

# WORLD SUPER HOLDINGS LIMITED 維亮控股有限公司

(incorporated in the Cayman Islands with limited liability)  
Stock Code: 8612

## 2025 ANNUAL REPORT





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Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This report, for which the directors (the “Director(s)”) of World Super Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading or deceptive; (2) there are no other matters the omission of which would make any statement herein or this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are found on bases and assumptions that are fair and reasonable.*





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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### *Executive Directors*

LEE Kai Man (*appointed on 25 March 2026*)  
CHAN Lok Yin  
SOU Peng Kan Albert (*retired on 30 June 2025*)  
LAU Lawrence Tak Sun (*retired on 30 June 2025*)  
LIN Dongsheng (*retired on 30 June 2025*)  
MIAO Yingjuan (*retired on 30 June 2025*)  
MA Kin Ling (*retired on 30 June 2025*)  
ZHANG Wei (*resigned on 25 March 2026*)

### *Independent Non-executive Directors*

CHIM Tak Lai  
DU Min  
LAW Kim Fai (*retired on 30 June 2025*)  
CHAN Li Li (*appointed on 7 July 2025*)

## COMPLIANCE OFFICER

CHIM Tak Lai

## AUTHORISED REPRESENTATIVES

CHIM Tak Lai  
CHAN Lok Yin

## COMPANY SECRETARY

CHAN Lok Yin  
(Member of the Hong Kong Institute of Certified  
Public Accountants)

## AUDIT COMMITTEE

CHIM Tak Lai (*Chairman*)  
DU Min  
LAW Kim Fai (*retired on 30 June 2025*)  
CHAN Li Li (*appointed on 7 July 2025*)

## REMUNERATION COMMITTEE

CHIM Tak Lai (*Chairman*)  
DU Min  
SOU Peng Kan Albert (*retired on 30 June 2025*)  
LAW Kim Fai (*retired on 30 June 2025*)  
MA Kin Ling (*retired on 30 June 2025*)  
ZHANG Wei (*resigned on 25 March 2026*)  
CHAN Li Li (*appointed on 7 July 2025*)  
LEE Kai Man (*appointed on 25 March 2026*)

## NOMINATION COMMITTEE

CHAN Li Li (*Chairman*) (*appointed on 7 July 2025*)  
CHIM Tak Lai  
DU Min  
SOU Peng Kan Albert (*retired on 30 June 2025*)  
LIN Dongsheng (*retired on 30 June 2025*)  
LAW Kim Fai (*retired on 30 June 2025*)  
MA Kin Ling (*retired on 30 June 2025*)

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 1902, Level 19, Everglory Centre  
1B Kimberly Street, Tsim Sha Tsui  
Kowloon, Hong Kong

## LEGAL ADVISER

Yick & Chan, Solicitors  
Suite A1, 11/F, One Capital Place  
18 Luard Road, Wanchai  
Hong Kong

## AUDITOR

Global Link CPA Limited  
Room 1604, 16/F, Shun Tak Centre West Tower  
No. 168–200 Connaught Road Central  
Sheung Wan, Hong Kong





## CORPORATE INFORMATION

### PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited  
1 Queen's Road Central  
Central  
Hong Kong

### REGISTERED OFFICE

Cricket Square, Hutchins Drive  
PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### COMPANY WEBSITE

[www.worldsuperhk.com](http://www.worldsuperhk.com)

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited  
Cricket Square, Hutchins Drive  
PO Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited  
46/F., Hopewell Centre  
183 Queen's Road East  
Wan Chai  
Hong Kong

### STOCK CODE

8612

# FINANCIAL HIGHLIGHTS

FOR THE YEAR ENDED 31 DECEMBER 2025

RESULTS	2025 HK\$	Year ended 31 December			
		2024 HK\$	2023 HK\$	2022 HK\$	2021 HK\$ (Restated) (note)
<b>Continuing operations</b>					
Revenue	<b>23,750,343</b>	16,206,839	23,088,446	16,341,937	30,380,967
Gross profit	<b>2,093,118</b>	1,977,697	3,601,886	5,081,335	17,524,090
Loss for the year	<b>(23,093,270)</b>	(28,695,979)	(36,727,040)	(33,228,690)	(21,510,769)
<b>Discontinued operation</b>					
Loss for the year	–	–	–	(286,750)	(10,352,600)
<b>SUMMARY OF ASSETS AND LIABILITIES</b>					
SUMMARY OF ASSETS AND LIABILITIES	2025 HK\$	Year ended 31 December			
		2024 HK\$	2023 HK\$	2022 HK\$	2021 HK\$
Total assets	<b>29,175,938</b>	31,005,261	50,600,043	102,098,974	153,925,994
Total liabilities	<b>38,365,394</b>	17,202,772	10,907,339	25,679,230	47,764,725
Net assets/(liabilities)	<b>(9,189,456)</b>	13,802,489	39,692,704	76,419,744	106,161,269

Note: Due to the disposal of a subsidiary, Yummy Network Technology Company Limited (“Yummy Network”), completed on 29 April 2022, the comparative financial information for the years ended 31 December 2021 of the Group has been restated to reflect the exclusion of financial information of the disposed subsidiary.





## CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of board of directors (the "Board") of World Super Holdings Limited (together with its subsidiaries, the "Group"), I am pleased to present the audited consolidated results of the Group for the year ended 31 December 2025 to our shareholders and investors.

The Group recorded total revenue of approximately HK\$23.8 million for the year ended 31 December 2025, representing an increase of approximately 46.9% or HK\$7.6 million from approximately HK\$16.2 million for the year ended 31 December 2024. The Group's loss for the year decreased from approximately HK\$28.7 million for the year ended 31 December 2024 to approximately HK\$23.1 million for the year ended 31 December 2025, which was mainly due to the decrease of impairment loss on plant and equipment, and the decrease in administrative expenses.

In 2025, Hong Kong's economy continued to demonstrate resilience amid global uncertainties and regional adjustments. The government introduced targeted measures to support sustainable growth, enhance competitiveness, and drive structural transformation. Despite a broader environment of moderated global expansion, our company successfully maintained momentum, achieving growth in customer numbers and strengthening our market position. This reflects both the adaptability of our business model and the effectiveness of our strategic initiatives in navigating a complex economic landscape.

### BUSINESS REVIEW AND FINANCIAL PERFORMANCE

Hong Kong experienced a robust economic rebound when it opened its border in early 2025 with the lifting of anti-pandemic restrictive measures, Hong Kong's economy continued to revive during the year ended 31 December 2025 and has been on a path of recovery. The Group recorded revenue amounting of HK\$23.8 million for the year ended 31 December 2025, increased by approximately HK\$7.6 million or 46.9% as compared with 2024.

### FUTURE PROSPECTS

In conclusion, the Company demonstrates a robust outlook supported by its strategic investments in rental business, and favorable regulatory conditions. As the company positions itself for future growth in the construction sector, it remains an appealing option for investors. While market challenges exist, the potential for revenue enhancement through machinery rental and car rental services suggests a positive trajectory. Overall, maintaining vigilance on market dynamics and company performance will be crucial for stakeholders moving forward.

On behalf of the board (the "Board") of directors (the "Directors") of the Company, I would like to express my sincere thanks to all customers, business partners and investors for your support and trust, and to all colleagues, for your work in execution of the Group's strategies and operations.

**Lee Kai Man**

*Chairman and Executive Director*

Hong Kong, 31 March 2026

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCE PERFORMANCE

The Group recorded total revenue of approximately HK\$23.8 million for the year ended 31 December 2025, representing an increase of approximately 46.9% or HK\$7.6 million from approximately HK\$16.2 million for the year ended 31 December 2024. The total gross profit of the Group was approximately HK\$2.1 million for the year ended 31 December 2025, representing an increase of approximately 5% or HK\$0.1 million from approximately HK\$2.0 million for the year ended 31 December 2024. The gross profit margin decreased to approximately 8.8% for the year ended 31 December 2025.

The Group's loss for the year decreased from approximately HK\$28.7 million for the year ended 31 December 2024 to approximately HK\$23.1 million for the year ended 31 December 2025, which was mainly due to decrease in impairment losses on plant and equipment, and the decrease in administrative expenses.

Loss per share of the Group, for the year ended 31 December 2025 was approximately 22.27 HK cents. The Directors do not recommend payment of a final dividend for the year ended 31 December 2025.

## Update on business development

Save as disclosed in the section headed "Update on business development" in the "Management Discussion and Analysis" of the annual report of the Company for the year ended 31 December 2024 and the interim report of the Company for the period ended 30 June 2025, there is no further update on the business development during the year ended 31 December 2025 and up to the date of this report.

## BUSINESS REVIEW

Our Group mainly undertakes (i) provision of rental services of crawler cranes, oscillators, a kind of bored piling machine working with drill-string to drill through the hard rock to the designated depth (the "RCD") and hydromill trench cutters for construction projects mainly in Hong Kong and/or Macau; (ii) trading of new or used crawler cranes, RCDs, trench cutters, oscillators and/or related spare parts to customers in Hong Kong and Macau; (iii) to a lesser extent, provision of transportation services in delivering our machinery to and from customers' designated sites and other services such as arrangement of set-up and repair of machinery for customers of our plant hire service, arrangement of insurance for customers of our plant hire service for projects outside Hong Kong and marketing of construction machinery for our machinery suppliers; (iv) provision of construction works which included foundation works and ancillary services; (v) provision of money lending services; and (vi) car rental services.

## Plant hire

The plant hire business mainly involves rental of crawler cranes, casing oscillators, RCDs and hydromill trench cutter to customers for the use in their construction projects in Hong Kong and/or Macau. The sources of the construction machineries of the plant hire business consist of (i) new machineries mainly from German, Korean and Austrian manufacturers or their affiliates in Hong Kong; (ii) used machineries from local or overseas traders in countries such as China, Korea and Singapore; or (iii) subleasing certain machineries to our customers from other construction machinery service providers (the "Sub-leasing Arrangements").

The Group is capable to source new customers of the plant hire business by leveraging on the expertise of the management of the Group, the connections of the Group's professional technical service team and the successful synergy with other construction machinery service providers in relation to the Sub-leasing Arrangements as set out below.



## MANAGEMENT DISCUSSION AND ANALYSIS

The management is of the view to maintain a more cost-effective machinery management policy that the Group owns or acquires (if appropriate) machineries with high rent out rate and high life span in its own leasing fleet as there are circumstances that the leasing orders may be concentrated on certain types of machinery or constantly leased by our customers in great demand. Other than that, the Group co-operates with construction machinery service providers to sub-lease the machinery to customer. Such arrangements can supplement our rental fleet with greater flexibility, and help to maintain relationship with our customers by satisfying their requests and allows us to keep track of the market trends of construction machineries through communications with our customers as well as other construction machinery service providers. Unlike purchase of construction machinery, the Sub-leasing Arrangements do not require significant capital investment or financing means which may incur additional costs.

With the implementation of such cost-effective machinery management policy and sub-leasing strategy, the Group is benefited from the aforesaid comparative light assets business model which paying less upfront capital investment and spending less maintenance or repair costs on machineries.

The plant hire income increased from approximately HK\$5.3 million for the year ended 31 December 2024 to approximately HK\$8.3 million for the year ended 31 December 2025. The increment is due to the increase in the number of plant hire request.

### General sales from trading of machinery, tools and parts

Our trading of construction machinery, tools and parts mainly involves sales of new or used crawler cranes, RCDs, trench cutters, casing oscillators and/or related spare parts, tools, or oil and lubricant to customers. In case the construction machinery or spare part required by our customers is not available in our rental fleet, or our customers request for new construction machinery, we will seek and check with our suppliers and acquire relevant construction machinery or spare part (if available) for our customers.

The general sales decreased from approximately HK\$0.8 million for the year ended 31 December 2024 to nil for the year ended 31 December 2025. The decrease was mainly due to the decrease in trading of tools and parts.

The sales of machinery, parts, and support services – while currently modest – are closely linked to the construction cycle and customer demand. By meeting specialised requests, the Company solidifies its reputation and garners incremental revenue without significant incremental costs.

### Provision of transportation and other services

We provide transportation services in delivering our machinery to and from customers' designated sites and other services such as set-up and repair of machinery for customers of our plant hire service, arrangement of insurance for customers of our plant hire service for projects outside Hong Kong and marketing of construction machinery for our machinery suppliers.

The transportation and other services income increased from approximately HK\$46,000 for the year ended 31 December 2024 to approximately HK\$0.6 million for the year ended 31 December 2025. The increment was mainly due to more transportation and other service provided to customers. This function is integral to reinforcing the main business segments and maintaining customer loyalty.

## Construction services

Construction business engages in delivering a wide range of construction services, including road repairing, pedestrian overpass/underpass repairing and maintenance. These construction projects are undertaken for both public and private sector clients, mainly in Hong Kong. As a practice in the construction industry in Hong Kong, road repairing construction works and other ancillary services are generally awarded by the project owner under a single contract to the main contractor who, depending on its capabilities, licenses, and resources, may take up all the works by itself or subcontract certain works to other subcontractors. The Group typically acts as subcontractor.

The management is of the view that the construction business will be benefited with the following reasons:

- **Market demand:** the business model leans on capturing public and private sector construction spending, especially for foundational engineering work where expertise and equipment specialisation fetch premium contracts.
- **Diversification and synergy:** integration with the plant hire business enhances competitiveness and resilience, allowing bundled offers and efficient resource allocation.
- **Stable income stream:** despite most revenue tied to a small group of large projects/customers, the construction business was still able to recorded approximately HK\$7.7 million and HK\$11.3 million revenue for the year ended 2024 and 2025 respectively. It is due to the expertise of the management of the Group and the connections of the Group's competent senior management and professional team, which have accumulated in-depth knowledge of the industry and have stayed abreast of industry development and market trends. Based on successful securing and completion of significant contracts in the past two years, it demonstrates viability when construction activity resumes after the pandemic.

## Money lending

As one of the business segments of the Group, its money lending business has been conducted through its wholly-owned subsidiary, World Super Capital Limited ("World Super Capital"), to grant loans to individuals and corporations and generates interest incomes from such loan facilities as revenue. The licensing of money lenders and regulation of money-lending transactions are governed by the Money Lenders Ordinance, Cap. 163 (the "MLO"). The Group is required to and has, at all times, strictly complied with all relevant laws and regulations including MLO. The Group has followed all forms and procedures prescribed under the provisions of the MLO when making relevant application for the renewal of Money Lender License and conducting our money lending business.

The money lending business of World Super Capital, is predominantly focused on short-term loans with a maturity period from 1 year, with the occasional slightly longer term of 1 year. The borrower clients of World Super Capital include companies incorporated in Hong Kong and are predominantly introduced to the Group on referral basis by the directors of World Super Capital. The interest rates of the loans advanced by World Super Capital to the borrowers are predominantly at fixed rates of 18% per annum, determined with reference to the market rates from time to time.





## MANAGEMENT DISCUSSION AND ANALYSIS

### Credit assessment and loan collection policies

Before accepting any application from prospective borrowers seeking to obtain a loan from World Super Capital, certain credit assessment procedures are required to be complied with according to the internal policy of World Super Capital. Applicants wishing to borrow a loan from World Super Capital are required to complete a loan application form and provide the required loan application documents for verification and due diligence process. All loan applications are subject to credit review, anti-money laundering and counter-terrorist financing review and approval by the directors of World Super Capital. World Super Capital will conduct the credit assessment on the applicant with the information provided by the applicant or obtained through public search, which may include (but are not limited to): (i) conducting a check on background information provided by applicant against public search; (ii) obtaining and reviewing the latest financial information of the applicant for the latest financial year and applicable period, including sales breakdown by customers, material cashflow information and tax payment, etc.; (iii) obtaining and reviewing the details of bad and doubtful debts of the applicant for the latest financial year and applicable period (if any); (iv) conducting a litigation search and check for any unresolved or unsettled significant litigation against the applicant; (v) obtaining and reviewing the purchase contract(s) and order(s) of the applicant for which the loan is proposed to be drawn; and (vi) conducting asset evaluation on the applicants and/or its shareholders (if any).

The directors of World Super Capital will consider each loan application on a case-by-case basis and make reference to the result of credit assessment process together with the following factors to consider and approve the loan application, including: (i) the purpose, loan size, tenor, interest rate and other terms of the loan; (ii) the credit history of the applicant with World Super Capital; and (iii) the sufficiency of investments and assets held by the applicant in the People's Republic of China or Hong Kong showing financial capability of the applicant to repay the loan and consider whether any security and/or guarantee are required to be provided by the applicant. After the loan transactions are entered into, regularly reviews on the loan performance and overall risk profile will be conducted by World Super Capital of its loan portfolios.

Further, World Super Capital has in place loan collection and loan portfolio monitoring policies which are applicable to all loans granted or renewed by World Super Capital. Where any borrower has failed to make any repayment on the due date, the staff of World Super Capital will demand repayment from the borrower and pay a visit to the address of such borrower. If any borrower continues to fail to repay any amount due and owing to World Super Capital, legal advisers would be engaged to formally demand repayment from such borrower and the Company will consider taking further legal action as and when appropriate, subject to legal advice to be obtained from the legal advisers. All existing borrowers of World Super Capital have proven satisfactory track record on making timely repayment and no additional debt collection procedures were required to be taken by World Super Capital for the year ended 31 December 2025.

## Loan impairment policy

The management of World Super Capital will prepare annual reports to the Board to inform them of the figures of overdue loans for the relevant year. As at the relevant balance sheet date, the Board will assess whether there are any indications of impairment on the loan receivables, and if so, perform an impairment test and determine the amount of impairment loss to be recognised.

In determining the expected credit loss (“ECL”) for loan receivables, historical data are assessed together with other external information and are adjusted to reflect current and forward-looking information on macroeconomic factors. To ensure the adequacy of allowance for ECL on loan receivables, the Group engaged an independent firm of professional valuers to conduct a valuation on the allowance for ECL on loan receivables recognised for each financial year, and this impairment allowance was also cross-examined by auditor of the Company.

The Group applies the general approach under Hong Kong Financial Reporting Standard 9 (HKFRS 9), which is often referred to as the “three-stage model”, under which ECL of loan receivables are determined based on (a) the changes in credit quality of the loan receivables since initial recognition, and (b) the estimated expectation of economic loss of the loan receivable under consideration. Under the general approach, there are two measurement bases for allowance of ECL: (a) 12-month ECL, which is the ECL as a result of default events that are possible within 12 months after the reporting date and is calculated as the allowance for ECL on a loan receivable weighted by the probability of default events accumulated over the 12 months after the reporting date; (b) lifetime ECL, which is the ECL as a result of all possible default events over the expected life of a loan receivable and is calculated as the allowance for ECL on a loan receivable weighted by the probability of default event accumulated over the entire life of the loan receivable. The allowance for ECL on loan receivables is derived from gross credit exposure, recovery rate and probability of default.

The Board considers that the credit assessment policy in place, which is stringently complied with by World Super Capital prior to entering into any loan transactions with any prospective borrower(s), is effective and adequate in serving the purpose of assessing the potential benefits and risks of each prospective loan transaction of the Company. Thorough background check and due diligence are carried out by World Super Capital on the prospective borrowers and their business operations and financial conditions before any loan transactions are entered into. The Board also considers the loan collection and loan portfolio monitoring policies and loan impairment policy to be effective and adequate.

## Loan portfolio as at 31 December 2025

As disclosed above, the Group’s loan portfolio includes individual borrowers and corporate borrowers. As at 31 December 2025, the Group had one outstanding loans amounting to total outstanding loan receivables (before allowance for credit losses) of HK\$2,488,000 (collectively, “Outstanding Loans” and each an “Outstanding Loan”) and allowance for credit losses on loan receivables amounting to approximately HK\$55,000 due by the borrower, of which was corporate borrower.

The maturity, interest rate and structure (i.e. with or without collateral) of the relevant loans were determined based on the commercial interest of the Group as a whole, with reference to, amongst others, (i) the risk level of the loan (including but not limited to the availability of collaterals and/or personal guarantees); (ii) the principal amount of the loan; and (iii) the financial condition of the borrower.



## MANAGEMENT DISCUSSION AND ANALYSIS

The ageing analysis of loan receivables (before allowance for credit losses) based on initial loan commencement date as set out in the relevant contracts is as follows:

	As at 31 December 2025 HK\$'000
121 to 365 days	2,488

The ageing analysis of loan receivables based on the maturity dates as set out in the relevant contracts is as follows:

	As at 31 December 2025 HK\$'000
Not yet due	2,488

The Group has adopted a credit policy to manage its money lending business which includes compliance with all applicable laws and regulations, credit assessment on potential borrower and its/her/his assets, the credibility of the potential borrower, the necessity in obtaining collaterals and determination of suitable interest rate to reflect the risk level of the provision of loan. The Group has not adopted standard commercial terms for granting loan facilities to its clients, such commercial terms will depend on the credit assessment and/or collateral level of particular client. Where collaterals are required, such loans are generally secured by construction machinery or other assets as collaterals.

Under the Group's current credit policy, unless otherwise approved by the Board under special circumstances (i) no loan, whether secured or unsecured, shall be granted by the Group that exceeds the maximum loan amount preset by the Group, (ii) for secured loans, the loan to collateral value ratios shall not exceed 90% and the tenor shall not exceed 36 months, and (iii) for unsecured loans, they should meet the requirement that the debt to income ratio of a borrower shall not exceed 50% and the tenor shall not exceed 24 months.

The Group believes that the money lending business would extend the scope of the Group's existing business and diversify its business segment with a view to broaden the Group's revenue streams, enhance its profitability and achieve better return for the shareholders. During the year ended 31 December 2025, approximately HK\$0.4 million revenue generated from the money lending business (2024: HK\$0.8 million).

## Car rental services

The car rental business is newly commenced during the year ended 31 December 2024. It focuses on providing affordable and flexible rental solutions in both urban and rural areas of Japan, specialising in the provision of compact and economy vehicles which are suitable for navigating Japan's bustling cities and scenic countryside.

The Company has placed a strong emphasis on exceptional customer service, transparent pricing and a seamless rental experience. Its primary marketing strategies include but not limited engaging in social media campaigns, partnering with travel influencers and participating in local tourism fairs to boost brand visibility.

The Japan car rental market is experiencing several noteworthy trends influenced by changing consumer preferences and technological advancements. An essential market driver is the growing inclination towards convenience and flexibility among consumers. As urbanisation continues, people in cities like Tokyo and Osaka are increasingly opting for car rentals over ownership due to limited parking and high ownership costs.

Domestic tourism in Japan has seen a significant resurgence post-pandemic, driven by various government initiatives encouraging travel within the country. According to the Japan Tourism Agency, the number of domestic tourists reached approximately 498 million in 2023, a recovery nearing pre-pandemic levels. This uptick directly increases the demand for rental cars, as travelers prefer the flexibility and convenience that car rentals provide for exploring Japan's diverse region.

Car rental business generated a revenue of approximately HK\$3.2 million (2024: approximately HK\$1.5 million).

## PROSPECT

In conclusion, the Company demonstrates a robust outlook supported by its strategic investments in rental business, and favorable regulatory conditions. As the company positions itself for future growth in the construction sector, it remains an appealing option for investors. While market challenges exist, the potential for revenue enhancement through machinery rental and car rental services suggests a positive trajectory. Overall, maintaining vigilance on market dynamics and company performance will be crucial for stakeholders moving forward.

## FINANCIAL OVERVIEW

### Revenue

The Group's revenue includes (i) plant hire income from leasing of construction machinery, general sales from trading of construction machinery, tools and parts, transportation and other services income; (ii) construction services income; (iii) interest income from money leading business; and (iv) car rental services business.

The Group's revenue increased from approximately HK\$16.2 million for the year ended 31 December 2024 to approximately HK\$23.8 million for the year ended 31 December 2025, representing an increase of approximately 46.9% which mainly due to the increase of income generated from the segment of plant hiring services and construction business.

### Cost of sales and services

Cost of sales and services mainly include product purchases, wages, machinery rent paid and depreciation on plant and machinery. For the year ended 31 December 2025, the Group's cost of sales and services amounted to approximately HK\$21.7 million (2024: approximately HK\$14.2 million). The increase in cost of sales and services was mainly due to the increase in the cost of services relating to the construction business.





## MANAGEMENT DISCUSSION AND ANALYSIS

### Gross profit and gross profit margin

The gross profit and gross profit margin of the Group were approximately HK\$2.1 million and approximately 8.8% for the year ended 31 December 2025, respectively.

### Other income and gains or (losses)

Other income and gains or (losses) mainly represent the loss on disposal of plant and equipment, bank interest income and net exchange gain. The Group's other income and gains or (losses) decreased to approximately HK\$1.1 million for the year ended 31 December 2025 from approximately HK\$1.2 million for the year ended 31 December 2024, which was mainly due to the decrease in the loss on disposal of plant and equipment to approximately HK\$1.4 million for the year ended 31 December 2025 from approximately HK\$1.5 million for the year ended 31 December 2024.

### Finance costs

Finance costs of the Group amounted to approximately HK\$1.7 million for the year ended 31 December 2025 (2024: approximately HK\$0.4 million). The increase in finance costs was mainly due to the increase in the Group's borrowing.

### Administrative expenses

Administrative expenses mainly include staff costs, short term operating lease rental in respects of rental premises, and listing-related expenses. For the year ended 31 December 2025, the Group's administrative expenses amounted to approximately HK\$19.0 million (2024: approximately HK\$21.0 million). The decrease is mainly due to the decrease in business promotion-related expense and staff cost.

### Taxation

The Group's income tax expense increased to approximately HK\$9,275 for the year ended 31 December 2025 from approximately HK\$7,658 for the year ended 31 December 2024. The change was mainly because of the increase in the Japan Corporate Income Tax during the year ended 31 December 2025.

### Loss for the Year

The Group's loss for the year decreased from approximately HK\$28.7 million for the year ended 31 December 2024 to approximately HK\$23.1 million for the year ended 31 December 2025, which was mainly due to the effect of decrease in impairment losses on plant and equipment, and the decrease in administrative expenses.

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group has funded its liquidity and capital requirements primarily through capital contributions from shareholders, bank borrowings, bank overdrafts, lease liabilities, obligations under finance leases, internally generated cash flow and proceeds received from the placing of the Company's shares.

As at 31 December 2025, the Group had bank balances and cash of approximately HK\$0.4 million (2024: approximately HK\$5.8 million).

## MANAGEMENT DISCUSSION AND ANALYSIS

The interest-bearing loans of the Group as at 31 December 2025 was approximately HK\$9.5 million (2024: approximately HK\$1.5 million).

The scheduled repayment date of the Group's bank borrowings and obligation under finance lease amounting to approximately HK\$9.5 million (2024: HK\$1.5 million), as set out in the loan agreements and without considering the effect of any repayment on demand clauses were as follows:

	2025 HK\$	2024 HK\$
Within 1 year	9,500,000	1,504,378
Between 1 and 2 years	–	–
Between 2 and 5 years	–	–
	<b>9,500,000</b>	<b>1,504,378</b>

As at 31 December 2025 and 2024, the Group did not have any convertible bonds.

The gearing ratio is calculated based on the amount of total interest bearing loans divided by total equity. The gearing ratio of the Group as at 31 December 2024 was approximately 17.9%.

The capital structure of the Company comprises of equity interest attributable to the owners of the Company (including issued share capital and reserves). The Directors regularly review the capital structure of the Company. As part of the review, the Directors consider the cost of capital and the associated risks of various types of capital.

The primary objective of the Group's capital management policy is to ensure that it maintains a strong credit standing, as well as healthy capital ratios in order to support its business and maximise shareholder value.

Operations and capital expenditure requirements are funded by a combination of cash generated from operating activities, other borrowings and the asset-light strategy. The Group will also consider both equity and debt financing opportunities to meet the relevant capital expenditure requirements.

### Trade receivable turnover days

The trade receivable increased from approximately HK\$2.5 million for the year ended 31 December 2024 to approximately HK\$14.7 million for the year ended 31 December 2025, while the trade receivable turnover days decreased from approximately 223.2 days for the year ended 31 December 2024 to approximately 132.4 days for the year ended 31 December 2025. Our accounting and human resource department would monitor the trade receivable on a monthly basis and assess whether any bad debt should be provided based on the monthly trade receivable ageing report, which would be reviewed by our Directors. When overdue amount is located, our commercial and administrative department would contact customers for settlement.



## MANAGEMENT DISCUSSION AND ANALYSIS

### PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties for the Company include the followings:

#### **(1) Market conditions and trends in the construction industry**

Substantially all of the Group's operations and management are currently located in Hong Kong. The level of profitability of the plant hire business and the construction business primarily upon the continued availability of construction projects in Hong Kong and/or Macau. The timing, size and nature of these projects will be determined by the interplay of a number of factors such as the government's spending patterns on the construction projects, the investment of property developers and the general conditions and prospects of the economy of Hong Kong and Macau. These factors may affect the availability of construction projects from both the private, public-related and public sectors.

Fluctuations in interest rates and the availability of new projects in the private sector can also affect the plant hire business and the construction business. Should there be a recurrence of recession, deflation or any changes in Hong Kong currency policy, or a rapid deterioration in the demand for construction machinery, the operations and profits can be adversely affected.

#### **(2) The Group's revenue is mainly derived from projects of customers which are not recurrent in nature and on project basis**

Income from the plant hire business and the construction business accounted for approximately 82.1% of the total revenue of the Group for the year ended 31 December 2025. The income from the plant hire business and the construction business is mainly derived on a project-by-project basis which are non-recurrent in nature and the Group may be unable to compete effectively or secure new contracts.

#### **(3) Large portion of the Group's revenue was generated from a few major customers and the Group did not enter into any long-term contracts with these customers**

The Group has not entered into long-term contracts with any of the customers. There is no assurance that the Group would be able to increase the number of customers to reduce its reliance on major customers.

#### **(4) The car rental business may be subject to seasonal effects, and a disruption in rental activities during the busy seasons could adversely affect the results of operations**

The car rental business generally experiences some effects of seasonal variations due to customer demand or increases in travel during certain time of the year such as public holidays. During these times, the fleet utilization rates and revenue are generally higher than the rest of the year. However, the revenue from the car rental business also fluctuates due to other factors affecting the income such as changing weather conditions. The seasonality changes may cause fluctuations in the financial results and any occurrence that disrupts rental activity during the busy seasons could have a disproportionately material adverse effect on the liquidity and results of operations.

## MITIGATIONS FOR THE RISKS AND UNCERTAINTIES

The management is delegated to identify, analyze, evaluate, respond, monitor and communicate risks associated with any activity, function or process within its scope of responsibility and authority. For risk control and monitoring, it involves making decisions regarding which risks are acceptable and how to address those that are not. The management develops contingency plans for possible loss scenarios.

The Group is dedicated to providing first-class products and service to customers. The Group adheres to its service philosophy by providing first-class service and highly efficient response with enthusiasm to meet customers' needs and raise customers' satisfaction and to address any concerns of customers. The Group's superior product quality, attentive after-sales service and efficient response have gained high recognition from customers.

The Group strives to motivate its employees with a clear career path and opportunities for advancement and improvement of their skills. The Group provides on-the-job training and development opportunities to the staff members. The training programs cover areas such as managerial skills, sales, customer services, quality control and training of other areas relevant to the industry.

## FOREIGN EXCHANGE RISK

The Group mainly operates in Hong Kong, Macau and Japan and most of the operating transactions such as revenue, expenses, monetary assets and liabilities are denominated in Hong Kong dollars and Japanese Yen. As such, the Directors are of the view that the Group's risk in foreign exchange is insignificant and that the Group should have sufficient resources to meet foreign exchange requirements as and if they arise. Therefore, the Group has not engaged in any derivative contracts to hedge its exposure to foreign exchange risk during the period.

## CAPITAL COMMITMENTS

As at 31 December 2025, the Group did not have any significant capital commitments (2024: HK\$Nil).

## CONTINGENT LIABILITIES

As at 31 December 2025, the Group did not have material contingent liabilities (2024: HK\$Nil).

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 31 December 2025, the Group did not have the plans for material investments and capital assets acquisition.

## SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

During the year ended 31 December 2025, the Group did not have other significant investments, material acquisitions and disposal of subsidiaries and affiliated companies during the year.





## MANAGEMENT DISCUSSION AND ANALYSIS

### EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2025, the Group employed 13 full-time employees (not including our Directors) and 1 part-time employees (2024: 15 full-time employees and 2 part-time employees). The gender ratio of the Group workforce (including senior management) was approximately 47% male and 53% female. Excluding senior management, the Group had 6 male employee (46%) and 7 female employee (54%). The Group had 2 senior management, of which 1 was male (50%) and 1 was female (50%). Our total staff cost (including directors emoluments, directors' quarters, wages, salaries and allowance, staff welfare and contributions to defined contribution retirement plan) for the years ended 31 December 2025 and 2024 amounted to approximately HK\$9.6 million and HK\$11.8 million respectively. Remuneration of employees is determined with reference to factors such as qualification, responsibility, contribution and experiences. The Company has adopted a share option scheme to reward the eligible participants for their contribution to the Group. The Group also provides internal training to our staff.

### EVENT AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Company completed a rights issue on 4 March 2026 (the "Rights Issue") on the basis of three (3) rights shares for every one (1) share held by qualifying shareholders at a subscription price of HK\$0.1 per rights share. A total of 311,040,000 rights shares were allotted and issued, representing 100% of the total number of rights shares offered under the Rights Issue, and the Rights Issue became unconditional on 26 February 2026.

The net proceeds from the Rights Issue (after deduction of expenses) amounted to approximately HK\$29.1 million. The Company intends to apply the net proceeds as follows: (i) approximately HK\$17 million to be used for repayment of loans, and trade and other payables of the Group; (ii) approximately HK\$9.17 million to support the Group's forthcoming project and purchase new plant and equipment; and (iii) approximately HK\$2.91 million to be used for general working capital of the Group. Save as disclosed above, there has been no other material event subsequent to 31 December 2025 and up to the date of this report.

# BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

## EXECUTIVE DIRECTORS

**Mr. LEE Kai Man (李傑文)** (“Mr. Lee”), aged 62, was appointed as our executive Director on 25 March 2026. Mr. Lee is a member of the remuneration committee of the Company (the “Remuneration Committee”). Mr. Lee is currently a director of Success Dragon Holdings Limited and World Super Capital Limited, both of which are subsidiaries of the Company. Mr. Lee has joined our Group since December 2021. Prior to joining our Group, Mr. Lee worked at Kwok Wing Group Limited (國榮聯合有限公司), a company based in Hong Kong and principally engaged in provision of construction related services, from December 1989 to December 2021, where he was last employed as a construction department manager and principally responsible for project coordination and supervision.

**Ms. CHAN Lok Yin (陳樂燕)** (“Ms. Chan”), aged 41, obtained a Bachelor’s Degree of Accounting from the Edinburgh Napier University in the United Kingdom in 2008. She became a member of The Hong Kong Institute of Certified Public Accountants in July 2011, and an associate of The Chartered Governance Institute in September 2015.

Ms. Chan joined the Group on 2 May 2023 and has been serving as (i) the company secretary of the Company, (ii) an authorised representative of the Company under Rule 5.24 of the GEM Listing Rules and (iii) an authorised representative of the Company to accept service of process and notices on the Company’s behalf in Hong Kong as required under Rule 5.24 of the GEM Listing Rules and Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong). Ms. Chan is also currently, holding the position as the director in two subsidiaries of the Company namely Success Dragon Holdings Limited and World Super Capital Limited respectively. Ms. Chan has accumulated over 10 years of auditing, accounting, corporate governance and company secretarial experience. Prior to joining the Group, she worked for a number of listed companies in Hong Kong, taking the positions of financial controller and/or company secretary. For the period from April 2008 to December 2011, Ms. Chan served in various audit firms in Hong Kong with her last position as an accountant.

Ms. Chan joined GSN Corporations Limited (formerly known as Megalogic Technology Holdings Limited, later known as New Western Group Limited and last known as GSN Corporations Limited (a listed public company in Hong Kong which was delisted on 4 May 2022)) (“GSN”) in April 2012. She first served as assistant to finance director and company secretary. During the periods from April 2014 to April 2016, October 2014 to April 2016, and August 2019 to December 2021, she was the joint company secretary and authorised representative of the GSN. At GSN, Ms. Chan was responsible for accounting and financial management, and company secretarial matters. Ms. Chan was also the company secretary of Pak Tak International Limited (Stock Code: 2668) during the period from August 2015 to April 2017, CHYY Development Group Limited (Stock Code: 8128) during the period from August 2022 to December 2022 and China Supply Chain Holdings Limited (Stock Code: 3708) during the period from October 2022 to June 2023. Ms. Chan was an independent non-executive director of Elife Holdings Limited (stock code: 223) during the period from 24 December 2024 to 11 March 2025. Ms. Chan is currently the company secretary of AMCO United Holding Limited (Stock Code: 630) and such appointment commenced in January 2023.



## BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

### INDEPENDENT NON-EXECUTIVE DIRECTORS

**Mr. CHIM Tak Lai (詹德禮)** (“Mr. Chim”), aged 43, was appointed as our independent non-executive Director on 23 February 2022. Mr. Chim is the chairman of the Remuneration Committee and a member of each of the audit committee of the Company (the “Audit Committee”) and the Nomination Committee. Mr. Chim obtained a bachelor of art degree in business economics from the University of Hertfordshire in 2006. From January 2012 to March 2016, Mr. Chim worked as an accounting and operating manager in Modern Audio (International) Limited, a company principally engaged in trading, wholesale, retail and distributing video products and copyright licensing. Mr. Chim joined Imperium Financial Group Limited (the “Imperium Financial”) which is listed on the GEM of the Stock Exchange (stock code: 8029) as senior accountant in March 2016. Since September 2020, Mr. Chim is the financial controller of the Imperium Financial and his primary responsibilities are to oversee all financial accounting operations, including group reporting, budgeting, audit, treasury function, consolidation and financial reporting. Mr. Chim has been an executive director of the Imperium Financial since May 2021 to now. Since December 2023, Mr. Chim is appointed as the CFO of the Winto Group (Holdings) Limited (stock code: 8238) and his primary responsibilities are to oversee all financial accounting operations, including group reporting, budgeting, audit, treasury function, consolidation and financial reporting.

**Ms. DU Min (杜敏)** (“Ms. Du”), aged 52, is a member of each of the Audit Committee, Nomination Committee and Remuneration Committee. Ms. Du obtained a Bachelor of International Trade from Anhui University in 1997 and a Master of Business Administration from Hong Kong Metropolitan University in 2022. Ms. Du has rich experience in corporate management and financial management. Since 2013, Ms. Du is the executive director and general manager of Anhui Quanwei IOT Technology Co., Ltd., a company incorporated in China. Prior to that, Ms. Du was the financial controller or financial in-charge of certain companies incorporated in China. Ms. Du was the non-executive director of Tian Cheng Holdings Limited (Stock Code: 2110) during the period from 14 February 2023 to 31 July 2023.

**Ms. CHAN Li Li (陳莉莉)** (“Ms. Chan”), aged 57, was appointed as our independent non-executive Director on 7 July 2025. Ms. Chan is the chairman of the Nomination Committee and a member of each of the Audit Committee and Remuneration Committee. Ms. Chan has over 30 years of accounting and management experience. She obtained a diploma in accounting from the School of Continuing Education, Hong Kong Baptist University in 2011. From October 1986 to the present, Ms. Chan successively held various accounting-related position in Unimix Limited, Toshiba Hong Kong Limited, Timax Electronics & Machinery Limited and Wow Restaurant Group Limited, and she is currently the accounting manager of Kei Waa Limited, an indirect wholly owned subsidiary of GBA Holdings Limited (Stock Code: 0261).

### CHANGE IN DIRECTORS' INFORMATION

Upon specific enquiry by the Company and following confirmations from Directors, save as otherwise set out in this report, there is no change in the information of the Directors required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules since the Company's last interim report.

# CORPORATE GOVERNANCE REPORT

## CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance practices. The Directors of the Company consider that the Company has adopted and complied with the Corporate Governance Code (the “CG Code”) as set out in Part 2 of Appendix C1 to the GEM Listing Rules, which includes developing and reviewing the Company’s policies and practices on corporate governance and reviewing the Company’s compliance with the code provision in the CG Code, during the year ended 31 December 2025 and up to the date of this report except for the derivations as disclosed below.

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive officer (“CEO”) should be separated and should not be performed by the same person. The Company currently has no CEO. All duties of CEO are shared among the executive Directors, the Board believes that the present arrangement enables the Company to make and implement decisions promptly, and thus achieve the Company’s objectives efficiently and effectively in response to the changing environment.

In respect of code provision D.1.2 of the CG Code, the Company did not provide all members of the Board with monthly updates. However, the Company has based on business situation, provided to the Board from time to time, updated business information to enable the Board as a whole and each Director to discharge their duties. The Company considers that such business information arising out of the ordinary business provided to the Board from time to time instead of monthly updates are sufficient for the Board to discharge its duties. In the event if there are any significant updates, the Company will update all the Directors as early as practicable for discussion and resolution.

Under the code provision F.1.1 of the CG Code, the Company should have a policy on payment of dividends and should disclose it in its annual report. The Company does not have a dividend policy and the Board will decide on the declaration/recommendation of any future dividends after taking into consideration a number of factors, including the prevailing market conditions, the Group’s operating results, business plans and prospects, financial position and working capital requirements, and other factors that the Board considers relevant.

Following the resignation of Ms. Chen Jie as independent non-executive Director on 19 February 2025, the Company has failed to fulfill (i) the minimum number of independent non-executive Directors as required under Rule 5.05(1) of the GEM Listing Rules; (ii) at least one independent non-executive Director has appropriate professional qualifications or accounting or related financial management expertise as required under Rule 5.05(2) of the GEM Listing Rules; (iii) the number of independent non-executive Directors representing at least one-third of the Board as required under Rule 5.05A of the GEM Listing Rules; and (iv) the minimum number of members of the audit committee of the Board and the chairman of which must be an independent non-executive Director as required under Rule 5.28 of the GEM Listing Rules. The Company has appointed Mr. Law Kim Fai as the independent non-executive Director on 21 February 2025. The Company has complied with the above requirements of the GEM Listing Rules after the appointment.

Following the appointment of Mr. Ma Kin Ling as an executive Director of the Board with effect from 12 March 2025, the Board comprises a total of ten (10) Directors, of which seven (7) are executive Directors and three (3) are independent non-executive Directors. As such, the ratio of the number of independent non-executive Directors falls short of the minimum one-third of the Board as required under Rule 3.10A of the GEM Listing Rules. And at the conclusion of the annual general meeting of the Company held on 30 June 2025, Mr. Sou Peng Kan Albert, Mr. Lau Tak Sun Lawrence, Mr. Lin Dongsheng, Mr. Ma Kin Ling and Ms. Miao Yingjuan have retired as an executive Director respectively. Mr. Law Kim Fai has retired as an independent non-executive Director. The Board only comprises two independent non-executive Directors, and each of the audit committee and nomination committee of the Company consists of two members. This falls below the minimum number of independent non-executive directors, and members of audit committee, remuneration committee and nomination committee requirement under Rule 5.05(1), Rule 5.28 and Rule 5.36A of the GEM Listing Rules. The Company has appointed Ms. Chan Li Li as the independent non-executive Director on 7 July 2025. The Company has complied with the above requirements of the GEM Listing Rules after the appointment.





## CORPORATE GOVERNANCE REPORT

The Company will continue to review its corporate governance practices in order to enhance its corporate governance standard, comply with regulatory requirements and meet the growing expectations of shareholders and investors.

### CODE OF CONDUCT FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors which is on terms no less exacting than the required standard of dealings concerning securities transactions by the Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry, all the Directors confirmed that they have complied with the required standard of dealings and its code of conduct regarding Director's securities transactions throughout the year ended 31 December 2025.

Pursuant to Rule 5.66 of the GEM Listing Rule, the Directors have also requested any employee of the Company or director or employee of a subsidiary of the Company who, because of his/her office or employment in the Company or a subsidiary, is likely to possess inside information in relation to the securities of the Company not to deal in securities of the Company when he/she would be prohibited from dealing by the code of conduct as if he/she was a Director.

### DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Directors and officers are indemnified under a directors' and officers' liability insurance against any liability incurred by them in the discharge of their duties while holding office as the Directors and officers of the Company.

### BOARD OF DIRECTORS

The Company is governed by the board of Directors which has the responsibility for leadership and monitoring of the Company. The Directors are collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. As at the date of this report, the Board comprises ten Directors of which seven are executive Directors and three are independent non-executive Directors.

The Board sets strategies and directions for the Group's activities with a view to developing its business and enhancing shareholders' value. The Board has delegated the daily operation and day-to-day management of the Group as well as the implementation of the Board's policies and strategies to the executive Directors and management of the Group.

All Directors carry out their duties in good faith and in compliance with applicable laws and regulations, making decisions objectively and acting in the interests of the Company and its shareholders at all times. The Directors have full access to information of the Group and are entitled to seek independent professional advice in appropriate circumstances at the Company's expense.

There is no relationship, including financial, business, family or other material/relevant relationship(s) between members of the Board.

The Group will continue to update the Directors on the latest developments regarding the GEM Listing Rules and other applicable regulatory requirements to ensure compliance and enhance their awareness of good corporate governance practices.

The Board's composition during the year ended 31 December 2025 and up to the date of this report is as follows:

## Executive Directors

LEE Kai Man (*appointed on 25 March 2026*)  
 CHAN Lok Yin  
 SOU Peng Kan Albert (*retired on 30 June 2025*)  
 LAU Lawrence Tak Sun (*retired on 30 June 2025*)  
 LIN Dongsheng (*retired on 30 June 2025*)  
 MIAO Yingjuan (*retired on 30 June 2025*)  
 MA Kin Ling (*retired on 30 June 2025*)  
 ZHANG Wei (*resigned on 25 March 2026*)

## Independent Non-executive Directors

CHIM Tak Lai  
 DU Min  
 LAW Kim Fai (*retired on 30 June 2025*)  
 Chan Li Li (*appointed on 7 July 2025*)

The Board has the responsibility for leadership and control of the Company. They are collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. The Board is accountable to the shareholders for the strategic development of the Group with the goal of maximising long-term shareholder value, while balancing broader stakeholder interests.

Biographical details of the Directors are set out in the section of "Biographical Details of Directors and Senior Management" on pages 19 to 20. There are no relationship (including financial, business, family or other material/relevant relationships) among members of the Board and in particular, between the chairman and the chief executive.

## ROLE AND FUNCTION OF THE BOARD AND THE MANAGEMENT

The Company has set out the respective functions and responsibilities which can be reserved to the Board and delegated to management or Board committees. The Board delegates day-to-day operations of the Group to management while reserving certain key matters, mainly relating to the approval and monitoring of the Group's overall strategies, policies and business plans; and overseeing and evaluating the performance of the Group. It is also responsible for promoting the success of the Group and its businesses by directing and supervising the Group's affairs. Board committees for specific functions are also set up to ensure efficient Board operations. The composition and functions of each Board committee and their major roles and function are described below. The final decision still rests with the Board unless otherwise provided for in the terms of reference of the relevant committees.

## BOARD DIVERSITY POLICY

The Company recognises the importance of diversity at the Board in contributing to the quality of performance of the Company. The Board has adopted a board diversity policy (the "Board Diversity Policy"). In designing the Board composition, the Company takes into account a number of measurable factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional specialisation, experience, skills, knowledge and other qualifications. Appointment of Directors is solely based on meritocracy, and candidates will be considered against objective criteria, having due regards for the benefits of diversity on the Board. The Board sets measurable objectives to implement the Board Diversity Policy and reviews such objectives from time to time.



## CORPORATE GOVERNANCE REPORT

### Measurable objectives

Where vacancies exist on the Board, candidates are proposed and put forward to the Nomination Committee for consideration. The recommendations of the Nomination Committee will then be tendered to the Board for approval. In considering the nomination of a new Director, the Nomination Committee will give adequate consideration to the Board Diversity Policy which takes into account professional experience and qualifications, gender, age, cultural and educational background, working experiences, professional ethics and any other factors that the Board might consider relevant and applicable from time to time towards achieving board diversity. Equality of opportunity in all aspects of the Company's business is much emphasised by the Company and Board appointments will continue to be made on a merit basis.

### Gender diversity

#### Board composition

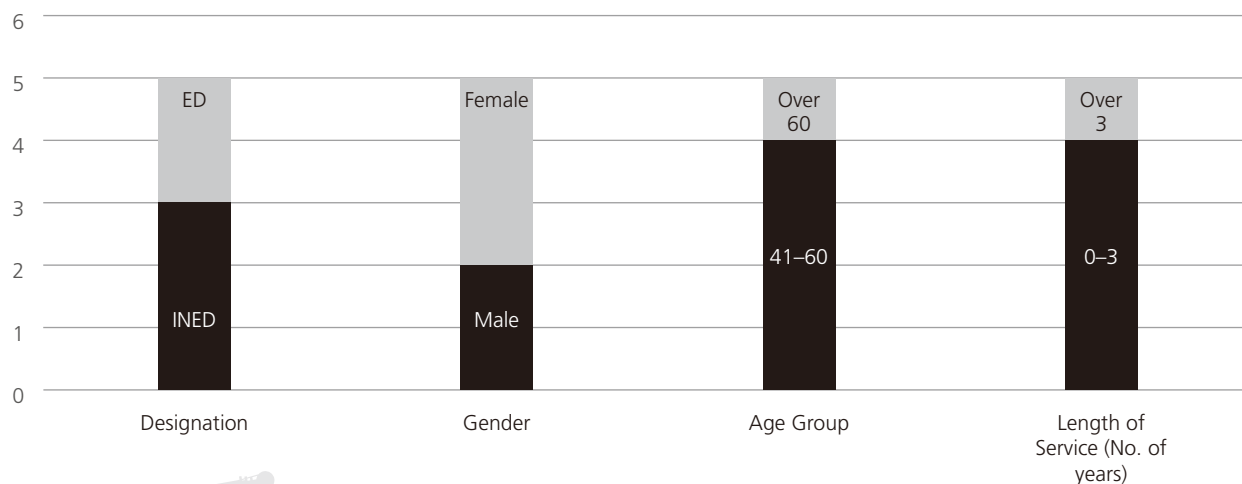
The Board believes that gender diversity is a manifestation of board diversity, among all other measurable objectives. For the year ended 31 December 2025, the Board had two male Directors (40%) and three female Directors (60%). The Company will continue to apply the principle of appointments based on merits with reference to the Board Diversity Policy as a whole. Under the revised Rule 17.104 of the GEM Listing Rules that came into effect on 1 January 2022, a single gender Board will not be considered by the Stock Exchange to have achieved board diversity. The Company has complied with this new requirement during the year ended 31 December 2025.

The Group recognises the importance of diversity and has a diverse workforce in terms of gender, providing a variety of ideas and levels of competency that contribute to the Group's success. In the hiring process, the Company takes into account a number of measurable factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional specialisation, experience, skills, knowledge and other qualifications. Appointment of candidates is solely based on meritocracy, and candidates will be considered against objective criteria, having due regards for the benefits of diversity on the Group.

The Board composition reflects a diverse mix of skills, experience, gender, age and length of service. The diversity mix of the Board as at 31 December 2025 is summarized as follows:

(i) *Board Composition, Gender Distribution, Age Distribution and Length of Service*

Number of Directors



(ii) *Directors' Skills and Experience*

Areas of experience	Number of Directors	Share of the Board
Related Industry Knowledge/Experience	2	40%
Business Management	3	60%
Financial & Accounting	4	80%
Strategic Planning & Risk Management	5	100%

The Board's gender diversity level was in compliance with the Listing Rules when compared to other companies listed on the Stock Exchange, with three female directors out of five (60%) as at 31 December 2025. The Nomination Committee and the Board reviewed the gender diversity target of having no less than 25% female directors on the Board and considered that the current gender diversity of the Board was appropriate, balanced and exceeding the target set. Therefore, no timeline or plan was proposed for further enhancing the gender diversity target of the Board for the time being. The Nomination Committee will continue reviewing the composition of the Board to maintain diversity.

As at 31 December 2025, our total workforce comprised of 47% female and 53% male, whereas senior management comprised of 50% female and 50% male. The current gender diversity of workforce was appropriate taking into account the business models and operational needs.

Overall, the Board considers the recruitment strategy adopted by the Group is effective and adequate. In determining the independence of Directors, the Board follows the requirements as set out in the GEM Listing Rules.

## DIRECTORS' ATTENDANCE AT BOARD MEETINGS AND GENERAL MEETINGS

During the year ended 31 December 2025, the Board held nineteen board meetings and the attendance of each director is set out as follows:

	Number of Board meetings attended/held
<b>Executive Directors</b>	
CHAN Lok Yin	19/19
SOU Peng Kan Albert*	1/12
LAU Lawrence Tak Sun*	3/12
LIN Dongsheng*	5/12
ZHANG Wei	9/19
MIAO Yingjuan*	9/11
MA Kin Ling*	7/7
<b>Independent Non-executive Directors</b>	
CHIM Tak Lai	17/19
DU Min	7/19
LAW Kim Fai*	6/19
CHAN Li Li#	6/6

\* retired on 30 June 2025

# appointed on 7 July 2025





## CORPORATE GOVERNANCE REPORT

During the year ended 31 December 2025, the Company held an annual general meeting (the “AGM”) of the shareholders on 30 June 2025. Ms. Chan Lok Yin, Ms. Du Min and Mr. Law Kim Fai attended the AGM either in person or by electronic means. Other then Directors were unable to attend the AGM due to other business commitment.

### APPOINTMENT AND RE-ELECTION OF THE DIRECTORS

Each of the executive Director has entered into a service contract with the Company with an initial term of three years, subject to renewal by the Company. The independent non-executive Directors have entered into a service contract with the Company with an initial term of one year, subject to renewal by the Company.

By virtue of the articles of association of the Company, the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition Director but the number of Directors so appointed shall not exceed the maximum number determined from time to time by the shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy on or as an addition to the Board shall hold office until the first general meeting of shareholders after his/her appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM of the Company and shall then be eligible for re-election.

In accordance with the articles of association of the Company, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one- third, shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. The Company at the general meeting at which a Director retires may fill the vacated office.

Mr. Lee Kai Man who was appointed as an executive Director on 25 March 2026 as an additional Director, will hold office until the 2026 AGM and, being eligible, will offer himself for re-election at the 2026 AGM in accordance with article 83(3) of the Articles of Association. Mr. Lee Kai Man obtained legal advice referred to in rule 5.02D of the GEM Listing Rules and confirmed that he understood his obligations as a director of the Company.

Ms. Chan Li Li who was appointed as an independent non-executive Director on 7 July 2025 to fill the casual vacancy arising from the resignation of Mr. Law Kim Fai, will hold office until the 2026 AGM and, being eligible, will offer herself for re-election at the 2026 AGM in accordance with article 83(3) of the Articles of Association.

Ms. Chan Lok Yin who was appointed as an executive Director on 30 June 2023 as an additional Director, will hold office until the 2026 AGM and, being eligible, will offer herself for re-election at the 2026 AGM in accordance with article 83(3) of the Articles of Association.

Ms. Du Min who was appointed as an independent non-executive Director on 3 August 2023 to fill up the casual vacancy arising from the resignation of Mr. Yue Wai Leung Stan. Ms. Du will hold office until the 2026 AGM and, being eligible, will offer herself for re-election at the 2026 AGM in accordance with article 83(3) of the Articles of Association.

In accordance with article 84(1) of the Articles of Association, Mr. Lee Kai Man, Ms. Chan Lok Yin, Ms. Du Min and Ms. Chan Li Li will retire from office by rotation at the 2026 AGM, being eligible, will offer themselves for re-election at the 2026 AGM.

## INDEPENDENT NON-EXECUTIVE DIRECTORS

The independent non-executive Directors are persons with relevant academic and professional qualifications. They advise the Company on strategic development, which enables the Board to maintain high standards of compliance with financial and other regulatory requirements. They have brought in a wide range of business and financial expertise, experience and independent judgement to the Board. Through active participation in the Board meetings and serving on various Board committees, all independent non-executive Directors will continue to make various contribution to the Company. In compliance with Rules 5.05(1), 5.05(2) and 5.05A of the GEM Listing Rules, the Company has three independent non-executive Directors, representing more than one-third of the Board and with at least one of whom having appropriate professional qualifications, or accounting or related financial management expertise. Prior to their respective appointment, each of the independent non-executive Directors has submitted a written statement to the Stock Exchange confirming their independence. The Company has received from each of the independent non-executive Directors an annual confirmation of his/her independence pursuant to Rule 5.09 of the GEM Listing Rules and the Board considers that all the independent non-executive Directors to be independent and meet the requirements set out in Rule 5.09 of the GEM Listing Rules as at the date of this report. During the year, Mr. Zhang Wei had held a meeting with the independent non-executive Directors without the presence of other Directors.

## DIRECTORS' PARTICIPATION IN CONTINUOUS PROFESSIONAL TRAININGS

Each newly appointed Director receives a formal, comprehensive and tailored induction on the first occasion of his/her appointment to ensure that he/she has a proper understanding of the Company's operations and business and is fully aware of his/her responsibilities under the statutes and common law, the GEM Listing Rules, legal and other regulatory requirements and the Company's business and governance policies. Each Director has confirmed that he/she can give sufficient time and attention to the Company's affairs and has regularly provided information on the number and nature of offices held in public companies or organisations and other significant commitments, including the identity of such companies or organisations and an indication of the time involved. The Directors had attended training sessions on obligations, duties and responsibilities of directors conducted by the Company's Hong Kong legal advisers.

The Company will from time to time provide briefings to all Directors to develop and refresh their duties and responsibilities. All Directors are also encouraged to attend relevant training courses at the Company's expense and they have been requested to provide the Company with their training records. According to the training records maintained by the Company, the trainings received by each of the Directors during the Year is summarised as follows:

Name of Directors	Type of trainings
Mr. Lee Kai Man	A, B
Ms. Chan Lok Yin	A, B
Mr. Chim Tak Lai	A, B
Ms. Du Min	A, B
Ms. Chan Li Li	A, B

A: attending seminars/conferences/forums

B: reading newspapers, journals and updates relating to the economy, general business, corporate governance and directors' duties and responsibilities



## CORPORATE GOVERNANCE REPORT

### AUDIT COMMITTEE

The Company established an Audit Committee pursuant to a resolution of the Directors passed on 21 June 2019. Written terms of reference in compliance with the CG Code as set out in Appendix C1 to the GEM Listing Rules has been adopted. The primary duties of our Audit Committee are (i) to review and monitor the independent and objective role of the external auditor to our Company; (ii) to make recommendations to our Board on the appointment and removal of the external auditor; (iii) to review the financial statement and material advice in respect of financial reporting process of our Group; (iv) oversee the risk management and internal control systems of our Group; and (v) to monitor any continuing connected transactions.

The Audit Committee currently consists of all three independent non-executive Directors, Mr. Chim Tak Lai, Ms. Du Min and Ms. Chan Li Li. Mr. Chim Tak Lai is the chairman of the Audit Committee. The Audit Committee has reviewed with the management the accounting standards and practices adopted by the Group, and discussing auditing, internal control, risk management, the effectiveness of the internal audit function and financial reporting matters including the review of annual results and financial statements during the year.

During the year ended 31 December 2025, the Audit Committee reviewed with the management or the auditors of the Company, among other things, (i) the audit findings; (ii) the accounting principles and practices adopted by the Company; (iii) financial reporting matters (including quarterly, half-yearly and annual results); and recommended to the Board the re-appointment of the external auditor at the annual general meeting of the Company. The audited consolidated results of the Group for the year ended 31 December 2024 have been reviewed by the Audit Committee.

Two Audit Committee meetings were held during the year ended 31 December 2025. The attendance was as follows:

	Number of meetings attended/held
CHIM Tak Lai ( <i>Chairman</i> )	2/2
DU Min	2/2
CHAN Li Li <sup>#</sup>	1/1
LAW Kim Fai <sup>*</sup>	1/1

\* retired on 30 June 2025

# appointed on 7 July 2025

### REMUNERATION COMMITTEE

The Company established a Remuneration Committee pursuant to a resolution of the Directors passed on 21 June 2019. Written terms of reference in compliance with the CG Code as set out in Appendix C1 to the GEM Listing Rules has been adopted. Such terms of reference were amended on 6 February 2023. The primary duties of our Remuneration Committee include but are not limited to (i) the formulation and the recommendation to the Board on our Company's policies and structures for the remuneration of all of our Directors and senior management of our Company; (ii) the establishment of a formal and transparent procedure for developing policy on remuneration; (iii) make recommendations to the Board on remuneration packages of all Directors and senior management in the manner specified in the terms of reference; (iv) review and approval of performance based remuneration; and (v) review and recommendation to our shareholders as to the fairness and reasonableness of the terms of any Director's service agreement which is subject to the prior approval of our shareholders in any general meeting pursuant to the GEM Listing Rules.

## CORPORATE GOVERNANCE REPORT

The Remuneration Committee consists of one executive Directors, and three independent non-executive Directors, Mr. Chim Tak Lai, Ms. Du Min and Ms. Chan Li Li. Mr. Chim Tak Lai is the chairman of the Remuneration Committee.

During the year ended 31 December 2025, five Remuneration Committee meetings were held which, amongst other matters, made recommendations to the Board on the remuneration packages to Director and senior management, assessed performance of executive Directors and approved the terms of executive Directors' service contracts. The attendance was as follow:

	<b>Number of meetings attended/held</b>
CHIM Tak Lai ( <i>Chairman</i> )	5/5
CHAN Li Li <sup>#</sup>	0/0
SOU Peng Kan Albert*	0/4
ZHANG Wei	3/5
DU Min	2/5
LAW Kim Fai*	2/3
MA Kin Ling*	2/2

\* retired on 30 June 2025

# appointed on 7 July 2025

During the year ended 31 December 2025, the Remuneration Committee (i) considered and reviewed, among other things, the existing terms of appointment of the Directors, which were considered fair and reasonable, as well as the policy for the remuneration of executive Directors; (ii) assessed performance of executive Directors. The Remuneration Committee has also recommended the remuneration packages of individual executive Directors and senior management to the Board. During the year ended 31 December 2025, as there were no share option granted under the Share Option Scheme (as disclosed in the Report of the Directors), no material matters relating to the Share Option Scheme under Chapter 23 of the GEM Listing Rules were required to be reviewed or approved by the Remuneration Committee.

## NOMINATION COMMITTEE

The Company established a Nomination Committee on 21 June 2019 with written terms of reference in compliance with CG Code as set out in Appendix C1 to the GEM Listing Rules. The primary duties of our Nomination Committee are (i) to review the structure, size and composition of our Board on a regular basis; (ii) to identify individuals suitably qualified to become Board members; (iii) to assess the independence of independent non-executive Directors; (iv) to make recommendations to our Board on relevant matters relating to appointment or re-appointment of Directors; and (v) to make recommendations to our Board regarding candidates to fill vacancies on the Board.

The Nomination Committee currently consists of three independent non-executive Directors, Mr. Chim Tak Lai, Ms. Du Min and Ms. Chan Li Li. Ms. Chan Li Li is the chairman of the Nomination Committee.



## CORPORATE GOVERNANCE REPORT

During the year ended 31 December 2025, four Nomination Committee meetings were held which, amongst other matters, identified and nominated the appropriate candidate to fill casual vacancies of the Directors for the Board's approval; reviewed the structure, size and diversity of the Board, assessed the independence of independent non-executive Directors and recommended to the Board for consideration the re-appointment of the retiring Directors. The attendance was as follows.

	<b>Number of meetings attended/held</b>
CHAN Li Li# ( <i>Chairman</i> )	0/4
CHIM Tak Lai	4/4
DU Min	2/4
SOU Peng Kan Albert*	0/3
LIN Dongsheng*	2/3
LAW Kim Fai*	2/2
MA Kin Ling*	1/1

\* retired on 30 June 2025

# appointed on 7 July 2025

### Nomination policy

The company secretary of the Company shall call a meeting of the Nomination Committee, and invite nominations of candidates from the Board members for consideration by the Nomination Committee. The Nomination Committee may also put forward candidates who are not nominated by the Board members. The factors which would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate for a director include, inter alia, integrity, professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy, willingness to devote adequate time to discharge duties as a Board member, diversity of the Board, and such other perspectives appropriate to the Group's business. The Nomination Committee shall make recommendations for the Board's consideration and approval.

During the Year, the Nomination and Corporate Governance Committee (i) considered and reviewed the Nomination Policy, the Board Diversity Policy, the Company's policies and practices on corporate governance, the process and criteria to select and recommend candidates for directorship; and (ii) recommended the Board to approve the proposed sequence for re-election of retiring Directors in the annual general meeting of the Company. The Nomination and Corporate Governance Committee considers that the Nomination Policy, the Board Diversity Policy and the existing policies and practices of corporate governance of the Company are suitable. A brief summary of the Board Diversity can be found in the paragraph headed "Board Diversity Policy" of this report.

## INDEPENDENCE VIEWS TO THE BOARD

The Board recognises Board's independence is critical to good corporate governance. The Company has put in place the mechanisms to ensure a strong independence element on the Board, which are summarised below:

### (i) Independence assessment

The Nomination Committee shall strictly adhere to the nomination policy and the independence assessment criteria as set out in the GEM Listing Rules with regard to the nomination and appointment of independent non-executive Directors.

Each independent non-executive Director is also required to inform the Company as soon as practicable if there is any change in his own personal particulars that may materially affect his independence.

The Nomination Committee is mandated to assess annually the independence of all independent non-executive Directors by reference to the independence criteria as set out in the GEM Listing Rules to ensure that they can continually exercise independent judgement.

### (ii) Board composition

The Board endeavours to ensure the appointment of at least three independent non-executive Directors and at least one-third of the Board members being independent non-executive Directors (or such higher threshold as may be required by the GEM Listing Rules from time to time).

Apart from complying with the requirements prescribed by the GEM Listing Rules as to the composition of certain Board committees, independent non-executive Directors will be appointed to other Board committees as far as practicable to ensure independent views are available.

### (iii) Decision making

All Directors (including independent non-executive Directors) are entitled to seek further information and documentation from the management on the matters to be discussed at board meetings. They can also seek assistance from the Company's company secretary and, where necessary, independent advice from external professional advisers at the Company's expense.

All Directors (including independent non-executive Directors) shall not vote or be counted in the quorum on any board resolution approving any contract or arrangement in which such Director or any of his close associates has a material interest.

The Board had made an annual review on the implementation of the abovementioned mechanisms and was of the view that the abovementioned mechanisms had been satisfactorily implemented.



## CORPORATE GOVERNANCE REPORT

### CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the corporate governance functions as set out in code provision A.2.1 of the CG Code, which include (i) developing and reviewing the Company's policies and practices on corporate governance; (ii) reviewing and monitoring the training and continuing professional development of the Directors and senior management; (iii) reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements; (iv) developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and the Directors; and (v) reviewing the Company's compliance with the CG Code and disclosure in this report.

### FINANCIAL REPORTING

The Directors acknowledge their responsibility for preparing the accounts of the Company. The Directors have prepared the financial statements of the Company on a going-concern basis. The responsibilities of the external auditors regarding their financial reporting are set out in the independent auditor's report contained in this annual report for the year ended 31 December 2025.

The Directors are responsible for overseeing all financial aspects of the Company and for keeping proper accounting records and preparing financial statements of each financial period, which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the financial statements for the Year, the Directors have:

- approved the adoption of all applicable Hong Kong Financial Reporting Standards which are issued by the Hong Kong Institute of Certified Public Accountants;
- selected and applied consistently appropriate accounting policies;
- made judgments and estimates that are prudent and reasonable; and
- prepared the accounts on a going concern basis. The Directors, having made appropriate enquiries, consider that it is appropriate to adopt the going concern basis in preparing the financial statements.

We draw attention to note 1 to the consolidated financial statements, which indicates that the Group incurred a loss of HK\$23,093,270 for the year ended 31 December 2025, and as at 31 December 2025, the Group had net liabilities of HK\$9,189,456.

### REMUNERATION OF SENIOR MANAGEMENT

Pursuant to Code Provision E.1.5, the remuneration of the member(s) of senior management of the Group (excluding the Directors) for the year ended 31 December 2025 by band is as follows:

Remuneration bands	Number of individual(s)
HK\$0 to HK\$1,000,000 (including Chairman)	1

## REMUNERATION POLICY OF THE DIRECTORS

Quality and committed staff are valuable assets contributing to the Group's success. To ensure the ability to attract and retain talents, the Group's remuneration policy of the Directors is built upon the principles of providing equitable and market-competitive remuneration package that support the performance culture and enable the achievement of strategic business goals. The Group's remuneration policy of Directors is, therefore, aiming at providing competitive but not excessive remuneration package to the Directors.

Details of the Directors' remuneration are set out in note 11 to the consolidated financial statements.

## INVESTOR RELATIONS

The Company believes that maintaining a high level of transparency is a key to enhance investor relations. It is committed to a policy of open and timely disclosure of corporate information to its shareholders and investment public. The Company updates its shareholders on its latest business developments and financial performance through its quarterly, interim and annual reports. The corporate website of the Company (worldsuperhk.com) has provided an effective communication platform to the public and the shareholders.

## AUDITOR'S REMUNERATION

The audit work of the Group for the year ended 31 December 2025 was performed by the Company's external auditor, Global Link CPA Limited ("Global Link").

The amount of fees charged by the auditor generally depends on the scope and volume of the auditor's work. The total fee paid/payable in respect of the statutory audit and non-audit services provided by Global Link is set out in the following table:

	Fee paid/payable	
	2025	2024
	HK\$'000	HK\$'000
Audit services	720	750
Audit services, under-provision of prior year	–	300
Non-audit services – review of interim financial information of the Group	–	70
	<b>720</b>	<b>1,120</b>

## RISK MANAGEMENT AND INTERNAL CONTROL

The Board has responsibility for maintaining appropriate and effective risk management and internal control systems of the Group. The Board has delegated responsibility to the Audit Committee to review the Group's risk management and internal control matters annually. The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.





## CORPORATE GOVERNANCE REPORT

Under the enterprise risk management framework, policies and procedures are in place to identify, assess, manage, control and report risks. Such risks include strategic, operational (administrative system, project and lease management, contract and construction management, information technology security), market, reporting and compliance risks. Exposure to these risks is continuously monitored by the Board through the Audit Committee.

The internal control system includes a defined management structure with specified limits of authority. The Board has clearly defined the authorities and key responsibilities of each division to ensure adequate checks and balances. The internal control system has been designed to safeguard the Group's assets against unauthorised use or disposition, to ensure the maintenance of proper accounting records for producing reliable financial information, and to ensure compliance with applicable laws, regulations and industry standard.

For the year ended 31 December 2025, the Group did not have an internal audit function. The Board currently takes the view that there is no immediate need to set up an internal audit function in light of the size, nature and complexity of the Group's business. The need for an internal audit function will be reviewed from time to time. The Company has engaged an external independent internal control consultant to review the Group's risk management and internal control systems on annual basis. The Audit Committee reviewed the internal control review report issued by the external independent consultant on the Company's risk management and internal control systems of the Group covering all material controls, including financial, operational and compliance controls functions in respect of the year ended 31 December 2025 and considered that they are effective and adequate. The Board assessed the effectiveness of internal control systems by considering the internal control review report and reviews performed by the Audit Committee and concurred with them.

After the review on the risk management and internal control systems, the management provided an action plan so as to mitigate those identified deficiencies in a timely manner. All internal control findings would be followed up closely to ensure that the action plan is implemented accordingly.

## DISCLOSURE OF INSIDER INFORMATION

The Group acknowledges its responsibilities under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) and the GEM Listing Rules and the overriding principle that inside information should be announced promptly when it is the subject of a discussion. The procedures and internal controls for the handling and dissemination of inside information are as follows:

- the Group conducts its affairs with close regard to the disclosure requirements under the GEM Listing Rules as well as the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission of Hong Kong in June 2012;
- the Group has implemented and disclosed its policy on fair disclosure by pursuing broad, non-exclusive distribution of information to the public through channels such as financial reporting, public announcements and the Company's website;
- the Group has strictly prohibited unauthorised use of confidential or inside information; and
- the Group has established and implemented procedures for responding to external enquiries about the Group's affairs, so that only the executive Directors and the company secretary are authorised to communicate with parties outside the Group.

## COMPANY SECRETARY

All Directors have access to the advice and services of the company secretary. The company secretary reports to the Chairman on Board governance matters, and is responsible for ensuring that Board procedures are followed and for facilitating communications among Directors as well as with shareholders and management.

Ms. Chan Lok Yin (“Ms. Chan”) has been appointed the company secretary of the Company on 30 June 2023 pursuant to Rule 5.14 of the GEM Listing Rules. Ms. Chan is a member of The Hong Kong Institute of Certified Public Accountants and an associate of The Chartered Governance Institute. For details of Ms. Chan’s biography, please refer to the section under “Biographical Details of Directors and Senior Management”. During the year, Ms. Chan undertook over 15 hours’ professional training to update her skill and knowledge pursuant to Rule 5.15 of the GEM Listing Rules.

## SHAREHOLDERS’ RIGHTS

The general meetings of the Group provide an opportunity for communication between the shareholders and the Board. An annual general meeting of the Company shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting (“EGM”).

### Right to convene an extraordinary general meeting

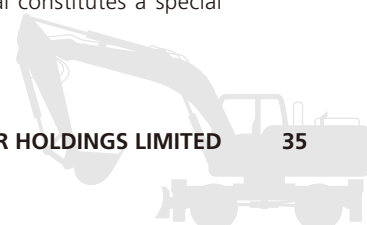
Any one or more member(s) holding at the date of the deposit of the requisition not less than one tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company, shall at all times have the right, by written requisition sent to the Company’s principal office as set out in the manner below, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition.

The written requisition must state the purposes of the meeting, signed by the requisitionist(s) and deposit it to the Board or the company secretary of the Company at the Company’s principal place of business at Unit 1902, Level 19, Everglory Centre, 1B Kimberly Street, Tsim Sha Tsui Kowloon, Hong Kong, and such may consist of several documents in like form, each signed by one or more requisitionist(s).

The request will be verified with the Company’s branch share registrar in Hong Kong and upon their confirmation that the request is proper and in order, the company secretary of the Company will ask the Board to convene an EGM by serving sufficient notice in accordance with the statutory requirements to all the registered members. On the contrary, if the request has been verified not in order, the shareholders will be advised of this outcome accordingly, and an EGM will not be convened as requested. If within 21 days from the date of the deposit of the requisition the Board fails to proceed to convene such meeting, the requisitionist(s) may convene a meeting in the same manner, and all reasonable expenses incurred by the requisitionist(s) as of the failure of the Board shall be reimbursed by the Group to the requisitionist(s).

The notice period to be given to all the registered members for consideration of the proposal raised by the requisitionist(s) concerned at the EGM varies according to the nature of the proposal, as follows:

- (a) At least 14 clear days’ notice in writing (and not less than 10 clear business days) if the proposal constitutes an ordinary resolution; or
- (b) At least 21 clear days’ notice in writing (and not less than 10 clear business days) if the proposal constitutes a special resolution.





## CORPORATE GOVERNANCE REPORT

### Right to put enquiries to the Board

Shareholders have the right to put enquiries to the Board. All enquiries shall be in writing and sent by post to the principal place of business of the Company in Hong Kong for the attention of the company secretary.

### Right to put forward proposals at general meetings

There are no provisions allowing shareholders to propose new resolutions at the general meetings under the Cayman Islands Companies Act, Chapter 22 (as revised). However, shareholders are requested to follow Article 58 of the Company's Articles of Association for including a resolution at an EGM. The requirements and procedures are set out above.

Pursuant to Article 85 of the Company's Articles of Association, no person other than a director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a director at any general meeting unless a notice signed by a member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the registration office provided that the minimum length of the period, during which such notice(s) are given, shall be at least seven (7) days and that (if the notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting. The written notice must state that person's biographical details as required by Rule 17.50(2) of the GEM Listing Rules. The procedures for shareholders of the Company to propose a person for election as director is posted on the Company's website.

## INVESTOR RELATIONS

The Group has established a range of communication channels between itself and its shareholders with the objective of ensuring that the shareholders will have equal and timely access to information about the Company in order to enable the shareholder to exercise their rights in an informed manner and allow them to engage actively with the Company. All corporate communication materials published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) are posted on the Company's website ([www.worldsuperhk.com](http://www.worldsuperhk.com)) as soon as practicable after their release. The Company's constitutional documents are also available on the Company's website. Information on the website shall be updated on a regular basis. Share registration matters shall be handled for the shareholders by the Company's share registrar, Computershare Hong Kong Investor Services Limited at 46/F., Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong. The Company has reviewed the implementation and effectiveness of the shareholder communication policy during the year and conclude that it is effective.

## **CONSTITUTIONAL DOCUMENTS**

As disclosed in the announcement of the Company dated 31 March 2023 and the circular of the Company dated 31 March 2023, a special resolution was proposed at the annual general meeting of the Company convened and held on 18 May 2023 to approve, among others, the proposed amendments to the articles of association of the Company, in order to, among others, (i) bringing the articles of association in line with the amendments made to the GEM Listing Rules effective from 1 January 2022 and the applicable law in the Cayman Islands; (ii) incorporating amendments and provisions to allow and facilitate hybrid and electronic meetings; and (iii) making certain minor house-keeping amendments to the articles of association for the purpose of clarifying existing practice and making consequential amendments in line with the aforesaid proposed amendments. The second amended and restated articles of association of the Company was approved and adopted on 18 May 2023 and effective on the same date, the latest version of which is available on the websites of the Company and the Stock Exchange. During the year ended 31 December 2025, there has been no change in the constitutional documents.





## REPORT OF THE DIRECTORS

The Directors hereby present their annual report and the audited consolidated financial statements for the year ended 31 December 2025.

### GROUP REORGANISATION

The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands on 26 February 2016. Through a group reorganisation as fully explained in the Prospectus, the Company has since 31 May 2016 become the holding company of the Group. The Company has completed its initial public offering and the shares of the Company were listed on the Stock Exchange on 12 July 2019.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding and those of the principal subsidiaries of the Company are set out in note 35 to the consolidated financial statements.

### BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group's future business development and possible risks and uncertainties facing the Group are set out in the section headed "Chairman's Statement" as well as the "Management Discussion and Analysis" of this annual report, respectively. An analysis of the Group's performance during the year using financial key performance indicators is set out in the section headed "Management Discussion and Analysis" of this report. To the best knowledge and belief of the Directors, the Group's operation in Hong Kong and Japan has complied with the applicable laws and regulations in all material respects for the year ended 31 December 2025 to the date of this report.

### ENVIRONMENTAL PROTECTION

For the year ended 31 December 2025, the Group's business operation made continuous effort on minimizing damage to the environment and ensuring employee wellbeing. No non-compliance in relation to environmental and social aspect was recorded. Engagement with stakeholders has resulted in raised concerns on key material issues, which include (i) greenhouse gas emissions, (ii) energy consumption, (iii) local community engagement, (iv) community investment, (v) talent attraction and retention and (vi) economic value generated. These aspects had already been managed by the Group and the Group will continue to keep close communication with its stakeholders for advancing its environmental, social and governance management.

Discussion on the Group's environmental policies and performance, relationships with its key stakeholders and compliance with relevant laws and regulations which have a significant impact on the Group will be provided in the Environmental, Social and Governance Report of this annual report.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 December 2025 and the state of affairs of the Group as at 31 December 2025 are set out in the consolidated financial statements on pages 61 and 62 to 63 of this annual report respectively. The Board does not recommend the payment of final dividend for the year ended 31 December 2025.

### SUMMARY OF FINANCIAL INFORMATION

The summary of the results, assets and liabilities of the Group for the last five financial years is set out on page 5 of this annual report. This summary does not form part of the audited consolidated financial statements in the annual report.

## PLANT AND EQUIPMENT

Details of movements in plant and equipment during the year are set out in note 14 to the consolidated financial statements.

## SHARE CAPITAL

Details of movements in share capital of the Company during the year ended 31 December 2025 are set out in note 27 to the consolidated financial statements.

## DEBENTURES

The Company did not issue any debentures during the year ended 31 December 2025.

## RESERVES

Details of movements in reserves of the Group and the Company during the year ended 31 December 2025 are set out in note 36 to the consolidated financial statements respectively.

## DISTRIBUTABLE RESERVES

As at 31 December 2025, the Company's reserves available for distribution, calculated in accordance with the Companies Law of the Cayman Islands, amounted to approximately HK\$Nil.

## PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association or the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

## PERMITTED INDEMNITY

Pursuant to the Articles of Association, subject to the applicable laws and regulations, every Director shall be indemnified and secured harmless out of the assets and profits of the Company against all actions, costs, charges, losses, damages and expenses which they or any of them may incur or sustain in or about the execution of their duty in their offices. Such permitted indemnity provision has been in force throughout the period from 12 July 2019 (the "Listing Date") to the end of the year. The Company has arranged appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

## CORPORATE GOVERNANCE

The Board is of the view that save and except for the deviation from code provision C.2.1, D.1.2 and F.1.1 of the CG Code, the Company has met the code provisions set out in the CG Code in Appendix C1 to the GEM Listing Rules. A report on the principal corporate governance practices adopted by the Company is set out in the section headed "Corporate Governance Report" of this annual report.

## COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year ended 31 December 2025, to the best of knowledge of the Directors, there was no material breach of or non-compliance with the applicable laws and regulations by the Group that has a significant impact on the businesses and operations of the Group.





## REPORT OF THE DIRECTORS

### PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 December 2025, the Company did not redeem any of its shares, and neither did the Company nor any of its subsidiaries purchase or sell any of the Company's shares.

### MAJOR CUSTOMERS AND SUPPLIERS

Sales to the Group's five largest customers accounted for approximately 74.0% of the total sales for the year and sales to the largest customer included therein amounted to approximately 25.8%. Purchases from the Group's five largest suppliers accounted for approximately 70.6% of the total purchases for the year and purchases from the largest supplier included therein amounted to approximately 19.4%.

Save as disclosed, to the best knowledge of the Directors, neither the Directors, their close associates, nor any shareholders (which to the best knowledge of the Directors) owned 5% more of the Company's number of issued shares, had any beneficial interest in any of the Group's five largest customers or suppliers during the year ended 31 December 2025.

### CHARITABLE DONATION

The Group did not make charitable donation during the year (2024: Nil).

### PLACING AND USE OF PROCEEDS

#### 2024 Placing

On 4 October 2024 (after trading hours), the Company entered into the placing agreement (the "Placing Agreement") with Guochuang Securities Financial Holding Group Co., Limited (the "Placing Agent"), pursuant to which the Company appointed the Placing Agent as its agent to procure not less than six places, being any individuals, corporate, institutional investors or other investors procured by or on behalf of the Placing Agent to subscribe for any of the placing ordinary shares of the Company (the "Placing Shares") pursuant to the Placing Agreement, to subscribe up to 172,800,000 Placing Shares at a price of HK\$0.01764 per Placing Share on a best effort basis on the terms and subject to the conditions of the Placing Agreement (the "Placing"). The Placing Price represents a discount of approximately 16% to the closing price of HK\$0.021 per Share as quoted on the Stock Exchange on 4 October 2024, being the date of the Placing Agreement. The net price is HK\$0.01737 per Placing Share.

The Placing Shares will be allotted and issued under the general mandate granted to the Directors pursuant to a resolution passed by the Shareholders at the annual general meeting of the Company convened and held on 28 June 2024 to allot and issue up to 172,800,000 new Shares. The aggregate nominal value of the Placing Shares under the Placing is HK\$1,728,000.

The Placing Price represents a discount of approximately 16% to the closing price of HK\$0.021 per Share as quoted on the Stock Exchange on 4 October 2024, being the date of the Placing Agreement.

The Directors are of the view that the Placing can strengthen the financial position of the Group and provide additional working capital to the Group to meet any future development and obligations. The Placing also represents good opportunities to broaden the shareholders' base and the capital base of the Company. The Directors consider that the terms of Placing Agreement are fair and reasonable, and the Placing is in the interests of the Company and its Shareholders as a whole. The Company fully utilised the net proceeds from the Placing for general working capital of the Group.

The Placing was completed on 25 November 2024.

For details, please refer to the announcements of the Company dated 4 October 2024, 24 October 2024 and 18 November 2024 and the next day disclosure return of the Company dated 25 November 2024.

## 2026 Rights Issue

The Company completed a rights issue on 4 March 2026 (the "Rights Issue") on the basis of three (3) rights shares for every one (1) share held by qualifying shareholders at a subscription price of HK\$0.1 (the "Subscription Price") per rights share. A total of 311,040,000 rights shares were allotted and issued, representing 100% of the total number of rights shares offered under the Rights Issue, and the Rights Issue became unconditional on 26 February 2026. The Subscription Price represents a premium of approximately 23.46% to the closing price of HK\$0.081 per share as quoted on the Stock Exchange on 17 October 2025, being the date of the placing agreement dated 17 October 2025.

As at 30 June 2025, the Group's current liabilities exceeded its current assets by approximately HK\$13.26 million, while its cash and cash equivalents amounted to approximately HK\$1.92 million. The Directors considered that it is imperative to conduct fundraising activities to maintain sufficient working capital to finance its operations and to meet its financial obligations.

The net proceeds from the Rights Issue (after deduction of expenses) amounted to approximately HK\$29.1 million. The Company intends to apply the net proceeds in the same manner as disclosed in the offering circular dated 20 January 2026 and as follows: (i) approximately HK\$17 million to be used for repayment of loans, and trade and other payables of the Group; (ii) approximately HK\$9.17 million to support the Group's forthcoming project and purchase new plant and equipment, (iii) approximately HK\$2.91 million to be used for general working capital of the Group.

For details, please refer to the announcements of the Company dated 17 October 2025, 24 October 2025, 21 November 2025, 12 December 2025, 7 January 2026, 12 January 2026, 19 January 2026, 21 January 2026, 4 February 2026, 4 March 2026 and 18 November 2025 and the next day disclosure return of the Company dated 5 March 2026.



## REPORT OF THE DIRECTORS

The use of net proceeds from the Rights Issue as at the date of this annual report:

	<b>Planned use of the net proceeds up to date of this annual report HK\$'000</b>	<b>Actual use of the net proceeds up to date of this annual report HK\$'000</b>	<b>Unutilised net proceeds up to date of this annual report HK\$'000</b>
Repayment of loans, and trade and other payables	17,000	–	17,000
Supporting the Group's forthcoming project and purchase new plant and equipment	9,170	–	9,170
General working capital of the Group	2,910	–	2,910
	<b>29,080</b>	<b>–</b>	<b>29,080</b>

## DIRECTORS

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

### Executive Directors

LEE Kai Man (*appointed on 25 March 2026*)

CHAN Lok Yin

SOU Peng Kan Albert (*retired on 30 June 2025*)

LAU Lawrence Tak Sun (*retired on 30 June 2025*)

LIN Dongsheng (*retired on 30 June 2025*)

MIAO Yingjuan (*retired on 30 June 2025*)

MA Kin Ling (*retired on 30 June 2025*)

ZHANG Wei (*resigned on 25 March 2026*)

### Independent Non-executive Directors

CHIM Tak Lai

DU Min

LAW Kim Fai (*retired on 30 June 2025*)

CHAN Li Li (*appointed on 7 July 2025*)



## REPORT OF THE DIRECTORS

Mr. Lee Kai Man who was appointed as an executive Director on 25 March 2026 as an additional Director, will hold office until the 2026 AGM and, being eligible, will offer himself for re-election at the 2026 AGM in accordance with article 83(3) of the Articles of Association. Mr. Lee Kai Man obtained legal advice referred to in rule 5.02D of the GEM Listing Rules and confirmed that he understood his obligations as a director of the Company.

Ms. Chan Li Li who was appointed as an independent non-executive Director on 7 July 2025 to fill the casual vacancy arising from the resignation of Mr. Law Kim Fai, will hold office until the 2026 AGM and, being eligible, will offer herself for re-election at the 2026 AGM in accordance with article 83(3) of the Articles of Association.

Ms. Chan Lok Yin who was appointed as an executive Director on 30 June 2023 as an additional Director, will hold office until the 2026 AGM and, being eligible, will offer herself for re-election at the 2026 AGM in accordance with article 83(3) of the Articles of Association.

Ms. Du Min who was appointed as an independent non-executive Director on 3 August 2023 to fill up the casual vacancy arising from the resignation of Mr. Yue Wai Leung Stan. Ms. Du will hold office until the 2026 AGM and, being eligible, will offer herself for re-election at the 2026 AGM in accordance with article 83(3) of the Articles of Association.

In accordance with article 84(1) of the Articles of Association, Mr. Lee Kai Man, Ms. Chan Lok Yin, Ms. Du Min and Ms. Chan Li Li will retire from office by rotation at the 2026 AGM, being eligible, will offer themselves for re-election at the 2026 AGM.

The Company has received, from each of the current independent non-executive Directors, a confirmation of their independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers that all of the independent non-executive Directors are independent.

## BIOGRAPHIES OF DIRECTORS AND OTHER SENIOR MANAGEMENT

The biographical details of the Directors and other senior management are disclosed in the section headed “Biographical details of Directors and Senior Management” on pages 19 to 20 in this annual report.

## CHANGES OF DIRECTORS’ INFORMATION

Upon specific enquiry by the Company and following confirmations from Directors, save as otherwise set out in this report, there is no change in the information of the Directors required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules since the Company’s last interim report.

## DIRECTORS’ SERVICE CONTRACTS

All independent non-executive Directors have entered into a service contract with the Company with an initial term of one year.

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).



## REPORT OF THE DIRECTORS

### DIRECTORS' RIGHTS TO ACQUIRE SHARES AND DEBENTURES

Save as disclosed in the heading "Directors' and Chief Executives' Interests and/or Short Positions in Shares and Underlying Shares and Debentures of the Company or any of its Associated Corporations" below, at no time during the period from the Listing Date to the end of the year has been/was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Company's Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

There has been no transaction, arrangement or contract of significance to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries was a party and in which a Director of the Company or an entity connected with the Director is or was materially interested, either directly or indirectly, subsisting during the year ended 31 December 2025.

No contract of significance (including provision of services) between the Company, or any of its subsidiaries, and a controlling shareholder or any of its subsidiaries subsisted during the year ended 31 December 2025.

### EQUITY-LINKED AGREEMENTS

Save as the placing and the share option scheme of the Company as disclosed below, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year ended 31 December 2024 or subsisted at the end of the year.

### REMUNERATION OF THE DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the remuneration of the Directors are set out in note 11 to the consolidated financial statements in this annual report.

### MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Group were entered into or existed during the year ended 31 December 2025.

### EMOLUMENT POLICY

The Remuneration Committee is responsible for making recommendations to the Board on Company's policy and structure for all Directors and senior management remuneration, having regard to market competitiveness, individual performance and achievement. The Company has adopted a share option scheme as an incentive to Directors and eligible participants, details of the scheme is set out on pages 45 to 52 in this annual report.

### TAX RELIEF

The Company is not aware of any relief on taxation available to the Shareholders by reason of their holdings of the Shares. If the Shareholders are unsure about the taxation implications of purchasing, holding, disposing of, dealing in or exercising any rights in relation to the Shares, they are advised to consult their professional advisers.

## SHARE OPTION SCHEME

The following is a summary of the principal terms of the share option scheme approved by the written resolution passed on 21 June 2019 (the "Share Option Scheme"):

### (1) Purpose of the Share Option Scheme

The Share Option Scheme enables our Company to grant an option to subscribe for shares granted pursuant to the Share Option Scheme (the "Option") to any full-time or part-time employee of our Company or any member of our Group, including any executive Director, non-executive Director and independent non-executive Director, advisor and consultant of our Group (the "Eligible Person") as incentives or rewards for their contributions to our Group.

### (2) Who may join

Our Board may, at its absolute discretion, invite any Eligible Persons to take up Options at a price calculated in accordance with sub-paragraph (5) below. Upon acceptance of the Option, the Eligible Person shall pay HK\$1.00 to our Company by way of consideration for the grant. The Option will be offered for acceptance for a period of 28 days from the date on which the Option is granted.

### (3) Grant of Option

Our Company may not grant any Option after inside information has come to our knowledge until we have announced the information in accordance with the requirements of the GEM Listing Rules. In particular, our Company may not grant any option during the period commencing one month immediately before the earlier of:

- (i) the date of our Board meeting (as such date is first notified to the Stock Exchange in accordance with the GEM Listing Rules) for the approval of our Company's results for any year, half-year or quarterly or any other interim period (whether or not required under the GEM Listing Rules), and
- (ii) the deadline for our Company to publish an announcement of its results for any year, half-year or quarterly under the GEM Listing Rules, or any interim period (whether or not required under the GEM Listing Rules),

and ending on the date of the results announcement, no Option may be granted. The period during which no Option may be granted will cover any period of delay in the publication of results announcement. Our Directors may not grant any Option to an Eligible Person who is our Director during the periods or times in which directors of the listed issuer are prohibited from dealing in shares pursuant to the GEM Listing Rules or any corresponding code or securities dealing restrictions adopted by our Company.

### (4) Maximum number of options to any one individual

The total number of shares issued and to be issued upon exercise of the Options granted to any Eligible Person who accepts or is deemed to have accepted the offer of any Option in accordance with the terms of the Share Option Scheme or (where the context so permits) a person entitled to any such Option in consequence of the death of the original participant (the "Participant") under the Share Option Scheme and any other share option schemes adopted by our Group from time to time pursuant to which options to subscribe for share may be granted (including both exercised and outstanding Options) in any 12-month period must not exceed 1% of the shares in issue from time to time. Where any further grant of Options to such Participant (the "Further Grant") would result in the shares issued and to be issued upon exercise of all Options granted and





## REPORT OF THE DIRECTORS

to be granted under the Share Option Scheme and any other share option schemes adopted by our Group from time to time pursuant to which options to subscribe for share may be granted to such Participant (including exercised, cancelled and outstanding Options) in the 12-month period up to and including the date of the Further Grant representing in aggregate over 1% of the shares in issue from time to time, the Further Grant must be separately approved by the shareholders in general meeting with such Participant and his close associates (as defined in the GEM Listing Rules) (or his associates (as defined in the GEM Listing Rules) if the Participant is a connected person) abstaining from voting.

In relation to the Further Grant, our Company must send a circular to the shareholders and the circular must disclose the identity of the relevant Participant, the number and the terms of the Options to be granted (and Options previously granted to such Participant under the Share Option Scheme and any other share option schemes adopted by our Group from time to time pursuant to which options to subscribe for share may be granted) and the information required under the GEM Listing Rules. The number and terms (including the exercise price) of Options to be granted to such Participant must be fixed before shareholders' approval and the date of meeting of our Board for proposing the Further Grant should be taken as the date on which an Option is offered to an Eligible Person for the purpose of calculating the exercise price.

### (5) Price of Shares

The exercise price for the shares subject to Options will be a price determined by our Board and notified to each Participant and must be at least the highest 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 Options, which must be a trading day; and (ii) the average closing price of the shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant of the Options.

### (6) Maximum number of Shares

- (i) The total number of shares which may be issued upon the exercise of all Options to be granted under the Share Option Scheme and any other share option schemes adopted by our Group from time to time pursuant to which options to subscribe for share may be granted must not, in aggregate, exceed 10% of the shares in issue as at the Listing Date (the "Scheme Mandate Limit"). Options lapsed in accordance with the terms of the Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit. On the basis of 600,000,000 shares in issue on the Listing Date, the Scheme Mandate Limit will be equivalent to 60,000,000 shares, representing 10% of the shares in issue as at the Listing Date.
- (ii) Subject to the approval of shareholders in general meeting, our Company may "refresh" the Scheme Mandate Limit to the extent that the total number of shares which may be issued upon exercise of all Options to be granted under the Share Option Scheme and any other share option schemes adopted by our Group from time to time pursuant to which options to subscribe for share may be granted under the Scheme Mandate Limit as "refreshed" must not exceed 10% of the shares in issue as at the date of such shareholders' approval. Options previously granted under the Share Option Scheme and any other share option schemes adopted by our Group from time to time pursuant to which options to subscribe for share may be granted (including those outstanding, cancelled, exercised or lapsed in accordance with the terms thereof or exercised options) will not be counted for the purpose of calculating the Scheme Mandate Limit as "refreshed". In relation to the shareholders' approval referred to in this paragraph (ii), our Company shall send a circular to the shareholders containing the information required by the GEM Listing Rules.

- (iii) Subject to the approval of shareholders in general meeting, our Company may also grant Options beyond the Scheme Mandate Limit provided that Options in excess of the Scheme Mandate Limit are granted only to the Eligible Persons specifically identified by our Company before such shareholders' approval is sought. In relation to the shareholders' approval referred to in this sub-paragraph (iii), our Company must send a circular to its shareholders containing a generic description of the specified Eligible Persons, the number and terms of the Options to be granted, the purpose of granting Options to the specified Eligible Persons with an explanation as to how the terms of the Options serve such purpose and such other information required by the GEM Listing Rules.
- (iv) Notwithstanding the foregoing, our Company may not grant any Options if the number of shares which may be issued upon exercise of all outstanding Options granted and yet to be exercised under the Share Option Scheme and any other share option schemes adopted by our Group from time to time pursuant to which options to subscribe for share may be granted exceeds 30% of the shares in issue from time to time.

## **(7) Time of exercise of Option and performance target**

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 our Board to each Participant provided that the period within which the Option must be exercised shall not be more than ten years from the date of the grant of Option. The exercise of an Option may be subject to the achievement of performance target and/or any other conditions to be notified by our Board to each Participant, which our Board may in its absolute discretion determine.

## **(8) Rights are personal to grantee**

An Option shall be personal to the Participant and shall not be assignable or transferable and no Participant shall in any way sell, transfer, charge, mortgage, encumber or create any interest whether legal or beneficial in favour of any third party over or in relation to any Option. Any breach of the foregoing by the Participant shall entitle our Company to cancel any Option or any part thereof granted to such Participant (to the extent not already exercised) without incurring any liability on our Company.

## **(9) Rights on death, retirement and cessation of employment**

If a Participant dies before exercising the Options in full, his or her personal representative(s) may exercise the Options in full (to the extent that it has become exercisable on the date of death and not already exercised) within a period of 12 months from the date of death, failing which such Options will lapse.

In the event that a Participant retires in accordance with his or her contract of employment or upon expiration of his or her contract of employment or terms of directorship before exercising his or her Options in full, such Options will lapse on the date he or she retires or the date of expiration of his or her contract of employment or term of directorship.

## **(10) Changes in capital structure**

In the event of any alteration in the capital structure of our Company while an Option remains exercisable, and such event arises from capitalisation of profits or reserves, rights issue, consolidation, reclassification, subdivision or reduction of the share capital of our Company, such corresponding alterations (if any) shall be made in the number of shares subject to the Options so far as unexercised, and/or the exercise price, and/or the method of the Options, and/or the maximum number of shares subject to the Share Option Scheme.





## REPORT OF THE DIRECTORS

Any adjustments required under this paragraph must give a Participant the same proportion of the equity capital as that to which that Participant was previously entitled and shall be made on the basis that the aggregate exercise price payable by a Participant on the full exercise of any Option shall remain as nearly as possible the same (but shall not be greater than) as it was before such event, unless with the prior approval of the shareholders in general meeting, no such adjustments may be made to the advantage of the Participant. For the avoidance of doubt, the issue of securities as consideration in a transaction may not be regarded as a circumstance requiring adjustment. In respect of any such adjustments, other than any made on a capitalisation issue, the independent financial adviser of our Company or the auditors of our Company must confirm to our Directors in writing that the adjustments satisfy the requirements of the relevant provisions of the GEM Listing Rules and the supplementary guidance set out in the letter issued by the Stock Exchange dated 5 September 2005 and any further guidance/interpretation of the GEM Listing Rules issued by the Stock Exchange from time to time.

### (11) Rights on take-over

If a general offer has been made to all the shareholders (other than the offeror and/or any persons acting in concert with the offeror), to acquire all or part of the issued shares, and such offer, having been approved in accordance with applicable laws and regulatory requirements, becomes or is declared unconditional, the Participant shall be entitled to exercise his or her outstanding Option in full or any part thereof within 14 days after the date on which such offer becomes or is declared unconditional. For the purposes of this sub-paragraph, "acting in concert" shall have the meaning ascribed to it under the Takeovers Code in Hong Kong as amended from time to time.

### (12) Rights on a compromise or arrangement

If an application is made to the court (otherwise than where our Company is being voluntarily wound up) in connection with a proposed compromise or arrangement between our Company and our creditors (or any class of them) or between our Company and our shareholders (or any class of them), a Participant may by notice in writing to our Company, within a period of 21 days after the date of such application, exercise his or her outstanding Option in full extent or any part thereof specified in such note. Upon the compromise or arrangement becoming effective, all Options shall lapse except insofar as exercised. Notice of the application referred to herein and the effect thereof shall be given by our Company to all Participants as soon as practicable.

### (13) Rights on winding-up

In the event of a notice being given by our Company to our shareholders to convene a general meeting for the purpose of approving a resolution to voluntarily wind up our Company when our Company is solvent, our Company shall on the day of such notice to each shareholder or as soon as practicable, give notice thereof to all Participants. Thereupon each Participant shall be entitled to exercise all or any of his or her outstanding Options at any time no later than two business days prior to the proposed general meeting of our Company by giving notice in writing to our Company, accompanied by a remittance for the full amount of the aggregate subscription price for the shares in respect of which the notice is given, whereupon our Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting referred to above, allot and issue the relevant shares to the Participant credited as fully paid.

### (14) Lapse of Option

An Option shall lapse forthwith and not exercisable (to the extent not already exercised) on the earliest of:

- (i) the date of expiry of the Option as may be determined by the Board;

- (ii) subject to paragraphs (6) and (16), the expiry of the period to be determined and notified by our Board to each Participant in respect of any particular Option;
- (iii) the first anniversary of the death of the Participant;
- (iv) in the event that the Participant was an employee or director of any member of our Group on the date of grant of Option to him or her, the date on which such member of our Group terminates the Participant's employment or removes the Participant from his or her office on the ground that the Participant has been guilty of misconduct, has committed an act of bankruptcy or has become insolvent or has made any arrangements or composition with his or her creditors generally, or has been convicted of any criminal offence involving his or her integrity or honesty. A resolution of our Board or the board of directors of the relevant member of our Group to the effect that such employment or office has or has not been terminated or removed on one or more grounds specified in this sub-paragraph shall be conclusive;
- (v) in the event that the Participant was an employee or director of any member of our Group on the date of grant of Option to him or her, the date of the Participant ceasing to be an employee or director of such member of our Group by reason of:
  - (a) his or her retirement on or after attaining normal retirement age or, with the express consent of the Board in writing for the purpose of this subparagraph, at a younger age;
  - (b) ill health or disability recognised as such expressly by our Board in writing for the purpose of this subparagraph;
  - (c) the company by which he or she is employed and/or of which he or she is a director (if not our Company) ceasing to be a subsidiary of our Company;
  - (d) expiry of his or her employment contract or vacation of his or her office with such member of our Group and such contract or office is not immediately extended or renewed; or
  - (e) at the discretion of our Board, any reason other than death or the reasons described in sub-paragraph (iv) or (v) (a) to (c);
- (vi) the expiry of any period referred to in paragraphs (11) and (12) above, provided that in the case of paragraph (11), all Options granted shall lapse upon the proposed compromise or arrangement becoming effective; and
- (vii) the date the Participant commits any breach of the provisions of paragraph (8).

## (15) Ranking of Shares

Shares allotted and issued upon the exercise of an Option will be subject to our Company's Articles as amended from time to time and will rank *pari passu* in all respects with the fully paid or credited as fully paid shares in issue on the date of such allotment or issue and accordingly will entitle the holders to participate in all dividends or other distributions paid or made on or after the date, of allotment and issue other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be before the date of allotment or issue.





## REPORT OF THE DIRECTORS

### **(16) Cancellation of Options granted**

Any cancellation of Options granted in accordance with the Share Option Scheme but not exercised must be approved by the grantee concerned in writing. In the event that our Board elects to cancel any Options and issue new ones to the same grantee, the issue of such new Options may only be made with available unissued Options (excluding the cancelled Options) within the Scheme Mandate Limit.

### **(17) Period of Share Option Scheme**

The Share Option Scheme will be valid and effective for a period of ten years commencing on the Listing Date, after which period no further Options may be granted but the provisions of the Share Option Scheme shall remain in full force and effect in all other respects and Options granted during the life of the Share Option Scheme may continue to be exercisable in accordance with their terms of issue.

### **(18) Alteration to and termination of Share Option Scheme**

The Share Option Scheme may be altered in any respect by resolution of our Board except that, (i) any alteration to the advantage of the Participants or the Eligible Persons (as the case may be) relating to matters contained in Chapter 23 of the GEM Listing Rules; (ii) any alteration to the terms and conditions of the Share Option Scheme which is of material nature or any change to the terms of Options granted, except where the alterations take effect automatically under the existing terms of the Share Option Scheme; and (iii) any change to the authority of the directors or scheme administrators in relation to any alteration to the terms of the Share Option Scheme, must first be approved by the shareholders in general meeting (with the Eligible Persons, the Participants and their associates abstaining from voting) provided that the amended terms of the Share Option Scheme or Options granted must still comply with the requirements of Chapter 23 of the GEM Listing Rules.

Any alterations to the terms and conditions of Share Option Scheme, which are of a material nature shall first approved by the Stock Exchange, except where such alterations take effect automatically under the existing terms of the Share Option Scheme.

Our Company may, by ordinary resolution in general meeting, at any time terminate the operation of the Share Option Scheme before the end of its life and in such event no further Options will be offered but the provisions of the Share Option Scheme shall remain in all other respects in full force and effect in respect of Options granted prior thereto but not yet exercised at the time of termination, which shall continue to be exercisable in accordance with their terms of grant. Details of the Options granted, including Options exercised or outstanding, under the Share Option Scheme, and (if applicable) Options that become void or non-exercisable as a result of termination must be disclosed in the circular to the shareholders seeking approval for the new scheme to be established after such termination.

### **(19) Granting of Options to a Director, chief executive or substantial shareholder of our Company or any of their associates**

Where Options are proposed to be granted to a Director, chief executive or substantial shareholder of our Company or any of their respective associates, the proposed grant must be approved by all independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the Options).

If a grant of Options to a substantial shareholder or an independent non-executive Director, or any of their respective associates will result in the total number of the shares issued and to be issued upon exercise of the Options already granted and to be granted (including Options exercised, cancelled and outstanding) to such person under the Share Option Scheme or any

other share option schemes adopted by our Group from time to time pursuant to which options to subscribe for share may be granted in any 12-month period up to and including the date of the grant: (i) representing in aggregate 0.1% (or such other percentage as may from time to time specified by the Stock Exchange) of the shares in issue from time to time; and (ii) having an aggregate value, based on the closing price of the shares at the date of the grant, in excess of HK\$5 million, then the proposed grant of Options must be approved by the shareholders. Our Company must send a circular to the shareholders which must contain the information required under the GEM Listing Rules. The grantee, his associates and all core connected persons (as defined in the GEM Listing Rules) of our Company must abstain from voting in favour at such general meeting.

In addition, shareholders' approval as described above will also be required for any change in terms of the Options granted to an Eligible Person who is a substantial shareholder, an independent non-executive Director or any of their respective associates.

The circular must contain the following:

- (i) details of the number and terms (including the exercise price) of the Options to be granted to each Eligible Person, which must be fixed before the relevant shareholders' meeting, and the date of Board meeting for proposing such further grant is to be taken as the date of grant for the purpose of calculating the exercise price;
- (ii) a recommendation from our independent non-executive Directors (excluding any independent non-executive Director who is a proposed grantee of the Options in question) to independent shareholders, as to voting;
- (iii) the information required under Rules 23.02(2)(c) and (d) and the disclaimer required under Rule 23.02(4) of the GEM Listing Rules; and
- (iv) all other information as required by the GEM Listing Rules (including Rule 2.28 of the GEM Listing Rules).

For the avoidance of doubt, the requirements for the granting of Options to a Director or chief executive (as defined in the GEM Listing Rules) set out in this paragraph (18) do not apply where the Eligible Person is only a proposed Director or proposed chief executive.

## (20) Conditions of Share Option Scheme

The Share Option Scheme is conditional on (i) the passing of a resolution to adopt the Share Option Scheme by our shareholders in general meeting; and (ii) the Stock Exchange granting approval for the listing of and permission to deal in the shares which may be issued pursuant to the exercise of Options.

Application has been made to the Stock Exchange for the listing of and permission to deal in the shares which fall to be issued pursuant to the exercise of Options granted under the Share Option Scheme.

## (21) Administration of the Share Option Scheme

The Share Option Scheme will be administered by our Board whose decision (save as otherwise provided therein) shall be final and binding on all parties.



## REPORT OF THE DIRECTORS

### (22) Disclosure in annual, half-year and quarterly reports

Our Company will disclose all information in relation to the Share Option Scheme in its annual, half-year and quarterly reports in accordance with the GEM Listing Rules.

Up to the date of this annual report, no options had been granted, agreed to be granted, exercised, cancelled or lapsed pursuant to the Scheme. The number of options available for grant under the Share Option Scheme as at 31 December 2025 was 6,000,000, representing approximately 5.79% of the Shares in issue as at 31 December 2025.

The number of Shares available for issue under the Share Option Scheme as at the date of the annual report is 6,000,000, representing approximately 1.45% of the Shares in issue as at the date of the annual report.

### INTERESTS IN COMPETING BUSINESS

During the year ended 31 December 2025, the Directors are not aware of any business or interest of each Director, controlling shareholder, management shareholder and their respective associates (as defined in GEM Listing Rules) that competes or may compete with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

#### (a) Interests of Directors and chief executive of the Company

As at 31 December 2025, none of the Directors or chief executive of the Company and/or any of their respective associates had or was deemed to have any interests and short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO) or which were required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO, or otherwise which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

#### (b) Interests of substantial Shareholders

As at 31 December 2025, the Directors were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares, which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or who was expected, directly or indirectly, to be interested in 5% or more of the nominal value of any class of the share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

Save as disclosed herein, as at 31 December 2025 the Directors are not aware of any other person who had or deemed to have an interest or short position in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO; or which were required to be recorded in the register required to be kept by the Company under section 336 of the SFO.

## RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group during the year ended 31 December 2025 are set out in note 32 to the consolidated financial statements. Those related party transactions constitute continuing connected transactions exempted from the reporting, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. The Company confirmed that it has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

## CONNECTED TRANSACTIONS

During the year ended 31 December 2025, the Directors are not aware of any related party transactions which constituted a non-exempt connected transaction or continuing connected transaction of the Company under the GEM Listing Rules.

## SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Company has maintained sufficient public float of not less than 25% of the Company's issued shares as required under the GEM Listing Rules during the year and up to the latest practicable date prior to the issue of this annual report.

## CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 8 June 2026 to Thursday, 11 June 2026, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for attendance of the meeting, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Friday, 5 June 2026.

## REVIEW BY AUDIT COMMITTEE

The audited consolidated financial statements of the Group for the year ended 31 December 2025 and this annual report have been reviewed by the Audit Committee.





## REPORT OF THE DIRECTORS

### AUDITOR

McMillan Woods (Hong Kong) CPA Limited resigned as auditor of the Company with effect from 31 December 2025 and Global Link CPA Limited (“Global Link”) was appointed as auditor of the Company with effect from 1 January 2026 to fill the causal vacancy and to hold office until the conclusion of the forthcoming AGM, with the recommendation from the Audit Committee of the Company. Further details on the change of auditors were included in the announcement of the Company dated 31 December 2025 and 26 January 2026.

The consolidated financial statements for the year ended 31 December 2025 were audited by Global Link. A resolution for the re-appointment of Global Link as auditor of the Company is to be proposed at the AGM.

On behalf of the Board

**World Super Holdings Limited**

**Lee Kai Man**

*Chairman and Executive Director*

Hong Kong, 31 March 2026



## INDEPENDENT AUDITOR'S REPORT



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No. 168–200 Connaught Road Central,  
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General Line: (852) 3580 0885  
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### OPINION

We have audited the consolidated financial statements of World Super Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 61 to 138, which comprise the consolidated statement of financial position as at 31 December 2025, 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 a summary of material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

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

### MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 1 to the consolidated financial statements, which indicates that the Group incurred a loss of HK\$23,093,270 for the year ended 31 December 2025 and, as at 31 December 2025, the Group had net current liabilities and net liabilities of HK\$15,662,101 and HK\$9,189,456, respectively. These events or conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

## INDEPENDENT AUDITOR'S REPORT

### KEY AUDIT MATTERS

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined the impairment assessment on non-financial assets to be the key audit matter.

The Key Audit Matters	How Our Audit Addressed the Key Audit Matter
<p><b>Impairment assessment on non-financial assets</b></p> <p>As at 31 December 2025, included in the Group's non-financial assets were the Group's plant and equipment and right-of-use assets of the carrying amounts of HK\$6,460,402 and HK\$141,436 respectively.</p> <p>In view of the loss making of the Group for the year ended 31 December 2025, the management of the Group performed impairment testing on the plant and equipment and right-of-use assets as at 31 December 2025. The recoverable amounts of the above-mentioned non-financial assets are determined based on the value-in-use of individual items of the relevant non-financial assets. Significant judgements and estimates were used by the management of the Group to determine the valuation methodology, underlying data and inputs used in the value-in-use calculations, including sales growth rate, net profit margin and pre-tax discount rate.</p> <p>Due to the significance of the amount of the relevant non-financial assets to the Group's consolidated financial statements (representing approximately 22.6% of the Group's total assets) and involved the use of significant management's judgements and estimates, we considered this as a key audit matter.</p>	<p>Our audit procedures in relation to the impairment assessment on non-financial assets included:</p> <ul style="list-style-type: none"><li>– We evaluated the independent external valuer's competence, capabilities and objectivity;</li><li>– We assessed the appropriateness of management's assessment regarding identification of impairment indicators and allocation of assets to the cash-generating units;</li><li>– We discussed with management of the Group to understand the basis of valuation approach and methodology;</li><li>– We challenged management of the Group regarding the adoption of the assumptions and estimations in the valuation;</li><li>– We evaluated the reasonableness of the underlying data and inputs used, including sales growth rate and net profit margin by cross-checking against the Group's historical performance;</li><li>– We assessed the appropriateness of the pre-tax discount rate adopted; and</li><li>– We assessed the adequacy of the disclosures made in the consolidated financial statements.</li></ul>

## KEY AUDIT MATTERS *(Continued)*

The Key Audit Matters	How Our Audit Addressed the Key Audit Matter
<p><b>Impairment assessment of trade receivables</b></p> <p>As at 31 December, 2025, the Group had gross trade receivables of HKD22,624,036, which represented approximately 50.5% of the total assets of the Group, against which an expected credit loss (“ECL”) allowance approximately HKD7,885,129 was recognized.</p> <p>For trade receivables with objective evidence of impairment evaluated individually, management has assessed the expected credit losses based on the estimated cash flows and taken into considerations of current and future economic situations.</p> <p>For trade receivables without objective evidence of impairment, management has applied the simplified approach and grouped the trade receivables based on shared credit risk characteristics and aging of receivables for the collective assessment on the likelihood of recovery and applying expected loss rates to the respective gross carrying amounts of the receivables. The expected loss rates are determined based on the payment profiles and the historical credit losses, and are adjusted to reflect the forward-looking information on macroeconomic factors.</p> <p>We focus on this area because of the magnitude of the trade receivables balance in the consolidated statement of financial position and management’s significant judgements and assumptions applied in the impairment assessment of trade receivables.</p>	<p>Our procedures relating to the impairment assessment of trade receivables included:</p> <ul style="list-style-type: none"> <li>• We obtained an understanding of the management’s internal control and assessment process of impairment of trade receivables and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors, such as subjectivity and changes;</li> <li>• We evaluated the outcome of prior period impairment assessment of trade receivables to assess the effectiveness of management’s estimation process;</li> <li>• We evaluated the appropriateness of management’s modelling methodologies in accordance with the applicable financial reporting standards;</li> <li>• For trade receivables assessed collectively based on the credit risk characteristics and aging of receivables: <ul style="list-style-type: none"> <li>– We understood management’s grouping process and assessed the reasonableness;</li> <li>– We tested, on a sample basis, the accuracy of the key data inputs such as the aging of trade receivables;</li> <li>– We assessed the appropriateness of expected loss rates by considering the payment profiles, historical credit losses and forward-looking information. When assessing the forward-looking information, we made reference to the industry and macroeconomic market data as obtained from our independent search;</li> </ul> </li> <li>• We tested the mathematical accuracy of the calculations of impairment of trade receivables;</li> <li>• We assessed the adequacy of the disclosures related to impairment assessment of trade receivables in the context of the applicable financial reporting standards.</li> </ul>





## INDEPENDENT AUDITOR'S REPORT

### OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards issued by the HKICPA and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors of the Company 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 of the Company 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 of the Company either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee assists the directors of the Company in discharging their responsibilities for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors of the Company.
- conclude on the appropriateness of the Company's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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



## INDEPENDENT AUDITOR'S REPORT

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

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

#### **Global Link CPA Limited**

*Certified Public Accountants*

#### **CHENG, Tsz Chin**

Practising Certificate Number: P08403

Hong Kong, 31 March 2026

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	NOTES	2025 HK\$	2024 HK\$
<b>Revenue</b>		<b>23,750,343</b>	16,206,839
Cost of sales and services		<b>(21,657,225)</b>	(14,229,142)
<b>Gross profit</b>		<b>2,093,118</b>	1,977,697
Other income and gains or (losses)	7	<b>(1,061,970)</b>	(1,179,459)
Other operating expenses		<b>(248,070)</b>	(747,561)
Gain on disposal of a subsidiary	28	<b>104,836</b>	–
Impairment losses on plant and equipment	14	<b>(2,267,273)</b>	(4,788,627)
Impairment losses on right-of-use assets	15	–	(424,614)
Impairment losses under expected credit loss model, net		<b>(351,575)</b>	(121,819)
Administrative expenses		<b>(19,000,112)</b>	(21,022,587)
Selling and distribution expenses		<b>(634,215)</b>	(1,991,887)
Finance costs	8	<b>(1,718,734)</b>	(389,464)
<b>Loss before tax</b>		<b>(23,083,995)</b>	(28,688,321)
Income tax expense	9	<b>(9,275)</b>	(7,658)
<b>Loss for the year</b>	10	<b>(23,093,270)</b>	(28,695,979)
<b>Other comprehensive income/(expense) for the year</b>			
Item that will not be reclassified subsequently to profit or loss:			
Remeasurement gains on defined benefit obligations	25	–	3,165
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of a foreign operation		<b>101,325</b>	(199,611)
<b>Other comprehensive income/(expense) for the year</b>		<b>101,325</b>	(196,446)
<b>Total comprehensive expense for the year</b>		<b>(22,991,945)</b>	(28,892,425)
		<b>HK cents</b>	HK cents
<b>Loss per share</b>			
Basic	13	<b>(22.27)</b>	(32.55)
Diluted	13	<b>(22.27)</b>	(32.55)

The accompanying notes form an integral part of these consolidated financial statements.



# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	NOTES	2025 HK\$	2024 HK\$
<b>Non-current assets</b>			
Plant and equipment	14	6,460,402	18,041,977
Right-of-use assets	15	141,436	477,257
		<b>6,601,838</b>	18,519,234
<b>Current assets</b>			
Inventories	16	64,940	250,929
Contract assets	17	510,238	504,284
Trade and other receivables	18	19,205,492	3,670,809
Loan receivables	19	2,432,947	2,301,529
Cash and cash equivalents	20	360,483	5,758,476
		<b>22,574,100</b>	12,486,027
<b>Current liabilities</b>			
Trade and other payables	21	28,470,632	14,638,213
Borrowings	22	9,500,000	1,500,000
Lease liabilities	24	147,997	775,599
Obligations under finance leases	23	–	4,378
Income tax payable		117,572	7,361
		<b>38,236,201</b>	16,925,551
<b>Net current liabilities</b>		<b>(15,662,101)</b>	(4,439,524)
<b>Total assets less current liabilities</b>		<b>(9,060,263)</b>	14,079,710

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	NOTES	2025 HK\$	2024 HK\$
<b>Non-current liabilities</b>			
Lease liabilities	24	–	146,717
Retirement benefit obligations	25	<b>129,193</b>	130,504
		<b>129,193</b>	277,221
<b>Net (liabilities)/assets</b>		<b>(9,189,456)</b>	13,802,489
<b>Capital and reserves</b>			
Share capital	27	<b>10,368,000</b>	10,368,000
Reserves		<b>(19,557,456)</b>	3,434,489
<b>Total equity</b>		<b>(9,189,456)</b>	13,802,489

The consolidated financial statements on pages 58 to 138 were approved and authorised for issue by the Board of Directors on 31 March 2026 and are signed on its behalf by:

**Lee Kai Man**  
*DIRECTOR*

**Chan Lok Yin**  
*DIRECTOR*

The accompanying notes form an integral part of these consolidated financial statements.



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Share capital HK\$ (Note 27)	Share premium HK\$	Merger reserve HK\$ (Note)	Exchange reserve HK\$	Accumulated losses HK\$	Total HK\$
Loss for the year	-	-	-	-	(28,695,979)	(28,695,979)
Other comprehensive income/(expense)						
Remeasurement of defined benefit obligations	-	-	-	-	3,165	3,165
Exchange differences arising on translation of a foreign operation	-	-	-	(199,611)	-	(199,611)
Total comprehensive expense for the year	-	-	-	(199,611)	(28,692,814)	(28,892,425)
Issue of shares upon share placing (Note 27(i))	1,728,000	1,320,192	-	-	-	3,048,192
Transaction costs directly attributable to issue of shares upon share placing (Note 27(i))	-	(45,982)	-	-	-	(45,982)
	1,728,000	1,274,210	-	-	-	3,002,210
At 31 December 2024 and 1 January 2025	10,368,000	111,931,848	5,499,999	(199,611)	(113,797,747)	13,802,489
Loss for the year	-	-	-	-	(23,093,270)	(23,093,270)
Other comprehensive income						
Exchange differences arising on translation of a foreign operation	-	-	-	101,325	-	101,325
Total comprehensive income/(expense) for the year	-	-	-	101,325	(23,093,270)	(22,991,945)
At 31 December 2025	10,368,000	111,931,848	5,499,999	(98,286)	(136,891,017)	(9,189,456)

Note: Merger reserve represents the difference between the nominal amount of the share capital issued by World Super Holdings Limited (the "Company") and the nominal amount of the issued share capital of World Super Limited, a subsidiary which was acquired by the Company pursuant to the Group Reorganisation (as defined in the prospectus of the Company dated 27 June 2019).

The accompanying notes form an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 HK\$	2024 HK\$
<b>OPERATING ACTIVITIES</b>		
Loss before tax	(23,083,995)	(28,688,321)
Adjustments for:		
Bank interest income	(1,116)	(13,903)
Depreciation on plant and equipment	3,008,409	3,416,133
Depreciation on right-of-use assets	338,730	689,715
Impairment losses under expected credit loss model, net	351,575	121,819
Impairment losses on plant and equipment	2,267,273	4,788,627
Impairment losses on right-of-use assets	–	424,614
Finance costs	1,718,734	389,464
Gain on disposal of a subsidiary	(104,836)	–
Loss on disposal of plant and equipment	1,380,454	1,470,078
Provision of retirement benefit obligations	–	130,152
Operating cash flows before movements in working capital	(14,124,772)	(17,271,622)
Decrease in inventories	185,989	2,210
Increase in contract assets	–	(259,307)
Increase in trade and other receivables	(15,938,403)	(1,143,334)
Decrease in loan receivables	–	3,312,000
Increase in trade and other payables	15,629,254	8,017,814
<b>Net cash used in operating activities</b>	<b>(14,247,932)</b>	<b>(7,342,239)</b>
<b>INVESTING ACTIVITIES</b>		
Payment for purchases of plant and equipment	–	(4,437,218)
Withdrawal of pledged bank deposits	–	1,514,257
Proceeds from disposal of plant and equipment	4,938,001	4,822,000
Net cash outflow from disposal of a subsidiary	(2,201,624)	–
Bank interest received	1,116	13,903
<b>Net cash from investing activities</b>	<b>2,737,493</b>	<b>1,912,942</b>



## CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	NOTES	2025 HK\$	2024 HK\$
<b>FINANCING ACTIVITIES</b>			
Interest paid	34	(756,084)	(385,947)
Borrowings raised	34	8,000,000	1,500,000
Repayment of borrowings	34	–	(2,483,795)
Repayment of obligations under finance leases	34	(4,378)	(2,413,017)
Proceeds from issue of shares upon share placing	27(i)	–	3,048,192
Transaction costs directly attributable to issue of shares upon share placing	27(i)	–	(45,982)
Repayment of lease liabilities	34	(773,692)	(670,242)
Advances (to) from directors of the Company	34	(353,400)	1,528,439
<b>Net cash from financing activities</b>		<b>6,112,446</b>	77,648
<b>Net decrease in cash and cash equivalents</b>		<b>(5,397,993)</b>	(5,351,649)
<b>Cash and cash equivalents at the beginning of the year</b>		<b>5,758,476</b>	11,116,565
Effect of foreign exchange rate changes		–	(6,440)
<b>Cash and cash equivalents at the end of the year</b>		<b>360,483</b>	5,758,476
<b>Cash and cash equivalents at the end of the year, represented by</b>			
Bank balances and cash	20	360,483	5,758,476

The accompanying notes form an integral part of these consolidated financial statements.

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

## 1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company was incorporated as an exempted company and registered in the Cayman Islands with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 26 February 2016. The shares of the Company were listed on GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 12 July 2019. The Company's registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The address of the Company's principal place of business is located at Unit 3403, 34/F, AIA Tower, 183 Electric Road, North Point, Hong Kong.

The Company is an investment holding company. The principal activities of its subsidiaries (together with the Company collectively referred to as the "Group") are described in note 35.

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

### Going concern consideration

The Group incurred a loss of HK\$23,093,270 for the year ended 31 December 2025 and, as at 31 December 2025, the Group has net current liabilities and net liabilities of HK\$15,662,101 and HK\$9,189,456 respectively. These events or conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

Nevertheless, the consolidated financial statements of the Group have been prepared on the going concern basis as the directors of the Company, based on the profit forecast and cash flows projection of the Group covering a period of not less than twelve months from 31 December 2025, are of the view that the Group will have sufficient working capital to finance its operations and to fulfill its financial obligations as and when they fall due in the coming twelve months from 31 December 2025, after taking into consideration the followings:

- (a) a ordinary resolution was passed at extraordinary general meeting of the Company held on 7 January 2026 approving on the basis of three rights shares for every one shares ("Rights Issue"). As of 5 March 2026, 311,040,000 new shares were issued at a price of HK\$0.1 per share, the net proceeds (after deduction of expenses) from the Rights Issue and the Placing as set out in the prospectus dated 20 January 2026 were approximately HK\$29.1 million. The net proceeds had been received by the Company on 16 March 2026.
- (b) the Group continues to improve the operating efficiency by implementing plans and measures to tighten the cost controls, over various operating expenses in order to enhance its profitability and to improve the cash flows from its operation in the future; and
- (c) the Group will consider to raise additional capital, as and when needed, by carrying out fund raising activities, to finance the operations of the Group.





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 1. GENERAL INFORMATION AND BASIS OF PREPARATION *(Continued)*

#### Going concern consideration *(Continued)*

Based on the above, in the opinion of the directors of the Company, the Group will have sufficient working capital to fulfil its financial obligations as and when they fall due at least the next twelve months from 31 December 2025. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare these consolidated financial statements on a going concern basis.

Notwithstanding the above, a material uncertainty exists as to whether the Group is able to achieve its plans and measures as described above, which incorporate assumptions about future events and conditions that are subject to inherent uncertainties. Should the Group be unable to achieve the above plans and measures such that it would not be continued as a going concern, adjustments would have to be made to reduce the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, where applicable. The effect of these adjustments has not been reflected in the consolidated financial statements.

### 2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

#### Application of amendments to HKFRS Accounting Standards

The Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025, for the preparation of the consolidated financial statements of the Group:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards 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 31 DECEMBER 2025

### 2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS *(Continued)*

#### Issued but not yet effective HKFRS Accounting Standards

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

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

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

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027.

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the Directors of the Company anticipate that the application of all other new and 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 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 and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The Directors of the Company anticipate that the application of HKFRS 18 will affect the structure and presentation of the consolidated statement of profit or loss and disclosures in future consolidated financial statements, but will have no material impact on the financial position and performance of the Group given it will not impact the recognition or measurement of items in the consolidated financial statements.





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

These consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of preparation of these consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, these consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange and the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared on the historical cost basis at the end of each reporting period.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

The material accounting policies are set out below.

#### **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 Group:

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

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

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

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

#### **Investments in subsidiaries**

Investments in subsidiaries presented in the Company's statement of financial position included in note 36 are stated at cost less identified impairment losses.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### Revenue recognition

##### *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.

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

A contract liability represents the Group’s obligation to transfer goods or services to a customer for which the Group has received consideration from the customer.

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

For sales contract for which the control of the goods is transferred at a point in time, revenue is recognised when the customer obtains the physical possession and the Group has present right to payment and the collection of the consideration is probable.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

Revenues from the sales of goods in the ordinary course of business is recognised when or as the control of the asset is transferred to the customer.

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### Revenue recognition *(Continued)*

##### *Revenue from contracts with customers (Continued)*

Plant hiring income and car rental income from machinery and motor vehicles leasing under operating lease is recognised on a straight-line basis over the term of the relevant lease.

Revenue from construction contracts is recognised in accordance with the accounting policy set out under “Construction Contracts”.

Transportation and other services income are recognised when services are rendered.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

#### Leases

##### *Definition of a lease*

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

##### *The Group as a lessor*

###### *Classification and measurement of leases*

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

Plant hiring income and car rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and such costs are recognised as an expense on a straight-line basis over the lease term.

Plant hiring income and car rental income which are derived from the Group’s ordinary course of business are presented as revenue.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### **Leases** *(Continued)*

##### ***The Group as a lessee***

###### *Allocation of consideration to components of a contract*

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

###### *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to leases of office premises, director's accommodation, warehouses, plant and machinery that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets 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 asset 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 under HKAS 36, and adjusted for any remeasurement of lease liabilities.

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 are 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 and included in plant and equipment as leased plant and machinery on the consolidated statement of financial position.

###### *Refundable rental deposits*

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 3. SUMMARY OF 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 lease payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

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

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





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### Construction contracts

A contract with a customer is classified by the Group as a construction contract when the contract relates to work on real estate assets under the control of the customer and therefore the Group's construction activities create or enhance an asset under the customer's control.

When the outcome of a construction contract can be reasonably measured, revenue from the contract is recognised progressively over time using the output method, i.e. based on measurement of the value of services transferred to the customer to date. The measurement is based on surveys of specialised works and general building works completed by the Group to date as certified by architects, surveyors or other representatives appointed by the customers and adjusted by the estimated value of works which is yet to be certified. The directors of the Company consider that this output method is an appropriate measure of the progress towards complete satisfaction of these performance obligations under HKFRS 15.

The Group becomes entitled to invoice customers for construction of properties based on achieving a series of performance-related milestones. When a particular milestone is reached the customer is sent a relevant statement of work signed by a third party assessor and an invoice for the related milestone payment. The Group will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the milestone payment exceeds the revenue recognised to date under the output method then the Group recognises a contract liability for the difference. There is no consideration of significant financing component in construction contracts with customers as the period between the recognition of revenue under the output method and the milestone payment is always less than one year.

If at any time the costs to complete the contract are estimated to exceed the remaining amount of the consideration under the contract, then a provision is recognised.

#### Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors of the Company for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors of the Company are determined following the Group's major operations.

The measurement policies the Group uses for reporting segment results under HKFRS 8 Operating Segment are the same as those used in its financial statements prepared under HKFRS 8.

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### Retirement benefits cost

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (“MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme in Hong Kong. Contributions are made based on 5% of the employees’ relevant income, subject to a ceiling of monthly relevant income of HK\$30,000 and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

For LSP obligation, the Group accounts for the employer MPF contributions expected to be offsetted as a deemed employee contribution towards the LSP obligation in term of HKAS 19 paragraph 93(a) and it is measured on a net basis. The estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group’s MPF contributions that have been vested with employees, which are deemed to be contributions from the relevant employees.

#### Borrowing costs

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

#### Government grants

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

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

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

#### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “profit before taxation” as reported in the consolidated statement of profit or loss and other comprehensive income because of items 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.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### **Taxation** *(Continued)*

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax base 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 the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of transaction does not give rise to equal taxable and deductible temporary differences. 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, 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 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 realised, based on tax rate (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.

For the purposes 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.

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, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### Plant and equipment

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

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

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

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

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

#### Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price of inventories costs less the estimate costs necessary to make the sale. Costs necessary to make the sale include incremental costs directly attributable to the sale and non-incremental costs which the Group must incur to make the sale.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### **Impairment on 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 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 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, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and its 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.

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. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. 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 or the group of cash-generating units. 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 or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### Cash and cash equivalents

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

- (a) Cash, which comprises of cash on hand and demand deposits, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the Group's cash management. Such overdrafts are presented as bank overdrafts in the consolidated statement of financial position.

#### Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

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.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### Financial instruments *(Continued)*

##### *Financial assets*

###### *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.

###### *Amortised cost and interest income*

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

###### *Impairment of financial assets subject to impairment assessment under HKFRS 9*

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

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

The Group always recognises lifetime ECL for trade receivables. The ECL on these assets are assessed individually for debtors with significant balance and/or collectively using a provision matrix with appropriate groupings.

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

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### Financial instruments *(Continued)*

##### *Financial assets (Continued)*

##### *Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)*

(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.

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

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

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 31 DECEMBER 2025

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### Financial instruments *(Continued)*

##### *Financial assets (Continued)*

*Impairment of financial assets subject to impairment assessment under HKFRS 9 (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 of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

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

(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, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one year past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### Financial instruments *(Continued)*

##### *Financial assets (Continued)*

##### *Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)*

(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 adjusted by 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.

Lifetime ECL for certain trade receivables are considered on a collective basis taking into consideration their common risk characteristics, past due information and relevant credit information such as forward-looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

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

##### *Derecognition of financial assets*

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

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.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### Financial instruments *(Continued)*

##### *Financial liabilities and equity instruments*

###### *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.

(i) Equity instrument

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 Group are recognised at the proceeds received, net of direct issue costs.

(ii) Financial liabilities at amortised cost

Financial liabilities (including trade and other payables, bank borrowings, obligation under finance leases, bank overdrafts and lease liabilities) 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

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(Continued)*

#### Borrowings

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

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

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

#### 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 the 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 (when the effect of the time value of money is material).

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the management of the Group 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 associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the 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.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

#### Critical judgements in applying accounting policies

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

##### *Significant increase in credit risk*

As explained in Note 3, ECL on financial assets other than trade receivables and contract assets are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. HKFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

##### *Going concern basis*

The assessment of the going concern assumptions involves making judgements by the directors of the Company, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The directors of the Company consider that the Group has ability to continue as a going concern and the major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt about the going concern assumptions are set out in note 1.

#### 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 the assets and liabilities within the next financial year.

##### *Revenue recognition of construction contracts*

As disclosed in Note 3, revenue recognition on a construction contract is based on the construction works completed by the Group and certified by architects, surveyors or other representatives appointed by the customers. At the end of reporting period, the management estimate the value of uncertified works based on surveys carried out by internal technicians and revisited with reference to certification subsequently performed by architects, surveyors or other representatives appointed by the customers. The Group regularly reviews and revises the estimation of construction contract progresses whenever there is any change in circumstances.

At the end of the reporting period, the Group's contract assets was amounted to HK\$510,238 (2024: HK\$504,284) (net of allowance for ECL of HK\$14,216) (2024: HK\$20,170).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

#### Key sources of estimation uncertainty *(Continued)*

##### ***Depreciation of plant and equipment***

Plant and equipment are depreciated on a straight-line basis over their estimated useful lives. The determination of the useful lives involves management's estimation. The Group assesses annually the useful lives of the plant and equipment and if the expectation differs from the original estimate, such a difference may impact the depreciation in the year and the estimate will be changed in the future period.

As at 31 December 2025 and 2024, the carrying values of plant and equipment are HK\$6,460,402 and HK\$18,041,977 respectively.

##### ***Impairment assessment on non-financial assets***

The Group assesses annually whether plant and equipment and right-of-use assets have any indication of impairment, in accordance with relevant accounting policies. The recoverable amounts of plant and equipment and right-of-use assets have been determined based on the higher of value-in-use calculations and fair value less cost of disposal if there is indication of impairment. The calculations and valuations require the use of judgement and estimates on future operating cash flows, discount rates and market data adopted.

For the year ended 31 December 2025, the impairment losses on plant and equipment and right-of-use assets recognised during the year amount to HK\$2,267,273 (2024: HK\$4,788,627) and HK\$Nil (2024: HK\$424,614) respectively.

##### ***Provision of ECL for contract assets, trade receivables, other receivables and loan receivables***

The ECL for contract assets, trade receivables, other receivables and loan receivables is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered. In addition, receivables with significant balances and credit impaired are assessed for ECL individually.

The management of the Group has individually assessed all the receivables by taking into account the length of business relationship, reputation and repayment history of each of customers. Reversal of impairment losses recognised regarding contract assets, interest receivables and loan receivables amounting to HK\$5,954 (2024: impairment losses recognised: HK\$17,482), HK\$5,889 (2024: impairment losses recognised: HK\$19,592) and HK\$131,418 (2024: impairment losses recognised: HK\$105,222) and impairment losses recognised regarding trade receivables and other receivables amounting to HK\$473,498 (2024: reversal of impairment losses recognised: HK\$20,477) and HK\$21,338 (2024: HK\$Nil) were recognised during the year ended 31 December 2025.

The information about the ECL and the Group's impairment loss regarding trade receivables are disclosed in note 18.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 5. FINANCIAL INSTRUMENTS

#### (a) Categories of financial instruments

	2025	2024
	HK\$	HK\$
<b>Financial assets</b>		
<i>Amortised cost</i>		
Trade and other receivables	19,052,604	3,166,386
Loan receivables	2,432,947	2,301,529
Cash and cash equivalents	360,483	5,758,746
Pledged bank deposits	–	–
	<b>21,846,034</b>	11,226,661
<b>Financial liabilities</b>		
<i>Amortised cost</i>		
Trade and other payables	28,455,148	14,622,729
Borrowings	9,500,000	1,500,000
	<b>37,955,148</b>	16,122,729

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

The major financial instruments of the Group include trade and other receivables except prepayments, loan receivables, cash and cash equivalents, pledged bank deposits, trade and other payables except contract liabilities, and borrowings. The risks associated with these financial instruments include interest rate risk, foreign currency risk, credit risk and liquidity risk. 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 on a timely and effective manner.

##### **Interest rate risk**

The Group is exposed to fair value interest rate risk in relation to pledged bank deposits, fixed-rate loan receivables and fixed-rate borrowings. The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances and variable-rate borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate gearing. During the years ended 31 December 2025 and 2024, the Group's gearing were denominated in HK\$.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 5. FINANCIAL INSTRUMENTS *(Continued)*

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

##### *Interest rate risk (Continued)*

	2025 HK\$	% of total gearing	2024 HK\$	% of total gearing
Financial liabilities subject to fixed interest rate:				
– borrowings	9,500,000	100%	1,500,000	100%

During the year ended 31 December 2025, the Group has monitored the interest rate risk with the change of the balanced portfolio from fixed interest rate financial liabilities to variable interest rate financial liabilities with the view of the anticipated increase in market interest rate in the coming future.

The Group currently does not have an interest rate hedging policy. However, the management of the Group monitors interest rate exposure and will consider other necessary actions when significant interest rate exposure is anticipated.

##### *Sensitivity analysis*

The sensitivity analysis below has been determined based on the exposure to interest rates for financial instruments with variable interest rates at the end of the reporting period. The analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 100 basis points (2024: 100 basis points) increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If the interest rates had been 100 basis points (2024: 100 basis points) higher/lower and all other variables were held constant, the Group's loss before tax for the year ended 31 December 2025 would decrease/increase by HK\$3,605 (2024: HK\$57,465).



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 5. FINANCIAL INSTRUMENTS *(Continued)*

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

##### ***Foreign currency risk***

The Group has minimal exposure to foreign currency risk as most of the business transactions, assets and liabilities of the Group's entities are principally denominated in their respective functional currencies.

The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

##### ***Credit risk***

As at 31 December 2025 and 2024, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The Group uses two categories for non-trade deposits and other receivables and loan receivables which reflect their credit risk and how the loan loss provision is determined for each of the categories. In calculating the expected credit loss rates, the Group considers historical loss rates for each category and adjusts for forward looking data.

<b>Category</b>	<b>Definition</b>	<b>Loss provision</b>
Performing	Low risk of default and strong capacity to pay	12 month expected losses
Under-performing	Significant increase in credit risk, not credit-impaired	Lifetime expected losses
Non-performing (credit-impaired)	Repayments are 90 days past due or it becomes probable that the counter-party will enter bankruptcy	Lifetime expected losses
Write-off	Severe financial difficulty and no realistic prospect of recovery	Amount written off

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 5. FINANCIAL INSTRUMENTS *(Continued)*

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

##### ***Credit risk (Continued)***

###### *Contract assets and trade receivables*

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables are due within 0–30 days (2024: 0–30 days) from the date of billing. Normally, the Group does not obtain collateral from customers.

As at 31 December 2025, the Group has concentration of credit risk as 30% (2024: 66%) and 84% (2024: 86%) of the total contract assets and trade receivables was due from the Group's largest customer and the five largest customers respectively. In order to minimise the credit risk, management of the Group reviews the recoverable amount of each individual debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

The Group measures loss allowances for contract assets and trade receivables at an amount equal to lifetime ECLs, under simplified approach using provision matrix. To measure the ECLs, contract assets and trade receivables have been grouped based on shared credit risk characteristic and the days past due.

Expected loss rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. It considers available reasonable and supportive forwarding-looking information.

Information regarding ECLs on contract assets and trade receivables are detailed in notes 17 and 18 respectively.

###### *Loan receivables*

In respect of loan receivables from clients, the objective of the Group's measures to manage credit risk is to control potential exposure to recoverability problem. The Group manages and analyses the credit risk for each of their new and existing clients before standard payment terms and conditions are offered by assessing the credit quality of the customer, taking into account its financial position, past experience and other factors. The Group may request the customer to obtain corporate guarantee from other parties when necessary. Loan receivables balances are monitored on an ongoing basis, management reviews the recoverable amount of loan receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, management considers that the Group's credit risk is significantly reduced. Interest income are usually billed on monthly basis.

Information regarding ECL on loan receivables is detailed in note 19.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 5. FINANCIAL INSTRUMENTS *(Continued)*

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

##### ***Credit risk (Continued)***

###### *Deposits and other receivables*

For deposits and other receivables, the management makes individual assessment on the recoverability of other receivables based on historical settlement records and the pay back ability of counterparty. The management performs periodic review to assess if there is any significant increase in credit risk of these amounts since initial recognition.

Information regarding ECL on deposits and other receivables is detailed in note 18.

###### *Pledged bank deposits and bank balances*

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

##### ***Liquidity risk***

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents and loan facilities deemed adequate by the management to finance the operations of the Group and mitigate the effect of fluctuations in cash flows.

The Group is exposed to liquidity risk as the Group incurred a loss of HK\$23,093,270 for the year ended 31 December 2025 and, as at 31 December 2025, the Group had net current liabilities of HK\$15,662,101. The directors of the Company are of the opinion that the Group will have sufficient working capital to meet its financial obligations and the details of which are set out in note 1.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities, lease liabilities and obligations under finance leases. The tables have been drawn up based on the undiscounted cash flows of financial liabilities, lease liabilities and obligations under finance leases based on the earliest date on which the Group can be required to pay. Specifically, borrowings with a repayment on demand clause are included in the earliest time band regardless of the probability of the lenders choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

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

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 5. FINANCIAL INSTRUMENTS *(Continued)*

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

##### *Liquidity risk (Continued)*

##### *Liquidity risk analysis*

	Weighted average interest rate %	On demand or less than 1 year HK\$	1 to 2 years HK\$	Total undiscounted cash flows HK\$	Carrying amounts HK\$
<b>As at 31 December 2025</b>					
Borrowings	23.68	10,591,831	–	10,590,831	9,500,000
Trade and other payables	N/A	28,455,148	–	28,455,148	28,455,148
Lease liabilities	5.81	147,997	–	147,997	147,997
		<b>39,193,971</b>	<b>–</b>	<b>39,193,976</b>	<b>38,103,145</b>
<b>As at 31 December 2024</b>					
Bank borrowings	15.00	1,612,192	–	1,612,192	1,500,000
Obligations under finance Leases	4.80	4,378	–	4,378	4,378
Trade and other payables	N/A	14,622,729	–	14,622,729	14,622,729
Lease liabilities	5.81	806,058	148,800	954,858	922,316
		17,045,357	148,800	17,194,157	17,049,423

As at 31 December 2024, the Group's obligations under finance leases with repayment on demand clause of HK\$4,378 are included in the "on demand or less than 1 year" time bank in the above maturity analysis. Taking into account the Group's consolidated financial position and past experience, the directors of the Company believe that it is not probable that the lenders will exercise their sole discretionary rights to demand for immediate repayment and obligations under finance leases will be repaid in accordance with the scheduled repayment dates as set out in the loan agreements.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 5. FINANCIAL INSTRUMENTS *(Continued)*

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

##### *Liquidity risk (Continued)*

##### *Liquidity risk analysis (Continued)*

The following table details the Group's aggregate principal and interest cash outflows for obligations under finance leases as at 31 December 2024 with a repayment on demand clause which will be repaid in accordance with the scheduled repayment dates as set out in the loan agreements. To the extent that interest rates are variable rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

	Weighted average interest rate %	On demand or less than 1 year HK\$	1 to 2 years HK\$	2 to 5 years HK\$	Total undiscounted cash flows HK\$	Carrying amounts HK\$
<b>As at 31 December 2024</b>						
Obligations under finance leases	4.80	4,378	–	–	4,378	4,378
		4,378	–	–	4,378	4,378

#### (c) Fair value measurements of financial instruments

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities measured at amortised cost approximate their fair values.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 6. REVENUE AND SEGMENT INFORMATION

#### Revenue

The Group's revenue represents the net amounts received or receivable for below business activities provided in the normal course of business, net of discounts and returns.

An analysis of the Group's revenue is as follows:

	2025	2024
	HK\$	HK\$
Plant hiring income	<b>8,255,020</b>	5,333,709
Income from money lending business	<b>447,840</b>	818,932
General sales from trading of machinery, tools and parts	–	787,446
Construction services income (Note)	<b>11,255,020</b>	7,749,283
Transportation and other services income	<b>576,900</b>	46,000
Car rental income	<b>3,215,563</b>	1,471,469
	<b>23,750,343</b>	16,206,839

Note: The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its contracts for construction services such that the above information does not include information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the contracts for construction services that had an original expected duration of one year or less.

#### Segment information

The Group has the following reporting segments:

1. Plant hiring services;
2. Money lending business;
3. General sales from trading of machinery, tools and parts;
4. Construction services;
5. Transportation and other services; and
6. Car rental services.

The Group commenced the business of car rental services during the year ended 31 December 2025.

The accounting policies of the reporting segments are the same as the Group's accounting policies described in note 3.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 6. REVENUE AND SEGMENT INFORMATION *(Continued)*

#### Segment revenue and results

For the year ended 31 December 2025

	Plant hiring services HK\$	Money lending business HK\$	General sales from trading of machinery, tools and part HK\$	Construction services HK\$	Car rental services HK\$	Transportation and other services HK\$	Total HK\$
<b>Revenue</b>							
Segment revenue from external customers	8,255,020	447,840	-	11,255,020	3,215,563	576,900	23,750,343
<b>Revenue recognition</b>							
At a point in time under HKFRS 15	-	-	-	-	-	576,900	576,900
Over time under HKFRS 15	-	-	-	11,255,020	-	-	11,255,020
Other sources outside the scope of HKFRS 15	8,255,020	447,840	-	-	3,215,563	-	11,918,423
	8,255,020	447,840	-	11,255,020	3,215,563	576,900	23,750,343
<b>Results</b>							
Segment results	4,340,942	585,159	-	(185,962)	(921,197)	403,722	4,222,664
Loss on disposal of plant and equipment							-
Other unallocated income							318,484
Other unallocated expenses							(27,625,143)
Loss before tax							(23,083,995)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 6. REVENUE AND SEGMENT INFORMATION *(Continued)*

#### Segment revenue and results *(Continued)*

For the year ended 31 December 2024

	Plant hiring services HK\$	Money lending business HK\$	General sales from trading of machinery, tools and parts HK\$	Construction services HK\$	Car rental services HK\$	Transportation and other services HK\$	Total HK\$
<b>Revenue</b>							
Segment revenue from external customers	5,333,709	818,932	787,446	7,749,283	1,471,469	46,000	16,206,839
<b>Revenue recognition</b>							
At a point in time under HKFRS 15	-	-	787,446	-	-	46,000	833,446
Over time under HKFRS 15	-	-	-	7,749,283	-	-	7,749,283
Other sources outside the scope of HKFRS 15	5,333,709	818,932	-	-	1,471,469	-	7,624,110
	5,333,709	818,932	787,446	7,749,283	1,471,469	46,000	16,206,839
<b>Results</b>							
Segment results	(6,466,074)	695,035	97,026	526,962	(1,772,864)	22,909	(6,897,006)
Loss on disposal of plant and equipment							(446,212)
Other unallocated income							279,007
Other unallocated expenses							(21,624,110)
Loss before tax							(28,688,321)

Segment results represent the profit earned by/(loss) from each reporting segment without allocation of certain loss on disposal of plant and equipment, certain bank interest income and other income, finance costs, selling and distribution expenses and other central unallocated administrative expenses. 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 31 DECEMBER 2025

### 6. REVENUE AND SEGMENT INFORMATION *(Continued)*

#### Segment assets and liabilities

As at 31 December 2025

	Plant hiring services, general sales from trading of machinery, tools and parts, and transportation and other services income HK\$	Money lending business HK\$	Construction services HK\$	Car rental services HK\$	Total HK\$
<b>Assets</b>					
Segment assets	3,279,032	3,066,014	17,491,044	3,216,317	27,052,407
Unallocated corporate assets					2,123,531
Consolidated total assets					29,175,938
<b>Liabilities</b>					
Segment liabilities	(10,593,396)	(21,500)	(15,103,957)	(312,780)	(26,031,633)
Unallocated corporate liabilities					(12,333,761)
Consolidated total liabilities					(38,365,394)

As at 31 December 2024

	Plant hiring services, general sales from trading of machinery, tools and parts, and transportation and other services income HK\$	Money lending business HK\$	Construction services HK\$	Car rental services HK\$	Total HK\$
<b>Assets</b>					
Segment assets	12,232,088	2,595,495	9,359,082	4,401,116	28,587,781
Unallocated corporate assets					2,417,480
Consolidated total assets					31,005,261
<b>Liabilities</b>					
Segment liabilities	(6,397,270)	(21,500)	(960,797)	(1,063,174)	(8,442,741)
Unallocated corporate liabilities					(8,760,031)
Consolidated total liabilities					(17,202,772)

For the purposes of monitoring segment performance and allocating resources between segments, all assets are allocated to reporting segments other than certain unallocated other receivables and cash and cash equivalents while all liabilities are allocated to reporting segments other than certain unallocated other payables and borrowings.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 6. REVENUE AND SEGMENT INFORMATION *(Continued)*

#### Other segment information

For the year ended 31 December 2025

	Plant hiring services HK\$	Money lending business HK\$	General sales from trading of machinery, tools and parts HK\$	Construction services HK\$	Car rental services HK\$	Transportation and other services HK\$	Unallocated HK\$	Total HK\$
Amounts included in the measure of segment results:								
Depreciation on plant and equipment	995,530	1,700	-	1,277,874	733,306	-	-	3,008,410
Depreciation on right-of-use assets	-	-	-	-	338,730	-	-	338,730
Loss on disposal of plant and equipment	1,380,454	-	-	-	-	-	-	1,380,454
Gain on disposal of subsidiary	-	-	-	-	-	-	14,836	14,836
Impairment losses on plant and equipment	2,267,273	-	-	-	-	-	-	2,267,273
ECL	169,069	(137,307)	-	319,813	-	-	-	351,575
Bank interest income	715	12	-	153	188	-	48	1,116
Finance costs	480,810	-	-	-	17,877	-	1,220,047	1,718,734

For the year ended 31 December 2024

	Plant hiring services HK\$	Money lending business HK\$	General sales from trading of machinery, tools and parts HK\$	Construction services HK\$	Car rental services HK\$	Transportation and other services HK\$	Unallocated HK\$	Total HK\$
Amounts included in the measure of segment results:								
Depreciation on plant and equipment	1,599,182	5,035	-	1,277,874	365,242	-	168,800	3,416,133
Depreciation on right-of-use assets	-	-	-	-	204,442	-	485,273	689,715
Loss on disposal of plant and equipment	1,023,866	-	-	-	-	-	446,212	1,470,078
Impairment losses on plant and equipment	4,788,627	-	-	-	-	-	-	4,788,627
Impairment losses on right-of-use assets	-	-	-	-	-	-	424,614	424,614
ECL	(157,985)	124,814	-	154,990	-	-	-	121,819
Bank interest income	9,818	917	-	763	114	-	2,291	13,903
Finance costs	247,813	-	-	-	20,395	-	121,256	389,464
Information about segment assets and liabilities:								
Additions to plant and equipment	604,678	-	-	-	3,832,540	-	-	4,437,218



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 6. REVENUE AND SEGMENT INFORMATION *(Continued)*

#### Geographical information

The Group's revenue from customers by location of operations and information about its non-current assets by location of assets are detailed below:

##### Revenue

	2025 HK\$	2024 HK\$
Hong Kong	20,534,780	14,735,370
Japan	3,215,563	1,471,469
	<b>23,750,343</b>	16,206,839

##### Non-current assets

	2025 HK\$	2024 HK\$
Hong Kong	3,848,237	14,709,069
Japan	2,753,601	3,810,165
	<b>6,601,838</b>	18,519,234

#### Information about major customers

Revenue from customers during the years ended 31 December 2025 and 2024 contributing over 10% of the total revenue of the Group is as follows:

	2025 HK\$	2024 HK\$
Plant hiring services		
Customer A (Note (i))	N/A	1,646,963
Customer B (Note (ii))	2,468,347	N/A
Construction services		
Customer C (Note (i))	N/A	4,186,148
Customer D (Note (ii))	4,608,600	N/A
Customer E	4,805,020	3,563,135

Notes:

- (i) This customer did not contribute over 10% of the total revenue of the Group for the year ended 31 December 2025.
- (ii) This customer did not contribute over 10% of the total revenue of the Group for the year ended 31 December 2024.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 7. OTHER INCOME AND GAINS OR (LOSSES)

	2025	2024
	HK\$	HK\$
Bank interest income	1,116	13,903
Loss on disposal of plant and equipment	(1,380,454)	(1,470,078)
Others	317,368	276,716
	(1,061,970)	(1,179,459)

### 8. FINANCE COSTS

	2025	2024
	HK\$	HK\$
Interest on bank borrowings	–	100,587
Interest on bank overdraft	3,919	41,613
Interest on obligations under finance leases	–	66,459
Interest on lease liabilities	50,936	59,549
Interest on other borrowings	1,663,879	117,739
Interest expense on retirement benefit obligations	–	3,517
	1,718,734	389,464



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 9. INCOME TAX EXPENSE/(CREDIT)

	2025	2024
	HK\$	HK\$
<b>Current tax</b>		
Japan Corporate Income Tax	<b>9,275</b>	7,658

No provision for Hong Kong Profits Tax has been made since the subsidiaries of the Group incorporated in Hong Kong either incurred a loss for the year or had sufficient tax losses brought forward to set off against current year's assessable profits.

Japan Corporate Income Tax include national corporate income tax, inhabitant tax and enterprise tax and has been calculated on the estimated assessable profit for the year. During the year ended 31 December 2025, the effective rate of national corporate income tax, inhabitant tax, and enterprise tax resulted in statutory income tax rate of 34.6% (2024: 34.1%).

The Group is not subject to taxation in other jurisdictions.

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

	2025	2024
	HK\$	HK\$
Loss before tax	<b>(23,083,995)</b>	(28,688,321)
Tax at domestic income tax rate of 16.5% (2024: 16.5%)	<b>(3,805,858)</b>	(4,733,573)
Tax effect of income not taxable for tax purpose	<b>(17,535)</b>	(28,343)
Tax effect of expenses not deductible for tax purpose	<b>384,184</b>	1,882,808
Tax effect of deductible temporary differences not recognised	<b>1,869,028</b>	1,507,446
Effect of different tax rates of subsidiaries	<b>(92,656)</b>	4,439
Tax effect of tax losses not recognised	<b>1,758,405</b>	1,499,559
Tax effect of utilisation of tax losses previously not recognised	<b>(83,293)</b>	(124,678)
Income tax expense for the year	<b>9,275</b>	7,658

Details of deferred taxation are set out in note 26.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 10. LOSS FOR THE YEAR

	2025 HK\$	2024 HK\$
Loss for the year has been arrived at after charging/(crediting)		
Directors' emoluments (Note 11)	<b>2,507,423</b>	3,996,978
Staff costs		
– Salaries, allowance and other benefits	<b>6,790,895</b>	7,465,991
– Bonus	–	–
– Retirement benefits scheme contributions	<b>247,868</b>	311,928
	<b>7,038,763</b>	7,777,919
Total staff costs (Note (a))	<b>9,546,186</b>	11,774,897
Auditor's remuneration		
– Audit services	<b>720,000</b>	700,000
– Non-audit services	–	50,000
Cost of inventories recognised as an expense	–	690,420
Depreciation on plant and equipment (Note (b))	<b>3,008,409</b>	3,416,133
Depreciation on right-of-use assets	<b>338,730</b>	689,715
Short-term lease expenses	<b>1,678,699</b>	1,701,251
Impairment losses/(reversal of impairment losses) under ECL model on:		
– contract assets	<b>(5,954)</b>	17,482
– trade receivables	<b>473,498</b>	(20,477)
– other receivables	<b>21,338</b>	–
– interest receivables	<b>(5,889)</b>	19,592
– loan receivables	<b>(131,418)</b>	105,222

Notes:

- (a) Staff costs of HK\$1,335,289 (2024: HK\$1,817,257) for the year ended 31 December 2025 is included in cost of sales and services.
- (b) Depreciation on plant and equipment of HK\$2,901,231 (2024: HK\$2,952,284) for the year ended 31 December 2025 is included in cost of sales and services.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

Details of the emoluments paid or payable to the directors of the Company, during the years ended 31 December 2025 and 2024 are as follows:

	2025	2024
	HK\$	HK\$
Directors' fees	<b>462,875</b>	597,333
Other emoluments:		
Salaries and allowance	<b>1,990,403</b>	3,330,645
Retirement benefits scheme contributions	<b>54,145</b>	69,000
	<b>2,507,423</b>	3,996,978

Note: No director of the Company has waived any emoluments for the years ended 31 December 2025 and 2024.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(Continued)*

#### (a) Directors' emoluments and retirement benefits

For the year ended 31 December 2025

	Fee HK\$	Salaries and allowance HK\$	Retirement benefits scheme contributions HK\$	Total HK\$
<b>Executive directors</b>				
Sou Peng Kan Albert (Note (i))	–	690,000	–	690,000
Lau Lawrence Tak Sun	–	240,000	9,000	249,000
Lin Dongsheng (Note (ii))	–	180,000	9,000	189,000
Zhang Wei (Note (iii))	–	360,000	15,000	375,000
Chan Lok Yin	–	440,000	12,000	452,000
Miao Yingjuan (Note (iv))	–	57,500	5,500	63,000
Ma Kin Ling (Note (iv))	–	72,903	3,645	76,548
	–	1,990,403	54,145	2,044,548
<b>Independent non-executive directors</b>				
Chim Tak Lai	120,000	–	–	120,000
Du Min	240,000	–	–	240,000
Chen Jie (Note (vi))	25,179	–	–	25,179
Chan Li Li (Note (vii))	34,839	–	–	34,839
Law Kim Fai (Note (viii))	42,857	–	–	42,857
	462,875	–	–	462,875
<b>Total</b>	<b>462,875</b>	<b>1,990,403</b>	<b>54,145</b>	<b>2,507,423</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Continued)

#### (a) Directors' emoluments and retirement benefits (Continued)

For the year ended 31 December 2024

	Fee HK\$	Salaries and allowance HK\$	Retirement benefits scheme contributions HK\$	Total HK\$
<b>Executive directors</b>				
Sou Peng Kan Albert ( <i>Chairman</i> ) (Note (i))	–	1,560,000	–	1,560,000
Lau Lawrence Tak Sun (Note (ii))	–	480,000	18,000	498,000
Lin Dongsheng (Note (iii))	–	360,000	18,000	378,000
Zhang Wei	–	300,000	15,000	315,000
Chan Lok Yin	–	630,000	18,000	648,000
Miao Yingjuan (Note (iv))	–	645	–	645
	–	3,330,645	69,000	3,399,645
<b>Independent non-executive directors</b>				
Chim Tak Lai	120,000	–	–	120,000
Du Min	297,333	–	–	297,333
Chen Jie (Note (vi))	180,000	–	–	180,000
	597,333	–	–	597,333
<b>Total</b>	<b>597,333</b>	<b>3,330,645</b>	<b>69,000</b>	<b>3,996,978</b>

Notes:

- (i) SOU Peng Kan Albert retired as executive director of the Company on 30 June 2025.
- (ii) LAU Tak Sun Lawrence retired as executive director of the Company on 30 June 2025.
- (iii) LIN Dong Sheng retired as executive director of the Company on 30 June 2025.
- (iv) Miao Yingjuan was appointed as executive director of the Company on 30 December 2024 and retired on 30 June 2025.
- (v) MA Kin Ling was appointed as executive director of the Company on 12 March 2025 and retired on 30 June 2025.
- (vi) CHEN Jie was appointed as independent non-executive director of the Company on 31 August 2023 and resigned on 19 February 2025.
- (vii) CHAN Li Li was appointed as independent non-executive director of the Company on 7 July 2025.
- (viii) LAW Kim Fai was appointed as independent non-executive director of the Company on 21 February 2025 and retired on 30 July 2025.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(Continued)*

#### (b) Directors' termination benefits

During the year ended 31 December 2025, no termination benefits were paid to the directors of the Company (2024: Nil).

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

During the year ended 31 December 2025, no consideration was paid for making available the services of the directors of the Company (2024: Nil).

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

During the year ended 31 December 2025, there were no loans, quasi-loans or other dealings entered into by the Company or subsidiaries undertaking of the Company, where applicable, in favour of directors of the Company (2024: Nil).

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

No significant transactions, arrangements or contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2024: Nil).

#### Five highest paid individuals

The five highest paid individuals with the highest emoluments in the Group include one director (2024: two directors) of the Company for the year ended 31 December 2025. Details of the emoluments of the remaining four (2024: three) highest paid individuals are set out below.

	Year ended 31 December	
	2025	2024
	HK\$	HK\$
Salaries, allowance and other benefits	3,860,000	2,743,800
Retirement benefits scheme contributions	132,500	138,000
	3,992,500	2,881,800



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 11. DIRECTORS' AND EMPLOYEES' EMOLUMENTS *(Continued)*

#### Five highest paid individuals *(Continued)*

Their emoluments were within the following bands:

	2025 Number of employees	2024 Number of employees
Nil – HK\$1,000,000	4	1
HK\$1,000,001 – HK\$1,500,000	1	2
	5	3

No emoluments were paid by the Group to the directors of the Company or the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 December 2025 and 2024. None of the directors of the Company or the chief executive of the Company waived or agreed to waive any emolument during the year ended 31 December 2025 and 2024.

### 12. DIVIDEND

No dividends were paid, declared or proposed during the year ended 31 December 2025, nor has any dividend been proposed since the end of the reporting period (2024: nil).

### 13. LOSS PER SHARE

#### Loss for the year

	2025 HK\$	2024 HK\$
Loss for the year attributable to owners of the Company for the purposes of calculating basic and diluted loss per share	(23,093,270)	(28,695,979)

#### Number of shares

	2025	2024
Weighted average number of ordinary shares for the purposes of calculating basic and diluted loss per share	103,680,000	88,146,885

The Company did not have any potential ordinary shares outstanding during the years ended 31 December 2025 and 2024 and the diluted loss per share was equal to basic loss per share.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 14. PLANT AND EQUIPMENT

	Furniture, fixtures and equipment Owned HK\$	Motor vehicles Owned HK\$	Plant and machinery		Tools Owned HK\$	Total HK\$
			Owned HK\$	Leased HK\$		
<b>COST</b>						
At 1 January 2024	605,785	2,873,758	34,845,648	7,573,773	5,703,760	51,602,724
Transfer	–	–	7,573,773	(7,573,773)	–	–
Additions	4,678	3,810,959	21,581	–	600,000	4,437,218
Disposals	(25,048)	(550,208)	(12,460,690)	–	(3,801,700)	(16,837,646)
Exchange differences	–	(147,712)	(836)	–	–	(148,548)
At 31 December 2024 and 1 January 2025	<b>585,415</b>	<b>5,986,797</b>	<b>29,979,476</b>	–	<b>2,502,060</b>	<b>39,053,748</b>
Disposals	<b>(28,680)</b>	<b>(749,100)</b>	<b>(11,410,628)</b>	–	<b>(2,501,960)</b>	<b>(14,690,368)</b>
Exchange differences	–	15,510	88	–	–	15,598
At 31 December 2025	<b>556,735</b>	<b>5,253,207</b>	<b>18,568,936</b>	–	<b>100</b>	<b>24,378,978</b>
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>						
At 1 January 2024	513,828	1,866,568	16,835,743	1,853,797	2,296,800	23,366,736
Charge for the year	43,318	694,179	2,095,840	201,967	380,829	3,416,133
Transfer	–	–	2,055,764	(2,055,764)	–	–
Impairment losses	–	–	4,485,040	–	303,587	4,788,627
Eliminated on disposals	(23,924)	(183,403)	(9,026,538)	–	(1,311,703)	(10,545,568)
Exchange differences	–	(14,131)	(26)	–	–	(14,157)
At 31 December 2024 and 1 January 2025	<b>533,222</b>	<b>2,363,213</b>	<b>16,445,823</b>	–	<b>1,669,513</b>	<b>21,011,771</b>
Charge for the year	<b>32,173</b>	<b>876,190</b>	<b>2,025,041</b>	–	<b>75,505</b>	<b>3,008,409</b>
Impairment losses	–	–	<b>2,267,273</b>	–	–	<b>2,267,273</b>
Release of impairment upon disposals	–	–	<b>(2,349,105)</b>	–	<b>(303,587)</b>	<b>(2,652,692)</b>
Eliminated on disposals	<b>(28,680)</b>	<b>(749,100)</b>	<b>(3,500,610)</b>	–	<b>(1,440,831)</b>	<b>(5,719,221)</b>
Exchange differences	–	3,021	15	–	–	3,036
At 31 December 2025	<b>536,715</b>	<b>2,493,324</b>	<b>14,888,437</b>	–	<b>100</b>	<b>1,918,576</b>
<b>CARRYING VALUES</b>						
At 31 December 2025	<b>20,020</b>	<b>2,759,883</b>	<b>3,680,499</b>	–	–	<b>6,460,402</b>
At 31 December 2024	52,193	3,623,584	13,533,653	–	832,547	18,041,977



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 14. PLANT AND EQUIPMENT *(Continued)*

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

Furniture, fixtures and equipment	20%
Motor vehicles	20%
Plant and machinery	Over the relevant useful live, or 25 years whichever is the shorter
Tools	10%

#### Impairment assessment

During the years ended 31 December 2025 and 2024, due to the sustainable losses were incurred in the plant hiring services segment, the Group performed an impairment assessment of the plant and machinery and right-of-use assets (collectively referred to as the “non-financial assets”) included in the segment. The recoverable amounts of non-financial assets have been determined based on the higher of their value in use and their fair value less cost of disposal of individual item of plant and machinery and right-of-use assets. As a result, impairment losses of HK\$2,267,273 (2024: HK\$4,788,627) and HK\$nil (2024: HK\$424,614) were recognised for plant and machinery and right-of-use assets associated with plant hiring services segment respectively. The calculation of value in use was based on the cash flow projections for each individual item of the non-financial assets which were approved by the directors of the Company and considered the estimated residual economic lives of the items. The estimated growth rate used does not exceed the long-term average growth rate adopted for the market.

Key assumptions used in the cash flow projection calculation are set out below:

	2025	2024
Sales growth rate	2%	2%
Net profit margin (% of revenue)	8% to 33.9%	27.5%
Pre-tax discount rate	13.7% to 16.1%	12.7%

The above key assumptions were used in the value in use calculation as at 31 December 2025 and 2024. The following describes each key assumption on which the management has based its cash flow projection to undertake the impairment assessment.

Sales growth rate – based on historical experience and compared to the long-term average growth rate.

Net profit margin – the basis used to determine the value assigned to the budgeted net profit margin expected to achieve.

Discount rate – the discount rate used is pre-tax and reflects specific risk relating to the business that the non-financial assets employed.

The directors of the Company believe that any reasonably possible change in any of these assumptions would not cause the carrying amount of the non-financial assets to exceed its recoverable amount.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 15. RIGHT-OF-USE ASSETS

	Leased properties
	HK\$
<b>COST</b>	
At 1 January 2024	925,542
Addition	700,942
Exchange differences	(27,168)
At 31 December 2024 and 1 January 2025	<b>1,599,316</b>
Exchange differences	<b>2,919</b>
At 31 December 2024	<b>1,602,235</b>
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT</b>	
At 1 January 2024	15,654
Charge for the year	689,715
Write-off upon completion of lease term	424,614
	(7,924)
At 31 December 2024 and 1 January 2025	<b>1,112,059</b>
Charge for the year	<b>338,730</b>
Exchange differences	<b>10</b>
At 31 December 2025	<b>1,460,799</b>
<b>CARRYING VALUES</b>	
At 31 December 2025	<b>141,436</b>
At 31 December 2024	477,257

For all leases with a non-cancellable term of more than 12 months, unless the underlying asset is of low value, the Group as a lessee is required to recognise a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 15. RIGHT-OF-USE ASSETS *(Continued)*

For both years, the Group leases office premises for its operations. Lease contracts are entered into for fixed term of 2 years (2024: 2 years). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

Lease liabilities of HK\$147,997 (2024: HK\$922,316) are recognised with the related right-of-use assets of HK\$141,436 (2024: HK\$477,257) as at 31 December 2024. These lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

The above item of right-of-use assets is depreciated on a straight-line basis over the relevant lease terms.

	2025	2024
	HK\$	HK\$
Expense relating to short-term leases	<b>1,678,699</b>	1,701,251
Impairment losses	–	424,614
Depreciation on right-of-use assets	<b>388,730</b>	689,715
Interest on lease liabilities	<b>50,936</b>	59,549

In addition, lease liabilities of HK\$147,997 (2024: HK\$922,316) are recognised with related right-of-use assets of HK\$141,436 (2024: HK\$477,257) as at 31 December 2025. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor and the relevant leased assets may not be used as security for borrowing purposes.

Details of the impairment assessment of right-of-use assets are set out in note 14.

### 16. INVENTORIES

	2025	2024
	HK\$	HK\$
Spare parts	<b>64,940</b>	250,929

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 17. CONTRACT ASSETS

	2025 HK\$	2024 HK\$
Contract assets, gross	524,454	524,454
Less: Allowance for ECL	(14,216)	(20,170)
Contract assets, net	510,238	504,284

Contract assets represent the Group's rights to considerations from customers for the provision of construction services, which arise when the customers withhold certain amounts payable to the Group as retention money to secure the due performance of the contracts. The terms and conditions in relation to the release of retention vary from contract to contract, which is subject to practical completion, the expiry of the defect liability period on a pre-agreed time period. The Group does not hold any collateral as security. At the end of the reporting period, the amount of contract assets represent retention receivables and are expected to be recovered within one year.

The following table provides information about the Group's exposure to credit risk and allowance for ECL on contract assets:

	Expected loss rate %	Gross carrying amount HK\$	Loss allowance HK\$
<b>Contract assets</b>			
Current (not past due)			
As at 31 December 2025	2.71%	524,454	14,216
As at 31 December 2024	3.85%	524,454	20,170

The movement in the allowance for ECL on contract assets is as follows:

	2025 HK\$	2024 HK\$
At 1 January	20,170	2,688
(Reversal of impairment losses) Impairment losses recognised	(5,954)	17,482
At 31 December	14,216	20,170



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 18. TRADE AND OTHER RECEIVABLES

The following is an analysis of trade and other receivables:

	2025	2024
	HK\$	HK\$
Trade receivables, gross		
– contracts with customers	14,455,631	1,937,359
– under HKFRS 16 leases	8,168,405	7,969,063
	22,624,036	9,906,422
Less: Allowance for ECL	(7,885,129)	(7,411,631)
Trade receivables, net	14,738,907	2,494,791
Interest receivables from money lending business, gross	619,249	261,409
Less: Allowance for ECL	(13,703)	(19,592)
Interest receivables from money lending business, net	605,546	241,817
Other receivables, gross	6,825,536	3,300,000
Less: Allowance for ECL of other receivables	(3,321,338)	(3,300,000)
Other receivables, net	3,504,198	–
Rental and utilities deposits paid (Note (i))	203,953	429,778
Prepayments	152,888	504,423
	356,841	934,201
	19,205,492	3,670,809

Notes:

- (i) The directors of the Company considered that the allowance for ECL on rental and utilities deposits paid will be immaterial to be recognised as at 31 December 2025 and 2024.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 18. TRADE AND OTHER RECEIVABLES *(Continued)*

The Group allows a credit period of 0–30 days (2024: 0–30 days) to its customers. Before accepting any new customer, the Group makes enquiries to assess the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed annually.

The following is an ageing analysis of trade receivable (net of allowance for ECL) presented based on the invoice date, which approximates to its respective revenue recognition dates:

	2025	2024
	HK\$	HK\$
Within 30 days	1,231,217	174,641
31 to 60 days	1,948,771	1,139,398
61 to 90 days	1,566,984	–
91 to 120 days	1,223,046	–
121 to 365 days	8,768,889	1,180,752
	<b>14,738,907</b>	2,494,791

At the end of the reporting period, the carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

	2025	2024
	HK\$	HK\$
HK\$	19,016,827	3,239,567
Japanese Yen ("JPY")	188,665	431,242
	<b>19,205,492</b>	3,670,809



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 18. TRADE AND OTHER RECEIVABLES *(Continued)*

Impairment losses under ECL model on trade receivables of HK\$473,498 (2024: Reversal of impairment losses under ECL model on trade receivables of HK\$20,477) has been recognised for the year ended 31 December 2025.

	Within 30 days	31 to 60 days	61 to 90 days	91 to 120 days	121 to 365 days	Over 1 year	Total
As at 31 December 2025							
Expected loss rate (%)	2.16%	2.46%	2.06%	3.55%	5.29%	100%	
Gross carrying amount – trade receivables (HK\$)	1,258,462	1,998,000	1,600,000	1,268,000	9,258,530	7,241,044	22,624,036
Allowance for ECL on trade receivables	27,245	49,229	33,016	44,954	489,641	7,241,044	7,885,129
As at 31 December 2024							
Expected loss rate (%)	0.42%	2.33%	N/A	N/A	8.22%	100%	
Gross carrying amount – trade receivables (HK\$)	175,370	1,166,539	–	–	1,286,442	7,278,071	9,906,422
Allowance for ECL on trade receivables	729	27,141	–	–	105,690	7,278,071	7,411,631

Included in the Group's trade receivable balances were debtors with net carrying amount of HK\$13,507,690 (2024: HK\$2,320,150) which were past due at the end of the reporting period for which the Group has not provided for impairment loss. The Group did not hold any collateral over these balances.

The movement in the allowance for ECL on trade receivables is as follows:

	2025 HK\$	2024 HK\$
At 1 January	7,411,631	7,432,108
Net impairment losses recognised/(reversal)	473,498	(20,477)
At 31 December	7,885,129	7,411,631

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 18. TRADE AND OTHER RECEIVABLES *(Continued)*

An analysis of the allowance for ECL on other receivables is as follows:

**As at 31 December 2025**

	12 month ECL HK\$
Stage 1	3,525,536
Expected loss rate	0.61%
Allowance for ECL	21,338

	Lifetime ECL – credit-impaired HK\$
Stage 3	3,300,000
Expected loss rate	100%
Allowance for ECL	3,300,000

**As at 31 December 2024**

	Lifetime ECL – credit-impaired HK\$
Stage 3	3,300,000
Expected loss rate	100%
Allowance for ECL	3,300,000



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 18. TRADE AND OTHER RECEIVABLES *(Continued)*

The movement in the allowance for ECL of other receivables is as follows:

	Stage 1 12 moth ECL – not credit impairment HK\$	Stage 3 Lifetime ECL – credit impaired HK\$	Total HK\$
As at 1 January 2024	–	–	–
Impairment losses recognised	–	3,300,000	3,300,000
As at 31 December 2024, 1 January 2025	–	3,300,000	3,300,000
Impairment losses recognised	21,338	–	21,338
At at 31 December 2025	21,338	3,300,000	3,321,338

### 19. LOAN RECEIVABLES

	2025 HK\$	2024 HK\$
Loan receivables, gross	<b>2,488,000</b>	2,488,000
Less: Allowance for ECL	<b>(55,053)</b>	(186,471)
Loan receivables, net	<b>2,432,947</b>	2,301,529

On 21 March 2024, a wholly-owned subsidiary of the Company (the "Lender") entered into a loan agreement with an independent third party (the "Borrower"), pursuant to which the Lender granted a loan facility to the Borrower for a term of 12 months, bearing a fixed interest rate of 18% per annum, payable monthly. On 21 March 2025, the Lender and the Borrower entered into a supplemental loan agreement, under which the Lender agreed to extend the repayment date of the loan facility by 12 months to 21 March 2026. During the year ended 31 December 2025, a portion of the interest arising from the loan was settled.

Loan receivables are guaranteed by corporate guarantee or personal guarantee.

At the end of the reporting period, the carrying amount of the Group's loan receivables are denominated in HK\$.

The following table provides information about the Group's exposure to credit risk and allowance for ECL on loan receivables:

#### As at 31 December 2025

	Expected loss rate %	Gross carrying Amount HK\$	Allowance for ECL HK\$
Loan receivables – Stage 2 Lifetime ECL – not credit-impaired	2.21%	2,488,000	55,053

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 19. LOAN RECEIVABLES *(Continued)*

As at 31 December 2024

	Expected loss rate %	Gross carrying Amount HK\$	Allowance for ECL HK\$
Loan receivables – Stage 2			
Lifetime ECL – not credit-impaired	7.49%	2,488,000	186,471

The movement in the allowance for ECL of loan receivables is as follows:

	12-month ECL Stage 1 HK\$	Not credit-impaired Lifetime ECL Stage 2 HK\$	Total HK\$
At 1 January 2024	81,249	–	81,249
Transfer	(81,249)	81,249	–
Impairment losses recognised	–	105,222	105,222
At 31 December 2024 and 1 January 2025	–	186,471	186,471
Reversal of impairment losses recognised	–	(131,418)	(131,418)
At 31 December 2025	–	55,053	55,053



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 20. CASH AND CASH EQUIVALENTS/PLEDGED BANK DEPOSITS

Cash and cash equivalents include demand deposits and short term deposits for the purpose of meeting the Group's short term cash commitments which carry interest at prevailing market interest rates as at 31 December 2025 and 2024.

As at 31 December 2023, pledged bank deposits represented deposits pledged to banks to secure banking facilities granted to the Group (note 22). Such pledged bank deposits carry interest with ranged from 0.85% to 0.98% per annum. The pledged bank deposits were released upon the full settlement of bank borrowings of the Group during the year ended 31 December 2024.

At the end of the reporting period, the carrying amount of the Group's cash and cash equivalents (including pledged bank deposits) are denominated in the following currencies:

	2025	2024
	HK\$	HK\$
HK\$	<b>86,107</b>	5,598,627
JPY	<b>274,051</b>	159,707
Euro	<b>214</b>	122
United States dollars	<b>111</b>	20
	<b>360,483</b>	5,758,476

### 21. TRADE AND OTHER PAYABLES

The following is an analysis of trade and other payables:

	2025	2024
	HK\$	HK\$
Trade payables	<b>15,749,702</b>	2,978,174
Contract liabilities (Note (i))	<b>15,484</b>	15,484
Accruals and other payables	<b>11,479,107</b>	10,064,816
Amounts due to directors of the Company (Note (ii))	<b>1,216,339</b>	1,569,739
Deposits and temporary receipts	<b>10,000</b>	10,000
	<b>28,470,632</b>	14,638,213

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 21. TRADE AND OTHER PAYABLES *(Continued)*

Notes:

- (i) The contract liabilities primarily relate to the deposits or payments received in advance from customers for general sales from trading of machinery, tools and parts.
- (ii) The amounts due to directors of the Company are unsecured, non-interest bearing, and repayable on demand.

Payment terms granted by suppliers are 0–30 days (2024: 0–30 days) from the invoice date of the relevant purchases. The Group has liquidity risk management in place to ensure that all payables are settled within the credit timeframe.

The following is an ageing analysis of trade payables presented based on the invoice date:

	2025 HK\$	2024 HK\$
Within 30 days	1,105,566	22,258
31 to 60 days	735,941	139,258
61 to 90 days	1,352,197	194,985
Over 90 days	12,555,998	2,621,673
	<b>15,749,702</b>	2,978,174

At the end of the reporting period, the carrying amount of the Group's trade and other payables is denominated in the following currencies:

	2025 HK\$	2024 HK\$
HK\$	28,601,919	14,067,459
JPY	47,211	570,754
	<b>28,648,130</b>	14,638,213



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 22. BORROWINGS

	2025	2024
	HK\$	HK\$
Other borrowings	9,500,000	1,500,000
	9,500,000	1,500,000
	2025	2024
	HK\$	HK\$
Borrowings that contain a repayable on demand clause with the following repayment schedule:		
Within one year	9,500,000	1,500,000
More than one year but not more than two years	–	–
More than two years but not more than five years	–	–
	9,500,000	1,500,000
Less: Amount due within one year shown under current liabilities	(9,500,000)	(1,500,000)
Amount shown under non-current liabilities	–	–

The variable-rate borrowings at 31 December 2025 carry interest ranging from 10% to 32.5% per annum.

The fixed borrowings at 31 December 2024 carry interest at 15% per annum.

At the end of the reporting period, the carrying amounts of the Group's borrowings is denominated in HK\$.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 23. OBLIGATIONS UNDER FINANCE LEASES

	2025		2024	
	HK\$		HK\$	
Analysed for reporting purposes as:				
Current liabilities	–		4,378	
	<b>Minimum lease payments</b>		<b>Present value of minimum lease payments</b>	
	<b>2025</b>	2024	<b>2025</b>	2024
	<b>HK\$</b>	HK\$	<b>HK\$</b>	HK\$
Within one year or contain repayable on demand clause	–	4,378	–	4,378
Less: future finance charges	–	–	–	–
Present value of finance leases obligations	–	4,378	–	4,378
Less: carrying values that due for settlement within twelve months or contain repayable on demand clause (shown under current liabilities)			–	(4,378)
Amount due shown under non-current liabilities			–	–

The Group acquires certain of its plant and machinery, and office equipment under finance leases. The average lease term entered by the Group for the leases outstanding as at 31 December 2024 is 5 years. Interest rates underlying all obligations under finance leases as at 31 December 2024 are 4.8% per annum.

At the end of the reporting period, the carrying amounts of the Group's obligations under finance leases are denominated in HK\$.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 24. LEASES LIABILITIES

	2025	2024
	HK\$	HK\$
Analysed for reporting purposes as:		
Current liabilities	147,997	775,599
Non-current liabilities	–	146,717
	<b>147,997</b>	<b>922,316</b>

The incremental borrowing rates applied to lease liabilities is 5.81% per annum (2024: 5.81% per annum).

	Minimum lease payments		Present value of minimum lease payments	
	2025	2024	2025	2024
	HK\$	HK\$	HK\$	HK\$
Amounts payable under lease liabilities				
Within one year	149,430	806,058	147,997	775,599
More than one year but less than two years	–	148,800	–	146,717
	<b>149,430</b>	954,858	<b>147,997</b>	922,316
Less: future finance charges	<b>(1,433)</b>	(32,542)	–	–
Present value of lease liabilities	<b>147,997</b>	922,316	<b>147,997</b>	922,316
Less: carrying values that due for settlement within twelve months (shown under current liabilities)			<b>(147,997)</b>	(775,599)
Amount due for settlement after twelve months (shown under non-current liabilities)			–	146,717

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 24. LEASES LIABILITIES (Continued)

As at the end of the reporting period, the carrying amounts of the Group's lease liabilities are denominated in the following currencies:

	2025	2024
	HK\$	HK\$
HK\$	–	437,258
JPY	147,997	485,058
	147,997	922,316

### 25. RETIREMENT BENEFIT OBLIGATIONS

#### Obligation to pay long service payment ("LSP") under Hong Kong Employment Ordinance (Chapter 57)

Hong Kong employees that have been employed continuously for at least five years are entitled to long service payments in accordance with the Hong Kong Employment Ordinance under certain circumstances. These circumstances include where an employee is dismissed for reasons other than serious misconduct or redundancy, that employee resigns at the age of 65 or above, or the employment contract is of fixed term and expires without renewal. The amount of LSP payable is determined with reference to the employee's final salary (capped at HK\$22,500) and the years of service, reduced by the amount of any accrued benefits derived from the Group's contributions to the mandatory provident fund ("MPF") scheme, with an overall cap of \$390,000 per employee. Currently, the Group does not have any separate funding arrangement in place to meet its LSP obligation.

In June 2022, the Government gazetted the Amendment Ordinance, which abolishes the use of the accrued benefits derived from employers' mandatory MPF contributions to offset the LSP (the "Abolition"). The Abolition will officially take effect on 1 May 2025 (the "Transition Date"). Separately, the Government of the Hong Kong Special Administrative Region is also expected to introduce a subsidy scheme to assist employers for a period of 25 years after the Transition Date on the LSP payable by employers up to a certain amount per employee per year.

Under the Amendment Ordinance, the Group's mandatory MPF contributions, plus/minus any positive/negative returns, after the Transition Date can continue to be applied to offset the pre-Transition Date LSP obligation but are not eligible to offset the post-Transition Date LSP obligation. On the other hand, the accrued benefits derived from the Group's voluntary contributions made pre-, on or post-transition can continue to be used to offset pre- and post-transition LSP. Furthermore, the LSP obligation before the Transition Date will be grandfathered and calculated based on the last monthly wages immediately preceding the Transition Date and the years of service up to that date.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 25. RETIREMENT BENEFIT OBLIGATIONS *(Continued)*

#### Obligation to pay long service payment ("LSP") under Hong Kong Employment Ordinance (Chapter 57) *(Continued)*

	2024 HK\$
As at 31 December 2023 and 1 January 2024	–
Service cost recognised in profit or loss	
– current year	26,679
– past service cost	103,473
Interest cost	3,517
Remeasurements recognised in other comprehensive income – Actuarial gains arising from changes in financial assumptions	(3,165)
As at 31 December 2024 and 1 January 2025	130,504
Reduction on disposal of a subsidiary	(1,311)
As at 31 December 2025	129,193

The average duration of the benefit obligation at 31 December 2025 is 0.84 year.

### 26. DEFERRED TAX LIABILITIES

The following are the major deferred tax liabilities/(assets) recognised and movements thereon:

	Accelerated tax depreciation HK\$	Tax losses HK\$	Total HK\$
At 1 January 2024	3,862,697	(3,862,697)	–
(Credited)/Debited to profit or loss (Note 9)	(2,164,999)	2,164,999	–
At 31 December 2024 and 1 January 2025	1,697,698	(1,697,698)	–
(Credited)/Debited to profit or loss (Note 9)	(495,652)	495,652	–
At 31 December 2025	1,202,046	1,202,046	–

At the end of reporting period, the Group has unused tax losses of HK\$50,586,392 (2024: HK\$40,434,198) available for offset against future profits that may be carried forward indefinitely. A deferred tax asset has been recognised in respect of HK\$7,285,29 (2024: HK\$10,289,078) of such losses. No deferred tax asset has been recognised in respect of the remaining HK\$43,301,263 (2024: HK\$30,145,120) due to the unpredictability of future profit streams.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 27. SHARE CAPITAL

	Nominal value per share HK\$	Number of shares	Nominal value HK\$
<b>Ordinary shares</b>			
<i>Authorised:</i>			
At 1 January 2024	0.01	8,000,000,000	80,000,000
Adjustment on share consolidation (Note (ii))		(7,200,000,000)	–
At 31 December 2024 and 2025	0.1*	800,000,000	80,000,000
<i>Issued and fully paid:</i>			
At 1 January 2024	0.01	864,000,000	8,640,000
Issue of shares upon share placing (Note (i))	0.01	172,800,000	1,728,000
Adjustment on share consolidation (Note (ii))		(933,120,000)	–
At 31 December 2024 and 2025	0.1*	103,680,000	10,368,000

\* Adjusted as a result of the share consolidation (note (i))

Notes:

- (i) On 4 October 2024, the Company and a placing agent entered into a placing agreement pursuant to which the placing agent to procure not less than six placees to subscribe up to 172,800,000 placing shares at a price of HK\$0.01764 per placing share (the "Placing"). The Placing was completed on 25 November 2024. The net proceeds from the Placing are HK\$3,002,210, after deducting the directly attributable costs of HK\$45,982.
- (ii) An ordinary resolution was passed at the extraordinary general meeting of the Company held on 22 November 2024 approving the share consolidation on the basis of that every ten issued and unissued shares of HK\$0.01 each in the share capital of the Company be consolidated into one share of HK\$0.1 (the "Share Consolidation") with effective on 26 November 2024. Following the Share Consolidation, the Company's authorised share capital was consolidated from 8,000,000,000 shares of HK\$0.01 each to 800,000,000 shares of HK\$0.1 each, and its issued share capital was consolidated from 1,036,800,000 shares of HK\$0.01 each to 103,680,000 shares of HK\$0.1 each.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 28. DISPOSAL OF A SUBSIDIARY

On 1 January 2025, World Super Holdings Limited, entered into an agreement with an independent third party to dispose of 100% equity interest in a subsidiary, Max super Holdings Limited, a company incorporated in the Hong Kong, for an aggregate cash consideration of HK\$1. The disposal was completed on 8 January 2025.

Analysis of assets and liabilities over which control was lost:

	<b>1 January 2025 HK\$</b>
Cash and cash equivalent	<b>2,201,625</b>
Amount due to related companies	<b>(2,305,149)</b>
Retirement benefit obligation	<b>(1,311)</b>
Net liabilities of Max Super Holdings Limited	<b>104,835</b>
Consideration received:	
Cash received	<b>1</b>
Gain on disposal of a subsidiary	<b>104,836</b>
Net cash outflow arising on disposal of a subsidiary:	
Cash consideration	<b>1</b>
Less: Cash and cash equivalent disposal of	<b>(2,201,625)</b>
	<b>(2,201,624)</b>

### 29. OPERATING LEASE COMMITMENTS

#### The Group as a lessor

At the end of the reporting period, the Group had contracted for the following future minimum leasing income under non-cancellable operating leases which fall due as follows:

	<b>2025 HK\$</b>	<b>2024 HK\$</b>
Within one year	–	118,597

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 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 shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged throughout the years ended 31 December 2025 and 2024.

The capital structure of the Group consists of debts, which includes borrowings, obligations under finance leases and lease liabilities as disclosed in notes 22, 23 and 24, respectively, net of bank balances and cash, and equity.

The management of the Group reviews the capital structure periodically. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through the payment of dividends and the issue of new shares, new debts or the redemption of existing debts.

The only externally imposed capital requirement for the Group is that to maintain its listing on the Stock Exchange, it has to have a public float of at least 25% of the shares. Based on the information that is publicly available to the Company and within the knowledge of the directors of the Company, the Company has maintained a sufficient public float of at least 25% throughout the year ended 31 December 2025.

### 31. RETIREMENT BENEFITS PLANS

The Group contributes to MPF Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes at the lower of HK\$1,500 per month or 5% of relevant payroll costs to the MPF Scheme.

During the year ended 31 December 2025, the total expense recognised in the consolidated statement of profit or loss and other comprehensive income is HK\$302,013 (2024: HK\$380,928), which represent contributions payable to the scheme by the Group at rates specified in the rules of the schemes.

The employees of the Group's subsidiary which operated in Japan are required to participate in a central pension scheme operated by a government affiliated corporation (the "National Pension Scheme"), which is considered as a defined contribution plan and the subsidiary is required to contribute certain percentage of employees' salaries to the National Pension Scheme. The Group has no further payment obligations once the contributions have been paid.

All contributions to defined contribution retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees and when they fall due under the relevant regulations. No forfeited contributions could be used by employer to reduce the existing level of contributions.





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 32. RELATED PARTY DISCLOSURES

Save as disclosed elsewhere in the consolidated financial statements, the Group has no significant related party transactions and balances for the years ended 31 December 2025 and 2024. Balance with related parties is disclosed in the consolidated statements of financial position and related notes.

The Company's key management personnel are the directors of the Company and their remunerations are disclosed in note 11.

### 33. SHARE OPTION SCHEME

The Company's share option scheme (the "Share Option Scheme") was adopted pursuant to a resolution passed on 21 June 2019. The purpose of the Share Option Scheme is to attract and retain or otherwise maintaining on-going business relationships with, and to provide incentive to eligible participants(s) including employees (full-time and part-time), executives or officers, directors, advisers, consultants, suppliers, customers, agent and other persons approved by the board of directors, to optimize their performance and efficiency for the benefit of the Group.

The board of directors may, at its absolute discretion, offer to grant an option to eligible participant(s) to subscribe for the shares of the Company at an exercise price and subject to the other terms of the Share Option Scheme. The maximum number of shares in respect of which options may be granted under the Share Option Scheme and any other schemes of the Group must not in aggregate exceed 10% of the total number of shares in issue at the time dealings in the shares of the Company first commence on the Stock Exchange. The total number of shares issued and to be issued upon the exercise of the options granted to a participant in any 12-month period must not exceed 1% of the shares of the Company in issue. Any further grant of options in excess of the individual limit must be subject to shareholders' approval.

The Share Option Scheme will remain in force for a period of ten years from its adoption date.

No options were granted or exercised during the years ended 31 December 2025 and 2024 and no share options were outstanding as at 31 December 2025 and 2024.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 34. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

#### (a) Major non-cash transactions

During the year ended 31 December 2024, the Group entered into new lease arrangements for the use of office premises for the term of 2 years. On the lease commencement, the Group recognised of HK\$700,942 of right-of-use assets and lease liabilities.

#### (b) Reconciliation of liabilities arising from financing activities

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

	Bank overdraft interest payable HK\$	Borrowings HK\$	Obligations under finance leases HK\$	Lease liabilities HK\$	Amounts due to directors HK\$	Other payables HK\$	Total HK\$
At 1 January 2024	-	7,751,651	10,155,452	457,824	-	-	18,364,927
Interest paid	(41,613)	(218,326)	(66,459)	(59,549)	-	-	(385,947)
Repayment of borrowings	-	(2,483,795)	-	-	-	-	(2,483,795)
Repayment of obligations under finance leases	-	-	(2,413,017)	-	-	-	(2,413,017)
Advances from directors of the Company	-	-	-	-	1,528,439	-	1,528,439
Repayment of lease liabilities	-	-	-	(670,242)	-	-	(670,242)
Borrowings raised	-	1,500,000	-	-	-	-	1,500,000
Non-cash transactions:							
Addition to lease liabilities	-	-	-	700,942	-	-	700,942
Interest expenses	41,613	218,326	66,459	59,549	-	-	385,947
Exchange differences	-	-	-	(19,559)	-	-	(19,559)
At 31 December 2024 and 1 January 2025	-	1,500,000	4,378	922,316	1,569,739	-	3,996,433
Interest paid	(3,919)	-	-	(50,936)	-	(701,229)	(756,084)
Repayment of borrowings	-	-	-	-	-	-	-
Repayment of obligations under finance leases	-	-	(4,378)	-	-	-	(4,378)
Advances to directors of the Company	-	-	-	-	(353,400)	-	(353,400)
Repayment of lease liabilities	-	-	-	(773,692)	-	-	(773,692)
Borrowings raised	-	8,000,000	-	-	-	-	8,000,000
Non-cash transactions:							
Interest expenses	3,919	1,663,879	-	50,936	-	1,663,879	1,718,734
Exchange differences	-	-	-	(627)	-	-	(627)
At 31 December 2025	-	9,500,000	-	147,997	1,216,339	962,650	11,826,986

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 34. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS *(Continued)*

#### (c) Total cash outflow for leases

Amounts included in the consolidated statement of cash flows for leases comprise the following:

	2025 HK\$	2024 HK\$
Within operating cash flows	1,729,635	1,760,800
Within financing cash flows	773,692	670,242
	<b>2,503,327</b>	2,431,042

These amounts related to the following:

	2025 HK\$	2024 HK\$
Lease rental paid in respect of finance leases	824,628	729,791
Lease rental paid in respect of short-term lease	1,678,699	1,701,251
	<b>2,503,327</b>	2,431,042

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 35. PARTICULARS OF SUBSIDIARIES/INVESTMENT IN SUBSIDIARIES

	2025 HK\$	2024 HK\$
Unlisted shares, at cost less provision	–	–

At 31 December 2025 and 2024, the Company has direct and indirect equity interests in the following subsidiaries:

Name of subsidiary	Place/country of incorporation	Nominal value of issued capital/ Registered capital	Equity interest attributable to the Company				Principal activities and place of operation
			Directly		Indirectly		
			2025 HK\$	2024 HK\$	2025 HK\$	2024 HK\$	
New Pilot Global Limited	BVI	US\$10	100	100	–	–	Investment holding, HK
World Super Limited	HK	HK\$5,500,000	–	–	100	100	Hire and trading of machinery and transportation and provision of service, HK
World Super Capital Limited	HK	HK\$10,000	100	100	–	–	Money lending business, HK
Richmax Construction Engineering Limited	HK	HK\$1	100	100	–	–	Provision of construction works, which included foundation works and ancillary services, HK
Rise Mind Limited	HK	HK\$1	100	100	–	–	Investment holding, HK
Success Dragon Holdings Limited	HK	HK\$1	100	100	–	–	Investment holding, HK
Meisawa Co., Ltd	Japan	JP¥10,000,000	100	–	100	100	Car rental business, Japan



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 36. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	NOTES	2025 HK\$	2024 HK\$
<b>Non-current asset</b>			
Investments in subsidiaries	35	–	–
<b>Current assets</b>			
Amounts due from subsidiaries		3,273,000	8,218,905
Prepayments and other receivables		2,112,748	27,088
Bank and cash balances		3,939	170,469
		<b>5,389,687</b>	8,416,462
<b>Current liabilities</b>			
Other payables		7,313,156	7,118,774
Amount due to a subsidiary		11,810,577	9,831,830
Borrowings		5,000,000	1,500,000
		<b>24,123,733</b>	18,450,604
Net current liabilities		<b>(18,734,046)</b>	(10,034,142)
Total assets less current liabilities		<b>(18,734,046)</b>	(10,034,142)
<b>Non-current liabilities</b>			
Retirement benefit obligation		9,852	–
		<b>9,852</b>	–
Net liabilities		<b>(18,743,898)</b>	(10,034,142)
<b>Capital and reserves</b>			
Share capital	27	10,368,000	10,368,000
Share premium	36	117,431,847	117,431,847
Accumulated losses	36	(146,543,745)	(137,833,989)
Capital deficit		<b>(18,743,898)</b>	(10,034,142)

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 37. COMPANY'S STATEMENT OF CHANGES IN EQUITY

The followings are the movements of the Company's equity for the years ended 31 December 2025 and 2024:

	Issued capital HK\$	Share premium HK\$	Accumulated losses HK\$	Total HK\$
1 January 2024	8,640,000	116,157,637	(126,837,043)	(2,039,406)
Issue of shares upon share placing (Note 27(i))	1,728,000	1,320,192	–	3,048,192
Transaction costs directly attributable to issue of shares by upon share placing (Note 27(i))	–	(45,982)	–	(45,982)
Loss for the year	–	–	(10,996,946)	(10,996,946)
At 31 December 2024	10,368,000	117,431,847	(137,833,989)	(10,034,142)
Loss for the year	–	–	(8,699,904)	(8,699,904)
At 31 December 2025	10,368,000	117,431,847	(146,543,745)	(18,743,898)

### 38. PLEDGE OF ASSETS

The Group's borrowings, bank overdrafts and obligations under finance leases had been secured by the pledge of the Group's assets and the carrying values of the respective assets are as follows:

	2025 HK\$	2024 HK\$
Plant and equipment-owned plant and machinery	864,065	–
Plant and equipment-leased plant and machinery	–	–
Pledged bank deposits	–	–
	864,065	–





## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

### 39. EVENT AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Company completed a rights issue on 4 March 2026 (the “Rights Issue”) on the basis of three (3) rights shares for every one (1) share held by qualifying shareholders at a subscription price of HK\$0.1 per rights share. A total of 311,040,000 rights shares were allotted and issued, representing 100% of the total number of rights shares offered under the Rights Issue, and the Rights Issue became unconditional on 26 February 2026. The net proceeds from the Rights Issue (after deduction of expenses) amounted to approximately HK\$29.1 million. The Company intends to apply the net proceeds as follows: (i) approximately HK\$17 million to be used for repayment of loans, and trade and other payables of the Group; (ii) approximately HK\$9.17 million to support the Group’s forthcoming project and purchase new plant and equipment; and (iii) approximately HK\$2.91 million to be used for general working capital of the Group.

### 40. COMPARATIVE FIGURES

Certain financial figures in the consolidated financial statements have been reclassified to conform to current year’s presentation.