UNITAS HOLDINGS LIMITED
宏海控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8020)

2025/2026
ANNUAL REPORT

CHARACTERISTICS OF THE GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This report, for which the directors (the "Directors") of UNITAS HOLDINGS LIMITED (the "Company" and together with its subsidiaries, the "Group") 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; and (2) there are no other matters the omission of which would make any statement herein or in this report misleading.

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Corporate Information

BOARD OF DIRECTORS	**Executive Directors** Ms. Ho Chiu Ha Maisy *(Chairlady)* (deceased on 12 April 2026) Ms. Man Wing Yee Ginny (re-designated as Chairlady on 20 April 2026) Mr. Lau Ling Tak **Independent Non-executive Directors** Dr. Chow Ho Wan, Owen Mr. Siu Chi Yiu Kenny Mr. Lee Chi Keung Jim
REGISTERED OFFICE	Conyers Trust Company (Cayman) Limited Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS	Flat C, 16/F., MG Tower, 133 Hoi Bun Road, Kwun Tong, Hong Kong
AUTHORISED REPRESENTATIVES	Ms. Man Wing Yee Ginny Mr. Lau Ling Tak
COMPANY SECRETARY	Mr. Keung Tsz Kit
COMPLIANCE OFFICER	Ms. Man Wing Yee Ginny
AUDIT COMMITTEE	Dr. Chow Ho Wan, Owen *(Chairman)* Mr. Siu Chi Yiu Kenny Mr. Lee Chi Keung Jim

Corporate Information

REMUNERATION COMMITTEE	Mr. Siu Chi Yiu Kenny *(Chairman)* Mr. Lau Ling Tak Dr. Chow Ho Wan, Owen Mr. Lee Chi Keung Jim
NOMINATION COMMITTEE	Mr. Siu Chi Yiu Kenny *(Chairman)* Mr. Lau Ling Tak Dr. Chow Ho Wan, Owen Mr. Lee Chi Keung Jim
SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG	Union Registrars Limited Suites 3301-04, 33/F. Two Chinachem Exchange Square 338 King's Road North Point Hong Kong
PRINCIPAL BANKER	The Hongkong and Shanghai Banking Corporation Limited 1 Queen's Road Central Hong Kong
AUDITORS	Asian Alliance (HK) CPA Limited Certified Public Accountants Registered Public Interest Entity Auditors 8/F., Catic Plaza 8 Causeway Road Causeway Bay Hong Kong
GEM STOCK CODE	8020
COMPANY'S WEBSITE	www.unitas.com.hk

Chairlady's Statement

Dear Shareholders,

On behalf of the Board of Directors (the "**Board**") of UNITAS HOLDINGS LIMITED, I am pleased to present the 2025/2026 annual results of the Group for the financial year ended 31 March 2026 (the "**Financial Year**").

BUSINESS OPERATION AND FINANCIAL PERFORMANCE

The Group is principally engaged in IP automation and entertainment services and provision of dry bulk shipping and logistic services. In respect of the dry bulk shipping and logistic services, the Group provides international dry bulk shipping/ocean freight forwarding related logistics services.

During the year under review, the Group actively adjusted its IP automation and entertainment services business strategy and optimized its venue portfolio. At the beginning of the financial year, the Group's IP automation and entertainment business included (1) operation of two IP thematic experience centres providing different IP products from automation gift machines, thematic game machines, carnival game booths as well as retail outlet in Lai Chi Kok and Sai Wan, Hong Kong respectively under the brand names "Ganawawa" and "Ganarova"; (2) management and operation of four mega integrated edutainment and sports experience playgrounds, of which three are in Baoan, Futian and Huizhou in the PRC respectively and one is in Hong Kong named "Sooper Yoo"; and (3) the provision of IP related brand management and marketing consulting services for entertainment venues for cultural industrial parks and shopping malls.

To enhance overall profitability and operational efficiency, the Group underwent a strategic restructuring of its venue network during the year:

(1) Business Expansion (New Opening): To capture market opportunities, the Group opened a new self-operated theme park named "Nickelodeon Town" in July 2025 in Taipa, Macau, which was operated under a soft launch during the Financial Year under review;

(2) Transition of Business Model: "Sooper Yoo", which was previously under our management, was officially transitioned into a self-operated venue in January 2026 to fully unlock its commercial value;

(3) Portfolio Optimization (Ceased Operations): Concurrently, to optimize resources allocation, two existing self-operated centres located at Sai Wan, Hong Kong and Futian, PRC, ceased operations and closed in January 2026 and March 2026 respectively.

Following these strategic adjustments, as of 31 March 2026, the Group operated and managed a total of five entertainment venues, comprising three self-operated venues and two managed venues. This restructuring has laid a more resilient foundation for the Group's future growth.

Dry bulk shipping and logistic services

During the Financial Year, the Group's dry bulk shipping and logistic business demonstrated revenue resilience with only a marginal decline. However, due to escalating operating headwinds and compressed maritime freight margins during the year under review, the core underlying segment profit experienced a notable contraction, decreasing by 82.27% from approximately HK$3.44 million in 2025 to approximately HK$0.61 million in 2026.

Nonetheless, this operational compression was significantly mitigated by a one-off, non-recurring other income of approximately HK$8.09 million, which arose from the gain on deregistration of a subsidiary within the dry bulk shipping segment during the Financial Year. Despite these profitability pressures, the management remained proactive in fortifying core client relationships and exploring strategic new networks.

Chairlady's Statement

The Group will continue to adopt a prudent asset-light approach to stay focused on the dry bulk shipping/ocean freight forwarding related agency service business and maintain a more viable and sustainable business relationship with the existing customer base of the Group.

As a result of the above-mentioned challenges, the Group recorded revenue of approximately HK$66.76 million for the year ended 31 March 2026 (2025: approximately HK$69.21 million), representing a decrease of approximately 3.54%. The segment profit recorded approximately HK$8.70 million (2025: approximately HK$3.44 million), representing an increase of approximately 152.91%.

IP automation and entertainment business

The Group's IP automation and entertainment business includes (1) the operation of IP thematic experience centres providing different IP products from automation gift machines, thematic game machines, carnival game booths, as well as retail outlets under the brand names "Ganawawa" and "Ganarova"; (2) the management and operation of mega integrated edutainment and sports experience playgrounds; and (3) the provision of IP-related brand management and marketing consulting services for entertainment venues, cultural industrial parks, and shopping malls.

During the Financial Year, the Group actively adjusted its business strategy and executed a comprehensive portfolio optimization of its venue network to enhance overall profitability and operational efficiency. At the beginning of the Financial Year, the Group operated two experience centres in Lai Chi Kok and Sai Wan, Hong Kong; managed and operated four playgrounds in Baoan, Futian, Huizhou, and Hong Kong ("**Sooper Yoo**"); and provided regional brand consulting services.

To navigate the challenging retail landscape in Hong Kong and consolidate resources into higher-yielding locations, the Group underwent strategic restructuring of its IP thematic experience centres. While the Group continued to operate its flagship store at AEON stores, Lai Chi Kok, it strategically ceased operations and closed the underperforming Sai Wan outlet in January 2026 to curb further operational overheads.

For our edutainment and sports experience playgrounds, the Group focused on transitioning toward higher-value operational models and eliminating high-running-cost venues amidst a continuous soft consumer market in the PRC. In January 2026, "Sooper Yoo" in Hong Kong, previously under our management, officially transitioned into a fully self-operated venue to maximize its commercial value and capture direct, high-margin revenue streams. Concurrently, to eliminate heavy running costs, the Group closed its self-operated playground in Futian in March 2026. Together with the steadily profitable playground in Huizhou and the managed venue in Baoan, these strategic adjustments have successfully streamlined our playground network.

Capitalizing on the extensive administrative and preparatory work completed in the previous year, the Group successfully achieved a major milestone in its geographical expansion. In July 2025, the Group launched a newly established self-operated theme park named "Nickelodeon Town" in Taipa, Macau, which operated under a soft launch during the Financial Year. Leveraging premium international IP, this flagship expansion has successfully opened up new premium entertainment horizons for the Group.

Regarding our IP-related brand management and marketing consulting services, the Group continued to leverage its expertise across Hong Kong, Macau, and the PRC. However, in light of shifting market dynamics, the Group did not generate any revenue from this consulting service segment in the PRC during the Financial Year, with the Group's revenue in the PRC during the year being derived solely from venue operation.

Chairlady's Statement

Despite the execution of the aforementioned strategic restructuring and portfolio optimization, the segment recorded an audited net loss position comparable to that of the previous financial year. Following these strategic realignments, as of 31 March 2026, the Group operated and managed an optimized network of five entertainment venues, comprising three self-operated venues and two managed venues. Moving forward, with the elimination of underperforming stores and the stabilization of our new premium flagship assets, the Group is well-positioned to maintain stringent cost control management, implement targeted marketing strategies, and drive a sustainable recovery in profitability.

FINANCIAL REVIEW

Taking into account the performance of both business segments, the Group recorded overall revenue of approximately HK$91.39 million for the year ended 31 March 2026 (2025: approximately HK$100.04 million), representing a decrease of approximately 8.65% when compared to the corresponding period in 2025.

The Group recorded an audited net loss attributable to owners of the Company for the year ended 31 March 2026 of approximately HK$17.35 million (2025: approximately HK$21.28 million). This bottom-line pressure was primarily attributable to:

(i) non-recurring closure and reinstatement costs arising from the cessation of operations at the Sai Wan, Hong Kong and Futian, PRC venues;

(ii) one-off pre-operating and upfront investment expenses incurred for the launch of the new Macau theme park;

(iii) the absence of income from the comparatively high-profit-margin brand management and marketing consulting services in the PRC;

(iv) compressed freight margins and operational headwinds within the dry bulk shipping segment; and

(v) the impairment losses recognized on property, plant and equipment, right-of-use assets, and an intangible asset in Hong Kong,

which collectively offset the positive revenue contribution and growth generated from the newly opened Macau theme park.

OUTLOOK

Looking ahead, the Group remains committed to reinforcing its dual-engine growth strategy by enhancing the operational efficiency of its core businesses while actively embracing technological innovation to unlock long-term shareholder value.

In respect of the dry bulk shipping and logistic services business, the Group will continue to maintain a steady and prudent development approach amidst ongoing global market fluctuations. The management remains proactive in consolidating relationships with our existing client base and exploring strategic logistics networks to navigate industry headwinds and safeguard stable revenue streams.

For the IP automation and entertainment business, the Group enters the upcoming financial year with a streamlined, cost-effective venue portfolio. A major milestone is expected to be achieved in July 2026 with the Grand Opening of our premium indoor theme park, "Nickelodeon Town", in Taipa, Macau, following its successful soft launch phases during the Financial Year under review. Spanning approximately 20,000 square feet, this flagship destination is strategically positioned to capitalize on its top-tier international IP branding, unlock premium commercial value, and generate strong, recurring revenue streams. Coupled with the transition of "Sooper Yoo" into a fully self-operated venue and ongoing rigorous cost-saving measures, including rent optimizations and human resource rationalization, the Board is confident that this segment will drive a sustainable recovery in profitability.

Chairlady's Statement

As an innovative extension of our entertainment ecosystem, the Group is actively pivoting toward the digital creative frontier. In June 2026, the Group's subsidiary, Huison Intelligence Limited, entered into a landmark service contract with China Unicom (Macau) Operations Limited to jointly construct and operate the "AIGC Creative Hub Overseas Expansion Platform." Scheduled for phased implementation from 2026 to 2028, this strategic collaboration integrates Artificial Intelligence Generated Content ("**AIGC**") technology, cross-border computing power, and international market resources to build a globally competitive digital creative platform. This venture marks a significant milestone in expanding the Group's footprint into the high-growth international digital cultural market. By synergizing advanced tech infrastructure with our existing IP and entertainment capabilities, this new business line aligns perfectly with the Group's long-term growth blueprint and is expected to cultivate a resilient, future-ready income source thereby creating sustainable value for the Company and its shareholders as a whole.

APPRECIATION

Before concluding, I, together with the Board, wish to pay our highest tribute to our late Chairlady, Ms. Ho Chiu Ha Maisy, who passed away peacefully on 12 April 2026. Her visionary leadership, profound wisdom, and exemplary dedication throughout her tenure were instrumental in guiding the Group through its strategic restructuring and positioning us for future growth. Her passing is a great loss to the Group, and her enduring legacy will continue to inspire our future endeavors.

As we carry forward this shared vision, I would like to take this opportunity to extend my heartfelt gratitude to my fellow Directors, the management team, and all our staff for their unwavering dedication, operational resilience, and invaluable contributions to the Group throughout this transformative year. I would also like to express my deepest appreciation to our shareholders, strategic partners, and valued clients for their enduring trust and continuous support. As we streamline our operations and embrace new digital horizons, your shared commitment remains the cornerstone of our future success.

UNITAS HOLDINGS LIMITED
Man Wing Yee Ginny
Chairlady and Executive Director

Hong Kong, 30 June 2026

Management Discussion and Analysis

BUSINESS REVIEW

A fair review of the Company's business and its outlook is set out in the section of Management Discussion and Analysis in this annual report.

Save for the sad passing of our former Chairlady in April 2026 and the entering into of a landmark AIGC Creative Hub cooperation contract with China Unicom (Macau) Operations Limited in June 2026, no other important events affecting the Company have occurred since the end of the Financial Year and up to the date of this report.

The Company complies with the requirements under the Companies Ordinance, the GEM Listing Rules and the Securities and Futures Ordinance (the "**SFO**") for the disclosure of information and corporate governance. The Group also complies with the requirements of the Employment Ordinance and other relevant ordinances relating to occupational safety for the interest of employees of the Group.

The Group respects the environment and is committed to minimising its carbon footprints as a socially responsible enterprise. To reduce Green House Gases (GHGs) emissions and combat resource depletion, the Group actively implements the following green practices to optimize paper and energy efficiency:

- Duplex printing is configured as the default mode for all network printers;

- Employees are regularly reminded to practice photocopying and printing wisely;

- Double-sided paper usage is highly encouraged across all corporate offices;

- Waste paper is systematically segregated and collected for professional recycling rather than landfill disposal;

- Designated recycling trays are positioned next to all photocopiers to facilitate the collection of single-sided paper for secondary reuse; and

- Smart air-conditioning zoning and energy-saving lighting schedules are deployed to eliminate unnecessary electricity consumption.

The Group is principally engaged in the provision of IP automation and entertainment services, as well as the provision of international dry bulk shipping and logistic services.

Management Discussion and Analysis

Dry bulk shipping and logistic services

During the Financial Year, the Group continued to actively implement its prudent, asset-light operational approach, maintaining its core strategic focus on international dry bulk shipping and ocean freight forwarding related logistics and agency services. Amidst ongoing global market volatility and shifting macroeconomic conditions, the Group prioritized the stabilization of its existing customer base while selectively utilizing its professional network to explore viable new commercial relationships.

Reflecting the normalization of global market freight rates and competitive margin pressures compared to the previous peak period, the Group recorded revenue of approximately HK$66.76 million for the year ended 31 March 2026 (2025: approximately HK$69.21 million), representing a marginal decrease of 3.54%.

Due to escalating operating headwinds and compressed maritime freight margins during the year under review, the core underlying segment profit experienced a notable contraction, decreasing by 82.27% from approximately HK$3.44 million in 2025 to approximately HK$0.61 million in 2026. However, this operational compression was significantly mitigated by a one-off, non-recurring other income of approximately HK$8.09 million, which arose from the gain on deregistration of a subsidiary within the dry bulk shipping segment during the Financial Year. As a result of this one-off item, the final reported segment profit for the year ended 31 March 2026 stood at approximately HK$8.70 million (2025: approximately HK$3.44 million). Moving forward, the Group will continue to reinforce its cost-control mechanisms and optimize route planning to safeguard its underlying operational performance.

IP automation and entertainment business

The Group's IP automation and entertainment business encompasses (1) the operation of IP thematic experience centres under the brand names "Ganawawa" and "Ganarova" featuring automation gift machines, thematic game machines, carnival booths, and retail offerings; (2) the management and operation of mega integrated edutainment and sports experience playgrounds; and (3) the provision of IP-related brand management and marketing consulting services for cultural industrial parks and shopping malls across Hong Kong, Macau, and the PRC.

To enhance long-term capital efficiency and streamline asset allocation, the Group executed a decisive restructuring of its venue portfolio during the Financial Year, shifting its focus from underperforming stores to premium and higher-margin operational models:

- IP Thematic Experience Centres: To navigate the challenging retail landscape in Hong Kong, the Group focused resources on its core flagship outlet at AEON store, Lai Chi Kok, while strategically ceasing operations and closing the loss-making Sai Wan outlet in January 2026 to curb recurring operational overheads.

- Edutainment and Sports Experience Playgrounds: In January 2026, "Sooper Yoo" in Hong Kong, previously under our management, was officially transitioned into a fully self-operated venue to unlock its comprehensive commercial value and secure direct, higher-margin revenue streams. Concurrently, to eliminate heavy running costs amidst a continuous soft consumer market in the PRC, the Group closed its self-operated playground in Futian in March 2026. The Group's playground network now comprises the steadily profitable Huizhou venue and the managed venue in Baoan.

- Geographical Expansion: Capitalizing on the extensive administrative and preparatory work completed in the prior period, the Group achieved a major milestone by launching its new self-operated flagship theme park, "Nickelodeon Town", in Taipa, Macau, in July 2025, which operated under a soft launch during the Financial Year under review and generated immediate new revenue streams.

- Brand Management and Consulting Services: In light of changing domestic market dynamics, no revenue was generated from this service segment in the PRC during the Financial Year, as the Group's regional revenue was derived solely from venue operations.

Management Discussion and Analysis

Financial performance for the segment reflected the temporary structural friction of this active turnaround strategy. For the year ended 31 March 2026, the segment recorded overall revenue of approximately HK$24.63 million (2025: approximately HK$30.84 million). The segment recorded an audited net loss position of approximately HK$23.08 million, which is comparable to the net loss of approximately HK$22.04 million recorded in 2025.

This bottom-line pressure was primarily attributable to several non-recurring and transitional factors, namely: (i) one-off pre-operating and upfront investment expenses associated with the launch and initial setup of the new Macau theme park; (ii) non-recurring closure, relocation, and lease-reinstatement costs stemming from the strategic shutdown of the Sai Wan and Futian operations; and (iii) the absence of high-profit-margin income from the PRC brand management and marketing consulting services, which collectively neutralized the positive top-line growth contributed by the newly opened Macau theme park.

As of 31 March 2026, the Group managed and operated an optimized portfolio of five streamlined entertainment venues (comprising three self-operated and two managed venues), providing a leaner, more resilient foundation to drive future profitability recovery.

FINANCIAL REVIEW

Revenue

For the Financial Year, revenue of the Group decreased by 8.65% to approximately HK$91.39 million from approximately HK$100.04 million last year.

Administrative and other operating expenses

The Group's administrative and operating expenses for the Financial Year increased by approximately 41.63% to approximately HK$29.26 million compared to approximately HK$20.66 million last year.

Loss for the Financial Year attributable to owners of the Company

The Group recorded an audited net loss attributable to owners of the Company for the year ended 31 March 2026 of approximately HK$17.35 million (2025: approximately HK$21.28 million), representing a decrease in net loss of approximately 18.47%.

The Group's loss before tax for the Financial Year was approximately HK$17.29 million, compared to approximately HK$21.60 million for the previous year. This continuous pre-tax loss was primarily attributable to (i) non-recurring closure and restructuring costs arising from the cessation of operations at the Sai Wan and Futian venues; (ii) one-off pre-operating and upfront investment expenses incurred for the launch of the new Macau theme park; (iii) compressed freight margins and operational headwinds within the dry bulk shipping segment; (iv) the impairment losses of property, plant and equipment, right-of-use assets and intangible asset in Hong Kong; which was partially offset by (v) a one-off gain arising from the deregistration of a subsidiary within the dry bulk shipping and logistic services segment.

The final net loss attributable to owners of the Company improved and narrowed by approximately HK$3.93 million to approximately HK$17.35 million for the Financial Year (2025: approximately HK$21.28 million). This improvement was primarily driven by a significant positive variance under the expected credit loss ("**ECL**") model, which recorded a net reversal of impairment losses of approximately HK$0.59 million for the Financial Year, representing a substantial turnaround from the net impairment losses of approximately HK$7.55 million recognized in the previous financial year. This non-cash accounting turnaround successfully mitigated the pre-tax operational pressures encountered during the year under review.

Management Discussion and Analysis

Material Asset Impairment

For the year ended 31 March 2026, as the Group's IP automation and entertainment business in Hong Kong and Macau incurred operating losses, management concluded that there were indications of impairment and conducted impairment assessments on the relevant property, plant and equipment, right-of-use assets, and intangible assets. The assessments were performed by Valtech Valuation Advisory Limited ("**Valtech**"), an independent qualified professional valuer, based on value-in-use ("**VIU**") calculations.

IP Automation and Entertainment Business in Hong Kong

To navigate the challenging retail landscape in Hong Kong and consolidate resources into higher-yielding locations, the Group underwent a strategic restructuring of its IP thematic experience centres during the year. While the Group continued to operate its flagship store at AEON stores, Lai Chi Kok, it strategically ceased operations and closed the underperforming Sai Wan outlet in January 2026 to curb further operational overheads. As a result of the store closure and strategic adjustments, the forecast revenue for the upcoming five years in this year's assessment significantly decreased compared to the prior year's forecast (e.g., forecast revenue for the 1st projection year was adjusted from HK$12,513,020 in the prior year's assessment to HK$6,379,750 in this year's assessment). Accordingly, management determined that the recoverable amount of this cash-generating unit ("CGU") was lower than its carrying amount. An impairment loss of approximately HK$5,265,000 was recognised in profit or loss during the year (specifically: HK$3,056,000 against property, plant and equipment; HK$1,952,000 against right-of-use assets; and HK$257,000 against intangible assets).The key assumptions adopted in this year's valuation included a revenue growth rate of-37.40% in 2027 (reflecting the impact of store closure) and 2.10% to 2.50% thereafter; and a terminal growth rate of 2.48% (based on Hong Kong's long-term inflation rate). Both the pre-tax and post-tax discount rates were 14.70% (2025 pre-tax: 17.96%). Given that the CGU is loss-making with no tax expenses expected in the projection periods, the pre-tax and post-tax cash flows yielded the same result, leading to identical pre-tax and post-tax discount rates. The change in the discount rate was mainly attributable to the update of prevailing market data (such as risk-free rate and equity risk premium).

IP Automation and Entertainment Business in Macau

An impairment assessment was also conducted for the Macau CGU for the year ended 31 March 2026. Based on the valuation performed by Valtech, using a pre-tax discount rate of 15.60%, an annual growth rate ranging from 2.10% to 11.40%, and a terminal growth rate of 2.20%, the recoverable amount of the Macau CGU exceeded its carrying amount. Therefore, no impairment loss was recognised.

Future Strategies and Outlook

The Group will closely monitor the performance of its experience centres, optimize resource allocation by closing low-yield outlets, and stringently control operational overheads to enhance the overall profitability of this business segment.

Liquidity and financial resources

As at 31 March 2026, the Group had net current liabilities of approximately HK$22.07 million (2025: net current liabilities of approximately HK$12.41 million).

The Group had cash and bank balances of approximately HK$2.70 million (2025: approximately HK$8.06 million). Current ratio as at 31 March 2026 was approximately 0.31 (2025: approximately 0.71).

The Group's gearing ratios as at 31 March 2026 was -109.05% (2025: -577.89%). Gearing ratio is calculated by dividing total debt (the loans from shareholders, other borrowings and lease liabilities) with the total equity. The negative gearing ratio was primarily attributable to the total deficits recorded as at 31 March 2026.

Management Discussion and Analysis

Throughout the Financial Year, the Group had minimal exposure in foreign currency risk as most of the business transactions, assets and liabilities were denominated in Hong Kong dollars or in currencies pegged to Hong Kong dollars (namely, United States dollars and Macau Patacas). The Group will continue to monitor its foreign currency exposure closely.

DIVIDEND

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

CAPITAL STRUCTURE

As at 31 March 2026, the issued share capital of the Company was HK$26,129,593.33 divided into 2,612,959,333 shares.

SIGNIFICANT INVESTMENTS HELD

During the Financial Year, the Group did not hold any other significant investment in equity interest in any company.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

During the Financial Year, the Group successfully advanced its material capital asset deployment with the launch of its brand-new self-operated theme park, "Nickelodeon Town", in Taipa, Macau. Following its phased soft launch during the Financial Year, the venue is scheduled to commemorate its Grand Opening in July 2026, switching from the investment stage to a commercial operations stage to generate recurring cash flows.

Looking forward, the Group will also support its newly entered strategic collaboration with China Unicom (Macau) Operations Limited for the phased development and operation of the "AIGC Creative Hub Overseas Expansion Platform" spanning from 2026 to 2028, with a view to expanding its digital creative presence.

Save for the ongoing operational ramp-up of the Macau theme park and the technological roll-out of the AIGC platform project, the Group did not have any other concrete plans for material investments or capital assets as of 31 March 2026.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

To enhance corporate efficiency and streamline the Group's legal entity structure, the Group completed the deregistration of two inactive subsidiaries during the Financial Year, details of which are as follows:

1. Evershining International Shipping Limited, a subsidiary within the dry bulk shipping and logistic services segment, was officially deregistered on 15 August 2025; and

2. 深圳市恆富輝餐飲管理有限公司, an inactive subsidiary established in the PRC, was officially deregistered on 6 November 2025.

Prior to their respective deregistrations, both subsidiaries had ceased active business operations. Accordingly, the deregistrations of these companies did not result in any significant gain or loss, nor did they have any material adverse impact on the financial position and operational results of the Group for the year ended 31 March 2026.

Save as disclosed above, the Group did not have any other material acquisitions or disposals of subsidiaries, associates, or joint ventures during the Financial Year.

Management Discussion and Analysis

CAPITAL COMMITMENTS

As of 31 March 2026, the Group did not have any material capital commitments in respect of the acquisition of property, plant and equipment which were contracted for but not provided in the financial statements (2025: approximately HK$1.10 million).

This reduction was primarily due to the completion of the major renovation and capital asset deployment for the Group's new self-operated theme park in Macau during the Financial Year, which was fully settled and capitalized as of the Statement of Financial Position date.

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 31 March 2026 (2025: Nil).

FOREIGN EXCHANGE EXPOSURE

The Group continues to adopt a conservative treasury policy to manage its foreign exchange risks. During the Financial Year, the Group's transactional revenues and bank deposits were primarily denominated in Hong Kong dollars ("**HKD**"), United States dollars ("**USD**"), and Macau Pataca ("**MOP**").

The Board considers that the Group's exposure to foreign exchange risks remains at a minimum level. This is primarily because (i) HKD is pegged to the USD under the Linked Exchange Rate System in Hong Kong; and (ii) MOP is indirectly pegged to HKD under the monetary policy of Macau, resulting in minimal exchange rate fluctuations among these currencies.

As of 31 March 2026, the Group did not experience any material difficulties or negative impacts on its operations or liquidity as a result of foreign exchange fluctuations. The Group currently does not implement a formal foreign currency hedging policy and has not entered into any derivative financial instruments to hedge against foreign exchange exposure. However, the management will continue to closely monitor foreign exchange movements and will adopt proactive hedging measures should the need arise.

TREASURY POLICIES

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluation of the financial conditions of its clients. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

PLEDGE OF ASSETS

As at 31 March 2026, the Group did not pledge any of its assets (2025: Nil) as securities for the banking facilities granted to the Group.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2026, the Group had 55 full-time employees, 37 part-time employees and 3 consultants (2025: 42 full-time employees, 24 part-time employees and 2 consultants), including the Directors. Total staff cost (including Directors' emoluments) was approximately HK$14.44 million for the Financial Year as compared to approximately HK$13.07 million in the previous year.

Management Discussion and Analysis

Remuneration is determined with reference to market terms, as well as the performance, qualification and experience of each individual employee. A year-end bonus based on individual performance is optionally paid to employees as a recognition of and reward for their contributions. Other benefits include contributions to the statutory mandatory provident fund scheme and medical benifits its employees in Hong Kong.

Impact of Local and International Regulations

The business operations of the Group are constantly subject to changes in government policies, relevant regulations and guidelines established by the relevant regulatory authorities. Any non-compliance with these rules and requirements may result in penalties, sanctions or the suspension of the Group's business operations by the authorities. The Group closely monitors the latest developments of government policies, regulations and market trends, and conducts regular assessments to mitigate the impact of such changes.

OUTLOOK

Looking ahead, the Group remains committed to reinforcing its dual-engine growth strategy by enhancing the operational efficiency of its core businesses while actively embracing technological innovation to unlock long-term shareholder value.

In respect of the dry bulk shipping and logistic services business, the Group will continue to maintain a steady and prudent development approach amidst ongoing global market fluctuations. The management remains proactive in consolidating relationships with our existing client base and exploring strategic logistics networks to navigate industry headwinds and safeguard stable revenue streams.

For the IP automation and entertainment business, the Group enters the upcoming financial year with a streamlined, cost-effective venue portfolio. A major milestone is expected to be achieved in July 2026 with the Grand Opening of our premium indoor theme park, "Nickelodeon Town", in Taipa, Macau, following its successful soft launch phases during the Financial Year under review. Spanning approximately 20,000 square feet, this flagship destination is strategically positioned to capitalize on its top-tier international IP branding, unlock premium commercial value, and generate strong, recurring revenue streams. Coupled with the transition of "Sooper Yoo" into a fully self-operated venue and ongoing rigorous cost-saving measures, including rent optimizations and human resource rationalization, the Board is confident that this segment will drive a sustainable recovery in profitability.

As an innovative extension of our entertainment ecosystem, the Group is actively pivoting toward the digital creative frontier. In June 2026, the Group's subsidiary, Huison Intelligence Limited, entered into a landmark service contract with China Unicom (Macau) Operations Limited to jointly construct and operate the "AIGC Creative Hub Overseas Expansion Platform." Scheduled for phased implementation from 2026 to 2028, this strategic collaboration integrates Artificial Intelligence Generated Content ("**AIGC**") technology, cross-border computing power, and international market resources to build a globally competitive digital creative platform. This venture marks a significant milestone in expanding the Group's footprint into the high-growth international digital cultural market. By synergizing advanced tech infrastructure with our existing IP and entertainment capabilities, this new business line aligns perfectly with the Group's long-term growth blueprint and is expected to cultivate a resilient, future-ready income source thereby creating sustainable value for the Company and its shareholders as a whole.

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

Adapting and adhering to recognised standards of corporate governance principles and practices has always been one of the top priorities of the Company. The Board believes that good corporate governance is one of the areas that leads to the success of the Company and balances the interests of its shareholders, customers and employees, and the Board is devoted to ongoing enhancements of the efficiency and effectiveness of such principles and practices.

Throughout the Financial Year, the Company had complied with all the code provisions set out in the Appendix C1 Corporate Governance Code and Corporate Governance Report (the "**CG Code**") of the GEM Listing Rules with the exception of the following deviation:

CODE PROVISION F.2.2

Code provision F.2.2 of the CG Code stipulates that the chairman of the board should attend the annual general meeting.

DEVIATION

The chairlady of the Board, Ms. Ho Chiu Ha Maisy, was unable to attend the annual general meeting of the Company held on 30 September 2025 (the "**AGM 2025**") as she had other important business engagement. However, Mr. Lau Ling Tak, an Executive Director, had chaired the AGM 2025 in accordance with the articles of association of the Company.

THE BOARD OF DIRECTORS

Composition and Responsibilities

The Board is responsible for the leadership and control of the Company and oversees the Group's businesses, strategic decisions and performance. During the Financial Year and up to the date of this report, the composition of the Board and the changes in members are set out below:

Board Member	Role/Office held during the Financial Year	Current Office (as at the date of this report)
Ms. Ho Chiu Ha Maisy	*Chairlady and Executive Director*	*Deceased on 12 April 2026*
Ms. Man Wing Yee Ginny	*Executive Director*	*Chairlady and Executive Director (Re-designated on 20 April 2026)*
Mr. Lau Ling Tak	*Executive Director*	*Executive Director*
Mr. Siu Chi Yiu Kenny	*Independent Non-executive Director*	*Independent Non-executive Director*
Mr. Lee Chi Keung Jim	*Independent Non-executive Director*	*Independent Non-executive Director*
Dr. Chow Ho Wan, Owen	*Independent Non-executive Director*	*Independent Non-executive Director*

Corporate Governance Report

THE BOARD OF DIRECTORS (CONTINUED)

Composition and Responsibilities (Continued)

Audit Committee member

Dr. Chow Ho Wan, Owen	*Chairman*
Mr. Siu Chi Yiu Kenny	
Mr. Lee Chi Keung Jim	

Remuneration Committee member

Mr. Siu Chi Yiu Kenny	*Chairman*
Mr. Lau Ling Tak	
Dr. Chow Ho Wan, Owen	
Mr. Lee Chi Keung Jim	

Nomination Committee member

Mr. Siu Chi Yiu Kenny	*Chairman*
Dr. Chow Ho Wan, Owen	
Mr. Lau Ling Tak	
Mr. Lee Chi Keung Jim	

As at the date of this report, the Board comprised five Directors, consisting of which two Executive Directors and three Independent Non-executive Directors. The three Independent Non-executive Directors represent more than one-third of the Board, thereby complying with the minimum requirement under the GEM Listing Rules.

The biographical details of each Director are set out in the section Report of the Directors on pages 31 to 33.

Role and Function of the Board

The Board is primarily responsible for the oversight and management of the Company's affairs, with the Chairlady providing leadership to the Board in carrying out its duties. The Executive Directors are delegated with responsibilities for the day-to-day management of the Company and for making operational and business decisions within the delegated framework of the Company. The Independent Non-executive Directors contribute valuable insights and proposals for the Board's deliberation and decisions.

THE BOARD OF DIRECTORS (CONTINUED)

Board Meetings

The Board meets regularly, and is scheduled to meet at least four times a year at approximately quarterly intervals, to discuss the overall strategies as well as the operational and financial performance of the Company. Other Board meetings are held as and when necessary. Such Board meetings involve the active participation of a majority of Directors, whether in person or through other electronic means of communication.

During the financial year ended 31 March 2026, eight Board meetings were held and the attendance records of individual Directors are set out below:

	Number of Meetings Attended/Held
Executive Directors:	
Ms. Ho Chiu Ha Maisy *(the then Chairlady) (Note 1)*	7/8
Mr. Lau Ling Tak	8/8
Ms. Man Wing Yee Ginny *(current Chairlady) (Note 2)*	8/8
Independent Non-executive Directors:	
Mr. Siu Chi Yiu Kenny	5/8
Mr. Lee Chi Keung Jim	5/8
Dr. Chow Ho Wan, Owen	5/8

Notes:

1 Ms. Ho Chiu Ha Maisy passed away on 12 April 2026.

2 Ms. Man Wing Yee Ginny was re-designated as the Chairlady of the Board with effect from 20 April 2026.

Apart from regular Board meetings, the then Chairlady also held a meeting with the Independent Non-executive Directors without the presence of the other Executive Directors during the Financial Year in accordance with the requirements of the CG Code.

Corporate Governance Report

THE BOARD OF DIRECTORS (CONTINUED)

Board Meetings (Continued)

Appropriate notices are given to all Directors in advance for attending regular and other Board meetings. Meeting agendas and other relevant information are provided to the Directors in advance of such meetings. All Directors are consulted to include additional matters in the agenda where appropriate.

Directors have access to the advice and services of the Company secretary of the Company (the "**Company Secretary**") with a view to ensuring that Board procedures, and all applicable rules and regulations, are followed.

The Company Secretary is responsible for taking minutes of the Board and Committee meetings. These minutes, which record the matters and concerns discussed in sufficient detail, are kept by the Company Secretary and are open for inspection at any reasonable time on reasonable notice by any Director. Draft and final versions of such minutes are sent to Directors for their comments and records within a reasonable time after each meeting.

Directors may seek independent professional advice in appropriate circumstances at the Company's expense to assist them in performing their duties to the Company. The Company has also arranged appropriate Directors' and Officers' "D&O" Liability Insurance coverage for the Directors. Furthermore, the Company continuously updates all Directors on the latest developments of the Listing Rules and other applicable regulatory requirements to ensure compliance and maintain good corporate governance practices.

Appointment, Re-election and Removal

All Independent Non-executive Directors have entered into service contracts with the Company for a specific term of three years, subject to retirement by rotation and re-election at the annual general meeting of the Company ("**AGM**").

In accordance with the articles of association of the Company, at each AGM, one-third of the Directors for the time being shall retire from office by rotation, provided that every Director shall be subject to retirement by rotation at least once every three years. Such retiring Directors shall, being eligible, offer themselves for re-election at the relevant AGM.

All Directors appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall hold office only until the first AGM after their appointment and shall then be eligible and subject to re-election at such meeting, in compliance with the GEM Listing Rules.

The Board has published procedures for Shareholders to propose a person for election as a Director on the Company's website (www.unitas.com.hk), which are updated from time to time in accordance with the prevailing regulatory requirements.

Corporate Governance Report

THE BOARD OF DIRECTORS (CONTINUED)

Nomination Committee

The Board established the nomination committee (the "**Nomination Committee**") on 20 March 2012, with written terms of reference in compliance with the relevant code provisions of the CG Code (which have been updated from time to time in accordance with the GEM Listing Rules). Its written terms of reference are available on the website of the Stock Exchange (*www.hkexnews.hk*) and the Company's website (*www.unitas.com.hk*).

The composition of the Nomination Committee is as follows:

Independent Non-executive Directors:
Mr. Siu Chi Yiu Kenny *(Chairman)*
Mr. Lee Chi Keung Jim
Dr. Chow Ho Wan, Owen

Executive Director:
Mr. Lau Ling Tak

The primary duties of the Nomination Committee include but not limited to the following:

(1) to review the structure, size, and composition (including the skills, knowledge, and experience) of the Board at least annually, assist the Board in maintaining a Board Skills Matrix, and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy, taking into account diversity factors including but not limited to gender, age, nationality, cultural and educational background, professional experience, skills, knowledge, industry experience, and length of service;

(2) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;

(3) to assess the independence of Independent Non-executive Directors and review their annual time commitments and contributions to the Board; and

(4) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors, in particular the Chairlay and the Chief Executive Officer of the Company.

When identifying suitable candidates for directorship, the Nomination Committee will carry out the selection process by making reference to the skills, experience, educational background, professional knowledge, personal integrity, and time commitments of the proposed candidates, as well as the Company's needs and other relevant statutory requirements and regulations. All candidates must be able to meet the standards as set forth in Rules 5.01 and 5.02 of the GEM Listing Rules. A candidate who is to be appointed as an Independent Non-executive Director should also meet the independence criteria set out in Rule 5.09 of the GEM Listing Rules. Qualified candidates will then be recommended to the Board for approval.

Corporate Governance Report

THE BOARD OF DIRECTORS (CONTINUED)

Nomination Committee (Continued)

Board Diversity Policy

The Board has adopted a board diversity policy (the "**Board Diversity Policy**") to ensure a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. The Company recognizes and embraces the benefits of having a diverse Board, which is essential for achieving sustainable growth and enhancing decision-making capability.

In assessing potential candidates, the Nomination Committee considers a range of diversity factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge, and length of service. All Board appointments are based on meritocracy and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

The Board has set measurable objectives (including gender, age, cultural background, educational background, skills and experience) to implement the Board Diversity Policy and reviews such objectives regularly. To ensure a sustainable pipeline of diverse talents, the Group also maintains gender diversity across its general workforce (including mid-to-high level management). The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness.

As at 31 March 2026, the Board comprised four male Directors and two female Directors, achieving a balanced gender representation. Following the passing of our late Chairlady, Ms. Ho Chiu Ha Maisy, on 12 April 2026, the Board subsequently comprised four male Directors and one female Directors as at the date of this report. The Nomination Committee considers that the current composition of the Board maintains an appropriate balance of diversity, aligns with the Company's business model, and effectively meets its specific operational needs.

The Nomination Committee held two meetings during the Financial Year to discuss and review the Board's structure, size, composition and diversity, assess the independence of the Independent Non-executive Directors, review the time commitments of the Directors, and make recommendations on the re-appointment of retiring Directors. The attendance records of individual Nomination Committee members are set out below:

	Number of Meetings Attended/Held
Mr. Siu Chi Yiu Kenny *(Chairman)*	2/2
Mr. Lee Chi Keung Jim	2/2
Mr. Lau Ling Tak	2/2
Dr. Chow Ho Wan, Owen	2/2

Confirmation of Independence

Each of the Independent Non-executive Directors has made an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers that all Independent Non-executive Directors meet the independence guidelines set out in Rule 5.09 of the GEM Listing Rules and remain independent throughout the Financial Year.

Corporate Governance Report

THE BOARD OF DIRECTORS (CONTINUED)

Code of Conduct for Securities Transactions by Directors

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with such required standard of dealings and its code of conduct regarding securities transactions by Directors during the Financial Year.

Continuous Professional Development for Directors

Directors must keep abreast of their collective responsibilities. Each newly appointed Director receives an induction package covering the Group's businesses and the statutory and regulatory obligations of a director of a listed company. Apart from the updates on regulatory changes and governance developments provided by the Company, the Directors are encouraged to participate in professional training and seminars to develop and refresh their knowledge and skills. A training record has been devised to record the training which the Directors have undertaken.

Up to the date of this annual report, the Board members have participated in the following training programs:

	Types of training	
Name of Directors	**In-house training organised by professional organisations and provided by the Company**	**Reading materials updating on new rules and regulations**
Executive Directors		
Ms. Ho Chiu Ha Maisy *(the late Chairlady) (Note 1)*	✓	✓
Ms. Man Wing Yee Ginny *(Chairlady) (Note 2)*	✓	✓
Mr. Lau Ling Tak	✓	✓
Independent Non-executive Directors		
Mr. Siu Chi Yiu Kenny	✓	✓
Mr. Lee Chi Keung Jim	✓	✓
Dr. Chow Ho Wan, Owen	✓	✓

Note 1: Ms. Ho Chiu Ha Maisy, the then Chairlady of the Board, passed away on 12 April 2026. Her training record above reflects the training undertaken prior to her decease.

Note 2: Ms. Man Wing Yee Ginny, an Executive Director, was appointed as the Chairlady of the Board with effect from 20 April 2026.

REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

Emolument Policy

The remuneration policy of the Group is to ensure the fairness and competitiveness of total remuneration. The emoluments of the Executive Directors are determined based on their skills, knowledge, individual performance, contributions, and the scope of responsibility and accountability, taking into consideration the Group's performance and prevailing market conditions.

The remuneration policy for Independent Non-executive Directors is to ensure they are adequately compensated for their efforts and time dedicated to the Company's affairs, including their participation in respective Board committees. The emoluments of the Non-executive Directors are determined with reference to their skills, experience, knowledge, duties, and market trends.

Remuneration Committee

The Board established the remuneration committee (the "**Remuneration Committee**") in September 2011, with written terms of reference in compliance with the relevant code provisions of the CG Code (which have been updated from time to time in accordance with the GEM Listing Rules). Its written terms of reference are available on the website of the Stock Exchange (*www.hkexnews.hk*) and the Company's website (*www.unitas.com.hk*).

The Remuneration Committee is responsible for, inter alia, making recommendations to the Board on the Company's emolument policy and on the establishment of a formal and transparent procedure for developing such policy, as well as reviewing and/or approving matters relating to share schemes under Chapter 23 of the GEM Listing Rules.

The composition of the Remuneration Committee is as follows:

Independent Non-executive Directors:
Mr. Siu Chi Yiu Kenny *(Chairman)*
Mr. Lee Chi Keung Jim
Dr. Chow Ho Wan, Owen

Executive Director:
Mr. Lau Ling Tak

The Remuneration Committee members held two meetings during the Financial Year. The attendance records of individual Remuneration Committee members are set out below:

Name of Committee Members	**Number of Meetings Attended/Held**
Mr. Siu Chi Yiu Kenny *(Chairman)*	2/2
Mr. Lau Ling Tak	2/2
Mr. Lee Chi Keung Jim	2/2
Dr. Chow Ho Wan, Owen	2/2

Corporate Governance Report

ACCOUNTABILITY AND AUDIT

Financial Reporting

It is the responsibility of the Board to present a balanced, clear and comprehensible assessment of the Group's performance, position and prospects. Management shall provide such explanation and information to the Board as will enable the Board to make an informed assessment of financial and other information presented before the Board for approval.

The Board acknowledges its responsibility for the preparation of the financial statements which give a true and fair view of the state of affairs of the Group. The consolidated financial statements set out on pages 46 to 52 were prepared on the basis set out in notes on pages 53 to 120 to the Consolidated Financial Statements. Financial results of the Group are announced in a timely manner in accordance with statutory and/or regulatory requirements.

Asian Alliance (HK) CPA Limited ("**Asian Alliance**") has been re-appointed as the auditors of the Company at the annual general meeting held on 30 September 2025 to hold office until the conclusion of the next annual general meeting of the Company.

The fees paid/payable to Asian Alliance and its affiliated companies in respect of audit services and non-audit services (tax compliance services) for the year ended 31 March 2026 amounted to HK$500,000 and HK$8,000 respectively.

The reporting responsibilities of Asian Alliance are set out in the Independent Auditors' Report on pages 39 to 45.

Audit Committee

The Board established the Audit Committee in September 2011, with written terms of reference in compliance with the Code Provisions of the Corporate Governance Code as set out in Appendix C1 to the GEM Listing Rules. The latest revised written terms of reference of the Audit Committee are available on the HKEX news website (*www.hkexnews.hk)* and the Company's website (*www.unitas.com.hk*).

The Audit Committee reports to the Board and has held regular meetings since its establishment to review and make recommendations to improve the Group's financial reporting process, risk management, and internal control systems.

The composition of the Audit Committee is as follows:

Independent Non-executive Directors:
Dr. Chow Ho Wan, Owen *(Chairman)*
Mr. Siu Chi Yiu Kenny
Mr. Lee Chi Keung Jim

ACCOUNTABILITY AND AUDIT (CONTINUED)

Audit Committee (Continued)

The Audit Committee members held four meetings during the Financial Year. The attendance records of individual Audit Committee members are set out below:

Name of Committee Members	Number of Meetings Attended/Held
Dr. Chow Ho Wan, Owen *(Chairman)*	4/4
Mr. Siu Chi Yiu Kenny	4/4
Mr. Lee Chi Keung Jim	4/4

During the Financial Year, the Audit Committee had performed the following key duties:

- Financial Reporting: Reviewed and discussed the Group's annual, half-year, and quarterly financial statements, reports, and results announcements, and evaluated the integrity of financial disclosures and management representation letters.

- External Audit Oversight: Met with the external auditors to discuss the audit scope, planning, and key audit matters; reviewed the external auditors' management letter and management's responses.

- Auditor Independence & Fees: Assessed the independence, objectivity, and effectiveness of the external auditors; reviewed and approved their remuneration and engagements for both audit and non-audit services.

- Auditor Appointment: Recommended to the Board the re-appointment of the external auditors.

- Risk Management & Internal Control: Reviewed the continuous adequacy, completeness, and effectiveness of the Group's risk management and internal control systems, and approved the internal audit plan.

- Anti-Corruption & Whistleblowing: Reviewed the effectiveness of the Group's whistleblowing and anti-corruption policies and systems.

- Corporate Governance: Reviewed the Company's ongoing compliance with the Code Provisions and the disclosures in this Corporate Governance Report.

Delegation by the Board

While at all times the Board retains full responsibility for guiding and monitoring the Company in discharging its duties, certain responsibilities are delegated to various Committees which have been established by the Board to deal with different aspects of the Company's affairs. Unless otherwise specified in their respective written terms of reference as approved by the Board, these Committees are governed by the Company's articles of association as well as the Board's policies and practices (in so far as the same are not in conflict with the provisions contained in the articles of association).

Corporate Governance Report

ACCOUNTABILITY AND AUDIT (CONTINUED)

Delegation by the Board (Continued)

The Board has also delegated the responsibility of implementing its strategies and day-to-day operations to the management of the Company under the leadership of the Executive Directors. Clear guidance has been made as to the matters that should be reserved to the Board for its decision, which include, but are not limited to, matters on:

- Capital and finance;
- Financial reporting;
- Risk management and internal control systems;
- Communication with Shareholders;
- Board membership;
- Delegation of authority; and
- Corporate governance.

Shareholders' Communication Policy

The Board recognises the importance of maintaining effective, ongoing, and timely communications with Shareholders and investors. The Company has established a Shareholders' Communication Policy and utilizes various communication channels to ensure open dialogue. These channels include general meetings (such as annual general meetings and extraordinary general meetings), annual and interim reports, notices, announcements, circulars, and the Company's website. During the Financial Year, the Board conducted an annual review of the implementation and effectiveness of the Shareholders' Communication Policy and considered that the policy was effectively and adequately implemented.

General meetings provide a useful forum for Shareholders to exchange views directly with the Board. The Board welcomes input and opinions from Shareholders. Directors and senior management are available to answer questions at these meetings, and the external auditors also attend the annual general meeting to address Shareholders' queries.

Separate resolutions are proposed at general meetings on each substantially separate issue, including the re-election of individual Directors. Notice of meetings, reports, and circulars containing detailed information on the proposed resolutions are published electronically and made available to Shareholders at least twenty clear business days before the annual general meeting.

Voting at general meetings is conducted by way of a poll. Details of the poll voting procedures are thoroughly explained to Shareholders at the commencement of the meetings to ensure familiarity. The results of the poll are promptly published on the website of the Stock Exchange (*www.hkexnews.hk*) and the Company's website (*www.unitas.com.hk*).

Corporate Governance Report

ACCOUNTABILITY AND AUDIT (CONTINUED)

Communication with Shareholders (Continued)

During the Financial Year, the Board reviewed the implementation and effectiveness of the Shareholders' Communication Policy, including the channels for shareholders to share views and the company's response platforms, and considered the policy to be effective and adequate.

Procedures for Shareholders to convene an extraordinary general meeting

Shareholders holding not less than one-tenth of the paid-up capital of the Company may, pursuant to Article 58 of the Articles of Association, submit a written requisition to the Board or Company Secretary to convene an extraordinary general meeting ("**EGM**"). The requisition must specify the business to be transacted and be deposited at the Company's head office. If the Board fails to proceed to convene the meeting within 21 days of deposit, the requisitionists may do so, with reasonable expenses reimbursed by the Company.

Procedures for Shareholders to propose a person for election as a Director

If a Shareholder wishes to propose a person (other than a retiring Director) for election as a Director at a general meeting, the following documents must be validly lodged at the Company's head office or its Registration Office:

- A notice in writing of the intention to propose such person for election, signed by a Shareholder who is duly qualified to attend and vote at the meeting; and
- A notice in writing signed by the nominated person indicating their willingness to be elected, together with the candidate's biographical details as required by the Listing Rules.

The lodgement period for such notices shall be a minimum of seven clear days. This period shall commence immediately after the publication of the notice of the general meeting appointed for such election, and must end no later than seven days prior to the date of such general meeting.

Detailed procedures and guidelines for Shareholders to propose a person for election as a Director are available on the Company's website.

Procedures for sending enquiries to the Board

Shareholders may send their written enquiries or concerns to the Company, for the attention of the Company Secretary, via the following channels:

- By Email: admin@unitas.com.hk
- By Post: Flat C, 16/F., MG Tower, 133 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong

ACCOUNTABILITY AND AUDIT (CONTINUED)

Information disclosure and Inside Information Policy

The Company discloses information in strict compliance with the GEM Listing Rules, the Securities and Futures Ordinance, and other relevant laws and regulations. All periodic reports, financial statements, and regulatory announcements are electronically published on the HKEXnews website (*www.hkexnews.hk*) and the Company's website to ensure widespread and equal access.

The Company is committed to ensuring that all public disclosures are timely, fair, accurate, truthful, and complete, thereby enabling Shareholders, potential investors, and the public to make rational and informed investment decisions.

To ensure proper handling and dissemination of inside information, the Group has established a formal Inside Information Disclosure Policy. This policy sets out clear internal procedures and control mechanisms for identifying, monitoring, and reporting potential inside information to the Board, whilst ensuring strict confidentiality is maintained prior to its public disclosure.

INVESTOR RELATIONS

There were no changes to the constitutional documents of the Company during the Financial Year. An up-to-date consolidated version of the Company's Articles of Association is available for viewing on both the HKEXnews website (www.hkexnews.hk) and the Company's website.

RISK MANAGEMENT AND INTERNAL CONTROL

During the Financial Year, the Board complied with the code provisions on risk management and internal control as set out in the Corporate Governance Code (Appendix C1 to the GEM Listing Rules).

The Board acknowledges its overall responsibility for evaluating and determining the nature and extent of the risks (including ESG risks) it is willing to take to achieve the Company's strategic objectives, and maintaining appropriate and effective risk management and internal control systems for the Group. These 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.

The management of the Company has established a comprehensive framework of policies, standards, and procedures across operational, financial, and compliance controls. This framework is designed to safeguard assets against unauthorized use or disposition, maintain proper accounting records, and ensure the reliability of financial information, thereby minimizing the likelihood of fraud, errors, or material misstatement.

The Board oversees the Group's risk management and internal control systems on an ongoing basis. An annual review of the effectiveness and adequacy of the risk management and internal control systems of the Company and its subsidiaries was conducted for the Financial Year. The Board considers the current systems to be effective and adequate.

The Company maintains an internal audit function that performs independent appraisals of the systems' adequacy and effectiveness. Furthermore, stringent internal governance procedures are in place to preserve information confidentiality, prevent the leakage or misuse of inside information, and robustly manage actual or potential conflicts of interest.

Hong Kong, 30 June 2026

Report of the Directors

The Directors have pleasure in presenting their annual report together with the audited consolidated financial statements of the Group for the year ended 31 March 2026 (the "**Consolidated Financial Statements**").

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding, and the principal activities of the principal subsidiaries of the Company are set out in Note 36 to the Consolidated Financial Statements.

BUSINESS REVIEW

A fair review of the Company's business and its outlook is set out in the section of Management Discussion and Analysis in this annual report.

Save for the sad passing of our former Chairlady in April 2026 and the entering into of a landmark AIGC Creative Hub cooperation contract with China Unicom (Macau) Operations Limited in June 2026, no other important events affecting the Company have occurred since the end of the Financial Year and up to the date of this report.

The Company complies with the requirements under the Companies Ordinance, the GEM Listing Rules and the Securities and Futures Ordinance (the "**SFO**") for the disclosure of information and corporate governance. The Group also complies with the requirements of Employment Ordinance and ordinances relating to occupational safety for the interest of employees of the Group.

The Group respects the environment and is committed to minimising its carbon footprints as a socially responsible enterprise. To reduce Green House Gases (GHGs) emissions and combat resource depletion, the Group actively implements the following green practices to optimize paper and energy efficiency:

- Duplex printing is configured as the default mode for all network printers;
- Employees are regularly reminded to practice photocopying and printing wisely;
- Double-sided paper usage is highly encouraged across all corporate offices;
- Waste paper is systematically segregated and collected for professional recycling rather than landfill disposal;
- Designated recycling trays are positioned next to all photocopiers to facilitate the collection of single-sided paper for secondary reuse; and
- Smart air-conditioning zoning and energy-saving lighting schedules are deployed to eliminate unnecessary electricity consumption.

The Group is principally engaged in the provision of IP automation, digital entertainment and AIGC platform services, as well as the provision of international dry bulk shipping and logistic services.

Report of the Directors

BUSINESS REVIEW (CONTINUED)

Key Risk Factors

The following list out the key risks and uncertainties facing the Group:

Impact of Local and International Regulations

The business operations of the Group are also subject to changes in government policies, relevant regulations and guidelines established by the regulatory authorities. Any non-compliance with these rules and requirements may result in penalties, sanctions or the suspension of the business operation by the authorities. The Group closely monitors the latest developments government policies, regulations and market trends, and conducts regular assessments to mitigate the impact of such changes.

Third-Party Risks and Data Security

The Group relies on third-party service providers for certain business segments to enhance operational efficiency. While beneficial, this dependency may expose the Group to operational risks, including potential service disruptions, lapses in performance, or data security vulnerabilities. To address these uncertainties, the Group engages only reputable third-party vendors, implements strict data confidentiality protocols, and continuously monitors their performance.

Key Relationships with Stakeholders

Employees

The Group recognizes the contributions of its employees and provides competitive remuneration packages, career development opportunities, and tailored internal training. The Group is committed to providing a healthy and safe workplace. No strikes or work-related fatalities were recorded during the Financial Year.

Suppliers and Contractors

The Group fosters strong working relationships with suppliers to meet customers' needs effectively. The relevant departments collaborate closely to ensure that the tendering and procurement processes are conducted in an open, fair, and transparent manner. The Group's standards and compliance requirements are clearly communicated to all suppliers prior to the commencement of any project.

Customers

The Group highly values customer feedback and views. We utilize business intelligence tools to understand market trends and conduct regular analysis of customer feedback. Furthermore, comprehensive quality control tests and checks are performed to ensure that only high-quality products and services are delivered to our customers.

RESULTS

The results of the Group for the year ended 31 March 2026 are set out in the Consolidated Financial Statements on pages 46 to 52.

RESERVES

Movement in the reserves of the Group and the Company during the Financial Year are set out in the consolidated statement of changes in equity on pages 49 to 50 and note 39 to the Consolidated Financial Statements respectively.

Report of the Directors

DISTRIBUTABLE RESERVES

As at 31 March 2026, the Company's reserves available for cash distribution and/or distribution in specie to Shareholders, calculated in accordance with the Companies Act (As Revised) of the Cayman Islands, amounted to Nil (2025: Nil).

The reserves of the Company comprised share premium of approximately HK$297,517,000 (2025: approximately HK$297,517,000) and accumulated losses of approximately HK$332,797,000 (2025: accumulated losses of approximately HK$331,889,000).

SHARE CAPITAL

Details of movements in the share capital of the Company during the Financial Year are set out in note 31 to the Consolidated Financial Statements.

MAJOR CUSTOMERS AND SUPPLIERS

The percentages of sales for the Financial Year generated from the Group's major customers are as follows:

–	The largest customer	73.05%
–	Five largest customers	84.60%

The percentages of purchases for the Financial Year attributable to the Group's major suppliers are as follows:

–	The largest supplier	56.45%
–	Five largest suppliers	78.42%

None of the Directors, their close associates (as defined in the GEM Listing Rules) or any shareholders (which to the knowledge of the Directors own more than 5% of the Company's issued shares) had an interest in any of the Group's five largest customers or suppliers during the Financial Year.

MANAGEMENT CONTRACTS

Save as disclosed herein, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company or its subsidiaries were entered into or existed during the Financial Year.

PLANT AND EQUIPMENT

Details of movement in plant and equipment during the Financial Year are set out in note 16 to the Consolidated Financial Statements.

BORROWINGS

As at 31 March 2026, the Group had no banking facilities. The Group had obtained advances from Shareholders in the aggregate amount of approximately HK$13,573,000 (2025: approximately HK$1,087,000), among which:

- An aggregate amount of approximately HK$12,410,000 (2025: HK$Nil) was unsecured, interest bearing at 2% per annum, and repayable on demand, together with accrued interest of approximately HK$76,000 (2025: HK$Nil); and

- The remaining balance of approximately HK$1,087,000 (2025: HK$1,087,000) was unsecured, interest-free, and repayable on demand.

Report of the Directors

DIRECTORS

The Directors who hold office during the Financial Year and up to the date of this report are as follows:

Executive Directors
Ms. Ho Chiu Ha Maisy *(late Chairlady)* (deceased on 12 April 2026)
Ms. Man Wing Yee Ginny (re-designated as Chairlady on 20 April 2026)
Mr. Lau Ling Tak

Independent Non-executive Directors
Mr. Siu Chi Yiu Kenny
Mr. Lee Chi Keung Jim
Dr. Chow Ho Wan, Owen

Biographical details of the Directors are set out below:

Executive Directors

Ms. Man Wing Yee Ginny, aged 53, joined the Group as a non-executive Director on 21 February 2012, was redesignated as an executive Director on 25 June 2013, and was further redesignated as the Chairlady of the Board on 20 April 2026.

She has over 26 years of experience in legal practice, specializing in China inbound and outbound investment, corporate finance, mergers and acquisitions, and corporate restructuring. Ms. Man has been working as a consultant at Tsun & Partners since January 2012 and was admitted as a solicitor of the High Court of Hong Kong in August 1999. She is currently a member of The Law Society of Hong Kong.

In terms of public service, Ms. Man is a member of the Legislative Council of the Hong Kong Special Administrative Region (Election Committee constituency), a deputy to the 14th National People's Congress of the People's Republic of China, and a member of the Chinese People's Political Consultative Conference of the Guangxi Zhuang Autonomous Region.

Ms. Man obtained a Bachelor of Arts degree, majoring in French and International Relations, from Wellesley College in Massachusetts, USA, in 1995.

Mr. Lau Ling Tak, aged 52, joined the Group as an Independent Non-executive Director on 21 September 2011 and was re-designated as an Executive Director on 21 June 2012. He is responsible for formulating corporate strategy, planning, and business development of the Group. He is also a member of the Remuneration Committee and the Nomination Committee.

Mr. Lau obtained a Bachelor of Engineering degree in Building Services Engineering (Building Electrical Services) from The Hong Kong Polytechnic University in November 2001. He has held the qualification of Chartered Engineer (CEng) since June 2003, and has been a member of the Society of Operations Engineers (MSOE), the Institute of Plant Engineers (MPlantE), and the International Institute of Management (MIIM) since June 2003, October 2002 and July 2003 respectively.

Mr. Lau has substantial experience in the medical and health care industry. He founded GHC Holdings Limited (previously known as Bio-life (China) Limited) in January 2005 and served as its managing director from its establishment until October 2008. GHC Holdings Limited principally provides medical and dermatology services for the general public through its general clinics and specialist polyclinics that operate in Hong Kong.

From October 2008 to May 2009, Mr. Lau was the director of development of Quality HealthCare Medical Centre Limited, which was a subsidiary of DreamEast Group Limited (formerly known as Skyocean International Holdings Limited), a company previously listed on the Main Board of the Stock Exchange (former stock code: 593) and whose listing was cancelled on 27 January 2026.

Report of the Directors

DIRECTORS (CONTINUED)

Independent Non-executive Directors

Mr. Siu Chi Yiu Kenny, aged 59, is an Independent Non-executive Director responsible for providing independent judgment on issues of strategy, performance, resources, and standard of conduct of the Company. He is the chairman of the Remuneration Committee and the Nomination Committee and a member of the Audit Committee.

Mr. Siu was awarded a Professional Diploma in Building Surveying from The Hong Kong Polytechnic University in 1990 and a Master of Business Administration degree from the University of South Australia in 2009. He was admitted as a Chartered Member of the Chartered Institute of Housing in September 2014 and a Professional Member of the Royal Institution of Chartered Surveyors in October 2014.

Mr. Siu has over 30 years of experience in sales and marketing, project management and consultancy within the property industry. He has held various positions at a number of major property developers, including Shui On Properties Limited (from 1993 to 1994), Harbour Ring Property Development Limited (now known as China Oceanwide Property Sino Limited) (from 1994 to 1997), and SIIC Investment Company Limited (from 1997 to 2009). He also served as a senior executive at Hsin Chong Construction Group Limited. (from 2014 to 2016), a company whose listing was subsequently cancelled by the Stock Exchange.

In 2009, Mr. Siu established Kenny Siu Surveyors & Co., a real estate surveying firm in Hong Kong, where he has been serving as a director and consultant specialising in project finance and development studies. Mr. Siu has also been appointed as a visiting professor of Jiangxi University of Finance and Economics (江西財經大學) since March 2016.

Mr. Lee Chi Keung Jim, aged 55, is an Independent Non-executive Director responsible for providing independent judgment on issues of strategy, performance, resources and standards of conduct of the Company. He is a member of the Remuneration Committee, the Nomination Committee and the Audit Committee.

Mr. Lee was awarded a Bachelor of Laws degree from The University of Hong Kong in 1995 and was admitted as a solicitor of the High Court of Hong Kong in 1999. He has been working as a consultant at Lam and Lai, a local law firm in Hong Kong. His practice areas include civil and criminal litigation, company law, conveyancing law, conveyancing-related litigation and other commercial matters. He has extensive experience in acting for Hong Kong listed companies in their litigation matters before the High Court of Hong Kong.

Mr. Lee has also been actively contributing to the pro bono legal services since 2002 and was awarded certificates under the Pro Bono and Community Work Recognition Programme organized by the Home and Youth Affairs Bureau (formerly known as the Home Affairs Bureau) since 2012 in appreciation for his contributions.

Report of the Directors

DIRECTORS (CONTINUED)

Independent Non-executive Directors (Continued)

Dr. Chow Ho Wan, Owen, aged 50, is the founder and chairman of Sino Fame International Group Limited, Sino Fame Education Group Limited, and SF Capital Limited. He is also the founder and chairman of the Association of International Certified Financial Consultants (AICFC).

In terms of listed company directorships, Dr. Chow previously served as an Independent Non-executive director of Hong Wei (Asia) Holdings Company Limited (Stock Code: 8191). He previously served as an independent non-executive director of GBA Holdings Limited (Stock Code: 261), Wan Leader International Limited (Stock Code: 8482), Century Entertainment International Holdings Limited (Stock Code: 959), and CIL Holdings Limited (Stock Code: 479).

Dr. Chow obtained a Bachelor of Commerce degree from the University of Toronto, Canada in 1999. He subsequently obtained a Master of Science degree in Finance from The Chinese University of Hong Kong in 2003, a Bachelor of Laws degree from Tsinghua University, the PRC in 2006, and a Doctor of Business Administration degree from the European University, Switzerland in 2011. Dr. Chow also completed the Postdoctoral Global Leadership Research Program at the University of Oxford.

Dr. Chow holds various professional qualifications, including Certified Financial Consultant (CFC), Certified Financial Planner (CFMP), Certified Banking Risk Manager (CBRM), fellow member of The Hong Kong Institute of Directors (FHKIoD), CPA Australia, fellow of The Chartered Management Institute (FCMI), and member of both the Hong Kong Securities and Investment Institute (MHKSI) and the Canadian Securities Institute (CSI).

Active in community service, Dr. Chow serves as the chairman of the Guangdong-Hong Kong-Macao-Bay Area Economic and Trade Association, vice president and chairman of the Young Executives Committee of the Association of Chinese Culture of Hong Kong, and a committee member of the Foshan City Nanhai District Committee of the Chinese People's Political Consultative Conference (CPPCC). He is also a member of the China Overseas Chinese Entrepreneurs Association, a committee member of the Overseas Union for Tianjin, Chongqing, Foshan, Nanhai, and Beihai, a committee member of the Qianhai QFAE Think-tank Experts, a director at various chambers of commerce and industry, and the vice chairman of the Hong Kong Yuen Long Industries & Commerce Association.

Dr. Chow has over 20 years of experience in the finance and accounting field and previously worked at several international banks and professional accounting firms.

Report of the Directors

DIRECTORS' SERVICE CONTRACTS

Each of the Executive Directors has entered into a service agreement with the Company for an initial term of three years, which is terminable by either party giving three months' written notice or payment in lieu to the other party.

Each of the Independent Non-executive Directors has entered into a letter of appointment with the Company for an initial term of three years, subject to retirement by rotation and re-election at the annual general meeting in accordance with the Articles of Association, until terminated by not less than one month's written notice served by either party on the other.

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

The Company has received an annual confirmation of independence from each of the Independent Non-executive Directors pursuant to Rule 5.09 of the GEM Listing Rules, and the Board considers all of them to be independent.

In accordance with the Articles of Association of the Company and to comply with the Code Provisions, Mr. Lee Chi Keung Jim and Mr. Siu Chi Yiu Kenny shall retire from office by rotation at the forthcoming annual general meeting of the Company (the "**2026 AGM**") and, being eligible, offer themselves for re-election at the 2026 AGM.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed herein, no transaction, arrangement or contract of significance to which the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a party, and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the Financial Year or at any time during the Financial Year.

INDEMNITY OF DIRECTORS

The Company has maintained appropriate Directors' and Officers' liability insurance coverage for the Group. The permitted indemnity provision for the benefit of the Directors is currently in force and was in force throughout the Financial Year.

Report of the Directors

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 March 2026, the interests and short positions of each Director and Chief Executive of the Company in the shares, underlying shares and debentures of the Company or any 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 or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange, were as follows:

Long Positions in the Ordinary Shares of the Company

Name of Directors and Chief Executive	Capacity and Nature of Interests	Number of Ordinary Shares Held	Number of Underlying Shares Held	Approximate Percentage of Shareholding in the Company
Ms. Ho Chiu Ha Maisy *(Note)*	Beneficial owner	407,890,000	–	15.61%
Ms. Man Wing Yee Ginny	Beneficial owner	441,900,000	–	16.91%
Mr. Lau Ling Tak	Beneficial owner	43,937,500	–	1.68%

Note: Ms. Ho Chiu Ha Maisy passed away on 12 April 2026. The shares held by her as at 31 March 2026 as disclosed in the table above reflect her interests as of the end of the Financial Year.

Save as disclosed above, as at 31 March 2026, none of the Directors and Chief Executive of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or 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 or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

Report of the Directors

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2026, so far as was known to the Directors, the following persons or entities (other than the Directors or Chief Executive of the Company) had, or were taken or deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Long Positions in the Ordinary Shares of the Company

Name of shareholders	Capacity and Nature of Interests	Number of ordinary shares held	Number of underlying shares held	Approximate Percentage of Shareholding in the Company
Mr. Chan Yu Fung	Beneficial owner	251,462,500	–	9.62%
Mr. Zhao Genlong	Beneficial owner	200,000,000	–	7.65%

Save as disclosed above, as at 31 March 2026, the Directors were not aware of any other persons or entities (other than the Directors and Chief Executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

For the avoidance of doubt, Ms. Ho Chiu Ha Maisy, who held 407,890,000 shares (representing approximately 15.61% of the issued shares) as at 31 March 2026, was a Director as at that date and her interests are disclosed under the section headed 'Directors' and Chief Executives' Interests and Short Positions' above. Following her passing on 12 April 2026, she ceased to be a Director of the Company.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Financial Year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate granted to any Directors or their respective spouses or children under 18 years of age, or were any such rights exercised by them, or were the Company, its holding companies or any of its subsidiaries parties to any arrangements to enable the Directors or their respective spouses or children under 18 years of age to acquire such rights in the Company or any other body corporate.

SUFFICIENCY OF PUBLIC FLOAT

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

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Financial Year.

Report of the Directors

ENVIRONMENTAL POLICIES AND PERFORMANCE

Pursuant to Appendix C2 "Environmental, Social and Governance Reporting Guide" (the "**ESG Guide**") to the GEM Listing Rules, the Group is required to prepare an Environmental, Social and Governance Report (the "**ESG Report**"). The ESG Report explains the Group's management approaches, strategies, policies, measures taken, and the results of its activities in relation to environmental and social subject areas, as well as evaluates their impact on the sustainable development of the environment and society.

The Group has adopted and implemented appropriate environmental and social policies in strict compliance with the ESG Guide. The standalone ESG Report of the Company for the year ended 31 March 2026 is published electronically on both the website of the Stock Exchange (www.hkexnews.hk) and the Company's website simultaneously with the despatch/publication of this annual report.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the Financial Year, none of the Directors or their respective close associates (as defined in the GEM Listing Rules) had any interest in a business which causes or may cause significant competition with the business of the Group, or had any other conflicts of interest which any such person has or may have with the Group.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with such required standard of dealings and its code of conduct regarding securities transactions by Directors during the Financial Year.

RELATED PARTIES TRANSACTIONS

Details of related parties transactions of the Group during the Financial Year are set out in note 33 to the Financial Statements. None of these related parties transactions constitute connected transactions or continuing connected transactions as defined under the GEM Listing Rules.

EQUITY-LINKED AGREEMENTS

Details of the equity-linked agreements entered into during the Financial Year or subsisting at the end of the Financial Year are set out below:

Share Option Scheme

The share option scheme of the Company (the "**Scheme**") was conditionally adopted on 21 September 2011 for a period of 10 years and had expired on 20 September 2021.

Following the expiration of the Scheme, no further options could be granted thereunder. However, the provisions of the Scheme shall remain in full force and effect in all other respects to govern the exercise of any options granted prior to its expiration.

During the Financial Year, the status of the Scheme and the movements of the share options were as follows:

As at 31 March 2026 and during the Financial Year, there were no outstanding share options under the Scheme, and no share options were granted, exercised, cancelled, or lapsed during the Financial Year.

Report of the Directors

PRE-EMPTIVE RIGHTS

There is no provision 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.

CORPORATE GOVERNANCE REPORT

Details of the Group's corporate governance practices are set out in the Corporate Governance Report on pages 15 to 27 in this annual report.

AUDITORS

The Consolidated Financial Statements of the Group for the year ended 31 March 2026 have been audited by Asian Alliance (HK) CPA Limited, who will retire at the forthcoming annual general meeting (the "**2026 AGM**") and, being eligible, offer itself for re-appointment. A resolution for the re-appointment of Asian Alliance (HK) CPA Limited as the auditors of the Company will be proposed at the 2026 AGM.

By order of the Board

UNITAS HOLDINGS LIMITED
Man Wing Yee Ginny
Chairlady and Executive Director

Hong Kong, 30 June 2026

Independent Auditors' Report

久安(香港)會計師事務所有限公司
Asian Alliance (HK) CPA Limited

TO THE SHAREHOLDERS OF UNITAS HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Unitas Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 46 to 120, which comprise the consolidated statement of financial position as at 31 March 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (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**") issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditors' 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 audits of financial statements of public interest entities. We have also 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 3.1 to the consolidated financial statements, which indicates that the Group incurred a loss attributable to owners of the Company of approximately HK$17,351,000 for the year ended 31 March 2026 and, as of that date, the Group's current liabilities exceeded its current assets by approximately HK$22,065,000 and the Group has net liabilities of approximately HK$19,978,000. These conditions, along with other matters as set forth in Note 3.1 to the consolidated financial statements, indicate the existence of material uncertainties that 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 Auditors' Report

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of trade and other receivables under Expected Credit Loss ("ECL") model	
As at 31 March 2026, the carrying amounts of trade and other receivables, which were subject to impairment assessment under ECL model, were approximated to HK$1,914,000 and HK$3,641,000, net of allowance for credit losses of approximately HK$6,912,000 and HK$6,000, respectively. 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 is 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. Certain trade receivables are assess for impairment individually, the remaining trade receivables are grouped under a provision matrix based on shared credit risk characteristics and the historical observed default rates adjusted by forward looking estimates.	Our audit procedures in relation to the management's assessment on allowance for credit losses of trade and other receivables included: • Understanding key controls on how the management estimates the ECL allowance on trade and other receivables; • Evaluating the competence, capabilities, independence and objectivity of the independent external valuer engaged by the management, and the scope of the valuer's work; • Assessing the reasonableness and appropriateness of the Group's methodology of ECL model, including the model design and calculation and model inputs in compliance with HKFRS 9; • Testing the accuracy of the trade and other receivables, on sample basis, by sending confirmations and performing alternatives (such as inspecting the underlying agreements or invoices and checking the subsequent settlement through inspecting the bank statement) if the confirmations have not yet been received. We also tested the accuracy of each ageing bands of trade receivables, on sample basis;

KEY AUDIT MATTERS (CONTINUED)

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of trade and other receivables under Expected Credit Loss ("ECL") model (continued)	
For other receivables and deposits, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, 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. We identified the impairment assessment of trade and other receivables under ECL model as a key audit matter because of the significance of the balances to the consolidated financial statements and the significant estimates and judgements involved in the impairment assessment.	• Challenging management's assumptions and judgement in determining credit loss allowance on trade receivables as at 31 March 2026, the reasonableness of the management's grouping of the debtors into different categories in the provision matrix and the basis of estimated loss rates applied in each category in the provision matrix (with reference to historical default rates and forward-looking information); • Reviewing the reasonableness of the management's estimation of trade receivables which are assessed for impairment individually, and other receivables and deposits in the expected timing of collection, the loss rate and the credit quality of individual debtors, including the background of the debtors and their credit worthiness and collection history; • Evaluating the disclosures regarding the impairment assessment of trade and other receivables in the notes to the consolidated financial statements with reference to the requirements of the prevailing accounting standards.

KEY AUDIT MATTERS (CONTINUED)

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of non-financial assets	
As disclosed in Notes 16, 17 and 18 to the consolidated financial statements, as at 31 March 2026, the carrying amounts of property, plant and equipment, right-of-use assets and intangible asset of the Group were approximately HK$8,032,000, HK$334,000 and Nil, respectively. Impairment loss of approximately HK$3,063,000, HK$1,965,000 and HK$257,000 in respect of property, plant and equipment, right-of-use assets and intangible asset, respectively was recognised during the year ended 31 March 2026. As at 31 March 2026, the Group's IP automation and entertainment business are located in Hong Kong and Macau, each of which is owned by one of the Group's subsidiaries. Each subsidiary was considered to be a separate cash generating unit ("**CGU**"). During the year ended 31 March 2026, the management of the Group concluded that there was impairment indicator appeared in the two CGUs located in Hong Kong and Macau and conducted impairment assessment on property, plant and equipment, right-of-use assets and intangible asset. The Group engaged an independent professional valuer to carry out an impairment assessment by estimating the recoverable amount of the CGUs, with reference to value in use calculation which required significant judgement on assumptions and input adopted in the underlying cash flows. Key estimates are involved in the preparation of cash flow projections for the period covered by the approved financial budgets, which include the budgeted revenue, the budgeted cost and the discount rate, in order to derive the recoverable amount. We considered impairment assessment of property, plant and equipment, right-of-use assets and intangible asset as a key audit matter because of the significance of the balances to the consolidated financial statements and the significant estimates and judgements involved in the impairment assessment.	Our audit procedures in relation to the management's impairment assessment of non-financial assets included: • Understanding key controls on the impairment assessment of non-financial assets; • Evaluating the competence, capabilities, independence and objectivity of the independent external valuer engaged by the management, and the scope of the valuer's work; • Challenging the Group's key assumptions and estimates used in the projected cash flow for the value-in-use calculation to determine the recoverable amounts of the CGUs, including those relating to future sales, future operating costs, future capital expenditure and the discount rates applied. This included obtaining the independent valuation report from the independent professional valuer engaged by management, comparing these key assumptions and estimates with external benchmarks (including future sales and discount rates for similar companies in the same industry) and to consider the key assumptions and estimates based on our knowledge of the Group and the industry in which it operates; • Reviewing the sensitivity analysis performed by the management of the key assumptions and estimates adopted in the cash flow forecasts and assessing the impact of changes in the key assumptions and estimates; and • Evaluating the disclosures in respect of management's impairment assessments of property, plant and equipment, right-of-use assets and intangible asset in the notes to the consolidated financial statements with reference to the requirements of the prevailing accounting standards.

Independent Auditors' 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 THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRS Accounting Standards as issued by the 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 the 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.

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

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

Our 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 auditors' 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.

Independent Auditors' Report

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

As part of an audit in accordance with HKSAs, we exercise professional judgement and maintain professional skepticism 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 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 auditors' 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 auditors' 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 group 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 those charged with governance 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 those charged with governance 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 Auditors' Report

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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.

Asian Alliance (HK) CPA Limited
Certified Public Accountants (Practising)

Lam Ho Kin
Practising Certificate Number: P07407

8/F, Catic Plaza
8 Causeway Road
Causeway Bay
Hong Kong

30 June 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
Revenue	5	**91,389**	100,044
Cost of sales		**(83,554)**	(93,213)
Gross profit		**7,835**	6,831
Other income, other gains and losses, net	7	**9,370**	226
Reversal of impairment losses (impairment losses) recognised under expected credit loss model, net	8(a)	**592**	(7,553)
Impairment losses on non-financial assets	8(b)	**(5,285)**	–
Administrative and operating expenses		**(29,258)**	(20,655)
Finance costs	9	**(540)**	(446)
Loss before tax		**(17,286)**	(21,597)
Income tax expense	10	**(65)**	(89)
Loss for the year	11	**(17,351)**	(21,686)
Other comprehensive (expense) income for the year, net of income tax			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(316)**	14
Total comprehensive expense for the year		**(17,667)**	(21,672)
Loss for the year attributable to:			
Owners of the Company		**(17,351)**	(21,276)
Non-controlling interest		**–**	(410)
		(17,351)	(21,686)
Total comprehensive expense for the year attributable to:			
Owners of the Company		**(17,667)**	(21,262)
Non-controlling interest		**–**	(410)
		(17,667)	(21,672)
		HK cents	HK cents
Loss per share	15		
– Basic		**(0.66)**	(0.81)
– Diluted		**N/A**	N/A

Consolidated Statement of Financial Position

As at 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	*16*	**8,032**	5,862
Right-of-use assets	*17*	**334**	7,891
Intangible asset	*18*	**–**	–
Prepayments	*22*	**–**	1,068
Deferred tax assets	*30*	**13**	72
		8,379	14,893
CURRENT ASSETS			
Inventories	*20*	**1,761**	1,087
Trade receivables	*21*	**1,914**	10,493
Prepayments, deposits and other receivables	*22*	**3,745**	10,370
Cash and cash equivalents	*23*	**2,695**	8,061
		10,115	30,011
CURRENT LIABILITIES			
Trade payables	*24*	**5,131**	7,303
Other payables and accruals	*25*	**9,219**	7,337
Contract liabilities	*26*	**856**	8,502
Loans from shareholders	*27*	**13,573**	1,087
Other borrowings	*28*	**–**	3,613
Lease liabilities	*29*	**1,921**	3,857
Tax payable		**1,480**	10,718
		32,180	42,417
NET CURRENT LIABILITIES		**(22,065)**	(12,406)
TOTAL ASSETS LESS CURRENT LIABILITIES		**(13,686)**	2,487
NON-CURRENT LIABILITIES			
Other borrowings	*28*	**5,875**	–
Lease liabilities	*29*	**417**	4,798
		6,292	4,798
NET LIABILITIES		**(19,978)**	(2,311)

Consolidated Statement of Financial Position

As at 31 March 2026

	Note	2026 HK$'000	2025 HK$'000
CAPITAL AND RESERVES			
Share capital	*31*	**26,130**	26,130
Reserves		**(46,108)**	(28,441)
TOTAL DEFICITS		**(19,978)**	(2,311)

The consolidated financial statements on pages 46 to 120 were approved and authorised for issue by the Board of Directors on 30 June 2026 and are signed on its behalf by:

Man Wing Yee Ginny
Director

Lau Ling Tak
Director

Consolidated Statement of Changes in Equity

For the year ended 31 March 2026

	Attributable to owners of the Company							
	Share capital	**Share premium**	**Share option reserve**	**Foreign currency translation reserve**	**Accumulated losses**	**Sub-total**	**Non-controlling interest**	**Total equity (deficits)**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2024	26,130	297,517	1,954	(140)	(306,510)	18,951	421	19,372
Loss for the year	–	–	–	–	(21,276)	(21,276)	(410)	(21,686)
Other comprehensive income for the year, net of income tax								
Item that may be reclassified subsequently to profit or loss								
Exchange differences arising on translation of foreign operations	–	–	–	14	–	14	–	14
Total comprehensive income (expense) for the year	–	–	–	14	(21,276)	(21,262)	(410)	(21,672)
Disposal of a subsidiary *(Note 41)*	–	–	–	–	–	–	(11)	(11)
Lapse of share option	–	–	(1,954)	–	1,954	–	–	–
At 31 March 2025	26,130	297,517	–	(126)	(325,832)	(2,311)	–	(2,311)

Consolidated Statement of Changes in Equity

For the year ended 31 March 2026

	Share capital *HK$'000*	Share premium *HK$'000*	Foreign currency translation reserve *HK$'000*	Accumulated losses *HK$'000*	Total deficits *HK$'000*
At 1 April 2025	26,130	297,517	(126)	(325,832)	(2,311)
Loss for the year	–	–	–	(17,351)	(17,351)
Other comprehensive expense for the year, net of income tax					
Item that may be reclassified subsequently to profit or loss					
Exchange differences arising on translation of foreign operations	–	–	(316)	–	(316)
Total comprehensive expense for the year	–	–	(316)	(17,351)	(17,667)
At 31 March 2026	**26,130**	**297,517**	**(442)**	**(343,183)**	**(19,978)**

Consolidated Statement of Cash Flows

For the year ended 31 March 2026

	2026 HK$'000	2025 HK$'000
OPERATING ACTIVITIES		
Loss before tax	**(17,286)**	(21,597)
Adjustments for:		
Depreciation of property, plant and equipment	**3,381**	1,124
Depreciation of right-of-use assets	**3,587**	3,042
Amortisation of intangible asset	**43**	–
Loss on written-off of property, plant and equipment	**264**	880
Written-off trade receivables and deposit	**125**	–
Impairment losses under expected credit loss model, net	**(592)**	7,553
Impairment losses on non-financial assets	**5,285**	–
Gain on lease modification	**(533)**	–
Gain on early termination of a lease	**(276)**	–
Gain on recognition of other borrowing	**(411)**	–
Gain on deregistration of subsidiaries	**(8,090)**	–
Finance costs	**540**	446
Interest income	**(7)**	(94)
Operating cash flows before movements in working capital	**(13,970)**	(8,646)
(Increase) decrease in inventories	**(674)**	328
Decrease in trade receivables	**9,110**	7,969
Decrease in prepayments, deposits and other receivables	**7,766**	82
Decrease in trade payables	**(2,172)**	(10,230)
Increase in other payables and accruals	**1,855**	2,655
Decrease in contract liabilities	**(7,646)**	(2,683)
Cash used in operations	**(5,731)**	(10,525)
Income tax paid	**(1,161)**	(603)
NET CASH USED IN OPERATING ACTIVITIES	**(6,892)**	(11,128)
INVESTING ACTIVITIES		
Interest received	**7**	94
Purchases of property, plant and equipment	**(9,014)**	(6,812)
Purchases of intangible asset	**(300)**	–
Net cash outflow on disposal of a subsidiary	**–**	(39)
NET CASH USED IN INVESTING ACTIVITIES	**(9,307)**	(6,757)
FINANCING ACTIVITIES		
Advance from shareholders	**12,410**	–
New borrowings raised	**2,518**	3,537
Repayment of lease liabilities	**(3,551)**	(2,389)
Interest paid	**(302)**	(380)
NET CASH FROM FINANCING ACTIVITIES	**11,075**	768

Consolidated Statement of Cash Flows

For the year ended 31 March 2026

	2026	2025
	HK$'000	*HK$'000*
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(5,124)**	(17,117)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**8,061**	25,211
Effect of foreign exchange rate changes	**(242)**	(33)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR, represented by bank balances and cash	**2,695**	8,061

Notes to Consolidated Financial Statements

For the year ended 31 March 2026

1. GENERAL INFORMATION

Unitas Holdings Limited (the "**Company**") was incorporated in the Cayman Islands on 20 April 2011 as an exempted company with limited liability and its shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company's registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681 KY1-1111, Cayman Islands. The principal place of business of the Company is Flat C, 16/F., MG Tower, 133 Hoi Bun Road, Kwun Tong, Hong Kong.

The Company is an investment holding company. The principal activities of its subsidiaries are provision of dry bulk shipping and logistic services, as well as IP automation and entertainment business (Note 36).

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

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

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

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

Amendments to Hong Kong Accounting Standard ("**HKAS**") 21 and HKFRS 1	Lack of Exchangeability (amendments)

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 Consolidated Financial Statements

For the year ended 31 March 2026

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

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

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

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amendments)[1]
Amendments to HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments (amendments)[2]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity (amendments)[2]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[3]
Amendment to HK Interpretation 5	Hong Kong Interpretation 5 Presentation of Financial Statements – *Classification by the Borrower of a Term Loan that Contains a Repayment on Demand* Clause (amendments) [3]

1 Effective for annual periods beginning on or after a date to be determined.
2 Effective for annual periods beginning on or after 1 January 2026.
3 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 (the "**Directors**") 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.

Amendments to HKFRS 9 and HKFRS 7 Classification and Measurement of Financial Instruments (amendments)

The amendments clarify the date on which a financial asset or financial liability is derecognised and introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments.

The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features.

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

New and amendments to HKFRS Accounting Standards in issue but not yet effective – continued (Continued)

Amendments to HKFRS 9 and HKFRS 7 Classification and Measurement of Financial Instruments (amendments) (Continued)

The amendments shall be applied retrospectively with an adjustment to opening retained profits (or other component of equity) at the initial application date. Prior periods are not required to be restated and can only be restated without the use of hindsight. Earlier application of either all the amendments at the same time or only the amendments related to the classification of financial assets is permitted. The amendments are not expected to have any significant impact on the Group's consolidated financial statements.

HKFRS 18 Presentation and Disclosure in Financial Statements

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures ("**MPMs**") in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* (the title of which will be changed to *Basis of preparation of Financial Statements* upon effective of HKFRS 18) 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. HKFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss and other comprehensive income. Additional disclosures required for the Group's MPMs will be disclosed in a separate note to the consolidated financial statements.

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

3.1 Basis of preparation of consolidated financial statements

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

The Directors have, at the time of approving the consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

As stated in the consolidated financial statements, the Group incurred a loss attributable to owners of the Company of approximately HK$17,351,000 for the year ended 31 March 2026 and, as of that date, the Group's current liabilities exceeded its current assets by approximately HK$22,065,000 and the Group had net liabilities of approximately HK$19,978,000. These conditions indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern, and thus, the Group may not be able to realise its assets and liabilities in the normal course of business.

In view of such circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern after taking into consideration the followings:

(1) The management has been endeavoring to improve the Group's operating results and cash flows through broaden the customer base and revenue of the Group with various cost control measures.

The Group has implemented measures to speed up the collection of outstanding trade receivables.

(2) The Group obtained the undertakings from the shareholders of the loans in aggregate of approximately HK$13,573,000 not to demand for payment till 30 September 2027 or until such time when any repayment will not affect the Group's ability to repay other creditors in the normal course of business.

(3) Subsequent to the reporting date, the Group obtained new borrowings in aggregate of HK$4,000,000 from two shareholders, those new borrowings carried interest rate at 2% per annum and repayable on demand. The Group obtained the undertakings from those shareholders not to demand for payment till 30 September 2027 or until such time when any repayment will not affect the Group's ability to repay other creditors in the normal course of business.

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

3.1 Basis of preparation of consolidated financial statements (Continued)

(4) One of the directors, Ms. Man Wing Yee Ginny agreed to provide financial support to the Company to meet in full the Group's financial obligation as they fall due in foreseeable future.

The Directors have reviewed the Group's cash flow projection prepared by the management which covering a period of not less than twelve months from 31 March 2026 on the basis that the Group's aforementioned plans and measures will be successful, and are satisfied that the Group will have sufficient working capital to meet its financial obligations as and when they fall due within twelve months from 31 March 2026. Accordingly, the Directors consider that it is appropriate to prepare the consolidated financial statements on a going concern basis.

The consolidated financial statements do not include any adjustments that would result from the failure of the Group to obtain sufficient future funding. Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to reduce the carrying amounts of the assets of the Group to their recoverable amounts, to provide for further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

3.2 Material accounting policy information

Basis of consolidation

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

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

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

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

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

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

3.2 Material accounting policy information (Continued)

Basis of consolidation (Continued)

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

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

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

Changes in the Group's interests in existing subsidiaries

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRS Accounting Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKFRS 9 *Financial Instruments* or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

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

3.2 Material accounting policy information (Continued)

Revenue from contracts with customers

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

Principal versus agent

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

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

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

Notes to Consolidated Financial Statements

For the year ended 31 March 2026

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

3.2 Material accounting policy information (Continued)

Leases

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

The Group as a lessee

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.

The Group applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

Short-term leases and leases of low-value assets
The Group applies the short-term lease recognition exemption to leases, that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. 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, and adjusted for any remeasurement of lease liabilities.

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

3.2 Material accounting policy information (Continued)

Leases (Continued)

The Group as a lessee (Continued)

Right-of-use assets *(Continued)*

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 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.

Lease liabilities

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

The lease payments include:

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

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

3.2 Material accounting policy information (Continued)

Leases (Continued)

Lease liabilities (Continued)

Variable lease payments that reflect changes in market rental rates are initially measured using the market rental rates as at the commencement date. Variable lease payments that do not depend on an index or a rate are not included in the measurement of lease liabilities and right-of-use assets, and are recognised as expense in the period in which the event or condition that triggers the payment occurs.

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

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

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and

- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivable, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset.

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 exchanges 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 carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. 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.

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

3.2 Material accounting policy information (Continued)

Foreign currencies (Continued)

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 "Foreign currency translation reserve" (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

Borrowing costs

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

Provisions

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

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and 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.

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

3.2 Material accounting policy information (Continued)

Employee benefits

Retirement benefit costs

Payments to defined contribution retirement benefit plans, including the Mandatory Provident Fund Scheme (the "**MPF Scheme**"), are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Share option

Equity settled share option transactions

Share options granted to employees
Equity-settled share option to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share option determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share capital. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated losses.

Share options granted to non-employees
Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The fair values of the goods or services received are recognised as expenses (unless the goods or services qualify for recognition as assets).

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

3.2 Material accounting policy information (Continued)

Taxation

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

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

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

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 and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

Notes to Consolidated Financial Statements

For the year ended 31 March 2026

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

3.2 Material accounting policy information (Continued)

Taxation (Continued)

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.

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

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

Current and deferred tax are recognised in profit or loss, 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.

Property, plant and equipment

Property, plant and equipment are tangible assets that are held for use in the production or supply of goods or services, or for administrative purposes. Property, plant and equipment 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 values 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 property, 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 property, 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.

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

3.2 Material accounting policy information (Continued)

Intangible asset acquired separately

Intangible asset with finite useful lives that are acquired separately are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible asset with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on property, plant and equipment, right-of-use assets and intangible asset

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

The recoverable amount of property, plant and equipment, right-of-use assets and intangible asset 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 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.

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

3.2 Material accounting policy information (Continued)

Impairment on property, plant and equipment, right-of-use assets and intangible asset (Continued)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. 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 to assets on a pro-rata basis based on the carrying amount of each assets 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.

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, 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 short-term borrowings in the consolidated statement of financial position.

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

3.2 Material accounting policy information (Continued)

Financial instruments

Financial assets and financial liabilities are 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 *Revenue from Contracts with Customers*. 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.

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.

All other financial assets are subsequently measured at FVTPL, except that at initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 *Business Combinations* applies.

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

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (Continued)
A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Amortised cost and interest income
Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. 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. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. 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 loss ("**ECL**") model on financial assets (including trade receivables, deposits and other receivables and bank balances) which are subject to impairment assessment 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. Assessments are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

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

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets subject to impairment assessment under HKFRS 9 (Continued)
The Group always recognises lifetime ECL for trade receivables.

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

(i) Significant increase in credit risk

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

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.

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

3.2 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 (Continued)

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.

(ii) Definition of default

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

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

(iii) Credit-impaired financial assets

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

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

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

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

(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. 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.

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables using a provision matrix taking into consideration historical credit loss experience and forward-looking information that is available without undue cost or effort.

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 trade receivables are considered on a collective basis taking into consideration 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.

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

3.2 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 (Continued)

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.

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

Derecognition of financial assets

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

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

Financial liabilities and equity

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

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

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

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities at amortised cost

Financial liabilities including trade payables, other payables and accruals, loans from shareholders, other borrowings 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.

Modification of financial liabilities

When the contractual terms of a financial liability are modified, the Group assess whether the revised terms result in a substantial modification from original terms taking into account all relevant facts and circumstances including qualitative factors. If qualitative assessment is not conclusive, the Group considers that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received, and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. Accordingly, such modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. The exchange or modification is considered as non-substantial modification when such difference is less than 10 per cent.

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3.2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an 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.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the Directors 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.

Going concern and liquidity

As explained in Note 3.1 to the consolidated financial statements, the financial performance and position of the Group indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern. The assessment of the going concern assumptions involves making judgement by the management, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The management considers that the Group has ability to continue as a going concern and the major conditions that may cast significant doubt about the going concern assumptions are set out in Note 3.1 to the consolidated financial statements.

Key sources of estimation uncertainty

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

Net realisable value of inventories

Management reviews the conditions of inventories at the end of each reporting period, and makes allowances for obsolete and slow-moving inventory items identified that are no longer suitable for sales in the market. These estimates are based on current market conditions and the historical experience of selling goods of similar nature. It could change significantly as a result of change in market condition. Management will reassess the estimations at the end of each reporting period.

Useful lives of property, plant and equipment

The management determines the estimated useful lives of the Group's property, plant and equipment based on the historical experience of the actual useful lives of the relevant assets of similar nature and functions. The estimated useful lives could be different as a result of technical innovations which could affect the related depreciation charges included in profit or loss.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (Continued)

Deferred tax assets

As at 31 March 2026, no deferred tax asset has been recognised on the unused tax losses of approximately HK$60,978,000 (2025: approximately HK$43,026,000) due to the unpredictability of future profits stream. The realisability of the deferred tax assets mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future, which is a key source of estimation uncertainty. In cases where the actual future taxable profits generated are less or more than expected, or change in facts and circumstances which result in revision of future taxable profits estimation, a material recognition of deferred tax assets may arise, which would be recognised in profit or loss for the period in which such a recognition takes place.

Provision of ECL for trade and other receivables

The management of the Group estimates the loss allowance for trade and other receivables by using various inputs and assumptions including risk of a default and expected loss rate. The estimation involves high degree of uncertainty which is based on the Group's historical information, existing market conditions as well as forward-looking estimates at the end of each reporting period. Where the expectation is different from the original estimate, such difference will impact the carrying amount of trade and other receivables.

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

Property, plant and equipment, right-of-use assets and intangible asset are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the cash generating unit to which the assets belongs, including allocation of corporate assets when a reasonable and consistent basis of allocation can be established, otherwise recoverable amount is determined at the smallest group of cash generating units, for which the relevant corporate assets have been allocated. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts. Furthermore, the cash flows projections, growth rate and discount rate are subject to greater uncertainties due to uncertainty on economic outlook in Hong Kong and Macau.

As at 31 March 2026, the gross carrying amounts of property, plant and equipment, right-of-use assets and intangible asset subject to impairment assessment were approximately HK$11,095,000, HK$2,299,000 and HK$257,000 (2025: HK$4,594,000, HK$7,190,000 and Nil), respectively, for the IP automation and entertainment business. Details of the impairment assessment of property, plant and equipment, right-of-use assets and intangible asset are disclosed in Note 19 to the consolidated financial statements.

5. REVENUE

(i) Disaggregation of revenue from contracts with customers

	2026	2025
	HK$'000	*HK$'000*
Types of goods or service		
IP automation and entertainment business		
Revenue from IP automation and entertainment business	**3,307**	4,102
Revenue from sales of merchandises	**5,656**	676
Services income from IP automation	**4,437**	6,756
Revenue from brand management and marketing consulting services	**11,228**	19,303
	24,628	30,837
Dry bulk shipping and logistic business		
Revenue from dry bulk shipping and logistic services	**66,761**	69,207
Revenue from contracts with customers	**91,389**	100,044
Timing of revenue recognition:		
A point in time	**20,159**	22,822
Over-time	**71,230**	77,222
	91,389	100,044

(ii) Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information

	2026	2025
	HK$'000	*HK$'000*
IP automation and entertainment business	**24,628**	30,837
Dry bulk shipping and logistic business	**66,761**	69,207
Revenue from contracts with customers	**91,389**	100,044

5. REVENUE (CONTINUED)

(iii) Performance obligations for contracts with customers

Revenue from IP automation operation and entertainment business

Revenue from IP automation operation represents the use of the game tokens by the customers. It represents the amount received from customers in exchange for token used in automation gift machines, thematic game machines, carnival game booths less unutilised games tokens.

Revenue from game services that require game tokens is recognised when the performance obligation of game services is satisfied, which happens when a customer utilises game tokens to complete a game, and the game is finished. Unutilised game tokens represents prepayment for the game services and can be exchanged for game services in the future.

The Group operates a loyalty programme where the customers accumulate the award points from the game which entitle them to redeem award points for discounts in exchange of merchandise in future. The transaction price is allocated to the game and the award points on estimation basis for expected value to be entitled in exchange for equivalent value of goods in the future. Revenue from the award points is recognised when the award points are redeemed. Contract liabilities are recognised until the award points are redeemed.

Revenue from sales of merchandise

Revenue from sales of merchandise is recognised when the control of the products is transferred to the customer upon sale. Payment of the transaction price is due immediately upon purchase by the customer.

Services income from IP automation

The Group recognises services income from IP automation as it fulfills its performance obligation, which includes providing the use of the capsule machines, as the customer simultaneously receives and consumes the benefits provided by the Group's performance as it progresses towards complete satisfaction of the obligation.

Revenue from brand management and marketing consulting services

The Group provides brand management and marketing consulting services to its customers. Under HKFRS 15, the Group has determined that the performance obligation for these services are fulfilled when all relevant duties as stated in the contract are completed. Revenue from brand management and marketing consulting services is recognised at a point in time when all relevant duties as stated in the contract are completed.

Revenue from dry bulk shipping and logistic services

Revenue from voyage charter of dry bulk shipping and logistic services is recognised based on the time proportion method of each individual voyage contract.

5. REVENUE (CONTINUED)

(iv) Transaction price allocated to the remaining performance obligation for contracts with customers

The Group is using the practical expedient in paragraph 121 of HKFRS 15 to exempt itself from disclosing the aggregate amount and the timing of recognition of the unsatisfied (or partially unsatisfied) performance obligation as of the end of the reporting period, because the relevant contracts were either:

– contracts with customers which have an original expected duration of one year or less, or

– contracts which entitle the Group a right to consideration from customers that corresponds directly with the value of the Group's performance completed to date.

6. OPERATING SEGMENTS

Information reported to the board of directors of the Company (the "**Board**"), being the chief operating decision maker (the "**CODM**"), for the purpose of resources allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

Specifically, the Group's reportable segments under HKFRS 8 *Operating Segments* are as follows:

- Dry bulk shipping and logistic services
- IP automation and entertainment business

6. OPERATING SEGMENTS (CONTINUED)

(a) Segment revenues and results

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

	Dry bulk shipping and logistic services		IP automation and entertainment business		Consolidated	
	2026	2025	**2026**	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Revenue	**66,761**	69,207	**24,628**	30,837	**91,389**	100,044
Segment results	**8,701**	3,443	**(23,075)**	(22,042)	**(14,374)**	(18,599)
Unallocated corporate expenses					**(2,913)**	(2,999)
Unallocated corporate income					**1**	36
Unallocated finance cost					**–**	(35)
Loss before tax					**(17,286)**	(21,597)

Revenue reported was generated from external customers. There were no inter-segment sales during the year ended 31 March 2026 (2025: Nil).

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 3.2. Segment results represent the profit earned by/loss from each segment without allocation of certain administration costs, certain other income, gains and losses, net, certain finance cost and certain directors' emoluments. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

6. OPERATING SEGMENTS (CONTINUED)

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments:

	Dry bulk shipping and logistic services		IP automation and entertainment business		Consolidated	
	2026 **HK$'000**	2025 *HK$'000*	**2026** **HK$'000**	2025 *HK$'000*	**2026** **HK$'000**	2025 *HK$'000*
Reportable segment assets	**1,487**	8,156	**16,661**	35,780	**18,148**	43,936
Unallocated assets					**346**	968
					18,494	44,904
Reportable segment liabilities	**2,197**	18,391	**34,878**	27,547	**37,075**	45,938
Unallocated liabilities					**1,397**	1,277
					38,472	47,215

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

– All assets other than certain prepayments, deposits and other receivables and certain cash and cash equivalents are allocated to operating segments; and

– All liabilities other than certain other payables and certain loans from shareholders are allocated to operating segments.

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For the year ended 31 March 2026

6. OPERATING SEGMENTS (CONTINUED)

(c) Other segment information

For the year ended 31 March 2026

Amounts included in the measure of segment result or segment assets:

	Dry bulk shipping and logistic services *HK$'000*	**IP automation and entertainment business** *HK$'000*	**Unallocated** *HK$'000*	**Total** *HK$'000*
Addition of property, plant and equipment	**–**	**9,014**	**–**	**9,014**
Addition of intangible asset	**–**	**300**	**–**	**300**
Addition of right-of-use assets	**–**	**115**	**–**	**115**
Depreciation of property, plant and equipment	**–**	**3,381**	**–**	**3,381**
Depreciation of right-of-use assets	**–**	**3,587**	**–**	**3,587**
Amortisation of intangible asset	**–**	**43**	**–**	**43**
Gain on lease modification	**–**	**(533)**	**–**	**(533)**
Gain on early termination of a lease	**–**	**(276)**	**–**	**(276)**
Gain on recognition of other borrowing	**–**	**(411)**	**–**	**(411)**
Gain on deregisteration of subsidiaries	**(8,089)**	**(1)**	**–**	**(8,090)**
Impairment loss recognised (reversed) on trade receivables	**36**	**(631)**	**–**	**(595)**
Impairment loss recognised on other receivables	**–**	**3**	**–**	**3**
Impairment loss on non-financial assets	**–**	**5,285**	**–**	**5,285**
Loss on written-off of property, plant and equipment	**–**	**264**	**–**	**264**
Bank interest income	**(1)**	**(5)**	**(1)**	**(7)**
Finance costs	**–**	**540**	**–**	**540**

For the year ended 31 March 2025

Amounts included in the measure of segment result or segment assets:

	Dry bulk shipping and logistic services *HK$'000*	IP automation and entertainment business *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Addition of property, plant and equipment	–	6,812	–	6,812
Addition of right-of-use assets	–	10,674	–	10,674
Depreciation of property, plant and equipment	–	1,124	–	1,124
Depreciation of right-of-use assets	–	3,042	–	3,042
Impairment loss (reversed) recognised on trade receivables	(145)	7,695	–	7,550
Impairment loss recognised on other receivables	–	3	–	3
Bank interest income	(4)	(54)	(36)	(94)
Finance costs	–	411	35	446

6. OPERATING SEGMENTS (CONTINUED)

(d) Geographical information

The Group's operations are principally located in Hong Kong and the People's Republic of China ("**PRC**").

Information about the Group's revenue from external customers is presented based on the location of the operations. Information about the Group's non-current assets is presented based on the geographical location of the assets as follows.

	Revenue from external customers		Non-current assets	
	2026	2025	**2026**	2025
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**10,187**	11,398	**334**	9,723
PRC	**70,196**	67,988	**–**	2,773
Macau	**11,006**	13,035	**8,032**	2,325
Singapore	**–**	7,623	**–**	–
	91,389	100,044	**8,366**	14,821

Note: Non-current assets excluded deferred tax assets.

(e) Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the Group's total revenue are as follows:

	2026	2025
	HK$'000	*HK$'000*
Customer A[1]	**66,761**	58,701

Note:

1 Revenue from the dry bulk shipping and logistic services business.

7. OTHER INCOME, OTHER GAINS AND LOSSES, NET

	2026	2025
	HK$'000	*HK$'000*
Other income		
Bank interest income	**7**	94
Sundry income	**53**	76
Sales of food and beverages	**–**	61
	60	231
Other gains and losses		
Foreign exchange loss	**–**	(5)
Gain on lease modification	**533**	–
Gain on early termination of a lease	**276**	–
Gain on recognition of other borrowing	**411**	–
Gain on deregistration of subsidiaries	**8,090**	–
	9,310	(5)
	9,370	226

8. IMPAIRMENT LOSSES

(a) (Reversal of impairment losses) Impairment losses recognised under expected credit loss model, net

	2026	2025
	HK$'000	*HK$'000*
Impairment losses (reversed) recognised on:		
– Trade receivables	**(595)**	7,550
– Deposits and other receivables	**3**	3
	(592)	7,553

Details of impairment assessment are set out in Note 38(b).

(b) Impairment losses on non-financial assets

	2026	2025
	HK$'000	*HK$'000*
– Property, plant and equipment	**3,063**	–
– Right-of-use assets	**1,965**	–
– Intangible assets	**257**	–
	5,285	–

Details of impairment assessment are set out in Note 19.

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9. FINANCE COSTS

	2026	2025
	HK$'000	*HK$'000*
Interest on lease liabilities	**302**	380
Interest on other borrowings	**162**	66
Interest on loan from a shareholder	**76**	–
	540	446

10. INCOME TAX EXPENSE

	2026	2025
	HK$'000	*HK$'000*
Current tax:		
Hong Kong	**2**	89
Underprovision in prior years		
Hong Kong	**4**	–
Deferred tax *(Note 30)*	**59**	–
Total	**65**	89

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2 million.

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

Macau Complementary Tax is calculated at 12% of the assessable profits, however, there are no assessable profit in Macau for the years ended 31 March 2026 and 2025.

10. INCOME TAX EXPENSE (CONTINUED)

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

	2026	2025
	HK$'000	*HK$'000*
Loss before tax	**(17,286)**	(21,597)
Tax expense at the Hong Kong Profits Tax rate of 16.5%	**(2,852)**	(3,564)
Tax effect of:		
Tax at 8.25% on first HK$2 million assessable profit	**(5)**	(126)
Tax effect of income not taxable for tax purposes	**(1,447)**	(41)
Tax effect of expenses not deductible for tax purposes	**1,574**	1,146
Tax effect of tax losses not recognised	**2,962**	3,968
Tax effect of temporary differences not recognised	**180**	(434)
Effect of different tax rates of subsidiaries operating in other jurisdictions	**(348)**	(858)
One-off reduction of Hong Kong Profits Tax by Inland Revenue Department	**(3)**	(2)
Underprovision in respect of prior years	**4**	–
Income tax expense for the year	**65**	89

11. LOSS FOR THE YEAR

	2026	2025
	HK$'000	*HK$'000*
Loss for the year has been arrived at after charging:		
Staff costs (including directors' and chief executive's emoluments) *(Note 12)*		
– Salaries, allowances and other benefits in kind	**13,859**	12,138
– Contribution to retirement benefit scheme	**578**	930
	14,437	13,068
Auditor's remuneration	**500**	500
Cost of inventories recognised as an expense	**2,388**	483
Depreciation of property, plant and equipment	**3,381**	1,124
Depreciation of right-of-use assets	**3,587**	3,042
Amortisation of intangible asset	**43**	–
Loss on written-off of property, plant and equipment	**264**	880
Royalty expense recognised as cost of sales	**1,995**	3,093
Freight expenses recognised as cost of sales	**65,580**	65,238

12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and chief executive's remuneration for the year disclosed pursuant to the applicable GEM Listing Rules and CO are set out below:

	Fee ***HK$'000***	**Salaries, allowances and other benefits in kind** ***HK$'000***	**Contributions to retirement benefit scheme** ***HK$'000***	**Total** ***HK$'000***
For the year ended 31 March 2026				
Executive directors				
Ms. Ho Chiu Ha Maisy (Chairlady) *(Note i)*	**–**	**–**	**–**	**–**
Mr. Lau Ling Tak	**–**	**1,182**	**18**	**1,200**
Ms. Man Wing Yee Ginny *(Note i)*	**–**	**–**	**–**	**–**
Independent non-executive directors				
Mr. Siu Chi Yiu Kenny	**60**	**–**	**3**	**63**
Mr. Lee Chi Keung Jim	**60**	**–**	**3**	**63**
Dr. Chow Ho Wan, Owen	**60**	**–**	**3**	**63**
	180	**1,182**	**27**	**1,389**

	Fee *HK$'000*	Salaries, allowances and other benefits in kind *HK$'000*	Contributions to retirement benefit scheme *HK$'000*	Total *HK$'000*
For the year ended 31 March 2025				
Executive directors				
Ms. Ho Chiu Ha Maisy (Chairlady)	–	–	–	–
Mr. Lau Ling Tak	–	1,182	18	1,200
Ms. Man Wing Yee Ginny	–	–	–	–
Independent non-executive directors				
Mr. Siu Chi Yiu Kenny	85	–	4	89
Mr. Lee Chi Keung Jim	85	–	4	89
Dr. Chow Ho Wan, Owen	85	–	4	89
	255	1,182	30	1,467

12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (CONTINUED)

Notes:

(i) Ms. Ho Chiu Ha Maisy passed away on 12 April 2026, and Ms. Man Wing Yee Ginny was appointed as the Chairlady on 20 April 2026.

(ii) The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

(iii) The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

(iv) There was no arrangement under which a director or chief executive waived or agreed to waive any remuneration during the year ended 31 March 2026 (2025: Nil).

(v) During the years ended 31 March 2026 and 2025, no emoluments were paid by the Group to the Directors or chief executive as an inducement to join or upon joining the Group or as compensation for loss of office.

13. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included one (2025: one) director, details of whose remuneration are set out in Note 12 above. Details of the remuneration for the year of the remaining four (2025: four) highest paid employees who are neither a director nor chief executive of the Company are as follows:

	2026	2025
	HK$'000	*HK$'000*
Salaries, allowances and other benefits in kind	**2,598**	2,642
Contribution to retirement benefits scheme	**78**	60
	2,676	2,702

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

	Number of employees	
	2026	2025
Nil to HK$1,000,000	**4**	4

14. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the year ended 31 March 2026, nor has any dividend been proposed since the end of the reporting period (2025: Nil).

15. LOSS PER SHARE

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

	2026	2025
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	**17,351**	21,276

	2026	2025
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic loss per share	**2,612,959**	2,612,959

The computation of diluted loss per share does not assume the exercise of the Company's share options because the exercise price of those options was higher than the average market price for shares for the year ended 31 March 2025.

16. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvement HK$'000	Furniture, fixtures and equipment HK$'000	Machinery HK$'000	Total HK$'000
Cost				
At 1 April 2024	2,597	463	1,445	4,505
Additions	1,701	3,453	1,658	6,812
Written-off	(898)	(74)	–	(972)
At 31 March 2025	3,400	3,842	3,103	10,345
Additions	2,858	6,076	80	9,014
Disposal	–	–	(237)	(237)
Written-off	(318)	(140)	(262)	(720)
Exchange realignment	–	1	8	9
At 31 March 2026	**5,940**	**9,779**	**2,692**	**18,411**
Accumulated depreciation and impairment				
At 1 April 2024	1,775	339	1,337	3,451
Charge for the year	377	403	344	1,124
Written-off	(76)	(16)	–	(92)
At 31 March 2025	2,076	726	1,681	4,483
Charge for the year	973	1,942	466	3,381
Disposal	–	–	(100)	(100)
Written-off	(284)	(63)	(109)	(456)
Impairment loss	607	1,709	747	3,063
Exchange realignment	–	1	7	8
At 31 March 2026	**3,372**	**4,315**	**2,692**	**10,379**
Carrying amounts				
At 31 March 2026	**2,568**	**5,464**	**–**	**8,032**
At 31 March 2025	1,324	3,116	1,422	5,862

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

Leasehold improvements	50% or over the shorter of lease term
Furniture, fixtures and equipment	20% – 40%
Machinery	25% – 33%

17. RIGHT-OF-USE ASSETS

	Leased properties *HK$'000*
As at 31 March 2026	
Carrying amounts	**334**
As at 31 March 2025	
Carrying amounts	7,891
For the year ended 31 March 2026	
Depreciation charge	**3,587**
Impairment loss	**1,965**
For the year ended 31 March 2025	
Depreciation charge	3,042

	2026 ***HK$'000***	2025 *HK$'000*
Expense relating to short-term leases	**723**	1,431
Variable lease payments not included in the measurement of lease liabilities	**1,705**	1,167
Total cash outflow for leases	**6,281**	5,367
Additions to right-of-use assets	**115**	10,674
Reassessment due to lease modification	**(723)**	–
Early termination of a lease	**(1,513)**	–

For the years ended 31 March 2026 and 31 March 2025, the Group leases various playgrounds, office, and carpark for its operations. Lease contracts are entered into for fixed term of two to three years (2025: fixed term of two to three years). Lease terms are negotiated on an individual basis and contain different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

In addition to the portfolio of short-term leases for IP thematic experience centre and playgrounds which are entered into by the Group, the Group entered into several short-term leases for IP thematic experience centre and playgrounds during the year ended 31 March 2025.

The portfolio of short-term leases to which it is committed as at 31 March 2026 is dissimilar to the portfolio of short-term leases to which the short-term lease expense for the year ended 31 March 2026 as disclosed above. As at 31 March 2026, the outstanding lease commitments is approximately HK$42,000.

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17. RIGHT-OF-USE ASSETS (CONTINUED)

Variable lease payments

Leases are variable lease payment that are based on 10% to 31% (2025: 10% to 30%) monthly sales. The payment terms are common in retail shop and IP thematic experience centres and playgrounds in the PRC, Hong Kong and Macau, where the Group operates. The amount of variable lease payments paid/payable to relevant lessors during the year:

	Number	Fixed payments	Variable payments	Total
		HK$'000	*HK$'000*	*HK$'000*
For the year ended 31 March 2026				
Retail shop with variable lease payments	**1**	**–**	**17**	**17**
IP thematic experience centre and playground with variable lease payments	**4**	**–**	**1,688**	**1,688**
	5	**–**	**1,705**	**1,705**
For the year ended 31 March 2025				
IP thematic experience centre and playground with variable lease payments	2	–	1,167	1,167

The overall financial effect of using variable payment terms is that higher rental costs are incurred by IP thematic experience centre and playground with higher sales. Variable rent expenses are expected to be incurred in accordance with IP thematic experience centre and playground sales in future years.

18. INTANGIBLE ASSET

	License
	HK$'000
COST	
At 1 April 2024 and 31 March 2025	–
Addition	300
At **31 March 2026**	300
AMORTISATION AND ACCUMULATED IMPAIRMENT	
At 1 April 2024 and 31 March 2025	**–**
Charge for the year	**43**
Impairment loss	**257**
At 31 March 2026	**300**
CARRYING VALUES	
At 31 March 2026	**–**
At 31 March 2025	–

During the year ended 31 March 2026, the Group acquired the license from an independent third party to operate the IP thematic playground. The estimated useful life of the license is 1.75 years.

19. IMPAIRMENT TESTING ON PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS AND INTANGIBLE ASSET

For the purpose of impairment testing, property, plant and equipment, right-of-use assets and intangible asset has been mainly allocated to two individual cash generating units ("**CGU**") comprising two subsidiaries in the IP automation and entertainment business in Hong Kong and Macau respectively.

IP automation and entertainment business in Hong Kong

For the year ended 31 March 2026, as the IP automation and entertainment business in Hong Kong incurred operating loss (2025: loss), the management of the Group concluded there was indication for impairment and conducted impairment assessment on certain property, plant and equipment, right-of-use assets and intangible asset with gross carrying amounts of approximately HK$3,056,000, HK$2,052,000 and HK$257,000 (2025: approximately HK$4,594,000, HK$7,190,000 and HK$Nil), respectively, to which belong to IP automation and entertainment business in Hong Kong.

In addition, the Group estimates the recoverable amount of the cash generating unit of provision of IP automation and entertainment services in Hong Kong to which the property, plant and equipment, right-of-use assets and intangible asset belong when it is not possible to estimate the recoverable amount individually.

19. IMPAIRMENT TESTING ON PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS AND INTANGIBLE ASSET (CONTINUED)

IP automation and entertainment business in Hong Kong (Continued)

The recoverable amount of that cash generating unit has been determined based on the value-in-use calculation by reference to a valuation carried out by Valtech Valuation Advisory Limited ("**Valtech**"), an independent qualified professional valuer. The calculation uses cash flow projections based on financial budgets approved by the management of the Group covering the following five years with a pre-tax discount rate of 14.70% (2025: 17.96%) as at 31 March 2026. The annual growth rate used is ranging from (37.4%) to 2.5% (2025: 3.1% to 8.0%), which is based on the cash-generating unit's past performance and management expectations for the market development. The cash flows beyond the five-year period are extrapolated using 2.48% (2025: 2.5%) growth rate. Another key assumption for the value-in-use calculation is the budgeted gross margin, which is determined based on the cash-generating unit's past performance and management expectations for the market development.

As at 31 March 2026, based on the result of the assessment, management of the Group determined that the recoverable amount of the cash generating unit lower than its carrying amount. Accordingly, impairment loss of HK$3,056,000, HK$1,952,000 and HK$257,000 has been recognised against the carrying amount of the property, plant and equipment, right-of-use assets and intangible asset.

As at 31 March 2025, based on the result of the assessment, management of the Group determined that the recoverable amount of the cash generating unit exceeded its carrying amount. Accordingly, no impairment loss would be recognised against the carrying amount of the cash generating unit.

IP automation and entertainment business in Macau

For the year ended 31 March 2026, as the IP automation and entertainment business in Macau incurred operating loss, the management of the Group concluded there was indication for impairment and conducted impairment assessment on certain property, plant and equipment and right-of-use assets with gross carrying amounts of approximately HK$8,032,000 and HK$234,000 to which belong to IP automation and entertainment business in Macau.

In addition, the Group estimates the recoverable amount of the cash generating unit of provision of IP automation and entertainment services in Macau to which the property, plant and equipment belong when it is not possible to estimate the recoverable amount individually.

The recoverable amount of that cash generating unit has been determined based on the value-in-use calculation by reference to a valuation carried out by Valtech, an independent qualified professional valuer. The calculation uses cash flow projections based on financial budgets approved by the management of the Group covering the following five years with a pre-tax discount rate of 15.60% as at 31 March 2026. The annual growth rate used is ranging from 2.1% to 11.4%, which is based on the cash-generating unit's past performance and management expectations for the market development. The cash flows beyond the five-year period are extrapolated using 2.2% growth rate. Another key assumption for the value-in-use calculation is the budgeted gross margin, which is determined based on the cash-generating unit's past performance and management expectations for the market development.

As at 31 March 2026, based on the result of the assessment, management of the Group determined that the recoverable amount of the cash generating unit exceeded its carrying amount. Accordingly, no impairment loss would be recognised against the carrying amount of the cash generating unit.

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20. INVENTORIES

	2026	2025
	HK$'000	*HK$'000*
Finished goods – prize and merchandise	**1,761**	1,087

21. TRADE RECEIVABLES

	2026	2025
	HK$'000	*HK$'000*
Trade receivables	**8,826**	18,675
Less: Allowance for credit losses	**(6,912)**	(8,182)
	1,914	10,493

The Group's credit term with its clients is, in general, due upon the issuance of invoices.

As at 1 April 2024, trade receivables from contracts with customers amounted to approximately HK$26,025,000, net of expected credit loss allowance of approximately HK$632,000.

The following is an ageing analysis of trade receivables, net of expected credit loss allowances, presented based on the invoice dates:

	2026	2025
	HK$'000	*HK$'000*
0 to 30 days	**1,869**	7,015
31 – 60 days	**25**	87
61 – 90 days	**20**	94
91 to 180 days	**–**	82
181 to 365 days	**–**	726
Over 365 days	**–**	2,489
	1,914	10,493

As at 31 March 2026, included in the Group's trade receivables balance are debtors with aggregate carrying amount of approximately HK$1,914,000 (2025: approximately HK$10,493,000) which are past due as at the reporting date.

Details of impairment assessment of trade receivables are set out in Note 38(b).

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22. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2026	2025
	HK$'000	HK$'000
Prepayments *(Note a)*	**104**	7,290
Deposits *(Note b)*	**3,441**	4,056
Other receivables	**206**	110
	3,751	11,456
Less: Allowance for credit losses	**(6)**	(18)
	3,745	11,438
Prepayments classified as non-current assets (Note c)	**–**	(1,068)
	3,745	10,370

Notes:

(a) As at 31 March 2025, included in the Group's prepayment, an amount of approximately HK$5,584,000 represented the payment in advance for freight expenses.

(b) As at 31 March 2026, included in the Group's deposit, an amount of approximately HK$1,055,000 represented the rental deposit paid for a playground in Macau (2025: HK$1,055,000).

(c) As at 31 March 2025, included in the Group's prepayment, an amount of approximately HK$1,068,000 represented the prepayment for the acquisition of property, plant and equipment.

Details of impairment assessment of deposits and other receivables for the years ended 31 March 2026 and 2025 are set out in Note 38(b).

23. CASH AND CASH EQUIVALENTS

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 market rates range from 0.00% to 0.10% (2025: 0.00% to 0.30%).

Included in cash and cash equivalents are the following amounts denominated in currencies other than the group entities' functional currencies:

	2026	2025
	HK$'000	HK$'000
Amounts denominated in:		
US$	**230**	2,743
MOP	**962**	408

23. CASH AND CASH EQUIVALENTS (CONTINUED)

Included in cash and cash equivalents are the following amounts which are subject to foreign exchange control regulations and not freely transferable:

	2026	2025
	HK$'000	*HK$'000*
Amounts denominated in:		
RMB	**295**	338

Details of impairment assessment of bank balances are set out in Note 38(b).

24. TRADE PAYABLES

The following is an aged analysis of trade payables presented based on the invoice dates:

	2026	2025
	HK$'000	*HK$'000*
0 – 30 days	**2,423**	4,806
31 – 60 days	**232**	295
61 – 90 days	**190**	31
91 – 180 days	**575**	429
Over 180 days	**1,711**	1,742
	5,131	7,303

The credit period on trade payables are generally 30 days (2025: 30 to 60 days).

25. OTHER PAYABLES AND ACCRUALS

	2026	2025
	HK$'000	*HK$'000*
Other payables *(Note)*	**6,784**	4,757
Accruals	**2,435**	2,580
	9,219	7,337

Note:

As at 31 March 2026, included in the Group's other payables amounted to approximately HK$4,390,000 (2025: approximately HK$4,150,000) represented the amount due to 深圳市頂上擂台保齡球樂園有限公司 which is unsecured, interest free and repayable on demand. Mr. Chan Yu Fung, one of the substantial shareholders of the Company, is the shareholder and director of this company.

26. CONTRACT LIABILITIES

	2026	2025
	HK$'000	*HK$'000*
Contract liabilities		
– Unutilised game token, gift card and customer loyalty program point	**856**	1,510
– Receipts in advance of dry bulk shipping and logistic business	**–**	6,992
	856	8,502

As at 1 April 2024, contract liabilities amounted to approximately HK$11,185,000.

Contract liabilities, that are not expected to be settled within the Group's normal operating cycle, are classified as current and non-current liabilities based on the Group's earliest obligation to transfer goods or services to the customers.

The following table shows how much of the revenue recognised relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in prior periods.

	Unutilised game token, gift card and customer loyalty program point	**Receipts in advance of dry bulk shipping and logistic business**	**Total**
	HK$'000	*HK$'000*	*HK$'000*
For the year ended 31 March 2026			
Revenue recognised that was included in the contract liability balance at the beginning of the year	**1,510**	**6,992**	**8,502**
For the year ended 31 March 2025			
Revenue recognised that was included in the contract liability balance at the beginning of the year	931	10,254	11,185

Typical payment terms which impact on the amount of contract liabilities recognised are as follows:

– Receipts in advance of dry bulk shipping and logistic business

The Group recognises revenue from dry bulk shipping and logistic services over time as the vessel progresses to the discharge port. Prepaid freight payment is recorded as a contract liabilities and released to revenue proportionally.

The significant decrease in contract liabilities in current year was mainly due to the fulfillment of performance obligations related to those liabilities before the end of the reporting period.

– Unutilised game token, gift card and customer loyalty program point

Revenue from sales of game tokens is recognised when tokens are redeemed for in-game items. Unutilised game tokens are recorded as contract liabilities until they are redeemed or expired.

The decrease in contract liabilities in current year was mainly due to the decrease in sales of game token, gift cards and customer loyalty program point than prior year.

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27. LOANS FROM SHAREHOLDERS

For the year ended 31 March 2026, the Group had loans from shareholders with carrying amount of approximately HK$13,573,000, in which the loans of approximately HK$12,410,000 are unsecured, interest bearing of 2% per annum and repayable on demand, and the loans of approximately HK$1,087,000 were unsecured, interest-free and repayable on demand.

For the year ended 31 March 2025, the loans from shareholders were unsecured, interest-free and repayable on demand.

28. OTHER BORROWINGS

	2026	2025
	HK$'000	*HK$'000*
Other borrowings, unsecured and repayable		
– Within one year	**–**	3,613
– Within a period of more than one year but not exceeding two years	**5,875**	–
	5,875	3,613
Less: Amounts due within one year shown under current liabilities	**–**	(3,613)
Amounts shown under non-current liabilities	**5,875**	–

Other borrowings comprise:

	2026	2025	**2026**	2025	**2026**	2025
	Interest rate	Interest rate	**Maturity date**	Maturity date	***HK$'000***	*HK$'000*
Unsecured other borrowings in aggregate of RMB3,370,000	**Note (a)**	2%	**30 June 2027**	13 June 2025 – 23 January 2026	**3,567**	3,613
Unsecured other borrowing of RMB2,035,000	**Note (b)**	N/A	**30 June 2027**	N/A	**2,308**	–
					5,875	3,613

Notes:

(a) Pursuant to a supplemental agreement dated 30 May 2025, the repayment date of the other borrowings of approximately HK$3,613,000 has been extended to 30 June 2027, and the interest rate has been revised as 2% p.a. only when the subsidiary of the Company (the borrower) becomes profitable, otherwise, the other borrowings are interest free.

(b) During the year ended 31 March 2026, additional other borrowing of approximately HK$2,308,000 was raised, pursuant to the supplemental agreement dated 30 May 2025 as mentioned in Note (a). It is interest bearing at 2% p.a. only when the subsidiary of the Company (the borrower) becomes profitable, otherwise, the other borrowing is interest free.

29. LEASE LIABILITIES

	2026	2025
	HK$'000	*HK$'000*
Lease liabilities payable:		
Within one year	**1,921**	3,857
Within a period of more than one year but not exceeding two years	**417**	4,508
Within a period of more than two years but not exceeding five years	**–**	290
	2,338	8,655
Less: Amount due for settlement with 12 months shown under current liabilities	**(1,921)**	(3,857)
Amount due for settlement after 12 months shown under non-current liabilities	**417**	4,798

The incremental borrowing rates applied to lease liabilities range from 3.98% to 5.82% (2025: 3.98% to 6.39%).

30. DEFERRED TAX ASSETS

The following are the deferred tax assets recognised and the movements thereon during the current and prior year:

	ECL provision
	HK$'000
At 1 April 2024 and 31 March 2025	72
Debited to profit or loss *(Note 10)*	(59)
At 31 March 2026	13

As at 31 March 2026, the Group has temporary differences of approximately HK$1,091,000. No deferred tax asset has been recognised in relation to such temporary difference as it is not probable that taxable profit will be available against which the temporary differences can be utilised.

At the end of the reporting period, the Group has unused tax losses of approximately HK$60,978,000 (2025: approximately HK$43,026,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams.

31. SHARE CAPITAL

	Number of ordinary shares '000	HK$'000
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 April 2024, 31 March 2025 and **31 March 2026**	**20,000,000,000**	**200,000,000**
Issued and fully paid:		
At 1 April 2024, 31 March 2025 and **31 March 2026**	**2,612,959**	**26,130**

32. SHARE OPTION SCHEME

The Company conditionally operates a share option scheme ("**Share Option Scheme**") for the purpose of attract, retain and reward the eligible persons and to provide the eligible persons an incentive or reward for their contribution to the Group. The Share Option Scheme was adopted on 21 September 2011 and, unless otherwise terminated by ordinary resolution in general meeting or the board of directors, will remain in full force for ten years from that date.

The eligible persons of the Share Option Scheme include directors, employee, consultants or advisers, provider of goods or services, customers, holder of securities issued by the member of the Group and any other person has contributed to the Group (the "**Eligible Persons**").

The subscription price of the share options shall be a price determined by the board of directors and shall be at least the highest of (i) the closing price per share as stated in the Stock Exchange's daily quotation sheet on the offer date; (ii) the average of the closing prices per share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the offer date; or (iii) the nominal value of the share.

The Eligible Person shall accept the offer or be deemed to have declined it at the date not later than ten business days after the offer date, provided that no such offer shall be opened for acceptance after the tenth anniversary of the date of adoption of the Share Option Scheme or after the Share Option Scheme has been terminated in accordance with the provisions of the Share Option Scheme. The amount payable by the grantee to the Company on acceptance of the offer shall be a nominal amount to be determined by the board of directors.

The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme shall not in aggregate exceed 10% of the total number of shares in issue as at the date of approval of the Share Option Scheme.

32. SHARE OPTION SCHEME (CONTINUED)

On 25 September 2013, the shareholders of the Company had approved the refreshment of the 10% scheme mandate limit on the grant of options under the Share Option Scheme. Options previously granted will not be counted for the purpose of calculating the scheme mandate limit as refreshed. Based on 2,220,000,000 shares of the Company in issue as at the date of refreshment, the Directors were authorised to issue options to subscribe for a total of 222,000,000 shares of the Company, representing 10% of the total number of shares of the Company in issue as at the date of refreshment.

The total number of shares issued and to be issued upon exercise of the options granted to each Eligible Person (including both exercised and outstanding options under the Share Option Scheme) in any twelve-month period must not exceed 1% of the issued share capital of the Company. Any grant of share options in excess of the above limit is subject to the approval from the shareholders in general meeting.

The following table discloses movements of the Company's share options granted pursuant to the Share Option Scheme:

Year ended 31 March 2025

Participant	Options type	Date of grant	Exercise price per share *HK$*	Fair value at grant date per share *HK$*	Exercise period	As at 1 April 2024 *'000*	Granted during the year *'000*	Exercised during the year *'000*	Cancelled during the year *'000*	Lapsed during the year *'000*	As at 31 March 2025 *'000*
Employees other than directors	2014	17/9/2014	0.68	0.13027	17/9/2014-16/9/2024	12,500	–	–	–	(12,500)	–
Consultant	2014	17/9/2014	0.68	0.13027	17/9/2014-16/9/2024	2,500	–	–	–	(2,500)	–
						15,000	–	–	–	(15,000)	–

For equity-settled share-based payments with parties other than employees, the Group has the presumption that the fair values of the services received cannot be estimated reliably. As in the opinion of the Directors, the Group measured the services received from these parties and its fair value is approximate to the fair values of the share options granted using the black-scholes option pricing model, at the date these parties rendered related services to the Group.

No share option had been granted, exercised, cancelled during the years ended 31 March 2026 and 2025.

All of the outstanding share options have been lapsed during the year ended 31 March 2025.

33. RELATED PARTIES TRANSACTIONS

(a) Compensation of key management personnel

The key management comprises all the Directors, details of their remuneration are disclosed in Note 12 to the consolidated financial statements.

The remuneration of the Directors are determined by the remuneration committee having regard to the performance of individuals and market trends.

(b) Save as disclosed elsewhere in the consolidated financial statements, the Group had the following transactions with the related parties:

Company	**Transactions**	**2026**	2025
		HK$'000	*HK$'000*
SJM Resorts, Limited *(Note 1)*	Revenue from IP automation and entertainment business	**–**	3,123
Ranex Investments Limited *(Note 1)*	Rent and rates	**603**	717
	Rental deposit	**1,008**	990
前海前峰科技（深圳）有限公司 *(Note 2)*	Other borrowings	**(5,875)**	(3,613)
	Interest expenses	**–**	66
Wa Wa Automation Equipment Company Limited ("**Wa Wa**") *(Note 3)*	Other receivable	**137**	–

Notes:

1. Ms. Ho Chiu Ha, Maisy, one of the Directors, was the shareholder and director of these companies.
2. Mr. Chan Yu Fung, one of the substantial shareholders of the Company, is the shareholder and director of this company.
3. Ms. Man Wing Yee Ginny, one of the Directors, is the shareholder of Wa Wa. During the year ended 31 March 2026, the Group disposed of machinery with carrying amount of approximately HK$137,000 to Wa Wa at a consideration of approximately HK$137,000, which remained outstanding as at 31 March 2026.

34. 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.

	Lease liabilities *HK$'000*	Loan from shareholders *HK$'000*	Other borrowings *HK$'000*	Accrued interest (included in other payables and accruals) *HK$'000*	Total *HK$'000*
At 1 April 2024	371	1,087	–	–	1,458
Non-cash changes:					
Finance cost	380	–	–	66	446
New lease entered	10,674	–	–	–	10,674
Others	–	–	76	–	76
Exchange adjustments	(1)	–	–	–	(1)
	11,053	–	76	66	11,195
Changes from cash flow:					
New borrowings raised	–	–	3,537	–	3,537
Repayment of lease liabilities					
– Capital element	(2,389)	–	–	–	(2,389)
– Interest element	(380)	–	–	–	(380)
	(2,769)	–	3,537	–	768
At 31 March 2025	8,655	1,087	3,613	66	13,421
Non-cash changes:					
Finance cost	**302**	**76**	**162**	**–**	**540**
New lease entered	**115**	**–**	**–**	**–**	**115**
Reassessment due to lease modification	**(1,256)**	**–**	**–**	**–**	**(1,256)**
Early termination of a lease	**(1,789)**	**–**	**–**	**–**	**(1,789)**
Gain on recognition of other borrowing	**–**	**–**	**(411)**	**–**	**(411)**
Others	**–**	**–**	**–**	**(66)**	**(66)**
Exchange adjustments	**164**	**–**	**(7)**	**–**	**157**
	(2,464)	**76**	**(256)**	**(66)**	**(2,710)**
Changes from cash flow:					
Advance from shareholders	**–**	**12,410**	**–**	**–**	**12,410**
New borrowings raised	**–**	**–**	**2,518**	**–**	**2,518**
Repayment of lease liabilities					
– Capital element	**(3,551)**	**–**	**–**	**–**	**(3,551)**
– Interest element	**(302)**	**–**	**–**	**–**	**(302)**
	(3,853)	**12,410**	**2,518**	**–**	**11,075**
At 31 March 2026	**2,338**	**13,573**	**5,875**	**–**	**21,786**

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35. CAPITAL COMMITMENTS

	2026 HK$'000	2025 HK$'000
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided for in the consolidated financial statements	–	1,068

36. PARTICULARS OF SUBSIDIARIES OF THE COMPANY

Details of the subsidiaries directly and indirectly held by the Company at the end of the reporting period are as follow:

Name of subsidiary	Place of incorporation/ operations	Issued and fully paid up share capital	Proportion of ownership interest and voting power held by the Company				Principal activities
			Directly		Indirectly		
			2026	2025	2026	2025	
Evershining International Logistics Limited	Hong Kong	HK$10,000	–	–	100%	100%	Provision of dry bulk shipping services
Evershining International Shipping Limited *(Note b)*	Hong Kong	HK$10,000	–	–	–	100%	Provision of dry bulk shipping services
Wider Yield Limited	Hong Kong	HK$10,000	100%	100%	–	–	IP automation and entertainment business
Greater Yield Logistics Limited	Hong Kong	HK$10,000	100%	100%	–	–	Sales of merchandise
Wider Yield (Macau) Limited	Macau	MOP25,000	–	–	100%	100%	IP automation and entertainment business
深圳市恒富輝科技有限公司*	PRC	RMB5,000,000	–	–	100%	100%	IP automation and entertainment business
恒富輝貨運代理（深圳）有限公司+	PRC	RMB5,000,000	–	–	100%	100%	Provision of dry bulk shipping services
深圳市恒富輝餐飲管理有限公司+ *(Note a and b)*	PRC	Paid up capital of RMB110,500 and unpaid registered capital of RMB89,500	–	–	–	100%	Operation of a restaurant
深圳市恒富輝文化傳播有限公司+ *(Note a)*	PRC	RMB1,000,000	–	–	100%	100%	IP automation and entertainment business

* A wholly foreign owned enterprise establised in the PRC

+ A PRC domestic company

36. PARTICULARS OF SUBSIDIARIES OF THE COMPANY (CONTINUED)

Notes:

(a) Newly set up during the year ended 31 March 2025.

(b) Deregistered during the year ended 31 March 2026.

(c) None of the subsidiaries had issued any debts securities at the end of the year.

37. 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 from prior year.

The capital structure of the Group consists of net debt, which includes loans from shareholders, other borrowings and lease liabilities, net of bank balances and cash and equity attributable to owners of the Company, comprising issued share capital and reserves.

The Group's risk management committee reviews the capital structure on an annual basis. As part of this review, the committee considers the cost of capital and the risks associated with each class of capital. The Group has a target gearing ratio of 25% determined as the proportion of net debt to equity. Based on the committee's recommendations, the Group will balance its overall capital structure through issue of new shares as well as the issue of new debt.

The gearing ratio at the end of the reporting period was as follows:

	2026	2025
	HK$'000	*HK$'000*
Total debts[#]	**21,786**	13,355
Total deficits	**(19,978)**	(2,311)
Gearing ratio	**(109.0%)**	(577.9%)

[#] Total debts represent the loans from shareholders, other borrowings and lease liabilities.

38. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

	2026	2025
	HK$'000	*HK$'000*
Financial assets		
Amortised cost:		
Trade receivables	**1,914**	10,493
Deposits and other receivables	**3,641**	4,148
Cash and cash equivalents	**2,695**	8,061
	8,250	22,702
Financial liabilities		
At amortised cost:		
Trade payables	**5,131**	7,303
Other payables and accruals	**9,161**	7,280
Loans from shareholders	**13,573**	1,087
Other borrowings	**5,875**	3,613
Lease liabilities	**2,338**	8,655
	36,078	27,938

(b) Financial risk management objectives and policies

The Group's major financial instruments include trade receivables, deposits and other receivables, cash and cash equivalents, trade payables, other payables and accruals, loans from shareholders, other borrowings and lease liabilities. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risks (currency risk and interest rate risk), operational 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 in a timely and effective manner.

(i) Market risk

(a) Currency risk

Several subsidiaries of the Company have foreign currency bank balances which expose the Group to foreign currency risk.

The carrying amounts of the Group's foreign currency denominated monetary assets at the end of the reporting period are as follows:

	Assets	
	2026	2025
	HK$'000	*HK$'000*
RMB	**–**	207
US$	**230**	2,743

38. FINANCIAL INSTRUMENTS (CONTINUED)

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

(i) Market risk (Continued)

(a) Currency risk (Continued)

The Group currently does not have a foreign exchange hedging policy. However, the Directors monitor foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arise. In virtue of the exposure on currency risk being minimal, the respective quantitative disclosures have not been prepared.

No sensitivity analysis was prepared as the Directors consider that the exposure of currency risk is insignificant.

(b) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate loans from shareholders, other borrowings and lease liabilities, as set out in Notes 27, 28 and 29 respectively. The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances as detailed in Note 23. The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. The management will review the proportion of borrowings in fixed and floating rates and ensure they are within reasonable range.

Total interest income from financial assets that are measured at amortised cost:

	2026 ***HK$'000***	2025 *HK$'000*
Other income		
Financial assets at amortised cost	**7**	94

Interest expense on financial liabilities not measured at FVTPL:

	2026 ***HK$'000***	2025 *HK$'000*
Financial liabilities at amortised cost	**540**	446

Sensitivity analysis
Bank balances are excluded from sensitivity analysis as the Directors consider that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant.

38. FINANCIAL INSTRUMENTS (CONTINUED)

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

(ii) Operational risk

During the year ended 31 March 2026, the Group's exposure to operational risk is primarily attributable to heavy reliance on major customer located in the PRC for the segment of dry bulk shipping and logistic services business. The largest customer accounted for approximately HK$66,761,000 or 73.1% (2025: approximately HK$58,701,000 or 58.7%) of the Group's total revenue for the year ended 31 March 2026. The Directors will continue closely monitoring the performance and financial performance and position of this major customer to avoid any adverse impact on the Group's performance and financial position.

(iii) Credit risk and impairment assessment

Credit risk refers to the risk that the Group's counterparties default on their contractual obligations resulting in financial losses to the Group. The Group's credit risk exposure are primarily attributable to trade receivables, deposits and other receivables and bank balances. The Group does not hold any collateral or other credit enhancements to cover its credit risk associated with its financial assets.

The Group performed impairment assessment for financial assets under ECL model. Information about the Group's credit risk management, maximum credit risk exposures and the related impairment assessment, if applicable, are summarised as below:

Trade receivables, deposits and other receivables

Credit evaluations are performed on all customers requiring credit terms. 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 to the economic environment. The management monitors the financial background and creditability of those debtors on an ongoing basis. The Group seeks to minimise its risk by dealing with counterparties which have good credit history.

The Group has a concentration of credit risk in certain individual customers. At the end of the reporting period, the five largest receivable balances accounted for approximately 92.3% (2025: approximately 83.1%) of the total gross trade receivables and the largest trade receivable was approximately 40.5% (2025: approximately 33.4%) of the Group's total gross trade receivables. The Directors closely monitor the risk exposure of the customers and would take appropriate action to ensure the risk exposure is acceptable. The Directors are of the view that the expected cash flow of trade receivables are sufficient to cover the carrying amount of trade receivables as at 31 March 2026.

For trade receivables, expected loss rates are based on actual loss experience and are adjusted for the forword-looking information that is available without undue cost or effort. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

During the year ended 31 March 2026, the Group's reversal of allowance for expected credit losses related to the trade receivables amounted to approximately HK$595,000 (2025: recognised allowance for expected credit losses related to the trade receivables amounted to approximately HK$7,550,000).

38. FINANCIAL INSTRUMENTS (CONTINUED)

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

(iii) Credit risk and impairment assessment (Continued)

Trade receivables, deposits and other receivables (Continued)

In determining the ECL of the Group's deposits and other receivables, the management assessed the expected credit losses individually by estimation based on historical credit losses experience, general economic conditions of the relevant industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. During the year ended 31 March 2026, the Group recognised allowance for expected credit losses related to the deposits and other receivables amounted to approximately HK$3,000 (2025: HK$3,000).

Bank balances

Credit risk on bank balances is limited because the counterparties are reputable banks with high credit ratings assigned by international credit-rating agencies. The Group assessed 12m ECL for bank balances by reference to information relating to probability of default and loss given default of the respective credit rating grades published by external credit rating agencies. The 12m ECL on bank balances is considered to be insignificant and therefore no loss allowance was recognised.

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

Internal credit rating	Description	Trade receivables	Other financial assets
Low risk	The counterparty has a low risk of default and does not have any past-due amounts	Lifetime ECL – not credit-impaired	12m ECL
Watch list	Debtor frequently repays after due dates but usually settle in full	Lifetime ECL – not credit-impaired	12m ECL
Doubtful	Amount is >30 days past due or there have been significant increases in credit risk since initial recognition through information developed internally or external resources	Lifetime ECL – not credit-impaired	Lifetime ECL – not credit-impaired
Loss	Amount is >90 days past due or there is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written-off	Amount is written-off

Notes to Consolidated Financial Statements

For the year ended 31 March 2026

38. FINANCIAL INSTRUMENTS (CONTINUED)

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

(iii) Credit risk and impairment assessment (Continued)

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

Financial assets at amortised cost	Notes	External credit rating	Internal credit rating	12m or lifetime ECL	2026 Gross carrying amount		2025 Gross carrying amount	
					HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
Trade receivables	21	N/A	Note (i)	Lifetime ECL (not credit-impaired)	**2,034**		7,382	
			Loss Note (i)	Lifetime ECL (credit-impaired)	**6,792**	**8,826**	11,293	18,675
Deposits and other receivables	22	N/A	Low risk	12m ECL		**3,647**		4,166
Bank balances	23	A to A+	Low risk	12m ECL		**2,695**		8,061

Note:

(i) For trade receivables, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Except for trade receivable with gross outstanding balance of approximately HK$1,906,000 as at 31 March 2026 (2025: Nil) were assessed individually, the Group determines the ECL on trade receivables on a collective basis, grouped by past due status. The information about the credit risk exposure on the Group's trade receivables is set out below.

38. FINANCIAL INSTRUMENTS (CONTINUED)

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

(iii) Credit risk and impairment assessment (Continued)

As part of the Group's credit risk management, the Group uses debtors' ageing to assess the impairment for its customers because these customers consist of a large number of small customers with common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms.

The following table provides information about the exposure to credit risk for trade receivables which are assessed on a collective basis by using provision matrix within lifetime ECL. Debtors with gross carrying amounts of HK$1,906,000 as at 31 March 2026 (2025: Nil) were assessed individually when specific receivables no longer share similar risk characteristics.

	Average loss rate *%*	**Gross carrying amount** *HK$'000*	**Expected credit loss allowance** *HK$'000*
At 31 March 2026			
1-90 days past due	**52.3**	**128**	**67**
Over 90 days past due	**100**	**6,792**	**6,792**
		6,920	**6,859**

	Average loss rate *%*	Gross carrying amount *HK$'000*	Expected credit loss allowance *HK$'000*
At 31 March 2025			
1-90 days past due	2.5	7,382	186
Over 90 days past due	70.8	11,293	7,996
		18,675	8,182

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

As at 31 March 2026, the Group provided ECL allowance of approximately HK$6,859,000 (2025: approximately HK$8,182,000), based on collective assessment. Impairment allowance of approximately HK$53,000 (2025: Nil) was made on debtors which no longer share similar risk characteristics.

38. FINANCIAL INSTRUMENTS (CONTINUED)

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

(iii) Credit risk and impairment assessment (Continued)

The following table shows the reconciliation of ECL allowances for trade receivables, deposits and other receivables:

	Trade receivables			Deposits and other receivables	
	Life-time ECL (not credit-impaired) *HK$'000*	Life-time ECL (credit-impaired) *HK$'000*	Sub-total *HK$'000*	12m ECL *HK$'000*	Total *HK$'000*
At 1 April 2024	(450)	(182)	(632)	(15)	(647)
– Transfer to lifetime ECL (credit-impaired)	46	(46)	–	–	–
– Impairment losses recognised	(186)	(7,768)	(7,954)	(3)	(7,957)
– Impairment losses reversed	404	–	404	–	404
At 31 March 2025	(186)	(7,996)	(8,182)	(18)	(8,200)
– Transfer to lifetime ECL (credit-impaired)	17	(17)	–	–	–
– Impairment losses recognised	(119)	(2,266)	(2,385)	(4)	(2,389)
– Written-off	–	675	675	15	690
– Impairment losses reversed	168	2,812	2,980	1	2,981
At 31 March 2026	**(120)**	**(6,792)**	**(6,912)**	**(6)**	**(6,918)**

The changes in the loss allowance for the trade receivables are mainly due to further impairment of approximately HK$1,719,000 (2025: HK$5,349,000) made for the credit risk increased trade receivables. The reversal of impairment loss of approximately HK$2,980,000 (2025: HK$400,000) was due to repayment from customers.

38. FINANCIAL INSTRUMENTS (CONTINUED)

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

(iv) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of internal funding to meet its working capital requirements.

The Group monitors its risk to a shortage of funds by considering the maturity of both its financial liabilities and financial assets (for example, trade receivables) and projected cash flows from operations.

The Group is exposed to liquidity risk as the Group had net current liabilities of approximately HK$22,065,000 as at 31 March 2026. The liquidity of the Group primarily depends on the future funding being available and the ability of the Group to meet its financial obligations as they fall due. Details of which are set out in Note 3.1 to the consolidated financial statements.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

The table includes both interest and principal cash flows.

	Weighted average effective interest rate	On demand or less than 1 year	1 to 2 years	2 to 5 years	Total undiscounted cash flows	Carrying amount at 31 March 2026
	%	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2026						
Non-derivative financial liabilities						
Trade payables	–	5,131	–	–	5,131	5,131
Other payables and accruals	–	9,161	–	–	9,161	9,161
Loans from shareholders	0%-2%	13,761	–	–	13,761	13,573
Other borrowings	3.5%	–	6,131	–	6,131	5,875
Lease liabilities	3.98%-5.82%	1,986	420	–	2,406	2,338
		30,039	6,551	–	36,590	36,078

38. FINANCIAL INSTRUMENTS (CONTINUED)

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

(iv) Liquidity risk (Continued)

	Weighted average effective interest rate	On demand or less than 1 year	1 to 2 years	2 to 5 years	Total undiscounted cash flows	Carrying amount at 31 March 2025
	%	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2025						
Non-derivative financial liabilities						
Trade payables	–	7,303	–	–	7,303	7,303
Other payables and accruals	–	7,280	–	–	7,280	7,280
Loans from shareholders	–	1,087	–	–	1,087	1,087
Other borrowings	2%	3,641	–	–	3,641	3,613
Lease liabilities	3.98% to 6.39%	4,251	4,683	293	9,227	8,655
		23,562	4,683	293	28,538	27,938

(c) Fair value measurements of financial instruments

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded in the consolidated financial statements approximate their fair values.

Notes to Consolidated Financial Statements

For the year ended 31 March 2026

39. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	2026	2025
	HK$'000	*HK$'000*
NON-CURRENT ASSETS		
Investment in subsidiaries	**21**	21
Right-of-use assets	**334**	1,001
	355	1,022
CURRENT ASSETS		
Prepayments, deposits and other receivables	**282**	284
Amounts due from subsidiaries	**11,740**	11,538
Cash and cash equivalents	**63**	684
	12,085	12,506
CURRENT LIABILITIES		
Other payables and accruals	**795**	780
Lease liabilities	**347**	664
Loans from shareholders	**582**	582
Amounts due to subsidiaries	**19,866**	19,397
	21,590	21,423
NET CURRENT LIABILITIES	**(9,505)**	(8,917)
TOTAL ASSETS LESS CURRENT LIABILITIES	**(9,150)**	(7,895)
NON-CURRENT LIABILITIES		
Lease liabilities	**–**	347
NET LIABILITIES	**(9,150)**	(8,242)
CAPITAL AND RESERVES		
Share capital	**26,130**	26,130
Reserves	**(35,280)**	(34,372)
TOTAL DEFICITS	**(9,150)**	(8,242)

The statement of financial position of the Company was approved and authorised for issue by the Board of Directors on 30 June 2026 and are signed on its behalf by:

Ms. Man Wing Yee Ginny
Director

Mr. Lau Ling Tak
Director

39. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (CONTINUED)

Movement of the Company's reserve

	Share premium	Share option reserve	Accumulated losses	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2024	297,517	1,954	(325,201)	(25,730)
Loss and total comprehensive expenses for the year	–	–	(8,642)	(8,642)
Lapse of share option	–	(1,954)	1,954	–
At 31 March 2025	**297,517**	**–**	**(331,889)**	**(34,372)**
Loss and total comprehensive expenses for the year	**–**	**–**	**(908)**	**(908)**
At 31 March 2026	**297,517**	**–**	**(332,797)**	**(35,280)**

Note:

Distributable reserves

As at 31 March 2026, the Company's reserves available for cash distribution and/or distribution in specie, calculated in accordance with the Companies Law (2003 Revision) of the Cayman Islands to members amounted to Nil (2025: Nil) which comprised share premium of approximately HK$297,517,000 (2025: approximately HK$297,517,000) and deficit balance of accumulated losses of approximately HK$332,797,000 (2025: HK$331,889,000).

40. MAJOR NON-CASH TRANSACTION

During the year ended 31 March 2026, the Group entered into new lease agreements for the use of office, IP thematic experience centre and playgrounds. On the lease commencement, the Group recognised right-of-use assets and lease liabilities of approximately HK$115,000 (2025: approximately HK$10,674,000) and approximately HK$115,000 (2025: approximately HK$10,674,000) respectively.

During the year ended 31 March 2026, the Group revised the terms of a lease agreement for the use of IP thematic experience centre. On the date of lease modification, the Group derecognised right-of-use assets and lease liabilities of approximately HK$723,000 (2025: Nil) and approximately HK$1,256,000 (2025: Nil) respectively.

During the year ended 31 March 2026, the Group early terminated a lease agreement for the use of playground. On the date of lease termination, the Group derecognised right-of-use assets and lease liabilities of approximately HK$1,513,000 (2025: Nil) and approximately HK$1,789,000 (2025: Nil) respectively.

41. DISPOSAL OF A SUBSIDIARY

On 27 March 2025, the Company disposed of its 51% equity interests in 深圳市御之家文化傳媒有限責任公司 to a minority shareholder at a total consideration of RMB10,000.

(i) Consideration receivable

	HK$'000
Consideration receivable to be satisified by cash	11

(ii) Analysis of assets and liabilities over which control was lost

	HK$'000
Trade receivables	13
Prepayments and other receivables	652
Cash and cash equivalents	39
Other payables and accruals	(681)
Tax payables	(1)
Net assets disposed of	22

(iii) Loss on disposal of a subsidiary

	HK$'000
Consideration receivable to be satisified by cash	11
Net assets disposed of	(22)
Non-controlling interest	11
Loss on disposal of a subsidiary	–

(iv) Net cash outflow from disposal of a subsidiary

	HK$'000
Cash and cash equivalent balances being disposal of	(39)

42. RETIREMENT BENEFITS SCHEME

The Group operates a MPF scheme for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. Under the scheme, the employer and employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000. The Group contributes 5% of relevant payroll costs capped at HK$1,500 (2025: HK$1,500) per month to MPF scheme, in which the contribution is matched by employees.

Employees employed by the Group's operations in Macau SAR are members of government-managed social benefits schemes operated by the Macau SAR government. The Macau SAR operations are required to pay a monthly fixed contribution to the social benefits schemes to fund the benefits. The only obligation of the Group with respect to the social benefits schemes operated by the Macau SAR government is to make the required contributions under the schemes.

The employees of the Group's subsidiaries in the PRC are members of the state-managed retirement benefits scheme operated by the government of PRC. The subsidiaries in the PRC are required to contribute a certain percentage of the payroll cost to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

The total expense recognised in profit or loss of approximately HK$578,000 (2025: approximately HK$930,000) represents contributions paid or payable to these plans by the Group at rates specified in the rules of the plans. As at 31 March 2026, there was no past due contributions in respect of the years ended 31 March 2026 and 31 March 2025 had not been paid over to the plans.

At 31 March 2026 and 2025, the Group had no forfeited contribution available to reduce its contributions to the retirement benefit schemes in future years.

Financial Summary

For the year ended 31 March 2026

A summary of the results and assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements and the Prospectus is set out below:

RESULTS

	For the year ended 31 March				
	2026	2025	2024	2023	2022
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	**91,389**	100,044	88,177	90,992	47,939
Loss for the year attributable to the owners of the Company	**(17,351)**	(21,276)	(187)	(1,026)	(4,972)
Dividends	**–**	–	–	–	–

ASSETS AND LIABILITIES

	At 31 March				
	2026	2025	2024	2023	2022
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Total assets	**18,494**	44,904	66,195	40,975	51,569
Total liabilities	**(38,472)**	(47,215)	(46,823)	(21,697)	(30,990)
Total (deficits) equity	**(19,978)**	(2,311)	19,372	19,278	20,579