

King's Stone Holdings Group Limited

金石控股集团有限公司

(Incorporated in the Cayman Islands with limited liability)
(formerly known as SILVER TIDE HOLDINGS LIMITED)

Stock code: 1943

2025/26

INTERIM REPORT



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CORPORATE INFORMATION

Directors

Executive Directors:

Mr. He Xin
(Chairman and Chief Executive Officer)
Ms. Zeng Jingwen
Mr. Chiu Sui Keung (Vice Chairman)
Ms. Cai Ruoxi

Independent Non-executive Directors:

Mr. Lam Williamson
Mr. Li, Sheung Him Michael
Mr. Yu Kuai

Registered office in the Cayman Islands

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

Headquarters, head office and principal place of business in Hong Kong

Suite 1306, 13th Floor
Great Eagle Centre
23 Harbour Road
Wan Chai
Hong Kong

Company's website

www.kshgl.com

Company secretary

Mr. Leung Pak Keung

Authorised representatives

Mr. He Xin
Mr. Leung Pak Keung

Audit committee

Mr. Lam Williamson (Chairman)
Mr. Li, Sheung Him Michael
Mr. Yu Kuai

Nomination committee

Mr. Li, Sheung Him Michael (Chairman)
Ms. Zeng Jingwen
Mr. Lam Williamson

Remuneration committee

Mr. Yu Kuai (Chairman)
Ms. Zeng Jingwen
Mr. Li, Sheung Him Michael

Principal share registrar and transfer office in the Cayman Islands

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Hong Kong branch share registrar and transfer office

Boardroom Share Registrars (HK) Limited
2103B, 21st Floor
148 Electric Road
North Point
Hong Kong

Principal banker

Hang Seng Bank Limited
21/F, Hang Seng Bank Headquarters Building,
83 Des Voeux Road Central,
Hong Kong

Auditor

HLB Hodgson Impey Cheng Limited
(Certified Public Accountants)

Legal adviser

Loong & Yeung

Stock code

1943

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The Group's revenue increased from approximately HK\$103.0 million (restated) for the six months ended 30 September 2024 to approximately HK\$130.7 million for the six months ended 30 September 2025, representing an increase of approximately 27.0%. Such increase was primarily attributable to the commencement of works for new contracts awarded during the reporting period.

Gross profit/loss and gross profit/loss margin

The gross profit of the Group for the six months ended 30 September 2025 amounted to approximately HK\$7.5 million as compared to the gross loss of approximately HK\$28.0 million (restated) for the six months ended 30 September 2024. The Group's gross profit margin for the six months ended 30 September 2025 was approximately 5.8%, as compared to the gross loss margin of approximately 27.2% for the six months ended 30 September 2024. The turnaround from a gross loss to a gross profit was mainly due to (i) an increase of HK\$27.7 million in the revenue generated from the construction segment; (ii) more certification of works performed for certain projects during the reporting period; and (iii) a decrease of HK\$7.8 million in the cost of sales.

Other income and gains

Other income and gains increased by approximately HK\$42,000 from approximately HK\$292,000 (restated) for the six months ended 30 September 2024 to approximately HK\$334,000 for the six months ended 30 September 2025, representing an increase of approximately 14.4%. Such increase was mainly attributable to a rise in government grants from approximately HK\$93,000 to approximately HK\$323,000, which was partially offset by (i) a decrease in bank interest income by approximately HK\$67,000; and (ii) the absence of rental income during the six months ended 30 September 2025 (which amounted to HK\$121,000 in the corresponding period in 2024).

MANAGEMENT DISCUSSION AND ANALYSIS

Administrative expenses

Administrative expenses decreased by approximately HK\$8.0 million to approximately HK\$25.3 million for the six months ended 30 September 2025 as compared to the administrative expenses of approximately HK\$33.3 million (restated) for the six months ended 30 September 2024. Such decrease was mainly attributable to (i) a decrease in staff salaries and directors' remuneration of HK\$5.2 million; and (ii) a decrease in rental expenses of HK\$876,000.

Finance costs

Finance costs decreased from approximately HK\$10,000 (restated) for the six months ended 30 September 2024 to nil for the six months ended 30 September 2025.

Income tax

For the reporting period, the Group's income tax expense amounted to approximately HK\$303,000 as compared to nil (restated) for the six months ended 30 September 2024. Such increase was mainly due to the provision in deferred tax for the six months ended 30 September 2025.

Loss attributable to owners of the parent

As a result of the foregoing, the loss after tax attributable to owners of the parent amounted to approximately HK\$17.7 million for the six months ended 30 September 2025 as compared to the loss attributable to owners of the parent of approximately HK\$62.5 million for the six months ended 30 September 2024.

Interim dividend

The board (the "Board") of directors (the "Directors") has resolved not to recommend the declaration of any interim dividend for the six months ended 30 September 2025 (for the six months ended 30 September 2024: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity and financial resources

The Group's primary uses of capital are to satisfy its working capital needs and to fund its construction projects. The Group financed its working capital primarily from (i) cash generated from operating activities, which primarily comprised cash payments the Group received from its revenue from the provision of formwork works and other construction works; (ii) bank borrowings; and (iii) proceeds from issuance of new shares (the "Share(s)"). In managing the Group's liquidity, the management monitors and maintains a reasonable level of cash and cash equivalents which are deemed adequate by the management to finance the Group's operations and to mitigate the impacts of fluctuations in cash flows. The Group relies on cash and cash equivalents on hand, and cash generated from operating activities as the main sources of liquidity. As at 30 September 2025, the cash and cash equivalents, net current assets and total assets less current liabilities were approximately HK\$27.4 million (as at 31 March 2025: approximately HK\$9.7 million), approximately HK\$87.4 million (as at 31 March 2025: approximately HK\$105.3 million) and approximately HK\$88.2 million (as at 31 March 2025: approximately HK\$105.6 million), respectively.

Contingent liabilities

As at 30 September 2025, the Group did not have any material contingent liabilities (as at 31 March 2025: nil).

Capital commitments

As at 30 September 2025, the Group did not have any capital commitments in respect of the acquisitions of property, plant and equipment (as at 31 March 2025: nil) contracted for but not provided in the consolidated financial statements of the Group.

Funding and treasury policy

The Group maintains a prudent funding and treasury policy. Surplus funds are maintained in the form of cash deposits with licensed banks. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

MANAGEMENT DISCUSSION AND ANALYSIS

Foreign currency risk

The Group has no significant exposure to foreign currency risk because almost all of the Group's transactions are denominated in Hong Kong dollars. The management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should and when appropriate.

Gearing ratio

As at 30 September 2025, the Group's gearing ratio was nil (as at 31 March 2025: nil), representing total bank and other borrowings as a percentage of total equity.

Pledge of Assets

As at 30 September 2025, the Group did not have any pledge of assets.

Segment information

As disclosed in note 5 to the unaudited condensed consolidated interim financial statements in this report, the Group's business was regarded as a single operating segment and the Group had no geographic segment information presented as at 30 September 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the reporting period under review, the Group continued to provide formwork work services and related construction support services in Hong Kong. In December 2024, the Group disposed of its subsidiary engaged in the brokerage business, reflecting a strategic focus on its core construction operations amid challenging market conditions.

The Group's revenue increased by HK\$27.8 million from approximately HK\$103.0 million (restated) for the six months ended 30 September 2024 to approximately HK\$130.7 million for the six months ended 30 September 2025.

FUTURE PROSPECT

Looking ahead, the Board remains confident in the Group's future prospects and is committed to creating long-term value for all shareholders (the "Shareholder(s)"). Building on its established strengths in the Hong Kong construction sector, the Group will continue to focus on its principal business activities while actively leveraging the expertise and resources in electronic components and smart infrastructure introduced by its new controlling Shareholder.

A key strategic direction for the Group is the comprehensive upgrade of both the new and existing industrial parks to enhance tenant satisfaction and user experience. The Group aims to provide more convenient and efficient support services to tenants, thereby increasing the overall attractiveness and competitiveness of its industrial parks. In practice, this includes the integration of smart logistics solutions such as drone-based delivery systems and the introduction of advanced power supply facilities, including battery swap cabinets and charging infrastructure tailored for delivery riders and frequent service users. By implementing these upgrades, the Group seeks to address the evolving needs of park tenants and users, making daily operations more convenient and efficient.

To further consolidate and expand its competitive advantage, the Group will accelerate the integration of intelligent, green, and low-carbon technologies into its core operations. In particular, the Group will focus on the development of user-side industrial and commercial energy storage power station operations, as well as the progressive upgrade of facilities and value-added services within both the new and existing industrial parks. These initiatives will strengthen the Group's capabilities in energy conservation, consumption reduction, and intelligent management for construction projects, representing both a strategic extension of its core business and a synergy with its technological expertise in Hong Kong's construction and the related engineering services sector.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group will continue to concentrate on intelligent energy storage, energy efficiency optimisation, and smart campus applications, aiming to provide integrated solutions for industrial parks, data centres, smart buildings, and other facilities. Through independent research and development and system integration, the Group aspires to offer advanced energy management solutions, thereby enhancing project value-added and market competitiveness.

From a business model perspective, the Group will adopt an integrated “Invest-Build-Operate” approach, leading core equipment investment and project construction while assuming responsibility for subsequent operations and management. In energy storage power station operations, the Group will deploy proprietary core equipment and leverage intelligent Energy Management Systems (EMS) to enable remote monitoring and smart maintenance, helping clients reduce energy costs and enhance operational efficiency. The Group also plans to expand into value-added services such as virtual power plants and demand response programs, fostering sustainable smart energy ecosystems.

In upgrading industrial parks, the Group will promote standardised and modular design, integrating smart devices with IoT technology to enable efficient park development and intelligent operations. By focusing on enhanced support services – including logistics solutions, drone delivery, and power supply infrastructure for delivery riders and tenants – the Group aims to elevate tenant convenience and satisfaction, further strengthening its leadership in the high-end industrial parks and smart building sectors.

The Group will remain anchored in its core construction business while leveraging synergies across the industrial chain. By actively integrating advanced electronic components and smart technologies – including IoT systems, drone-based solutions, and smart energy management – the Group aims to drive digital, intelligent, and low-carbon transformation of its primary business. This will enable the Group to expand into emerging infrastructure markets and further solidify its market position.

With the completion of the recent placing, although the actual net proceeds received by the Group were significantly lower than originally anticipated, the Group is in the process of developing user-side industrial and commercial energy storage power station operations and upgrading both the new and existing industrial parks with the net proceeds, including research and development, procurement of components and parts, business promotion, and staff recruitment.

MANAGEMENT DISCUSSION AND ANALYSIS

Given the lower-than-expected amount of net proceeds, the Company does not preclude the possibility of undertaking further fund-raising activities in the future should suitable opportunities arise and where such actions are considered to be in the best interests of the Company and its Shareholders. The Board remains confident that these initiatives will continue to broaden the Group's client base, improve operational efficiency, and enhance the long-term profitability and quality of the Group's operations, in line with the Group's overall strategic direction and the creation of greater value for the Shareholders.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the reporting period, the Group did not have any material acquisitions or disposals of subsidiaries or associated companies.

SIGNIFICANT INVESTMENT HELD

During the reporting period, the Group had no significant investment held.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

During the reporting period, the Group did not have plans for material investments and capital assets.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2025, the Group employed 31 employees in Hong Kong (as at 31 March 2025: 31 employees). The remuneration package that our Group offers to employees includes salary, bonuses and other cash subsidies. In general, our Group determines employee salaries based on each employee's qualifications, position and seniority. As required by Hong Kong laws, we have enrolled all of our full time staff in the Mandatory Provident Fund Scheme. We intend to maintain our remuneration package competitive in order to attract and retain talented labour, and we regularly carry out staff evaluation to assess their performance.

Employees of the Group are eligible participants of the 2019 Share Option Scheme (as defined below) (which was terminated with effect from 26 September 2025) and the 2025 Share Scheme (as defined below), the details of which are set out in this report.

OTHER INFORMATION

COMPETITION AND CONFLICT OF INTERESTS

During the six months ended 30 September 2025, none of the Directors or the controlling Shareholders and their respective associates (as defined under the Rules (the “Listing Rules”) Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) had any interests in a business, apart from the business of the Group, which competes or may compete with the business of the Group or has any other conflict of interest with the Group which would be required to be disclosed under Rule 8.10 of the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code (the “Model Code”) set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry, all Directors have fully complied with the required standards set out in the Model Code during the six months ended 30 September 2025.

CORPORATE GOVERNANCE PRACTICE

The Company and the Board are devoted to achieving and maintaining high standards of corporate governance, as the Board believes that good and effective corporate governance practices are fundamental to obtaining and maintaining the trust and safeguarding the interest of the Shareholders and other stakeholders of the Company. The Company has adopted the principles and code provisions in the Corporate Governance Code (the “CG Code”) as set out in Part 2 of Appendix C1 to the Listing Rules.

To the best knowledge of the Board, except for the deviation from the code provision C.2.1 of the CG Code, the Company has complied with the code provisions in the CG Code during the six months ended 30 September 2025.

OTHER INFORMATION

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separated and should not be performed by the same individual. Mr. He Xin ("Mr. He") currently assumes the dual role as the chairman of the Board and the chief executive officer of the Company. However, the Board believes that with the support of the management, vesting the roles of both chairman of the Board and chief executive officer on Mr. He can facilitate the execution of the Group's business strategies and provide a strong and consistent leadership to improve the Company's efficiency in decision-making. The Board considers that the appointment of Mr. He as the chairman of the Board and the chief executive officer of the Company will not impair the balance of power as all major decisions are made in consultation with members of the Board. In addition, under the supervision by the Board which currently consists of four executive Directors and three independent non-executive Directors, the interests of the Shareholders will be adequately and fairly represented. Therefore, the Board considers the deviation from the code provision C.2.1 of the CG Code is appropriate under such circumstances. However, the Board will periodically review the effectiveness of this arrangement and consider separating the roles of chairman of the Board and chief executive officer of the Company when it thinks appropriate.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") was established on 6 June 2019. The Company has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph D.3 of the CG Code.

The primary duties of the Audit Committee are to review, supervise, and assist the Board in providing an independent view of the Group's financial reporting processes, and internal control and risk management systems, as well as to oversee the audit process, review the Group's annual and interim financial statements, provide advice and comments to the Board on matters related to corporate governance, and perform other duties and responsibilities as assigned by the Board from time to time.

The Audit Committee has reviewed the Group's unaudited condensed consolidated financial statements for the six months ended 30 September 2025 and this report and is of the opinion that the relevant unaudited condensed consolidated financial statements have been prepared in compliance with the applicable accounting standards and the requirements under the Listing Rules and that adequate disclosure has been made. There is no disagreement between the Board and the Audit Committee regarding the accounting treatment adopted by the Company.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2025, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571) (the "SFO")) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO), or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name of Director	Capacity	Number of Shares held/interested	Percentage of interest
Ms. Zeng Jingwen ("Ms. Zeng") (Note)	Interest in a controlled corporation	750,000,000	75.0%

Note: These Shares are held by Huayu Holdings Limited ("Huayu Holdings"), which is a limited liability company incorporated in the British Virgin Islands and directly owned as to 98% by Ms. Zeng. Ms. Zeng is deemed to be interested in all the Shares held by Huayu Holdings for the purpose of Part XV of the SFO.

Save as disclosed above, as at 30 September 2025, none of the Directors nor chief executive of the Company has registered interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO), or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES

So far as the Directors are aware, as at 30 September 2025, the following persons (not being Directors or chief executive of the Company) have or are deemed or taken to have an interest or short position in the Shares or the underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO:

The Company

Name	Capacity	Number of shares held/interested	Percentage of interest
Huayu Holdings (Note)	Beneficial owner	750,000,000	75.0%

Note: Huayu Holdings is directly owned as to 98% by Ms. Zeng.

Save as disclosed above, as at 30 September 2025, none of the substantial Shareholders or other persons, other than the Directors and chief executive of the Company whose interests are set out in the paragraph headed "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures" above, had any interests or short positions in the shares or underlying shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2025.

OTHER INFORMATION

2019 SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme on 8 June 2019 (the “2019 Share Option Scheme”) in which certain participants, including any employee (full-time or part-time), director, consultant, adviser or substantial shareholder of the Group, or any distributor, contractor, supplier, agent, customer, business partner or service provider of the Group, may be granted options to subscribe for the Shares. The purpose of the 2019 Share Option Scheme was to attract and retain the best available personnel, to provide additional incentive to above parties and to promote the success of the business of the Group. The 2019 Share Option Scheme shall expire at the close of business on 7 June 2029 unless terminated earlier by the Shareholders in a general meeting. The Directors believed that the 2019 Share Option Scheme was important for the recruitment and retention of quality executives and employees.

The subscription price of a Share in respect of any particular option granted under the 2019 Share Option Scheme shall be a price solely determined by the Board and notified to a participant and shall be at least the higher of:

- (i) the closing price of the Shares as stated in the Stock Exchange’s daily quotations sheet on the date of grant of the option, which must be a business day;
- (ii) the average of the closing prices of the Shares as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the date of grant of the option; and
- (iii) the nominal value of a Share on the date of grant of the option.

The maximum number of Shares issuable upon exercise of all options to be granted under the 2019 Share Option Scheme and any other share option schemes of this Company (excluding, for this purpose, Shares issuable upon exercise of options which have been granted but which have lapsed in accordance with the terms of the 2019 Share Option Scheme or any other share option schemes of the Company) must not in aggregate exceed 10% of the Shares in issue as at the date of listing of the Shares. Therefore, the Company may grant options in respect of up to 100,000,000 Shares (or such number of Shares as shall result from a sub-division or a consolidation of such 100,000,000 Shares from time to time) to the participants under the 2019 Share Option Scheme.

OTHER INFORMATION

An offer for the grant of options must be accepted within seven days from and inclusive of the day on which such offer is made. The amount payable by the grantee of an option to the Company on acceptance of the offer for the grant of an option is HK\$1. The total number of Shares issued and to be issued upon exercise of options granted to any grantee (including both exercised and outstanding options) under the 2019 Share Option Scheme or any other share option schemes of the Company in any 12-month period up to the date of grant shall not exceed 1% of the Shares in issue. Any further grant of options in excess of such limit must be separately approved by Shareholders in general meeting with such grantee and his associates abstaining from voting.

An option may be exercised in accordance with the terms of the 2019 Share Option Scheme at any time during a period as the Board may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof.

The number of Shares available for grant at the beginning of the reporting period was 100,000,000. The number of Shares available for grant at the end of the reporting period was 100,000,000.

During the six months ended 30 September 2025, no share option was granted, exercised, cancelled or lapsed and there is no outstanding share option under the 2019 Share Option Scheme.

The 2019 Share Option Scheme was terminated by way of an ordinary resolution passed by the Shareholders at the annual general meeting held on 26 September 2025 (the “AGM”).

2025 SHARE SCHEME

The Company adopted a new share scheme (the “2025 Share Scheme”) pursuant to an ordinary resolution passed by the Shareholders at the AGM. The 2025 Share Scheme allows the Company to broaden the types of equity incentives it can utilize by allowing the grant of both share awards and share options. The purpose of the 2025 Share Scheme is to provide incentive to the Eligible Participants in order to promote the development and success of the business of the Group. The 2025 Share Scheme will give the eligible participants an opportunity to have a personal stake in the Company and will help motivate the eligible participants in optimising their performance and efficiency and attract and retain the eligible participants whose contributions are important to the long-term growth of the Group.

OTHER INFORMATION

Eligible Participants under the 2025 Share Scheme shall include the directors and employees (whether full-time, part-time or other employment arrangement) of any member of the Group (including persons who are granted awards under the 2025 Share Scheme as inducement to enter into employment contracts with any member of the Group).

The term of the 2025 Share Scheme is 10 years commencing on 26 September 2025, the date on which the 2025 Share Scheme was approved by the Shareholders at the AGM.

The scheme mandate limit, namely, the total number of Shares which may be issued (including any transfer of treasury Shares) in respect of all awards which may be granted at any time under the 2025 Share Scheme together with options and awards which may be granted under any other schemes of the Company shall initially be the number of Shares representing 10% of the total issued Shares (excluding any treasury Shares) as at 26 September 2025, the date on which the 2025 Share Scheme was approved by the Shareholders at the AGM, being 100,000,000 Shares.

There is no specific maximum entitlement for each eligible participant under the 2025 Share Scheme. Unless approved by the Shareholders in the manner set out in the 2025 Share Scheme, the total number of Shares, the Shares issued and to be issued (including any transfer of treasury Shares) in respect of all options and awards granted to each eligible participant (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) in the twelve (12)-month period up to and including the date of such grant shall not exceed 1% of the total number of Shares in issue (excluding any treasury Shares).

Any grant of awards to any Director, chief executive or substantial Shareholder of the Company, or any of their respective associates, shall be subject to the prior approval of the independent non-executive Directors (excluding any proposed recipient of the grant).

Subject to the vesting of the share options, the exercise period for share options shall not be longer than 10 years from the grant date. A share option shall lapse automatically and shall not be exercisable (to the extent not already exercised) on the expiry of the exercise period.

The vesting date in respect of any award shall be not less than 12 months from the grant date except for certain circumstances specified in the 2025 Share Scheme (as set out in paragraph 5 in Appendix III to the Company's circular dated 28 August 2025 (the "AGM Circular")) The consideration for an offer of share options and/or share awards is HK\$1. The Board may at its discretion determine and provide in the offer letter to the grantee any performance target(s) as the Board may then specify which must be achieved by the grantee before any of the awards can be exercised, as well as the clawback mechanism, if applicable, for the Company to recover or withhold any share options or share awards granted to any eligible participants.

OTHER INFORMATION

The purchase price for awards which take the form of share awards shall be such price determined by the Board and notified to the grantee in the offer letter. For the avoidance of doubt, the Board may determine the purchase price to be at nil consideration. The Board shall determine the exercise price for such share options in which it shall in any event be no less than the higher of: (i) the closing price of the Shares as stated in the daily quotations sheet issued by the Stock Exchange on the grant date; and (ii) the average closing price of the Shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the grant date.

Further details of the 2025 Share Scheme are set out in the AGM Circular.

The number of Shares available for grant on 26 September 2025, the date on which the 2025 Share Scheme was adopted at the AGM, was 100,000,000. The number of Shares available for grant at the end of the reporting period was also 100,000,000.

During the six months ended 30 September 2025, no share option and/or share award was granted, exercised, cancelled or lapsed and there is no outstanding share option under the 2025 Share Scheme.

The number of Shares that may be issued in respect of options and awards granted under all schemes of this Company during the six months ended 30 September 2025 divided by the weighted average number of Shares in issue for the six months ended 30 September 2025 is 0%.

On 17 October 2025, the Company granted an aggregate of 18,900,000 share options and 2,100,000 share awards under the 2025 Share Scheme to three Directors namely, Mr. He Xin, Ms. Zeng Jingwen and Mr. Chiu Sui Keung. Ms. Zeng Jingwen is also a controlling Shareholder. Please refer to the Company's announcements dated 17 October 2025 and 23 October 2025 for the particulars of the share options and share awards granted.

Following the grants on 17 October 2025, the number of Shares available for future grant under the 2025 Share Scheme is 79,000,000.

OTHER INFORMATION

SUBSEQUENT EVENTS AFTER THE SIX MONTHS ENDED 30 SEPTEMBER 2025

Placing of new shares under general mandate

On 14 October 2025, the Company completed the placing of 28,970,000 new shares under general mandate to not less than six placees at HK\$0.637 each (the “Placing”). The net proceeds from the Placing amounted to approximately HK\$17.87 million, out of which HK\$12.6 million was proposed to be applied towards developing user-side industrial and commercial energy storage power station operations and upgrading industries in new construction industrial parks, while the remaining HK\$5.27 million was proposed to be applied as the Group’s general working capital. As of the date of this report, HK\$11.8 million and HK\$3.3 million have been utilized for the respective purposes, respectively. For details of the Placing, please refer to the announcements of the Company dated 5 September 2025, 16 September 2025, 25 September 2025 and 14 October 2025. Further details of the use of proceeds from the Placing will be disclosed in the annual report of the Company for the year ending 31 March 2026.

Save for the above, there were no significant events after the reporting period and up to the date of this report.

By order of the Board

King’s Stone Holdings Group Limited

He Xin

*Chairman, Chief Executive Officer and
Executive Director*

Hong Kong, 28 November 2025

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

	Notes	2025 (Unaudited) HK\$'000	2024 (Unaudited) (Restated) HK\$'000
CONTINUING OPERATIONS			
Revenue	6	130,713	102,963
Cost of sales		(123,179)	(130,936)
Gross profit/(loss)		7,534	(27,973)
Other income and gains	6	334	292
Administrative expenses		(25,303)	(33,319)
Finance costs	7	—	(10)
Loss before income tax	8	(17,435)	(61,010)
Income tax expense	9	(303)	—
Loss for the period from continuing operations		(17,738)	(61,010)
DISCONTINUED OPERATIONS			
Loss for the period from discontinued operations	10	—	(1,529)
LOSS FOR THE PERIOD		(17,738)	(62,539)
OTHER COMPREHENSIVE LOSS			
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		—	— [#]
Total comprehensive loss attributable to owners of the parent		(17,738)	(62,539)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
For continuing and discontinued operations			
Basic and diluted	12	HK(1.8) cents	HK(6.3) cents
From continuing operations			
Basic and diluted	12	HK(1.8) cents	HK(6.1) cents

Less than HK\$1,000

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025

	Notes	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment	13	683	196
Prepayments, other receivables and other assets		53	53
		<hr/>	<hr/>
Total non-current assets		736	249
		<hr/>	<hr/>
CURRENT ASSETS			
Contract assets	14	89,876	86,814
Trade receivables	15	30,573	5,920
Tax recoverables		–	1,976
Prepayments, other receivables and other assets		15,689	41,762
Cash and cash equivalents	16	27,378	9,673
		<hr/>	<hr/>
Total current assets		163,516	146,145
		<hr/>	<hr/>
CURRENT LIABILITIES			
Trade payables	17	33,785	25,818
Amount due to the ultimate holding company		2,288	–
Other payables and accruals		40,017	14,980
		<hr/>	<hr/>
Total current liabilities		76,090	40,798
		<hr/>	<hr/>
NET CURRENT ASSETS		87,426	105,347
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		88,162	105,596
		<hr/>	<hr/>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2025

	Notes	30 September 2025 (Unaudited) HK\$'000	31 March 2025 (Audited) HK\$'000
NON-CURRENT LIABILITIES			
Deferred tax liabilities		336	32
Total non-current liabilities		336	32
NET ASSETS			
		87,826	105,564
EQUITY			
Equity attributable to owners of the parent			
Share capital	18	10,000	10,000
Reserves	19	77,826	95,564
TOTAL EQUITY		87,826	105,564

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

	Attributable to owners of the Company						Retained profits/ (accumulated losses)	Total HK\$'000
	Share capital HK\$'000 Note 18	Share premium HK\$'000	Merger reserve HK\$'000 Note 19(b)	Contributed surplus HK\$'000 Note 19(c)	Transaction reserve HK\$'000 Note 19(d)			
At 1 April 2024 (unaudited)	10,000	99,157	2,000	-	(174)	72,860	183,843	
Loss for the period	-	-	-	-	-	-	(62,539)	(62,539)
Exchange differences arising on translation of foreign operations	-	-	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	-	-	-	(62,539)	(62,539)
At 30 September 2024 (unaudited)	<u>10,000</u>	<u>99,157</u>	<u>2,000</u>	<u>-</u>	<u>(174)</u>	<u>10,321</u>	<u>121,304</u>	
At 1 April 2025 (unaudited)	10,000	99,157	2,000	23,620	-	(29,213)	105,564	
Loss and total comprehensive loss for the period	-	-	-	-	-	-	(17,738)	(17,738)
At 30 September 2025 (unaudited)	<u>10,000</u>	<u>99,157</u>	<u>2,000</u>	<u>23,620</u>	<u>-</u>	<u>(46,951)</u>	<u>87,826</u>	

Note: These reserve accounts comprise the consolidated reserves of approximately HK\$77,826,000 (30 September 2024: approximately HK\$111,304,000) in the condensed consolidated statement of financial position.

Less than HK\$1,000

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2025

	Unaudited six months ended 30 September	
	2025 HK\$'000	2024 HK\$'000 (Restated)
Net cash generated from/(used in) operating activities	15,974	(72,980)
Net cash generated from/(used in) investing activities	1,731	(300)
Net cash used in financing activities	–	(458)
Net increase/(decrease) in cash and cash equivalents	17,705	(73,738)
Cash and cash equivalents at beginning of period	9,673	98,139
Cash and cash equivalents at the end of period	<u><u>27,378</u></u>	<u><u>24,401</u></u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION

King's Stone Holdings Group Limited (the "Company") is an exempted company incorporated in the Cayman Islands on 24 July 2018 with limited liability. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of operations of the Company is located at Suite 1306, 13th Floor, Great Eagle Centre, 23 Harbour Road, Wan Chai, Hong Kong.

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 28 June 2019 (the "Listing Date").

The principal activity of the Company is investment holding. The Company and its subsidiaries (collectively referred to as the "Group") are principally engaged in providing construction services, including traditional formwork using timber and plywood, system formwork using aluminium and steel, ancillary works such as concrete works and reinforcement works for the public and private sectors in Hong Kong.

In the opinion of the directors, the ultimate holding company of the Company is Huayu Holdings Limited, a company with limited liability incorporated in the British Virgin Islands (the "BVI").

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. CORPORATE AND GROUP INFORMATION (CONTINUED)

Information about principal subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Name	Place of incorporation/ registration and business	Issued ordinary share capital/ registered capital	Percentage of equity attributable to the Company		Principal activities
			Direct	Indirect	
Hop Fat Yuk Ying Engineering Limited	Hong Kong	Ordinary share HK\$2,000,000	–	100	Construction services
Heng Yu CPN Technology Company Limited	Hong Kong	Ordinary share HK\$1.00	100	–	Trading of energy storage
Ming Hui Management Company Limited	Hong Kong	Ordinary share HK\$1.00	100	–	Management services
Huayuan Intelligent Investment Management Company Limited	Hong Kong	Ordinary share HK\$1.00	100	–	Investment holding
Zhonghui Intelligence Research Institute Company Limited	Hong Kong	Ordinary share HK\$1.00	100	–	Investment holding
深圳市華遠宏達科技有限公司 Shenzhen Huayuan Hongda Technology Co., Ltd*	China	Registered capital US\$3,000,000	–	100	Trading of energy storage
深圳市中慧宏達科技有限公司 Shenzhen Zhonghui Hongda Technology Co., Ltd*	China	Registered capital US\$2,000,000	–	100	Technology development

* English translation of the name of a Chinese company is provided for identification purpose only.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

2. BASIS OF PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”), issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure provisions of Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. These condensed consolidated interim financial statements were authorised for issue on 28 November 2025.

These condensed consolidated interim financial statements have been prepared with the same accounting policies adopted in the 2025 annual financial statements, except for those that relate to new standards or interpretations effective for the first time for periods beginning on or after 1 April 2025. Details of any changes in accounting policies are set out in note 3. The adoption of the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) have no material effect on these condensed consolidated interim financial statements. The Group has not early adopted any new and revised HKFRSs that has been issued but not yet effective in the current accounting period.

The preparation of these condensed consolidated interim financial statements in compliance with HKAS 34 requires the use of certain judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates. The significant judgements made by the management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group’s annual financial statements for the year ended 31 March 2025.

These condensed consolidated interim financial statements are presented in Hong Kong Dollars (“HK\$”), unless otherwise stated. These condensed consolidated interim financial statements contain condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group. These condensed consolidated interim financial statements and notes do not include all of the information required for a complete set of condensed consolidated interim financial statements prepared in accordance with HKFRSs and should be read in conjunction with the 2025 consolidated financial statements.

These condensed consolidated interim financial statements are unaudited, but have been reviewed by the Audit Committee of the Company.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

3. CHANGES IN ACCOUNTING POLICIES

The Group has applied the same accounting policies in these condensed consolidated interim financial statements as in its 2025 annual consolidated financial statements.

New and amended standards adopted by the Group

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 April 2025 for the preparation of the Group's condensed consolidated interim financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The adoption of the above standards and interpretation did not result in any substantial changes to the Group's accounting policies and had no material financial impact on the condensed consolidated interim financial information.

4. USE OF JUDGEMENTS AND ESTIMATES

In preparing these unaudited condensed consolidated interim financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended 31 March 2025.

5. OPERATING SEGMENT INFORMATION

The information reported to the directors of the Group, who are the chief operating decision makers, for the purpose of resource allocation and assessment of performance contain discrete operating segment financial information and the directors review the financial results of the of these components' performance.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

5. OPERATING SEGMENT INFORMATION (CONTINUED)

Geographical information

No geographical information is presented as the Group's revenue was solely derived from customers and operations based in Hong Kong and the non-current assets of the Group were mainly located in Hong Kong.

Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue for the six months ended 30 September 2025 is set out below:

	For six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Customer I ¹	–	21,712
Customer II ¹	32,379	N/A ²
Customer III ¹	57,319	52,854
Customer IV ¹	23,001	15,269
Customer V ¹	17,132	N/A ²

¹ Revenue from construction services.

² The corresponding revenue did not contribute over 10% of the total revenue of the Group.

Except for the aforesaid, no revenue from other single external customer accounted for 10% or more of the Group's revenue.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

6. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of services rendered and earned by the Group. All the Group's revenue (other than interest income) is derived from contracts with customers under HKFRS 15.

An analysis of revenue, other income and gains from the Group's continuing operations is as follows:

	For six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited) (Restated)
Revenue from contracts with customers		
Construction services		
Private sector	45,866	94,974
Public sector	84,847	7,989
	<hr/> 130,713	<hr/> 102,963
Timing of revenue recognition		
Over time		
Construction services	<hr/> 130,713	<hr/> 102,963
Other income and gains		
Bank interest income	11	78
Rental income	—	121
Government grants	323	93
	<hr/> 334	<hr/> 292

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

7. FINANCE COSTS

An analysis of finance costs from the Group's continuing operations is as follows:

	For six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited) (Restated)
Interest on lease liabilities	—	10
	<hr/> <hr/>	<hr/> <hr/>

An analysis of finance costs is as follows:

Interest on lease liabilities	—	10
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

8. LOSS BEFORE INCOME TAX

The Group's loss before income tax from the Group's continuing operations is arrived at after charging:

	For six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited) (Restated)
Depreciation of property, plant and equipment	70	1,754
Depreciation of right of use assets	–	215
Donation	2	–
Rental expenses – Short term lease	3,088	2,545
Employee benefit expense (excluding directors' and chief executive's remuneration)		
Wages and salaries	22,527	29,966
Pension scheme contributions	157	172
Other benefit	399	810
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

9. INCOME TAX

	For six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited) (Restated)
Current – Hong Kong		
Charge for the period	–	–
Deferred tax	<u>303</u>	<u>–</u>
	<u>303</u>	<u>–</u>

For the six months ended 30 September 2025 and 2024, Hong Kong profits tax is calculated in accordance with the two-tiered profits tax rates regime. Under two-tiered profit tax rates regime which was effective on 28 March 2019, the first HK\$2 million of assessable profits of the elected subsidiary will be taxed at 8.25%, and assessable profits above HK\$2 million will be taxed at 16.5%.

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

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for the periods.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

10. DISCONTINUED OPERATION

During the year ended 31 March 2025, the Group disposed its dealing and broking service. The result of the discontinued operation for the periods ended 30 September 2025 and 2024 are presented below. The comparative figures in the unaudited condensed consolidated statement of profit or loss and other comprehensive income and related notes have been restated to re-present the dealing and broking services as a discontinued operation.

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Revenue	–	333
Cost of services	–	–
Other income and gains	–	109
Administrative and other operating expenses	–	(1,947)
Other losses	–	–
Finance costs	–	(24)
Loss before income tax	–	(1,529)
Income tax expense	–	–
Loss for the period from discontinued operation	–	(1,529)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

11. DIVIDENDS

The board of directors does not recommend the payment of any interim dividend for the six months ended 30 September 2025 and 2024.

12. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The number of ordinary shares used to calculate the basic earnings per share for the six months ended 30 September 2025 and 2024 was based on 1,000,000,000 ordinary shares of the Company.

No adjustment has been made to the basic loss per share amounts presented for the periods ended 30 September 2025 and 30 September 2024 as the Group had no potentially dilutive ordinary shares in issue during these periods.

13. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2025, the Group acquired assets with a cost of approximately HK\$557,000 (six months ended 30 September 2024: approximately HK\$300,000).

During the six months ended 30 September 2024, right-of-use assets amounted to approximately HK\$1,341,000 has been recognised. In addition, there are right-of-use assets with carrying amount of HK\$555,000 were disposed during the six months ended 30 September 2024, resulting in a gain on early termination of lease of approximately HK\$21,000 during the six months ended 30 September 2024.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

14. CONTRACT ASSETS

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Contract assets		
Unbilled revenue	28,240	24,177
Retention receivables	64,461	65,462
Less: Impairment loss	(2,825)	(2,825)
	<hr/> 89,876	<hr/> 86,814

Unbilled revenue included in contract assets represents the Group's right to receive consideration for work completed and not yet billed because the rights are conditional upon the quality and quantity check by the customers on the construction work completed by the Group and the work is pending for the certification by the customers. The contract assets are transferred to the trade receivable when the rights become unconditional, which is typically at the time the Group obtains the certification of the completed construction work from the customers.

Retention receivables included in contract assets represent the Group's right to consideration for work performed but not yet collectible because the rights are conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The contract assets are transferred to the trade receivable when the rights become unconditional, which is typically at the expiry date of the period for the provision of assurance by the Group on the service quality of the construction work performed by the Group.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

15. TRADE RECEIVABLES

Trade receivables represented receivables for contract works. Management generally submit interim payment applications to customers on a monthly basis containing a statement setting out management's estimation of the valuation of the works completed in the preceding month. Upon receiving the interim payment application, the architect or the consultant of the customer will verify such valuation of works completed and issue an interim payment certificate within 30 to 60 days. Within 30 to 60 days after the issuance of the interim payment certificate, the customer will make payment to the Group based on the certified amount stipulated in such certificate, deducting any retention money in accordance with the contract. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables based on the invoice date or progress payment certificate date is as follows:

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Within 30 days	17,841	2,005
31 to 60 days	12,110	2,321
61 to 90 days	–	1,594
Over 90 days	622	–
	<hr/> 30,573	<hr/> 5,920
	<hr/> <hr/>	<hr/> <hr/>

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Movements on the impairment loss are as follows:		
Balance at beginning of the period	13,934	13,934
Impairment loss recognised on trade receivables	–	–
	<hr/> 13,934	<hr/> 13,934
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

16. CASH AND CASH EQUIVALENTS

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Cash and bank balances ¹	<u>27,378</u>	<u>9,673</u>
Cash and cash equivalents	<u><u>27,378</u></u>	<u><u>9,673</u></u>

Notes:

1. Cash at banks earns interest at floating rates based on daily bank deposit rates.

17. TRADE PAYABLES

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Trade payables arising from the business of:		
Construction services	<u>33,785</u>	<u>25,818</u>
	<u><u>33,785</u></u>	<u><u>25,818</u></u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

17. TRADE PAYABLES (CONTINUED)

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date or the progress payment certificate date, is as follows:

	30 September 2025 HK\$'000 (Unaudited)	31 March 2025 HK\$'000 (Audited)
Within 30 days	17,058	8,966
31 to 60 days	93	543
61 to 90 days	505	180
Over 90 days	<u>16,129</u>	<u>16,129</u>
	<u>33,785</u>	<u>25,818</u>

Trade payables are non-interest-bearing. The payment terms of trade payables are stipulated in the relevant contracts with credit periods of 30 days in general.

18. SHARE CAPITAL

Details of the share capital of the Company are as follows:

	Unaudited 30 September 2025		Audited 31 March 2025	
	Number	HK\$'000	Number	HK\$'000
Issued and fully paid				
At 31 March 2025,				
1 April 2025 and				
30 September 2025	<u>1,000,000,000</u>	<u>10,000</u>	<u>1,000,000,000</u>	<u>10,000</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

19. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the condensed consolidated statement of changes in equity on page 22.

(b) Merger reserve

The merger reserve represents the aggregate of the paid-up share capital of the subsidiaries now comprising the Group before the completion of the reorganisation carried out in initial public offering.

(c) Contributed surplus

During the year ended 31 March 2025, a deemed contribution from a shareholder amounting approximately HK\$23,620,000, arising from the extinguishment of a substantial shareholder loan, was recognised as capital contribution and credited directly to reserves in the consolidated statement of changes in equity.

(d) Translation reserve

The translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

20. RELATED PARTY TRANSACTIONS

(a) Outstanding balances with related parties

As disclosed in the condensed consolidated statement of financial position, the Group had an outstanding balance due to the ultimate holding company at 30 September 2025.

The amounts due to were non-trade, unsecured, interest-free and repayable on demand.

(b) Compensation of key management personnel of the Group

	Unaudited Six months ended 30 September	
	2025 HK\$'000	2024 HK\$'000 (Restated)
Salaries, allowances and benefits in kind	602	1,350
Pension scheme contributions	—	—
	<hr/> <hr/> <hr/> 602	<hr/> <hr/> <hr/> 1,350

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

21. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

Financial assets:

	Unaudited 30 September 2025 HK\$'000	Audited 31 March 2025 HK\$'000
Financial assets measured at amortised cost		
Trade receivables	30,573	5,920
Financial assets included in other receivables and other assets	14,503	10,816
Cash and cash equivalents	27,378	9,673
	72,454	26,409

Financial liabilities:

	Unaudited 30 September 2025 HK\$'000	Audited 31 March 2025 HK\$'000
Financial liabilities measured at amortised cost		
Trade payables	33,785	25,818
Other payables and accruals	40,017	14,980
Amount due to the ultimate holding company	2,288	—
	76,090	40,798

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

21. FINANCIAL INSTRUMENTS BY CATEGORY (CONTINUED)

Fair value measurement

The fair value measurement of the Group's financial and non-financial assets and liabilities utilised market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the "Fair Value Hierarchy"):

- a. Level 1: Quoted prices in active markets for identical items (unadjusted);
- b. Observable direct or indirect inputs other than Level 1 inputs;
- c. Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, trade receivables, contract assets, prepayments, other receivables, trade payables, retention payables, other payables and accruals and amount due to the ultimate holding company.

Due to their short term nature, the carrying value of cash and cash equivalents, trade receivables, contract assets, prepayments, other receivables, trade payables, retention payables, other payables and accruals and amount due to the ultimate holding company approximates fair value.

22. EVENTS AFTER THE REPORTING PERIOD

On 14 October 2025, the Company completed the placing of 28,970,000 new shares under general mandate to not less than six placees at HK\$0.637 each.