the relevant subsidiary’s assessable profit was absorbed by tax losses carried forward.

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

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Continuing operations		
Loss before taxation	(385,211)	(224,342)
Tax credit at the Hong Kong Profit Tax rate of 16.5% (2025: 16.5%)	(63,560)	(37,017)
Tax effect of expenses not deductible for tax purposes	17,324	19,970
Tax effect of income not taxable for tax purposes	(319)	(239)
Tax effect of tax losses not recognised	12,288	13,096
Utilisation of tax losses previously not recognised	–	(954)
Tax effect of deductible temporary differences not recognised	39,113	8,873
Effect of different tax rates applicable to subsidiaries operating in other jurisdictions	(4,097)	(3,729)
Income tax expense for the year	749	–

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

13. DISTRIBUTIONS

The directors of the Company have resolved not to recommend the payment of a final dividend for the year ended 31st March, 2026 (2025: Nil).

14. LOSS PER SHARE

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

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
(Loss) profit for the purpose of calculating the basic (loss) earnings per share		
– from continuing operations	(250,310)	(191,312)
– from discontinued operation	–	15,344
Loss for the year	<u>(250,310)</u>	<u>(175,968)</u>
Numbers of shares		
Weighted average number of ordinary shares in issue (<i>note a</i>)	<u>302,742,424</u>	<u>302,742,424</u>
(Loss) earnings per share from continuing and discontinued operations attributable to equity shareholders of the Company for the year		
Basic (HK cents)		
– from continuing operations	(82.68)	(63.19)
– from discontinued operation	–	5.07
Loss per share for the year	<u>(82.68)</u>	<u>(58.12)</u>

Notes:

- (a) The number of shares for the purpose of calculated the basic loss per share for the years ended 31st March, 2026 and 2025 have been adjusted to reflect the share consolidation as defined and set out in note 28.
- (b) For the years ended 31st March, 2026 and 2025, no diluted loss per share is presented as the Company has no potential ordinary shares in issue.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

15. DISCONTINUED OPERATION

In March 2024, the Group has commenced the process to appoint administrators in Cupral Group Ltd. (“**Cupral**”), a subsidiary engaged in recycling and trading of metals, in the United Kingdom pursuant to the Insolvency Act 1986 of the United Kingdom. The appointment of the administrators has brought into effect a statutory moratorium which prevents any legal action by the creditors of Cupral so that the administrators can effect the realisation of its assets. The appointment of administrators was completed on 9th April, 2024.

Upon the appointment, the legal control of the business of Cupral was transferred from the directors of Cupral to the administrators acting as agent of the affairs of Cupral. Cupral was deconsolidated from the Group on 9th April, 2024 and net gain of HK\$16,204,000 was recognised during the year ended 31st March, 2025.

	2025 HK\$'000
Net liabilities deconsolidated:	
Property, plant and equipment	12,702
Trade and other receivables	2,218
Cash and cash equivalents	98
Trade and other payables	(12,215)
Borrowings	(26,862)
Amounts due to the Group	(51,711)
Net liabilities deconsolidated	(75,770)
Net gain on deconsolidation of Cupral:	
Consideration	–
Less: net liabilities deconsolidated	75,770
Less: amount due from Cupral	(51,711)
Less: non-controlling interest	(7,855)
	16,204

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

15. DISCONTINUED OPERATION (continued)

Profit for the year of the discontinued operation is as follows:

	2025 <i>HK\$'000</i>
Revenue	579
Cost of sales	<u>(1,051)</u>
Gross loss	(472)
Administrative expenses	(484)
Net gain on deconsolidation	<u>16,204</u>
Profit of discontinued operation for the year	<u><u>15,248</u></u>

Profit for the year from discontinued operation included the followings:

	2025 <i>HK\$'000</i>
Staff cost	(10)
Net cash flows for the year of the discontinued operation is as follows:	
Net cash used in operating activities	(959)
Net cash from financing activities	<u>333</u>
Net cash outflow	<u><u>(626)</u></u>

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For the year ended 31st March, 2026

16. PROPERTY, PLANT AND EQUIPMENT

	Owned properties HK\$'000	Port infrastructure HK\$'000	Oil tanks and related facilities HK\$'000	Leasehold improvements HK\$'000	Plant and machinery HK\$'000	Furniture, fixtures and office equipment HK\$'000	Motor vehicles and yacht HK\$'000	Construction in progress HK\$'000	Total HK\$'000
COST									
At 1st April, 2024	4,880	226,455	212,943	7,780	39,239	4,821	34,055	115,267	645,440
Additions	-	-	209	-	209	28	-	10,164	10,610
Disposals/write-off	-	-	-	-	(781)	(73)	(31)	-	(885)
Transfer	-	-	169	-	5,610	-	-	(5,779)	-
Exchange realignment	(129)	(1,233)	(1,246)	(32)	(262)	(18)	(7)	(730)	(3,657)
At 31st March, 2025	4,751	225,222	212,075	7,748	44,015	4,758	34,017	118,922	651,508
Additions	-	-	-	-	-	11	28	13,189	13,228
Disposals/write-off	-	-	(1,743)	-	-	(17)	-	-	(1,760)
Transfer	-	-	463	-	582	-	-	(1,045)	-
Exchange realignment	382	12,928	12,200	315	2,521	92	71	8,552	37,061
At 31st March, 2026	5,133	238,150	222,995	8,063	47,118	4,844	34,116	139,618	700,037
DEPRECIATION AND IMPAIRMENT									
At 1st April, 2024	2,828	112,476	106,766	6,843	23,190	3,446	11,933	37,070	304,552
Provided for the year	417	5,540	5,177	741	2,311	316	3,256	-	17,758
Eliminated on disposals/write-off	-	-	-	-	-	(35)	(31)	-	(66)
Impairment loss (note 9)	204	13,021	13,317	16	2,270	7	29	7,133	35,997
Exchange realignment	(75)	(992)	(898)	(27)	(241)	(12)	(4)	(226)	(2,475)
At 31st March, 2025	3,374	130,045	124,362	7,573	27,530	3,722	15,183	43,977	355,766
Provided for the year	211	5,032	5,053	131	1,454	390	3,096	-	15,367
Eliminated on disposals/write-off	-	-	(429)	-	-	(3)	-	-	(432)
Impairment loss (note 9)	-	59,036	56,938	-	9,089	158	162	38,610	163,993
Exchange realignment	175	8,261	8,418	288	1,810	51	29	1,989	21,021
At 31st March, 2026	3,760	202,374	194,342	7,992	39,883	4,318	18,470	84,576	555,715
CARRYING VALUES									
At 31st March, 2026	1,373	35,776	28,653	71	7,235	526	15,646	55,042	144,322
At 31st March, 2025	1,377	95,177	87,713	175	16,485	1,036	18,834	74,945	295,742

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

16. PROPERTY, PLANT AND EQUIPMENT (continued)

The above items of property, plant and equipment, other than construction in progress, less their residual values, are depreciated over their estimated useful lives on a straight-line basis as follows:

Owned properties	12 years
Port infrastructure	20 years
Oil tanks and related facilities	20 years
Leasehold improvements	Over the terms of the relevant leases
Plant and machinery	5 – 10 years
Furniture, fixtures and office equipment	3 – 5 years
Motor vehicles and yacht	4 – 5 years

17. RIGHT-OF-USE ASSETS

	Land and sea areas use rights <i>HK\$'000</i>	Leased properties <i>HK\$'000</i>	Oil tanks and related facilities <i>HK\$'000</i>	Plant and machinery <i>HK\$'000</i>	Total <i>HK\$'000</i>
As at 31st March, 2026					
Carrying amount	25,510	3,852	38,688	430	68,480
As at 31st March, 2025					
Carrying amount	22,585	834	113,055	105	136,579
For the year ended 31st March, 2026					
Depreciation charge	958	1,978	8,401	87	11,424
For the year ended 31st March, 2025					
Depreciation charge	1,319	2,915	7,618	138	11,990

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

17. RIGHT-OF-USE ASSETS (continued)

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Expenses relating to short-term leases	83	66
Total cash outflow for leases	12,774	15,185
Additions to right-of-use assets	<u>8,374</u>	<u>850</u>

Land and sea areas use rights are granted by the relevant PRC government authorities to use certain land and sea areas located in the PRC, and are depreciated over the relevant lease terms ranging from 42 years to 50 years. As at 31st March, 2026, land and sea use rights of HK\$11,040,000 (2025: HK\$13,161,000) have been pledged to secure bank borrowings raised by the Group as disclosed in note 24.

The Group leases office premises for its operations and recognises leased properties as right-of-use assets. The lease contracts are entered into for fixed terms of two to ten years (2025: two to ten years). Lease terms are negotiated on an individual basis and contain different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable. Leased properties are depreciated over the relevant lease terms.

To better manage the Group's capital structure and financing needs, the Group enters into sale and leaseback arrangements in relation to oil tanks and related facilities and plant and machinery. Upon initial application of HKFRS 16, the remaining amounts under the sale and leaseback transactions entered into before the date of initial application were not reassessed to determine whether the transfer of the underlying asset satisfied the requirements in HKFRS 15 to be accounted for as a sale. The Group did not enter into new sale and leaseback transactions during the years ended 31st March, 2026 and 2025. As at 31st March, 2026, right-of-use assets amounting to HK\$38,688,000 (2025: HK\$113,055,000) have been pledged to secure sale and leaseback arrangements raised by the Group.

In addition, lease liabilities of HK\$390,940,000 (2025: HK\$369,202,000) are recognised with related right-of-use assets of HK\$42,970,000 (2025: HK\$113,994,000) as at 31st March, 2026. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor.

The Group regularly entered into short-term leases for office premises and machinery. As at 31st March, 2026 and 2025, the portfolio of short-term leases is similar to the portfolio of short-term leases to which the short-term lease expense disclosed above.

Details of the lease maturity analysis of lease liabilities are set out in note 25.

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For the year ended 31st March, 2026

18. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at FVTPL represent the Group's investment in an unlisted fund.

On 21st June, 2018, the Group entered into a subscription agreement with certain independent third parties pursuant to which the Group agreed to subscribe for shares of a private equity fund established in Korea (the "**Fund**"), as a limited partner, for an aggregate consideration of United States Dollar ("**US\$**") 20,000,000 (equivalent to HK\$156,000,000) in cash. The Fund principally invests in shares of companies listed on the Korea Exchange. The Fund is managed by a fund manager, while limited partners of the Fund do not have rights to engage in the management of the Fund. The Group, as a limited partner in the Fund, does not have the power to participate in the financial and operating policy decisions of the Fund. As such, the Group does not have significant influence over the Fund and the Fund is not accounted for as an associate. The shares of the Fund held by the Group represent approximately 29.71% (2025: 29.71%) of the issued share capital of the Fund as at 31st March, 2026.

The Fund is accounted for as a financial asset at FVTPL. As at 31st March, 2026, the fair value of the Fund is HK\$30,547,000 (2025: HK\$114,251,000). During the year ended 31st March, 2026, fair value loss of HK\$83,704,000 (2025: HK\$116,454,000) was recognised in profit or loss.

According to the subscription agreement, the maturity date of the Fund will be within 12 months after the year ended 31st March, 2025 unless all partners agree to extend the maturity date. During the year ended 31st March, 2026, all partners agree to extend the maturity date and the maturity date of the Fund will be within 12 months after the year ended 31st March, 2026. Therefore the financial asset at FVTPL has been classified as current asset as at 31st March, 2026.

As at 31st March, 2026, an underlying investment of the Fund have been suspended from trading. The management has made the best estimation of the fair value of the Fund based on the available information.

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19. TRADE AND OTHER RECEIVABLES

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Trade receivables from contracts with customers	<u>6,281</u>	<u>7,236</u>
VAT and other taxes recoverable	2,561	2,832
Amount due from a non-controlling shareholder of a subsidiary (<i>note i</i>)	6,597	6,597
Loans to third parties (<i>note ii</i>)	3,780	5,558
Prepayments	27,191	26,377
Rental, utility and other deposits	1,136	991
Other receivables	<u>10,535</u>	<u>19,959</u>
	<u>51,800</u>	<u>62,314</u>
	<u>58,081</u>	<u>69,550</u>

Notes:

- (i) As at 31st March, 2026 and 2025, the amount due from a non-controlling shareholder of a subsidiary is unsecured, interest-free, non-trade related and repayable on demand.
- (ii) One of the loan is secured and interest-bearing at 12% per annum. It is secured by a pledge of certain properties in the PRC.

During the year ended 31st March, 2026, an extension agreement has been entered and the maturity date of the loan has been extended from June 2025 to June 2026.

The remaining loan to third party was unsecured and interest-bearing at 10% per annum, and has been fully repaid upon its maturity during the year ended 31st March, 2026.

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For the year ended 31st March, 2026

19. TRADE AND OTHER RECEIVABLES (continued)

As at 1st April, 2024, trade receivables arising from contracts with customers amounted to HK\$5,974,000.

The following is an aged analysis of trade receivables presented based on the date of revenue recognition at the end of the reporting period:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Trade receivables		
0 – 30 days	4,242	4,721
31 – 60 days	92	866
61 – 90 days	29	67
Over 90 days	1,918	1,582
	6,281	7,236

As at 31st March, 2026, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$2,039,000 (2025: HK\$2,515,000) which are past due as at the reporting date.

As at 31st March, 2026, there were certain investment with fair value of approximately HK\$2,333,000 received from and held on behalf of the clients of the Group were safekeeping in segregated client accounts. Based on the respective rights and obligations of the Group and its client under the contractual terms and conditions, the investments held on behalf of the clients of the Group are not recognised as the Group's assets and hence there are no corresponding liabilities under these arrangements.

Details of impairment assessment of trade and other receivables are set out in note 31.

20. EQUITY INVESTMENTS HELD FOR TRADING

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Financial asset carried at FVTPL:		
Listed equity securities in Hong Kong	–	47

The fair value measurement of listed equity securities is categorised as Level 1 as the fair value of the investment was determined by quoted bid prices in an active market.

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21. RESTRICTED BANK BALANCES/CASH AND CASH EQUIVALENTS

Restricted bank balances carried interests ranging from 0.01% to 0.35% (2025: 0.01% to 0.35%) per annum. Details of the restriction are set out in note 34.

Bank balances carried interests ranging from 0.01% to 2.70% (2025: 0.02% to 5.81%) per annum.

Details of impairment assessment of restricted bank balances and bank balances are set out in note 31.

22. TRADE AND OTHER PAYABLES

	2026 HK\$'000	2025 HK\$'000
Trade payables	433	1,518
Payables for acquisition of property, plant and equipment (<i>note i</i>)	49,646	45,850
Other payables	23,666	27,506
Accrued expenses	23,475	16,964
	<u>97,220</u>	<u>91,838</u>

Note:

- (i) As at 31st March, 2026, the Group has payables for acquisition of property, plant and equipment amounting to HK\$49,646,000, among which HK\$32,781,000 is related to a legal action involving the outstanding construction payable, while the corresponding accrued interests of HK\$17,010,000 are included in accrued expenses. In May 2021, Guangming became a defendant in a legal action involving the outstanding payment in relation to the fee for construction of port infrastructure from a construction company in the PRC. The case was settled under a civil mediation in May 2022 and Guangming is liable to pay construction fees of RMB90,504,000, where RMB30,675,000 has been settled during the year ended 31st March, 2023. In August 2022, the court has issued an enforcement order to Guangming on settling the remaining amount of the construction fee. In March 2023, the Group has entered a settlement agreement with the construction company, pursuant to which the enforcement order previously issued by the court was set aside as agreed upon by both parties to the proceedings. Under the settlement agreement, repayments of RMB30,000,000 were due on or before 30th June, 2023 (the "First Tranche") and the remaining balance of RMB29,829,000 (equivalent to HK\$31,984,000) together with the corresponding interest will be due on or before 31st December, 2023. The First Tranche has been settled in December 2023.

In December 2024, the Group received a notice from the construction company for extending the settlement of the remaining balance to 30th June, 2025. The balance has not been settled up to the date of approval for issuance of the consolidated financial statements.

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For the year ended 31st March, 2026

22. TRADE AND OTHER PAYABLES (continued)

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Trade payables		
0 – 30 days	216	1,340
31 – 60 days	4	54
61 – 90 days	19	7
Over 90 days	194	117
	433	1,518

23. CONTRACT LIABILITIES

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Amounts received in advance in respect of:		
– sales of goods	–	195
– provision of port and port-related services	1,157	1,155
	1,157	1,350

As at 1st April, 2024, contract liabilities amounted to HK\$2,852,000.

Amount represents consideration received from customers in advance of delivery of goods in respect of the trading segment and in advance of the provision of port and port-related services in respect of the petrochemical segment.

Contract liabilities, that are expected to be settled within the Group's normal operating cycle, are classified as current based on the Group's earliest obligation to transfer goods or services to the customers.

Contract liabilities amounting to HK\$1,350,000 (2025: HK\$2,852,000) at the beginning of the year has been recognised as revenue during the year ended 31st March, 2026.

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For the year ended 31st March, 2026

24. BORROWINGS

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Bank borrowings – secured	116,658	111,354
Loan from a third party – unsecured	8,000	–
	124,658	111,354

The carrying amounts of the above borrowings are repayable:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Within one year	92,082	64,890
Within a period of more than one year but not exceeding two years	32,576	23,232
Within a period of more than two years but not exceeding five years	–	23,232
	124,658	111,354
Less: Amount that is repayable on demand due to breach of loan covenants (<i>Note</i>)	(116,658)	(111,354)
Amount due for settlement after 12 months (shown under non-current liabilities)	8,000	–

Bank borrowings

As at 31st March, 2026, the bank borrowings are secured by right-of-use assets amounting to HK\$11,040,000 (2025: HK\$13,161,000) as disclosed in note 17 and are guaranteed by a non-controlling shareholder of a subsidiary. The Group's bank borrowings carry interests at effective variable rates of 5.71% (2025: 5.81%) per annum as at 31st March, 2026 with reference to the Benchmark Interest Rates for Deposits and Loans of Financial Institutions quoted by the People's Bank of China.

As at 31st March, 2026, the Group has an outstanding bank loan with a carrying amount of HK\$116,658,000 (2025: HK\$111,354,000). Due to the legal proceedings and the property preservation orders received from the court, the Group has breached certain covenants of the bank loan thus the bank may request immediate repayment of the loan. Please refer to note 41 for more details of the litigation cases.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

24. BORROWINGS (continued)

Loan from a third party

During the year ended 31st March, 2026, the Group obtained a loan from a third party. The loan carried interest at fixed rate of 10% per annum and repayable in December 2027.

25. LEASE LIABILITIES

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Lease liabilities payable:		
Within one year	387,764	111,223
Within a period of more than one year but not more than two years	2,038	30,173
Within a period of more than two years but not exceeding five years	171	226,906
Within a period of more than five years	967	900
	<u>390,940</u>	<u>369,202</u>
Less: Amount due for settlement within 12 months (shown under current liabilities)	(2,005)	(109,224)
Less: Amount that is repayable on demand due to breach of lease contracts terms	<u>(385,759)</u>	<u>(258,389)</u>
Amount due for settlement after 12 months	<u>3,176</u>	<u>1,589</u>

The borrowing rates applied to lease liabilities range from 2.61% to 7.10% (2025: 2.61% to 7.10%) per annum.

Since August 2022, due to the property preservation orders received from the court, the Group has breached certain terms of the sale and leaseback contracts thus the lessor may request immediate repayment of the certain remaining lease payments. Accordingly, the related lease liabilities arising from sale and leaseback arrangements with breach of terms of HK\$385,759,000 (2025: HK\$258,389,000) have been classified as current liabilities as at 31st March, 2026.

During the year ended 31st March, 2026, Guangming received court judgements and compulsory enforcement orders that request Guangming to immediately repay the remaining lease payments (details set out in note 41). Accordingly, the related lease liabilities arising from the sale and leaseback arrangements with breach of terms of HK\$385,759,000 have been classified as payable within one year as at 31st March, 2026.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

25. LEASE LIABILITIES (continued)

As the balance was not settled before the due date specified in the settlement agreement, the court has issued a compulsory enforcement order to Guangming to immediately fulfill its obligations. Please refer to note 41 for more details of the litigation cases.

Lease liabilities arising from sale and leaseback arrangements are pledged by the relevant right-of-use assets as disclosed in note 17.

26. AMOUNT DUE TO A DIRECTOR

The amount is unsecured, interest bearing at 9% per annum and repayable in February 2028.

27. DEFERRED TAXATION

As at 31st March, 2026, the Group had unused tax losses of approximately HK\$206,790,000 (2025: HK\$179,739,000) available to offset against future profits. No deferred tax asset has been recognised of such losses as at 31st March, 2026 and 2025 due to the unpredictability of future profit streams. Tax losses amounting to HK\$164,196,000 (2025: HK\$148,235,000) will expire within 5 years and the remaining tax losses amounting to HK\$42,593,000 (2025: HK\$30,362,000) may be carried forward indefinitely.

As at 31st March, 2026, the Group has deductible temporary differences of HK\$646,563,000 (2025: HK\$409,517,000). No deferred tax asset has been recognised in relation to the deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

As at 31st March 2026, the Group recognised a deferred tax asset of HK\$10,561,000 (2025: HK\$30,205,000) to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability of HK\$10,561,000 (2025: HK\$30,205,000) for all taxable temporary difference associated with right-of-use-assets and lease liabilities.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

28. SHARE CAPITAL

	Number of shares	Value HK\$'000
Authorised:		
At 1st April, 2024	102,800,000,000	1,028,000
Share consolidation (<i>Note</i>)	<u>(92,520,000,000)</u>	<u>–</u>
At 31st March, 2025 and 2026	<u>10,280,000,000</u>	<u>1,028,000</u>
Issued and fully paid:		
At 1st April, 2024	3,027,424,240	30,274
Share consolidation (<i>Note</i>)	<u>(2,724,681,816)</u>	<u>–</u>
At 31st March, 2025 and 2026	<u>302,742,424</u>	<u>30,274</u>

Note:

The Company completed the share consolidation ("**Share Consolidation**") on 11th December, 2024. It was approved by the shareholders at the special general meeting held on 9th December, 2024. The Company's shares of every ten issued and unissued existing shares of par value HK\$0.01 each will be consolidated into one share of par value HK\$0.10 each.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

29. SHARE OPTIONS

The Share Option Scheme

On 20th August, 2021, the Company has adopted a new share option scheme ("**Share Option Scheme**") which replaced the previous share option scheme, which had expired on 18th August, 2021. The following is a summary of the principal terms of the Share Option Scheme:

(a) *Purpose of the Share Option Scheme*

The purpose of the Share Option Scheme is to enable the Group to grant options to the eligible participants as incentives or rewards for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group or any entity in which any member of the Group holds equity interest (the "**Invested Entity**").

(b) *Who may join*

The board of directors (the "**Board**") of the Company shall have the discretionary to make an offer to any person belonging to the following classes:

- (i) any employee (whether full time or part time, including directors) of the Company or any subsidiary or any Invested Entity;
- (ii) any supplier of goods or services to any member of the Group or any Invested Entity;
- (iii) any customer of any member of the Group or any Invested Entity;
- (iv) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity;
- (v) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity;
- (vi) any adviser (professional or otherwise), consultant, individual or entity who in the opinion of the directors has contributed or will contribute to the growth and development of the Group; and
- (vii) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group.

The eligibility of any of the eligible participants to an offer under the Share Option Scheme shall be determined by the directors from time to time on the basis of the directors' opinion as to such eligible participant's contribution to the development and growth of the Group.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

29. SHARE OPTIONS (continued)

The Share Option Scheme (continued)

(c) *Maximum number of shares*

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes adopted by the Group shall not exceed 30% of the share capital of the Company in issue from time to time. No options may be granted under the Share Option Scheme or any other share option schemes adopted by the Group if the grant of such options will result in the limit referred herein being exceeded.

As at the date of this report, the total number of shares which may be issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option schemes of the Group) to be granted under the Share Option Scheme shall not in aggregate exceed 10% of the share capital of the Company in issue as at the date on which resolution for approving and adopting the Share Option Scheme is passed by the shareholders of the Company at the annual general meeting, which is 20,182,828 shares (the number of shares subject to share option scheme were adjusted for the share consolidation of the Company and became effective as 11th December, 2024).

(d) *Maximum entitlement of each eligible participant*

Subject to (e) below, the total number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Group (including both exercised or outstanding options) to each eligible participant who accepts the offer for the grant of an option under the Share Option Scheme (a “grantee”) in any 12-month period shall not exceed 1% of the issued share capital of the Company for the time being. Where any further grant of options under the Share Option Scheme to a grantee would result in the shares issued and to be issued upon exercise of all options granted and proposed to be granted to such person (including exercised, cancelled and outstanding options) under the Share Option Scheme and any other share option schemes of the Group in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the share capital of the Company in issue, such further grant shall be separately approved by the shareholders in general meeting with such grantee and his close associates (or his associates if the participant is a connected person) abstaining from voting.

Granting of an offer under the Share Option Scheme to any director, chief executive or substantial shareholder of the Company, or any of their respective associates shall be approved by the independent non-executive directors (excluding any independent non-executive director who is the proposed grantee of an option under the Share Option Scheme).

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

29. SHARE OPTIONS (continued)

The Share Option Scheme (continued)

(d) *Maximum entitlement of each eligible participant (continued)*

Where any grant of options under the Share Option Scheme to a substantial shareholder or an independent non-executive director or any of their respective associates, would result in the shares issued and to be issued upon exercise of all options under the Share Option Scheme already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

- (i) representing in aggregate over 0.1% of the share capital of the Company in issue;
- (ii) having an aggregate value, based on the closing price of the shares at the offer date of each offer, in excess of HK\$5 million; and
- (iii) such further grant of options shall be approved by the shareholders in general meeting. The proposed grantee, his associates and all core connected persons of the Company shall abstain from voting in favour at such general meeting.

For the purpose of seeking the approval of the shareholders of the Company above, the Company shall send a circular to the shareholders containing the information required under the Listing Rules and where the Listing Rules shall so require, the vote at the shareholders' meeting convened to obtain the requisite approval shall be taken on a poll with those persons required under the Listing Rules abstaining from voting.

(e) *Time of acceptance and exercise of an option*

An offer under the Share Option Scheme shall remain open for acceptance by the eligible participant concerned (and by no other person) for a period of up to 21 days from the date, which shall be a business day, on which the offer is made to the eligible participant.

Unless a minimum period is determined by the Board for which an option must be held before it can be exercised, an option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by the directors to the grantee thereof, and in the absence of such determination, from the date of acceptance of the offer of such option to the earlier of (i) the date on which such option lapses under the relevant provisions of the Share Option Scheme; and (ii) the date falling 10 years from the offer date of that option.

An offer shall have been accepted by an eligible participant in respect of all shares which are offered to such eligible participant when the duplicate letter comprising acceptance of the offer duly signed by the eligible participant together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the grant thereof is received by the Company within such time as may be specified in the offer (which shall not be later than 21 days from the offer date). Such remittance shall in no circumstances be refundable.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

29. SHARE OPTIONS (continued)

The Share Option Scheme (continued)

(f) *Basis of determination of the exercise price of an option*

The exercise price in respect of any option shall be at the discretion of the directors, provided that it shall not be less than the highest of:

- (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the shares on the offer date;
- (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the offer date; and
- (iii) the nominal value of a share.

(g) *Remaining life of the Share Option Scheme*

The Share Option Scheme will remain in force for a period of 10 years commencing on the date on which the Share Option Scheme is adopted, which will expire on 19th August, 2031.

As at 31st March, 2026 and 31st March, 2025, no options have been granted under the Share Option Scheme.

30. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of net debt, which include borrowings, amount due to a director and lease liabilities, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital less accumulated losses and other reserves.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through new share issues as well as the issue of new debt or the redemption of existing debt.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

31. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Financial assets		
Mandatorily measured at FVTPL		
Held for trading	–	47
Others	30,547	114,251
Amortised cost	45,574	77,172
Financial liabilities		
Amortised cost	202,654	186,228

(b) Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTPL, equity investments held for trading, trade and other receivables, restricted bank balances, cash and cash equivalents, trade and other payables, borrowings, lease liabilities and amount due to a director. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Market risks

(i) *Currency risk*

The management of the Group has closely monitored foreign exchange exposure to mitigate the foreign currency risk. At the end of the reporting period, the carrying amounts of the Group's significant monetary assets and monetary liabilities denominated in currencies other than the respective functional currency of the relevant group entities are as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Assets		
Korean Won (" KRW ")	29	29
US\$	–	532
GBP	–	362
HK\$	1,104	10,638

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

31. FINANCIAL INSTRUMENTS (continued)

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

Market risks (continued)

(i) Currency risk (continued)

Sensitivity analysis

The following table details the Group's sensitivity to a 5% increase/decrease in foreign currencies against the respective functional currency of the relevant group entities. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. A positive number below indicates a decrease in loss for the year where the foreign currencies strengthen 5% against the respective functional currency of the relevant group entities. For a 5% weakening of the foreign currencies against the respective functional currency of the relevant group entities, there would be an equal and opposite impact and the amounts below would be negative.

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Impact to loss for the year		
KRW	1	1
US\$	-	22
GBP	-	15
HK\$	46	444

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

31. FINANCIAL INSTRUMENTS (continued)

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

Market risks (continued)

(ii) Interest rate risk

As at 31st March, 2026, the Group is exposed to fair value interest rate risk in relation to loans to third parties, borrowings, lease liabilities and amount due to a director (2025: loans to third parties and lease liabilities).

As at 31st March, 2026, the Group is exposed to cash flow interest rate risk in relation to restricted bank balances, bank balances and borrowings (2025: restricted bank balances, bank balances and borrowings) which are mainly arranged at floating rates. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Hong Kong prime rates quoted by relevant banks in Hong Kong for the Group's bank balances in Hong Kong and RMB Benchmark Interest Rates for Deposits and Loans of Financial Institutions quoted by the People's Bank of China for the Group's bank balances and borrowings in the PRC.

The management of the Group has employed a treasury team to closely monitor interest rate movement and manage the potential risk. The Group currently does not have an interest rate hedging policy. However, the management of the Group monitors interest rate change exposure and will consider hedging significant interest rate change exposure should the need arise.

Interest income from financial assets measured at amortised cost amounted to HK\$729,000 (2025: HK\$1,673,000).

Interest expense on borrowings (before amounts capitalised in the cost of qualifying assets) amounted to HK\$7,230,000 for the year ended 31st March, 2026 (2025: HK\$7,037,000).

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

31. FINANCIAL INSTRUMENTS (continued)

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

Market risks (continued)

(ii) *Interest rate risk (continued)*

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates at the end of the reporting period. The analysis is prepared assuming the variable-rate interest-bearing financial assets and financial liabilities outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point increase or decrease in variable-rate bank balances and bank borrowings are used and represents management's assessment of the reasonably possible change in interest rates. If interest rates on variable-rate interest-bearing bank balances and bank borrowings had been 50 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended 31st March, 2026 would increase/decrease by HK\$426,000 (2025: increase/decrease by HK\$333,000).

(iii) *Other price risk*

The Group is mainly exposed to other price risk through its investments in unlisted investments. The management of the Group manages this exposure by maintaining a portfolio of investments with different risks. The Group has appointed a special team to monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to price risks at the end of the reporting period.

If prices of the underlying listed investment of the unlisted fund had been 5% higher/lower, loss for the year would decrease/increase by HK\$1,527,000 (2025: decrease/increase by HK\$5,713,000) as a result of changes in fair values of the underlying listed investment of the unlisted fund.

Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposures are primarily attributable to trade receivables arising from contracts with customers, loans to third parties, other receivables, deposits and amount due from a non-controlling shareholder of a subsidiary, restricted bank balances and bank balances. The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its other financial assets.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

31. FINANCIAL INSTRUMENTS (continued)

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

Credit risk and impairment assessment (continued)

The Group performs impairment assessment for financial assets. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, is summarised below.

Trade receivables arising from contracts with customers

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. Before accepting any new customer, the Group assesses the credit quality of each potential customer and defines a credit rating and limit for each customer which are reviewed regularly by management. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts.

In addition, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Trade receivables are assessed for ECL collectively based on internal credit rating grouped by shared credit risk characteristics by reference to repayment histories and past due exposure. Impairment loss of Nil (2025: HK\$294,000) was recognised during the year ended 31st March, 2026. The gross amount of trade receivable past due over 2 years as at 31st March, 2026 was HK\$1,674,000 (2025: HK\$1,582,000). Details of the quantitative disclosures are set out below in this note.

As at 31st March, 2026, the Group has concentration of credit risks on trade receivables arising from contracts with customers as 55% of the balance is due from 3 customers (2025: 26% of the balance is due from 3 customers).

Loans to third parties, other receivables, deposits and amount due from a non-controlling shareholder of a subsidiary

The Group performs impairment assessment under ECL model on loans to third parties, other receivables and deposits and amount due from a non-controlling shareholder of a subsidiary individually. The management of the Group makes periodic individual assessment on the recoverability of loans to third parties, other receivables, deposits and amount due from a non-controlling shareholder of a subsidiary based on historical settlement records, past experience, and also quantitative and qualitative information that is reasonable and supportive forward-looking information. Impairment loss of HK\$426,000 (2025: Nil) is recognised during the year ended 31st March, 2026 due to significant increase in credit risk of the counterparty. For the remaining balances, the management of the Group considers that the credit risk of the balances has not increased significantly since initial recognition as there is no significant change in credit profile of the counterparties. As such, the Group assesses the remaining balances for impairment based on 12m ECL.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

31. FINANCIAL INSTRUMENTS (continued)

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

Credit risk and impairment assessment (continued)

Restricted bank balances/bank balances

Credit risk on restricted bank balances and bank balances is limited because the counterparties are banks with good reputation and credit profile. The management of the Group considers that the credit risk of the amount has not increased significantly since initial recognition considering external credit ratings of the banks. As such, the Group assesses the balances for impairment based on 12m ECL. No impairment loss is recognised during the year ended 31st March, 2026 (2025: Nil) as the ECL is assessed to be insignificant.

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

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

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

31. FINANCIAL INSTRUMENTS (continued)

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

Credit risk and impairment assessment (continued)

Restricted bank balances/bank balances (continued)

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

Financial assets at amortised cost	External credit rating	Internal credit rating	Lifetime ECL or 12m ECL	Gross carrying amount	
				2026 HK\$'000	2025 HK\$'000
Trade receivables arising from contracts with customers	N/A	Low risk	Lifetime ECL (collective assessment)	4,901	5,948
	N/A	Doubtful	Lifetime ECL	1,674	1,582
Loans to third parties, other receivables, deposits and amount due from a non- controlling shareholder of a subsidiary	N/A	Low risk	12m ECL	22,048	33,105
	N/A	Loss	Lifetime ECL	426	-
Restricted bank balances	Aa3	N/A	12m ECL	2,445	3,245
Bank balances	Aa3	N/A	12m ECL	14,506	33,586

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

31. FINANCIAL INSTRUMENTS (continued)

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

Credit risk and impairment assessment (continued)

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

	Lifetime ECL (credit- impaired) <i>HK\$'000</i>	Lifetime ECL (not credit- impaired) <i>HK\$'000</i>
At 1st April, 2024	2,140	–
Impairment losses recognised	–	294
Deconsolidation of a subsidiary	(2,140)	–
At 31st March, 2025 and 2026	<u>–</u>	<u>294</u>

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

	Lifetime ECL (not credit- impaired) <i>HK\$'000</i>
At 1st April, 2024 and 2025	–
Impairment losses recognised	<u>426</u>
At 31st March, 2026	<u>426</u>

Liquidity risk

In the management of the liquidity risk, the Group relies on borrowings and lease liabilities as significant sources of liquidity. The management of the Group also monitors and maintains levels of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The following table details the Group's remaining contractual maturity for its financial liabilities, lease liabilities and provisions based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities, lease liabilities and provisions based on the earliest date on which the Group can be required to pay.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

31. FINANCIAL INSTRUMENTS (continued)

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

Liquidity risk (continued)

The table includes both interest and principal cash flows. To the extent that interest flows are floating rates, the undiscounted amount is derived from interest rate at the end of the reporting period.

	Weighted average interest rate %	On demand or less than 3 months HK\$'000	3 months to 1 year HK\$'000	1 year to 5 years HK\$'000	Over 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amount HK\$'000
2026							
Non-derivative financial liabilities							
Trade and other payables	-	72,996	-	-	-	72,996	72,996
Fixed interest rate other borrowing	10.00	-	-	9,600	-	9,600	8,000
Variable interest rate bank borrowing	5.71	120,276	-	-	-	120,276	116,658
Amount due to a director	9.00	-	-	5,900	-	5,900	5,000
Lease liabilities	2.86	386,315	1,729	2,172	2,016	392,232	390,940
Provisions	-	4,700	-	-	-	4,700	4,700
		584,287	1,729	17,672	2,016	605,704	598,294

	Weighted average interest rate %	On demand or less than 3 months HK\$'000	3 months to 1 year HK\$'000	1 year to 5 years HK\$'000	Over 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amount HK\$'000
2025							
Non-derivative financial liabilities							
Trade and other payables	-	74,874	-	-	-	74,874	74,874
Borrowings	5.81	117,928	-	-	-	117,928	111,354
Lease liabilities	4.09	279,371	112,893	674	2,494	395,432	369,202
		472,173	112,893	674	2,494	588,234	555,430

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

31. FINANCIAL INSTRUMENTS (continued)

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

Liquidity risk (continued)

Borrowings and lease liabilities with a repayable on demand clause are included in the “on demand or less than 3 months” time band in the above maturity analysis. As at 31st March, 2026, the aggregate carrying amounts of these borrowings amounted to HK\$116,658,000 (2025: borrowings and lease liabilities amounted to HK\$111,354,000 and HK\$258,389,000 respectively). As disclosed in note 3.1, the Group has been in negotiation with the bank (2025: the bank and lessor) for not demanding immediate repayment of existing bank loan (2025: existing bank loan and extending the remaining sale and leaseback contracts of oil storage tanks). The management believes that such borrowings and lease liabilities will be repaid after the end of the reporting period in accordance with the scheduled repayments dates set out in the loan agreement and sale and leaseback contracts, details of which are set out in the table below.

	Weighted average interest rate %	On demand or less than 3 months HK\$'000	3 months to 1 year HK\$'000	1 year to 5 years HK\$'000	Over 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amount HK\$'000
2026							
Borrowings	5.71	81,271	13,715	25,290	-	120,276	116,658
	Weighted average interest rate %	On demand or less than 3 months HK\$'000	3 months to 1 year HK\$'000	1 year to 5 years HK\$'000	Over 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Carrying amount HK\$'000
2025							
Borrowings	5.81	53,274	11,616	23,232	23,232	111,354	111,354
Lease liabilities	4.09	10,025	112,893	270,020	2,494	395,432	258,389
		63,299	124,509	293,252	25,726	506,786	369,743

The amounts included above for variable-rate instruments for non-derivative financial liabilities are subject to change if changes in variable rates differ to those estimates of interest rates determined at the end of the reporting period.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

31. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements are observable.

Financial assets	Fair value as at		Fair value hierarchy	Significant unobservable inputs	Valuation techniques and key inputs
	2026 HK\$'000	2025 HK\$'000			
Equity investments					
- Listed equity securities	-	47	Level 1	Quoted bid prices in an active market	N/A
Financial assets at FVTPL					
- Unlisted fund	30,547	114,251	2026: Level 3	Based on the net asset value of the private equity fund with underlying assets and liabilities measured at fair value. The fair value of listed equity instrument is determined by quoted bid prices in an active market. The suspended trading listed equity security is determined based on net asset value.	
			(2025:Level 2)	Based on the net asset values of the fund determined with reference to observable quoted prices in an active market of the underlying investment portfolio, mainly listed shares.	

The Group's policy is to recognise transfers into and out of fair value hierarchy levels as at the date of the events or changes in circumstances that caused the transfer. During the year ended 31st March, 2026, the investment in unlisted fund was transferred from Level 2 to Level 3, which was due to the suspension of trading of the fund's investment in listed equity security and remained suspended as at 31st March, 2026. The Group recognised the transfer into Level 3 as at the date of suspension. Except the above, there were no other transfers amongst Level 1, Level 2 and Level 3 in the fair value hierarchy during the years ended 31st March, 2025 and 2026.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

31. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurements of financial instruments (continued)

The movement during the year ended 31st March, 2026 in the balances of Level 3 fair value measurement is as follows:

At 1st April, 2025	–
Transfer from level 2	98,537
Net loss arising from change in fair value	(67,990)
	<hr/>
At 31st March, 2026	30,547

32. RETIREMENT BENEFIT SCHEMES

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. Under the scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK\$30,000. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the MPF Scheme. No forfeited contributions are available to reduce the contributions payable in future years.

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

33. CAPITAL COMMITMENTS

At the end of the reporting period, the Group had the following capital commitments:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Capital expenditure in respect of acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements	72,862	73,138

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

34. PLEDGE OF OR RESTRICTIONS ON ASSETS

Pledge of assets

The Group's borrowings and sale and leaseback arrangement had been secured by the pledge of the Group's assets and the carrying amounts of the respective assets are as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Right-of-use assets	<u>49,428</u>	<u>126,216</u>

Restrictions on assets

During the year ended 31st March, 2023, the Group received property preservation orders from the court in the PRC as a result of litigations of Guangming together with three of its subsidiaries in the PRC (the "**Guangming Subsidiaries**"). Details of the litigation are disclosed in note 41. As at 31st March, 2026, the Group's right-of-use assets of HK\$11,040,000 (2025: HK\$13,161,000) and bank balances of HK\$2,445,000 (2025: HK\$3,245,000) are restricted as a result of the property preservation orders.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

35. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	Amount due to a director	Borrowings	Lease liabilities	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1st April, 2024	–	139,968	380,949	520,917
Financing cash flows	–	(7,411)	(15,119)	(22,530)
Non-cash changes				
Interest expenses	–	2,736	13,243	15,979
Interest capitalised in qualifying assets	–	4,301	–	4,301
New lease entered	–	–	850	850
Deconsolidation of a subsidiary	–	(26,862)	–	(26,862)
Lease modification	–	–	(314)	(314)
Exchange realignment	–	(1,378)	(10,407)	(11,785)
At 31st March, 2025	–	111,354	369,202	480,556
Financing cash flows	5,000	285	(12,691)	(7,406)
Non-cash changes				
Interest expenses	58	3,275	10,688	14,021
Interest capitalised in qualifying assets	–	3,897	–	3,897
New lease entered	–	–	8,374	8,374
Exchange realignment	–	6,412	15,367	21,779
At 31st March, 2026	5,058	125,223	390,940	521,221

Note: Amount due to a director and borrowings as at 31st March, 2026 consist of interest payables of HK\$58,000 and HK\$565,000 (2025: Nil) respectively that are included in trade and other payables.

36. RELATED PARTY DISCLOSURES

Compensation of key management personnel

Only the directors and chief executive are considered to be the key management personnel of the Group. The remuneration of directors and the chief executive is disclosed in note 6. The remuneration of directors is determined by the board of directors of the Company and its remuneration committee having regard to the performance of individuals and market trends.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

37. FINANCIAL INFORMATION OF THE COMPANY

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Non-current asset		
Investments in subsidiaries	<u>30,558</u>	236,368
Current assets		
Other receivables	264	–
Amounts due from subsidiaries	36,053	36,824
Cash and cash equivalents	<u>321</u>	3,216
	<u>36,638</u>	40,040
Current liabilities		
Other payables	1,362	1,705
Amounts due to subsidiaries	<u>1,467</u>	45,716
	<u>2,829</u>	47,421
Net current assets (liabilities)	<u>33,809</u>	(7,381)
Total assets less current liabilities	<u>64,367</u>	228,987
Non-current liability		
Borrowings – due after one year	<u>5,000</u>	–
Net assets	<u>59,367</u>	228,987
Capital and reserves		
Share capital	30,274	30,274
Share premium and reserves (<i>Note</i>)	<u>29,093</u>	198,713
Total equity	<u>59,367</u>	228,987

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

37. FINANCIAL INFORMATION OF THE COMPANY (continued)

Note: Details of movements in the Company's share premium and reserves are as follows:

	Share premium HK\$'000	Capital redemption reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
At 1st April, 2024	984,885	908	(754,583)	231,210
Loss and total comprehensive expenses for the year	–	–	(32,497)	(32,497)
At 31st March, 2025	984,885	908	(787,080)	198,713
Loss and total comprehensive expenses for the year	–	–	(169,620)	(169,620)
At 31st March, 2026	984,885	908	(956,700)	29,093

38. PARTICULARS OF PRINCIPAL SUBSIDIARIES

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

Name of subsidiaries	Place of incorporation/ establishment/ registration	Place of operations	Issued and fully paid share capital	Percentage of issued share capital				Principal activities
				held by the Company		attributable to the Group		
				2026 %	2025 %	2026 %	2025 %	
<i>Directly owned</i>								
PT Global Investment Holdings Limited	British Virgin Islands	Hong Kong	US\$1 ordinary share	100	100	100	100	Investment holding
PT OBOR Financial Holdings Limited	British Virgin Islands	Hong Kong	US\$1 ordinary share	100	100	100	100	Investment holding

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

38. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

Name of subsidiaries	Place of incorporation/ establishment/ registration	Place of operations	Issued and fully paid share capital	Percentage of issued share capital				Principal activities
				held by the Company		attributable to the Group		
				2026 %	2025 %	2026 %	2025 %	
<i>Indirectly owned</i>								
PT Finance Limited	Hong Kong	Hong Kong	HK\$1 ordinary share	100	100	100	100	Provision of finance
PT Investment Corporation Limited	Hong Kong	Hong Kong	HK\$1 ordinary share	100	100	100	100	Investment holding and securities trading
PT Insurance	Hong Kong	Hong Kong	HK\$1,200,000 ordinary shares	N/A (Note i)	100	N/A (Note i)	100	Provision of insurance brokerage services
Ko Bon Metal Power Limited	Hong Kong	Hong Kong	HK\$78,000,000 ordinary shares	100	100	100	100	Commodities trading
廣西中化振威石油有限公司	The PRC	The PRC	RMB2,000,000 ordinary shares	100	100	100	100	Commodities trading
Thousand Vantage	Hong Kong	Hong Kong	HK\$205,961,000 ordinary shares	65 (Note ii)	65	65 (Note ii)	65	Investment holding
Guangming	The PRC	The PRC	RMB600,000,000 share capital	48.75 (Note ii)	48.75	48.75 (Note ii)	48.75	Provision of port and port-related services
江蘇宏貿倉儲有限公司	The PRC	The PRC	RMB37,273,550 share capital	90	90	90	90	Provision of chemical storage services
Mahabura Capital Limited	Mauritius	Mauritius	US\$2,697,480 ordinary shares	100	100	100	100	Equity and insurance brokerage services
廣西中油能投石化有限公司	The PRC	The PRC	RMB9,830,000 Ordinary shares	100	100	100	100	Commodities trading

Notes:

- (i) The entity was disposed during the year ended 31st March, 2026.
- (ii) The Group holds 65% equity interests in Thousand Vantage while Thousand Vantage holds 75% equity interests in Guangming, which result in an effective shareholding of 48.75% of the Group in Guangming.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

38. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

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

All of the above subsidiaries are limited companies.

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results of the Group for the year or formed a substantial portion of the assets of the Group at the end of the year. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

39. DETAILS OF NON-WHOLLY OWNED SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTERESTS

The table below shows details of non-wholly-owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiaries	Place of incorporation/ establishment and principal place of business	Proportion of ownership interests/ voting rights held by non-controlling interests		Loss attributable to non-controlling interests		Accumulated non-controlling interests	
		2026	2025	2026	2025	2026	2025
				HK\$'000	HK\$'000	HK\$'000	HK\$'000
Thousand Vantage*	Hong Kong	35%	35%	(69,875)	(17,181)	(86,319)	(17,558)
Non-wholly owned subsidiaries of Thousand Vantage: – Guangming	The PRC	25%	25%	(65,683)	(15,762)	(143,613)	(74,592)
Individually immaterial subsidiaries with non-controlling interests				(92)	(183)	(169)	(87)
				<u>(135,650)</u>	<u>(33,126)</u>	<u>(230,101)</u>	<u>(92,237)</u>

* excluding non-controlling interests of Thousand Vantage's subsidiaries

Summarised financial information in respect of the Thousand Vantage Group which are subsidiaries of the Company with material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

39. DETAILS OF NON-WHOLLY OWNED SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTERESTS (continued)

Thousand Vantage Group

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Non-current assets	182,687	378,945
Current assets	35,329	62,311
Current liabilities	(605,656)	(565,730)
Non-current liabilities	(2,372)	(2,372)
	(390,012)	(126,846)
Equity attributable to:		
Owners of the Company	(160,080)	(34,696)
Non-controlling interests of Thousand Vantage	(86,319)	(17,558)
Non-controlling interests of Thousand Vantage's subsidiaries	(143,613)	(74,592)
	(390,012)	(126,846)

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

39. DETAILS OF NON-WHOLLY OWNED SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTERESTS (continued)

Thousand Vantage Group (continued)

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Revenue	49,997	51,494
Other income and expenses, other gains and losses	(8,732)	1,759
Expenses	<u>(306,875)</u>	<u>(119,623)</u>
Loss for the year	(265,610)	(66,370)
Other comprehensive income for the year	<u>859</u>	<u>54</u>
Total comprehensive expenses for the year	<u>(264,751)</u>	<u>(66,316)</u>
Loss for the year attributable to:		
Owners of the Company	(130,052)	(33,427)
Non-controlling interests of Thousand Vantage	(69,875)	(17,181)
Non-controlling interests of Thousand Vantage's subsidiaries	<u>(65,683)</u>	<u>(15,762)</u>
Loss for the year	<u>(265,610)</u>	<u>(66,370)</u>
Other comprehensive income for the year attributable to:		
Owners of the Company	2,044	(94)
Non-controlling interests of Thousand Vantage	1,101	(50)
Non-controlling interests of Thousand Vantage's subsidiaries	<u>(2,286)</u>	<u>198</u>
Other comprehensive income for the year	<u>859</u>	<u>54</u>
Total comprehensive expenses for the year attributable to:		
Owners of the Company	(128,008)	(33,521)
Non-controlling interests of Thousand Vantage	(68,774)	(17,231)
Non-controlling interests of Thousand Vantage's subsidiaries	<u>(67,969)</u>	<u>(15,564)</u>
Total comprehensive expenses for the year	<u>(264,751)</u>	<u>(66,316)</u>
Net cash inflow from operating activities	24,764	32,667
Net cash outflow used in investing activities	(7,008)	(4,914)
Net cash outflow used in financing activities	<u>(21,096)</u>	<u>(28,553)</u>
Net cash outflow	<u>(3,340)</u>	<u>(800)</u>

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

40. MAJOR NON-CASH TRANSACTIONS

During the year ended 31st March, 2026, the Group entered into new lease agreements for the use of leased properties and plant and machinery. On the lease commencement dates, the Group recognised right-of-use assets of HK\$8,374,000 (2025: HK\$850,000) and lease liabilities of HK\$8,374,000 (2025: HK\$850,000).

41. LITIGATIONS AND CONTINGENT LIABILITIES

As at 31st March, 2026, the material litigations that the Group has been involved are listed below.

Litigations in relation to sale and leaseback arrangements

The Group received civil complaints filed by Lianwei in respect of disputes over the sale and leaseback arrangements entered into with Lianwei.

- (i) During the year ended 31st March, 2024, Guangming has entered into a settlement agreement with Lianwei for this civil complaint in respect of a dispute over the sale and leaseback arrangements of two oil storage tanks. Under the settlement agreement, remaining rent for the remaining lease period was due in tranches from May 2024 to December 2025. For details of the Settlement Agreement, please refer to the Company's announcement dated 23rd February, 2024.

Guangming failed to repay the lease payment before the specified time on the settlement agreement. In January 2026, the court issued a compulsory enforcement order with execution amount of approximately RMB98,711,000 (equivalent to HK\$111,938,000) to seize and subsequently auction Guangming's assets in order to immediately repay the liabilities. As at 31st March, 2026, the lease payment remained outstanding.

- (ii) In October 2022, Guangming received a civil complaint filed by Lianwei in respect of a dispute over the sale and leaseback arrangement of one oil storage tank. Details are disclosed in the Company's announcement dated 28th October, 2022.

In January 2026, Guangming received the first-instance court judgement that Guangming was liable to immediately pay the full amount of remaining rent for the remaining lease period of approximately RMB52,800,000 (equivalent to HK\$59,875,000) and other related litigation costs of approximately RMB557,000 (equivalent to HK\$632,000). Guangming has appealed against the first-instance court judgement. Subsequent to the end of the reporting period, Guangming received the final court judgement which rejected the appeal and upheld the original judgement.

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

- (iii) In May 2023, Guangming received three civil complaints filed by Lianwei in respect of disputes over the sale and leaseback arrangements of three oil storage tanks. Details are disclosed in the Company's announcement dated 5th May, 2023.

In January 2026, Guangming received the final court judgement that Guangming was liable to immediately pay the full amount of remaining rent for the remaining lease period of approximately RMB158,400,000 (equivalent to HK\$179,626,000) and other related litigation costs of approximately RMB1,387,000 (equivalent to HK\$1,573,000). In March 2026, the court issued a compulsory enforcement order with execution amount of approximately RMB158,400,000 (equivalent to HK\$179,626,000) to seize and subsequently auction Guangming's assets in order to repay the liabilities. Subsequent to the end of the reporting period, the court announced that the enforcement was terminated.

In view of the breach of certain terms of the sale and leaseback contracts, the relevant lease liabilities are classified as current liabilities as at 31st March, 2026 (note 25). During the year ended 31st March, 2026, litigation costs of HK\$2,205,000 were recognized in profit or loss (note 7), among which HK\$1,319,000 has been settled.

Arbitration

In April 2024, Jiangsu Hong Mao Storage Company Limited* (江蘇宏貿倉儲有限公司) ("**Jiangsu Hong Mao**"), an indirectly non-wholly owned subsidiary of the Company, received an arbitration notice in respect of an application for arbitration filed by China Construction Third Engineering Bureau Third Construction Engineering Company Limited* (中建三局第三建設工程有限責任公司) ("**CCTE**") against Jiangsu Hong Mao in respect of the dispute over a construction contract for a liquid chemicals storage and logistics project which was suspended in 2017. Under the application of arbitration, Jiangsu Hong Mao shall pay the construction fee of RMB15,901,000 (equivalent to HK\$17,050,000) to CCTE and pay to CCTE the progress payment interest of RMB241,000 (equivalent to HK\$258,000) and settlement payment interest accrued on the outstanding settlement payment at the loan prime rate announced by the National Interbank Funding Center from the date of commencement of the application for the arbitration to the actual repayment date. To the extent of the amount of the outstanding construction fee, CCTE shall have the priority right to be repaid from the appraised or auction price of the project and Jiangsu Hong Mao shall pay the legal costs and other miscellaneous costs relating to the arbitration to CCTE. Details are disclosed in the Company's announcement dated 23rd April, 2024.

Based on the advice from the PRC legal adviser, the directors of the Company consider that it is not probable that the Group will be legally liable to aforesaid construction fee, progress payment interest and settlement payment interest and the other related litigation costs.

As at the date of the approval for issuance of the consolidated financial statements, the above arbitration is still ongoing.

* For identification purposes only

Notes to the Consolidated Financial Statements

For the year ended 31st March, 2026

41. LITIGATIONS AND CONTINGENT LIABILITIES (continued)

Petition against subsidiary of the Company

Mr. Zhu, a shareholder of the Company, presented a winding-up petition on 15th December, 2023 against Thousand Vantage, PT OBOR Financial Holdings Limited (“**PT OBOR**”) and HK United Investment Holdings Limited (“**HK United**”) on the basis of unfair prejudice.

Mr. Zhu sought, inter alia:

- (i) an order that Thousand Vantage be wound up under section 177(1)(f) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong); and
- (ii) alternatively, an order that Mr. Zhu do purchase PT OBOR’s and HK United’s shares in Thousand Vantage at a price to be determined by the court in such manner as it shall think fit.

As at the date of the approval of the consolidated financial statements, the winding-up proceedings are still ongoing and the trial hearing was held in November 2025. The Group is pending for the judgment from the court. Details of the winding-up proceedings are set out in the announcement of the Company dated 18th December, 2023.

Litigation in relation to construction dispute

In November 2025, Guangming received the first-instance court judgement that Guangming was liable to immediately pay construction fee of approximately RMB2,628,000 (equivalent to HK\$2,980,000) and late repayment charge of approximately RMB735,000 (equivalent to HK\$834,000) to a civil litigant who filed a civil complaint against Guangming in relation to an oil storage tank expansion project. Guangming has appealed against the first-instance court judgement. Subsequent to the end of the reporting period, Guangming received the final court judgement which rejected the appeal and upheld the original judgement.

In view of the civil complaint, provision of HK\$3,814,000 has been recognised during the year ended 31st March, 2026.

Litigation in relation to a debt dispute

In July 2022, Guangming and an individual (the “**Individual**”), received a civil complaint filed by a civil litigant (the “**Civil Litigant**”) in respect of the dispute over loans provided to the Individual. Under the civil complaint, the Civil Litigant has requested the court to order Guangming and the Individual jointly to pay to the Civil Litigant the principal debt amount of RMB110,658,000 (equivalent to HK\$118,653,000), default payment thereon of RMB33,472,000 (equivalent to HK\$35,890,000) and other related litigation costs. Details are disclosed in the Company’s announcement dated 28th October, 2022.

In December 2025, the Civil Litigant has withdrawn the lawsuit. Up to the date of the approval of the consolidated financial statements, the Civil Litigant has not refiled the claim.

Five-year Financial Summary

	Year ended 31st March,				
	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000	2026 HK\$'000
RESULTS					
Revenue	884,491	452,530	151,959	140,667	102,614
Loss before taxation	(170,603)	(360,403)	(56,505)	(224,342)	(385,211)
Taxation	–	(2)	–	–	(749)
Loss for the year	(170,603)	(360,405)	(56,505)	(224,342)	(385,960)
Attributable to:					
Owners of the Company	(158,417)	(201,962)	8,129	(191,312)	(250,310)
Non-controlling interests	(12,186)	(158,443)	(64,634)	(33,030)	(135,650)
	(170,603)	(360,405)	(56,505)	(224,342)	(385,960)
As at 31st March,					
	2022 HK\$'000	2023 HK\$'000	2024 HK\$'000	2025 HK\$'000	2026 HK\$'000
ASSETS AND LIABILITIES					
Total assets	1,600,250	1,029,144	911,258	654,715	319,484
Total liabilities	(884,012)	(711,140)	(634,177)	(573,744)	(624,424)
	716,238	318,004	277,081	80,971	(304,940)
EQUITY					
Equity attributable to:					
Owners of the Company	558,807	334,450	344,135	173,208	(74,839)
Non-controlling interests	157,431	(16,446)	(67,054)	(92,237)	(230,101)
	716,238	318,004	277,081	80,971	(304,940)