Goldway Education Group Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8160

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 small and mid-sized 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.

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

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*This report, for which the directors (the "**Director(s)**") of Goldway Education Group Limited (the "**Company**", 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 the 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, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this report misleading.*

This report will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least seven days from the day of its publication. This report will also be published on the Company's website at www.goldwayedugp.com.

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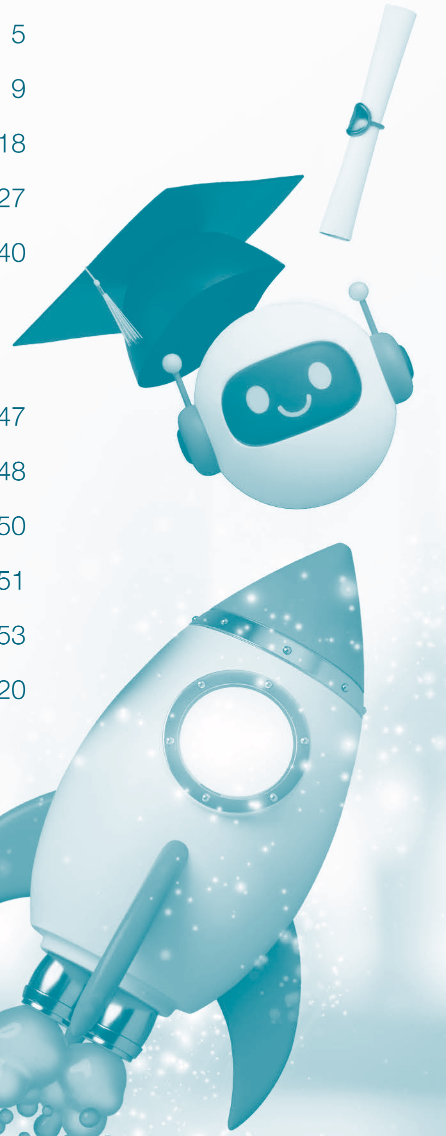

CORPORATE INFORMATION

BOARD OF DIRECTORS (THE "BOARD")

Executive directors

Mr. Leung Wai Tai
Ms. Li Yan Lin

Non-executive director

Mr. Hui Ka Fai

Independent non-executive directors

Mr. Yu Lap Pan
Mr. Wong Chi Man
Mr. Wong Ming Fair Victor

AUDIT COMMITTEE

Mr. Yu Lap Pan *(Chairman)*
Mr. Wong Chi Man
Mr. Wong Ming Fair Victor

REMUNERATION COMMITTEE

Mr. Wong Ming Fair Victor *(Chairman)*
Mr. Yu Lap Pan
Mr. Wong Chi Man

NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

Ms. Li Yan Lin *(Chairlady)*
Mr. Yu Lap Pan
Mr. Wong Ming Fair Victor

COMPANY SECRETARY

Mr. Leung Wai Tai

AUTHORISED REPRESENTATIVES

Mr. Leung Wai Tai
Ms. Li Yan Lin

COMPLIANCE OFFICER

Mr. Leung Wai Tai

AUDITOR

CCTH CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
Unit 1510–1517, 15/F Tower 2
Kowloon Commerce Centre
No.51 Kwai Cheong Road
Kwai Chung, New Territories
Hong Kong

REGISTERED OFFICE

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

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Shop B10, 1/F
Goodrich Shopping Arcade
Tuen Mun, New Territories
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F., Far East Finance Centre
16 Harcourt Road
Hong Kong

COMPANY'S WEBSITE ADDRESS

www.goldwayedugp.com

GEM STOCK CODE

8160

PROFILE OF THE DIRECTORS

EXECUTIVE DIRECTORS

Mr. Leung Wai Tai (梁煒泰先生) ("**Mr. Leung**"), aged 44, is an executive director of the Company. Mr. Leung obtained a bachelor of arts degree in Accountancy in the Hong Kong Polytechnic University in 2003, and obtained his postgraduate degree in Accounting from the School of Accounting and Finance of Hong Kong Polytechnic University in 2006. Mr. Leung is a Fellow Certified Public Accountant (Practising) in Hong Kong and the Managing Practising Director of Blossoming Certified Public Accountant Limited. He has nearly over 21 years of experience in the accountancy profession. Mr. Leung is an executive director of Simplicity Holding Limited, a company listed on the Stock Exchange (stock code: 8367) since December 2022, an independent non-executive director of Sino-Synergy Hydrogen Energy Technology (Jiaxing) Co., Ltd, a company listed on the Stock Exchange (stock code: 9663) since June 2026 and currently the company secretary of Carmen Century Investment Limited, a company listed on the Stock Exchange (stock code: 612) since August 2025. Mr. Leung was an independent non-executive director of International Entertainment Corporation (stock code: 1009), a company listed on Stock Exchange from June 2003 to December 2024. Mr. Leung joined the Group in February 2023. On April 2023, Mr. Leung has been further appointed as the Company Secretary of the Company.

Ms. Li Yan Lin (李燕林女士) ("**Ms. Li**"), aged 33, obtained a diploma of business administration in 2024 from Shenzhen University. Currently, Ms. Li is a marketing manager of a company in Shenzhen. She has extensive experience in sales and marketing, business development and operating management. Ms. Li joined the Group in January 2025.

NON-EXECUTIVE DIRECTOR

Mr. Hui Ka Fai (許家輝先生) ("Mr. Hui"), aged 45, holds a Bachelor Degree of Management from the Jinan University. Mr. Hui is a director of subsidiaries of the Group. Mr. Hui has 17 years' experience in the education industry. Mr. Hui joined the Group in 2008 and responsible for marketing, logistic and management. Mr. Hui was an executive Director of the Company from 10 January 2022 to 9 February 2023. Mr. Hui appointed as a non-executive Director of the Company in June 2026.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yu Lap Pan (余立彬先生) ("**Mr. Yu**"), aged 44, is an independent non-executive director, the chairman of the audit committee, a member of remuneration committee and a member of nomination and corporate government committee of the Company. Mr. Yu obtained a bachelor's degree in applied accounting from Oxford Brookes University in 2007 and a master's degree in corporate governance from the Hong Kong Polytechnic University in 2020. He is a fellow member of the Association of Chartered Certified Accountants, a member of the Hong Kong Institute of Certified Public Accountants and an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. Mr. Yu have extensive experience in the related fields of finance, auditing, accounting and corporate governance practices. Mr. Yu is currently the company secretary of a securities company listed on the Stock Exchange. He is also an independent non-executive director of Canopy SkyFire Group Limited (formerly known as Shanyu Group Holdings Company Limited) (stock code: 8245), a company listed on the GEM of the Stock Exchange. Mr. Yu joined the Group in May 2022.

Mr. Wong Chi Man (黃志文先生) ("**Mr. CM Wong**"), aged 43, is an independent non-executive director, a member of audit committee and a member of remuneration committee of the Company. Mr. CM Wong holds a master of Applied Finance degree from Monash University and a bachelor degree in Commerce from Deakin University, Australia. Mr. CM Wong is currently the Responsible Officer of a securities company in Hong Kong. He has over 15 years of experience in the field of investment, finance and securities advisory. Mr. CM Wong did not hold any directorship in any other listed companies in the past three years. Mr. CM Wong joined the Group in August 2022.

Mr. Wong Ming Fair Victor (王明輝先生) ("**Mr. V Wong**"), aged 43, graduated from the University of British Columbia with a bachelor's degree in economics. He has served in several public and private positions. Mr. V Wong is currently a committee member of the Jiangsu Province Huai'an Municipal Political Consultative Conference (江蘇省淮安市政協) and the Guizhou Province Youth Federation (貴州省青年聯合會). Mr. V Wong has close to 10 years experience of financial service industry. He currently serve as a director of a globally renowned business in European fabric trade and tailor suit. Mr. V Wong is an independent non-executive director of Hao Bai International (Cayman) Limited (stock code: 8431) since February 2026 and Mr. V Wong was an executive director of Capital Finance Holdings Limited (stock code: 8239) from February 2025 to May 2026, both the issued shares of which are listed on the Stock Exchange. Mr. V Wong joined the Group in November 2023.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Tutorial Business

During the year ended 31 March 2026 (the "**Year**"), the Group remained to focus on provision of tutoring services to secondary school students and primary school students in Hong Kong.

During the Year, the revenue generated from tutoring services has increased to approximately HK$44.7 million, representing an increase of approximately 9.3% comparing to that of the same period last financial year.

As at 31 March 2026, the Group had a total of 12 centres.

Franchising Business

The Group recorded franchising income of approximately HK$1.5 million for the Year, (2025: approximately HK$1.5 million). As at 31 March 2026, the Group had 7 franchise centres covering Kowloon, the New Territories and Hong Kong Island.

Management Service Business

The Group is principally engaged in the provision of management services to 深圳借山館藝術有限公司 (Shenzhen Jieshanguan Art Co. Ltd.*) ("**JSG**"), a company incorporated in the PRC with limited liability. JSG is principally engaged in the provision of art and painting education services to children under the brand "借山畫館" ("**Jieshan Gallery**") in Shenzhen, China.

The Group recorded approximately HK2.7 million of revenue for the Year, representing a decrease of approximately 69.3%. The decrease was mainly attributable to the operation reorganization of customer during the Year, the contract with the customer is currently in suspended status. The Group will continue to expand the customer base and explore more business opportunities to the segment.

Environmental Policies and Performance

The Board admits the responsibility to environmental protection. Over the years, the Group has committed to reduce pollution and waste with a view of efficient and effective resources utilisation in our tutorial centres. Staff are reminded from time to time to this direction of the Group in this respect.

Compliance with the Relevant Laws and Regulations

The Group endeavours to comply with all legal and regulatory requirements, especially Education Ordinance, Copyright Ordinance and Trade Descriptions Ordinance. In relation to the human resources, the Group is committed to comply with the requirements of the applicable laws and regulations, such as the Employment Ordinance, Mandatory Provident Fund Schemes Ordinance, ordinances in relation to discrimination, the Personal Data (Privacy) Ordinance and the Minimum Wage Ordinance.

During the Year, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

Relationships with Employees, Customers and Suppliers

The Group recognises importance of retaining talents to ensure the continuity of business. The Group has established all-rounded staff policy and guidelines for staff welfare, support the development of talent and provide a safe workplace for staff. The Group encouraged employees to update their work-related knowledge, skill by providing training offered by external organisations. As at 31 March 2026, the number of employee was 94, which represented a decrease of headcount compared to that of 97 as at 31 March 2025. During the Year, no violation of labour law was recorded. The customers of the Group included students and their parents considering the services are always paid by either one of them. During the Year, there was no material dispute between the Group and the customers/suppliers.

OUTLOOK

Looking ahead, the Group remains cautiously optimistic despite ongoing challenges in the Hong Kong education sector. According to the student enrolment statistics published by the Hong Kong Education Bureau, there are slights signs of a rebound in the number of student enrolment for primary and secondary school. The Group will continue to optimize our tutoring centres operations and enhance teaching quality to capture evolving student needs.

Our experienced management team will also look for suitable investment opportunities continuously including but not limited to tutoring businesses and management service in Hong Kong and China to maintain the competitiveness of the Group and creating value for all stakeholders.

FINANCIAL REVIEW

Revenue

For the Year, the Group recorded total revenue of approximately HK$48.9 million, representing a decrease of approximately 4.5% as compared to approximately HK$51.2 million for the year ended 31 March 2025. The decrease was mainly due to the management services business income decreased.

Depreciation expenses

Depreciation of property, plant and equipment comprises depreciation for right-of-use asset, leasehold improvements and other equipment. Depreciation of property, plant and equipment decreased by approximately HK$0.1 million from approximately HK$0.9 million for the year ended 31 March 2025 to approximately HK$0.8 million for the Year. Depreciation for right-of-use asset increased by approximately HK$0.6 million from approximately HK$6.7 million for the year ended 31 March 2025 to approximately HK$7.3 million for the Year.

Employee benefits expense

Employee benefits expense mainly consist of wages and salaries, pension costs, share-based payment expenses, staff training and other benefits to the staff and the Directors. Employee benefits expense decrease by 5.6% from approximately HK$40.9 million for the year ended 31 March 2025 to approximately HK$38.6 million for the Year, which was primarily resulted from the decrease in staff costs.

Other Operating Expenses

Other operating expenses for the year ended 31 March 2026 were approximately HK$16.1 million (2025: approximately HK$12.0 million) representing an increase of approximately 34.2%. The increase was primary due to the development costs of automated parking systems and its daily operating expenses and, legal and professional fees for acquisition of investment properties.

Net loss for the year

The Group recorded a loss attributable to owners of the Company for the Year of approximately HK15.1 million, representing an increase of approximately HK$2.2 million as compared with the loss approximately HK$12.9 million in 2025. Such change was primarily due to other operating expenses increased to approximately HK$16.1 million (2025: approximately HK$12.0 million).

Cash and cash equivalents

As at 31 March 2026, the cash and cash equivalents amounted to approximately HK$15.1 million, representing an increase of approximately 5.6% as compared to approximately HK$14.3 million as at 31 March 2025.

CONTINGENT LIABILITIES

As at 31 March 2026, the Group did not have any significant contingent liabilities.

LIQUIDITY AND FINANCIAL RESOURCES

The Group had net current liabilities of approximately HK$0.7 million as at 31 March 2026 (2025: net current assets of approximately HK$17.8 million). The Group had net asset of approximately HK$35.4 million as at 31 March 2026 (2025: approximately HK$40.5 million).

As at 31 March 2026, the gearing ratio (calculated on the basis of borrowing and promissory notes dividend by the total equity) of the Group was approximately 34.7% (2025: Nil).

FOREIGN CURRENCY EXPOSURE

The Group's business is principally conducted in Hong Kong dollar. The Directors consider that potential foreign exchange exposure of the Group is limited. However, the management will monitor the foreign exchange exposure should the need arise.

SEGMENTAL INFORMATION

An analysis of the Group's performance for the Year by business segment is set out in note 6 to the consolidated financial statements.

CAPITAL STRUCTURE

Saved as disclosed in note 32 of the consolidated financial statements, no other changes in the capital structure of the Group during the Year.

CHARGES ON THE GROUP'S ASSETS

As at 31 March 2026, the Group had investment properties were pledged to secure the borrowings and the facilities granted to the Group. For details, please refer to note 29 to the consolidated financial statements (2025: Nil).

SIGNIFICANT INVESTMENT, ACQUISITIONS AND DISPOSALS

On 15 February 2023, Grand Popular Limited, a wholly owned subsidiary of the Company, entered into the sale and purchase agreement with Rainbow Kingdom Limited for the acquisition of 7.43% of the issued shares of Orange Financial Printing Limited ("**OFP**"), a company incorporated in Hong Kong at the consideration of approximately HK$9 million to be settled in cash and 129,629,630 new shares to be issued by the Company at the issue price of HK$0.054 per share pursuant to the agreement by the allotment and issue of the consideration shares. For details please refer to the announcement dated 15 February 2023, the supplemental announcement dated 22 February 2023 and circular dated 24 April 2023, poll result of the extraordinary general meeting dated 12 May 2023 and announcement of completion of disclosable transaction dated 30 June 2023.

As at 31 March 2026, the investment of OFP held by the Group save as follows:

Name of investee company	Number of shares held	Percentage of interest held	Cost HK$'000	Fair Value HK$'000	Accumulated unrealised fair value HK$'000	Change in fair value for the year HK$'000
Orange Financial Printing Limited	222,993	7.43%	9,389	10,670	1,281	5,660

OFP is a private company incorporated in Hong Kong with limited liability. The principal activities of OFP is provision of financial printing services in Hong Kong, specialising in IPO prospectuses, financial reports, circulars, announcements and other financial documents. As at 31 March 2026, the fair value of this investment amount to approximately HK$10,670,000 which accounted for approximately 15.4% of the total assets of the Group. The Group's investment strategy for this investment is for long-term capital appreciation.

On 30 September 2025, the Company entered into the agreement with the vendors for the acquisition of 100% issued shares of the Target at the consideration of HK$20 million to be settled by the allotment and issue of the consideration shares and the issue of the promissory note. For further details, please refer to the announcement of the Company dated 30 September 2025, 21 January 2026, 3 February 2026 and the circular of the Company dated 2 January 2026.

The Group did not process any other significant investment, acquisition or disposal during the Year.

FURTHER PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Saved as disclosed in this annual report, the Group did not have any plans for material investments and capital assets.

FUND RAISING ACTIVITIES AND USAGE OF FUND PROCEEDS

References are made to announcement of the Company dated 2 August 2024 and the prospectus of the Company dated 2 July 2024. The estimated net proceeds of the right issue will be up to approximately HK$15.0 million.

As at 31 March 2026, the net proceeds of the rights issue had been utilized as follow:

	Intended use of net proceeds disclosed in the Prospectus HK$ million	Actual use of net proceeds as at 31 March 2026 HK$ million	Amount unutilised as at 31 March 2026 HK$ million	Proposed use of the unutilised net proceeds on HK$ million
New Business				
— Office rental and related expense	2.0	(0.5)	1.5	–
— Salary and other administrative expenses	2.5	(0.4)	2.1	–
— Working Capital	5.5	(3.1)	2.4	–
General working capital of the Group	5.0	(5.0)	–	6.0
	15.0	(9.0)	6.0	6.0

On 20 May 2026, after careful consideration and detailed evaluation of the Group's operating and business strategy, the Board of Directors of the Company resolved to change the use of the remaining unutilized net proceeds of HK$6 million for general working capital of the Group. The Company set the expected timeline for utilization of the unutilized balance of net proceeds of HK$6 million is on or before 30 November 2026. For details please refer to the Company's announcement dated 20 May 2026.

DIRECTORS’ REPORT

The Directors present the annual report and audited consolidated financial statements for the year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The Group is principally engaged in providing education related tutoring services, franchising services and management services in Hong Kong and China.

BUSINESS REVIEW

Discussion and analysis of the principal activities of the Group as required by Schedule 5 to the Hong Kong Companies Ordinance can be found in the section headed “Management Discussion and Analysis” set out on pages 5 to 8 of this annual report. These discussions form part of this directors’ report.

RESULT AND DIVIDENDS

The result of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 47 of this annual report.

The Directors do not recommend the payment of final dividend for the Year (2025: Nil).

DIVIDEND POLICY

The Company has adopted a dividend policy which aims sets out principles and guidelines that the Company intends to apply in relation to the declaration, payment or distribution of its net profits as dividends to the Shareholders.

The Board shall also take into account the following factors of the Group when considering the declaration and payment of dividends:

- financial results;
- cash flow situation;
- business conditions and strategies;
- future operations and earnings;
- capital requirements and expenditure plans;
- interests of shareholders;
- any restrictions on payment of dividends; and
- any other factors that the Board may consider relevant.

Any dividend unclaimed shall be forfeited and shall revert to the Company in accordance with the articles of association of the Company (the “**Articles of Association**”).

FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five years is set out on page 120 of this annual report. This summary does not form part of the audited consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in property, plant and equipment of the Group during the Year are set out in Note 14 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

The aggregate revenue attributable to the Group's largest customer and five largest customers were approximately 5.6% and approximately 5.7% respectively. Due to the nature of our business, we have 1 single customer and no supplier who account for more than 5% of our revenue and cost of sales respectively for the Year. To the best knowledge of the Directors, at no time during the Year, any Director or his associates or any shareholder (who owned more than 5% of the Company' issued share capital) has any interest in the above-mentioned customers or suppliers.

SHARE CAPITAL

Details of movements during the Year in the share capital of the Company are set out in Note 32 to the consolidated financial statements.

RESERVES

Details of movements in the reserves of the Group are presented in the consolidated statement of changes in equity on page 50 of this annual report.

As at 31 March 2026, the Company's reserves available for distribution represent the share premium and retained earnings amounting to approximately HK$11,870,000.

CLOSURE OF REGISTER OF MEMBERS

For ascertaining shareholders' right to attend and vote at the forthcoming annual general meeting (the "**AGM**").

Latest time to lodge transfers	4:30 p.m. on 17 August 2026 (Monday)
Book close date	18 August 2026 (Tuesday) to 21 August 2026 (Friday)
AGM date and Record date	21 August 2026 (Friday)

In order to qualify for the right to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong before the above latest time to lodge transfers.

SHARE OPTION SCHEME

We have conditionally adopted the share option scheme (the "**Share Option Scheme**") on 3 November 2016.

(i) Purpose of the Share Option Scheme

The purpose of which is to provide an incentive or a reward to eligible persons for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group or any entity in which the Group holds any equity interest (the "**Invested Entity**").

(ii) Who may join

Subject to the provisions in the Share Option Scheme, the Board shall be entitled at any time and from time to time within the period of ten (10) years after the date of adoption of the Share Option Scheme to make an offer to any of the following classes of persons (the "**Eligible Participant(s)**"):

(1) any employee (whether full-time or part-time) of the Company, any of its subsidiaries and any Invested Entity;

(2) any director (including executive, non-executive and independent non-executive directors) of the Company, any of the subsidiaries or any Invested Entity;

(3) any supplier of goods or services to any member of the Group or any Invested Entity;

(4) any customer of the Group or any Invested Entity;

(5) any consultant, adviser, manager, officer or entity that provides research, development or other technological support to the Group or any Invested Entity; or

(6) any person who, in the sole discretion of the Board, has contributed or may contribute to the Group or any Invested Entity eligible for options under the Share Option Scheme.

(iii) Maximum number of shares

(1) Notwithstanding anything to the contrary herein, the maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of the Company must not, in aggregate, exceed 30% of the total number of shares in issue from time to time.

(2) The total number of shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company shall not exceed 52,250,000 shares, being 10% of the total number of shares in issue as at the listing date unless the Company obtains the approval of the shareholders in general meeting for renewing the 10% limit (the "**Scheme Mandate Limit**") under the Share Option Scheme provided that options lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company will not be counted for the purpose of calculating whether the Scheme Mandate Limit has been exceeded.

(3) The Company may seek approval of the shareholders in general meeting to renew the Scheme Mandate Limit such that the total number of shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company as "renewed" shall not exceed 10% (the "**Renewal Limit**") of the total number of shares in issue as at the date of the approval of the shareholders on the renewal of the Scheme Mandate Limit, provided that options previously granted under the Share Option Scheme or any other share option schemes of the Company (including options outstanding, cancelled, lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company or exercised) will not be counted for the purpose of calculating the Renewal Limit.

For the purpose of seeking the approval of the shareholders for the Renewal Limit, a circular containing the information and the disclaimer as required under the GEM Listing Rules must be sent to the shareholders.

(4) The Company may seek separate approval of the shareholders in general meeting for granting options beyond the Scheme Mandate Limit provided that the proposed grantee(s) of such option(s) must be specifically identified by the Company before such approval is sought. For the purpose of seeking the approval of the shareholders, the Company must send a circular to the shareholders containing a generic description of the specified proposed grantees of such options, the number and terms of the options to be granted, the purpose of granting such options to the proposed grantees with an explanation as to how the terms of options serve such purpose and the information as required under the GEM Listing Rules.

(iv) Maximum entitlement of each Eligible Participant

No option shall be granted to any Eligible Participant if any further grant of options would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including such further grant exceeding 1% of the total number of shares in issue, unless:

(1) such further grant has been duly approved, in the manner prescribed by the relevant provisions of Chapter 23 of the GEM Listing Rules, by resolution of the shareholders in general meeting at which the Eligible Participant and his/her/its associates shall abstain from voting;

(2) a circular regarding the further grant has been despatched to the shareholders in a manner complying with, and containing the information specified in, the relevant provisions of Chapter 23 of the GEM Listing Rules (including the identity of the Eligible Participant, the number and terms of the options to be granted and options previously granted to such Eligible Participant); and

(3) the number and terms (including the subscription price) of such option are fixed before the general meeting of the Company at which the same are approved.

(v) Exercise of an option

A consideration of HK$1 is payable on acceptance of the offer of grant of an option. Such consideration shall in no circumstances be refundable. An option may be exercised in whole or in part by the grantee (or his personal representative(s)) at any time before the expiry of the period to be determined and notified by the Board to the grantee which in any event shall not be longer than ten (10) years commencing on the date of the offer letter and expiring on the last day of such ten (10)-year period subject to the provisions for early termination as contained in the Share Option Scheme.

(vi) Subscription price for Shares

The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be a price determined by the Board in its absolute discretion and notified to an eligible participant, and shall be at least the highest of: (1) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of the Board meeting at which the grant was proposed (the "**Offer Date**"), (2) the average closing price of the Shares as stated in the Stock Exchange's daily quotation sheets for the five consecutive business days immediately preceding the Offer Date, and (3) the nominal value of a Share on the Offer Date.

(vii) Period of the Share Option Scheme

Subject to any prior termination by the Company in a general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of ten (10) years commencing on the date of adoption of the Share Option Scheme, after which period no further option shall be granted but in respect of all options which remain exercisable at the end of such period, the provisions of the Share Option Scheme shall remain in full force and effect.

As at 31 March 2026 and for the year ended 31 March 2025, there were no share options granted, exercised, cancelled, lapsed or outstanding.

As at 31 March 2026 and the date of 2026 annual report, the total number of share available for issue (including the outstanding options already granted) under the Share Option Scheme were 1,463,000 which represented approximately 0.7% of the share in issue as at the date of 2026 Annual Report.

As at the date of the 2026 Annual Report, the remaining life of the Share Option Scheme is approximately 4 months.

DIRECTORS

Biographical details of the Directors of the Group are set out on page 4 of this annual report.

Each of the executive Directors, has entered into a service contract with the Company for an initial term of three years and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other. Each of the executive Directors is entitled to their respective basic salary (subject to an annual increment, which will be made one year after the commencement date of the service agreement at the discretion of the Directors) and may receive a discretionary bonus, the amount of which will be determined by the Board at its absolute discretion having regard to the operation results of the Company and the performance of the Directors.

Each of the independent non-executive Directors has entered into a letter of appointment with the Company. The terms and conditions of each of such letters of appointment are similar in all material respects. Each of the independent non-executive Directors is appointed with a term of three years subject to termination in certain circumstances as stipulated in the relevant letters of appointment.

Each of the above remunerations is determined by the Company with reference to duties and level of responsibilities of each Director, the remuneration policy of the Company and the prevailing market conditions.

None of the Directors proposed for re-election at the forthcoming annual general meeting of the Company has a service contract which is not determinable by the Group within 1 year without payment of compensation (other than statutory compensation).

The appointments of the executive Directors, and the independent non-executive Directors are subject to the provisions of retirement and rotation of Directors under the Articles of Association.

Pursuant to article 84 of the Articles of Association, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at an annual general meeting at least once every three years and the retiring Directors shall be eligible for re-election.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Pursuant to Rule 5.09 of the GEM Listing Rules, the Company has received from each of the existing independent non-executive Directors and annual confirmation of independence. Based on these confirmations, the Company considers all of the independent non-executive Directors are independent from the Group.

DIRECTORS' INTERESTS IN CONTRACTS

No transaction, arrangement or contract of significance, to which the Company, any of its controlling entities or its subsidiaries was a party, and in which a Director or an entity connected with a Director had a material interest, directly or indirectly, subsisted during or at the end of the Year.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the Year.

EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

The Directors' fees and other emoluments shall be subject to shareholders' approval at general meetings or determined by the Board with reference to the Directors' duties and level of responsibilities, the remuneration policy of the Company and the prevailing market conditions. Details of the emoluments of the Directors and the five highest paid individuals of the Group are set out in Note 10 to the consolidated financial statements.

INTERESTS AND SHORT POSITIONS OF DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 March 2026, none of the Directors and chief executive of the Company or their associates had any interest or short position in any Shares, underlying Shares and 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 have 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 pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules required to be notified to the Company and the Stock Exchange.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN THE SHARES OR UNDERLYING SHARES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 31 March 2026, so far as the Directors are aware, the interests or short positions owned by any persons (other than the Directors or chief executive of the Company) in the Shares or underlying Shares of the Company which were required to be notified to the Company under Divisions 2 and 3 of Part XV of the SFO, or who will be, directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group.

Long position in the Shares of the Company

Name of Shareholder	Capacity/ Nature of interest	Number of shares	Approximate percentage of issued shares
Mr. Lai Moon Tong	Beneficial Owner	58,000,000	28.53%
Wealthy View Investment Holdings Limited	Beneficial Owner	30,720,000	15.11%

Save as disclosed above, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executive of the Company) in the Shares or underlying Shares of the Company which were required to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who will be, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the Year, none of the Directors or any of their respective associates has engaged in any business that competes or may compete with the business of the Group, or has any other conflict of interest with the Group.

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

Neither the Company nor any of its subsidiaries have purchased, sold or redeemed any securities of the Company during the Year.

RELATED PARTY TRANSACTIONS

Details of the related party transactions during the Year are set out in Note 38 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the 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 PRACTICES

During the Year, the Company has complied with all the code provisions as set out in the Corporate Governance Code and Corporate Governance Report contained in Appendix 15 to the GEM Listing Rules except for certain deviations. For further information on the Company's corporate governance practices and details of deviations, please refer to the Corporate Governance Report of this annual report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Details of the Company's environmental, social and governance practices are set out in the "Environmental, Social and Governance Report" section of this annual report.

EMOLUMENT POLICY

All of our employees' remunerations are fixed and in the form of a monthly basic salary. Their remuneration packages vary according to factors such as experience, qualification, education background, previous performance in evaluations and market circumstances, with discretionary performance linked bonus. The Group provides employees with competitive and comprehensive remuneration packages and long term career development opportunities.

The Group has adopted a share option scheme as an incentive to employees. Details of the scheme are set out under the section headed "Share Option Scheme" section in this directors' report.

RETIREMENT BENEFIT PLANS

The Group participates in the defined contribution scheme (the "**MPF Scheme**") under the Mandatory Provident Fund Schemes Ordinance which is available to its employees in Hong Kong. Contributions to the MPF Scheme by the Group and employees are made based on a percentage of employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the best knowledge of the Directors, the Company has maintained a sufficient public float as required under the GEM Listing Rules during the Year and up to the date of this annual report.

AUDIT COMMITTEE

The Audit Committee was established with written terms of reference in compliance with Rule 5.28 to 5.33 of the GEM Listing Rules pursuant to a resolution of the Directors passed on 3 November 2016. The primary duties of the audit committee are mainly to make recommendations to the Board on the appointment and removal of the external auditors, review the financial statements and material advice in respect of financial reporting and oversee the internal control procedures of the Company. At present, the audit committee comprises Mr. Yu Lap Pan, Wong Chi Man and Mr. Wong Ming Fair Victor, all being the independent non-executive Directors. Mr. Yu Lap Pan is the Chairman of the audit committee. The audit committee, together with the Board, has reviewed the audited consolidated financial statements of the Group for the Year and was of the opinion that the preparation of such statements complied with applicable accounting standards and that adequate disclosure has been made in respect thereof.

AUDITOR

On 31 October 2024, McMillan Woods (Hong Kong) CPA Limited resigned, and CCTH CPA Limited was appointed as the auditor of the Company. Save as aforesaid, there has been no change in auditors of the Company in the three years preceding the date of this annual report.

A resolution will be proposed at the forthcoming annual general meeting of the Company to re-appoint CCTH CPA Limited as the auditor of the Company.

By order of the Board
Leung Wai Tai
Executive Director

Hong Kong, 30 June 2026

CORPORATE GOVERNANCE REPORT

The Board and the management of the Company are committed to the maintenance of good corporate governance practices and procedures. The corporate governance principles of the Company emphasise a quality Board, sound internal control, transparency and accountability to all Company's shareholder.

CORPORATE GOVERNANCE PRACTICES

During the Year, the Company has complied with all the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "**CG Code**") contained in Appendix 15 to the GEM Listing Rules except the following deviations:

Pursuant to the code provision C.2.1, the roles of Chairman (the "**Chairman**") and chief executive officer (the "**CEO**") should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and the CEO should be clearly established and set out in writing.

The Group currently has no Chairman and CEO. The daily operation and management of the Group is monitored by executive Directors. The Board is of the view that although there is no chairman and chief executive officer, the balance of power and authority is ensured by the operation of the Board, which comprises experienced individuals who would meet from time to time to discuss issues affecting operation of the Group. This arrangement can still enable the Group to make and implement decisions promptly, and thus achieve the Group's objectives efficiently and effectively in response to the changing environment.

The Group will, the appropriate time, arrange for the election of the new chairman and CEO of the Board.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "**Model Code**") as its own code governing securities transactions of the Directors. Specific enquiries have been made to all Directors and all Directors have confirmed that they have fully complied with the required standard of dealings as set out in the Model Code during the Year.

BOARD OF DIRECTORS

The Board currently comprises six Directors, including two executive Directors, one non-executive Director and three independent non-executive Directors.

Executive directors

Mr. Leung Wai Tai
Ms. Li Yan Lin

Non-executive Director

Mr. Hui Ka Fai (appointed on 12 June 2026)

Independent Non-executive directors

Mr. Yu Lap Pan
Mr. Wong Chi Man
Mr. Wong Ming Fair Victor

The Company has received from each of the independent non-executive Director the annual confirmation of independence and the Board considers them to be independent under Rule 5.09 of the GEM Listing Rules.

The Directors' biographical information is set out on page 4 in this annual report. To the best knowledge of the Company, save as disclosed under the section headed "Profile of the Directors", there is no financial, business, family or other material or relevant relationships among members of the Board. All executive Directors have given sufficient time and attention to the affairs of the Group. Each executive Director has sufficient experience to hold the position so as to carry out his/her duties effectively and efficiently.

The Company has arranged its Directors' and officers' liabilities an insurance coverage in respect of any legal actions which may be taken against its Directors and officers in the execution and discharge of their duties or in relation thereto.

BOARD DIVERSITY POLICY

The Company is committed to adopt a board diversity policy (the "**Board Diversity Policy**") on 2 December 2016 and revised on 27 June 2025 to complement the Company's corporate strategy. The Company considers that having a Board with diverse culture would assure Directors that their views are heard and their concerns are attended to and thus would enhance the effectiveness of the Board and maintain high standards of corporate governance. The Board achieves diversity on the Board through engaging Directors based on merit and candidates are considered against objective criteria, having due regard for the benefits of diversity on the Board including, but not limited to, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service.

The nomination and corporate governance committee of the Company has reviewed the Board's composition, experience and balance of skills of the Board under diversified perspectives, and will monitor the implementation of the Board Diversity Policy to ensure its continued effectiveness on an annual basis.

DIRECTOR NOMINATION POLICY

Director nomination policy of the Company (the "**Nomination Policy**") is in place and was adopted in writing. The Nomination Policy sets out the procedures, process, and criteria for identifying and recommending candidates for election to the Board.

RESPONSIBILITIES OF THE BOARD

The Board is responsible for leadership and control of the Group and be collectively responsible for promoting the success of the Group by directing and supervising the Group's affairs. All the Directors should make decisions objectively in the interests of the Group. The Board focuses on formulating the Group's overall strategies, authorising the development plan and budget; monitoring financial and operating performance; supervising and managing management's performance of the Group; and setting the Group's values and standards. The Board also assumes the responsibilities of maintaining high standard of corporate governance including, among others, developing and reviewing the effectiveness of the internal control system; reviewing and monitoring the policies and practices of the Group on compliance with legal and regulatory requirements, and reviewing the compliance of the Company with the CG Code. The Board delegates the day-to-day management, administration and operation of the Group to management. The delegated functions are reviewed by the Board periodically to ensure that they accommodate the needs of the Group.

BOARD PRACTICES

The Board held meetings from time to time whenever a board-level decision on a particular matter is required. At least 14 days' notice of regular Board meetings is given to all directors and they can include matters for discussion in the agenda as they think fit. The agenda accompanying Board papers are sent to all the Directors at least 3 days before the date of every Board meeting in order to allow sufficient time for the directors to review the documents. All Directors may access the advice, regulatory updates on governance and regulatory matters from professional parties if necessary.

The company secretaries of the Company are responsible to take and keep minutes of all Board meetings and committee meetings and ensure compliance with the procedures of Board meetings and general meetings of the Company. Minutes of every Board meeting and committee meeting are circulated to Directors for their perusal and comments prior to confirmation of the minutes. The Board also ensures that it is supplied in a timely manner with all necessary information in a form and of a quality appropriate to enable it to discharge its duties.

BOARD MEETINGS AND DIRECTORS' ATTENDANCE

The Board meets regularly at least four times a year to review the financial and operating performance of the Group.

For the Year, the Board held six meetings. Details of the attendance record of each Director at the Board and general meetings of the Company during the Year are set out in the table below:

	Number of attendance/ number of meetings	
	Board meetings	**Shareholder meetings**
Executive directors		
Mr. Leung Wai Tai	6/6	2/2
Ms. Li Yan Lin	6/6	2/2
Non-executive director		
Mr. Hui Ka Fai (appointed on 12 June 2026)	–/–	–/–
Independent Non-executive directors		
Mr. Yu Lap Pan	6/6	2/2
Mr. Wong Chi Man	6/6	2/2
Mr. Wong Ming Fair Victor	6/6	2/2

APPOINTMENT AND RE-ELECTION OF DIRECTORS

The Articles of Association provide that subject to the manner of retirement by rotation of directors as from time to time prescribed by the GEM Listing Rules, at each annual general meeting (the "**AGM**"), one-third of the directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation and that every Director shall be subject to retirement at an AGM at least once every three years.

Independent non-executive Directors are appointed for a specific term subject to retirement by rotation and re-election in accordance with the Articles of Associations. Each Independent non-executive Director is required to inform the Company as soon as practicable if there is any change that may affect their independence and must provide an annual confirmation of their independence to the Company.

CONTINUES PROFESSIONAL DEVELOPMENT

To assist Directors' continuing professional development, the Company provides each appointed Director with necessary and updated induction and information to ensure that he/she has a proper understanding of the Group's businesses, operations and regulatory environments in which the Group operates as well as his/her responsibilities under the relevant statutes, laws, rules and regulations. In order to keep the Directors remain informed and refresh their relevant knowledge and skills, the Company provided regular updates and presentations on changes and developments relating to the Group's business and the legislative and regulatory environments to the Directors and encouraged Directors to participate in continuous professional developments. Records of the training are required to be provided by Directors and the company secretary(ies) is required to keep and update the training records on a yearly basis.

The Board are committed to complying with code provision A.6.5 of the CG Code (subsequently rearranged and renumbered as C.1.4 in the New CG Code) on Directors' training. All Directors have participated in continuous professional development to develop and refresh their knowledge and skills in relation to their contribution to the Board during the Year.

All of the Directors have either attended seminars organised by external professionals relevant to the business or directors' duties or read professional materials publicised by regulators or professional bodies for the Year.

COMPANY SECRETARY

Mr. Leung Wai Tai is the company secretary of the Company. Pursuant to Rules 5.15 of the GEM Listing Rules, Mr. Leung has taken no less than 15 hours of relevant professional training during the Year.

REMUNERATION COMMITTEE

The Company established the remuneration committee pursuant to a resolution of the Directors passed on 3 November 2016 and revised on 30 December 2022 in compliance with Rule 5.34 of the GEM Listing Rules with written terms of reference in compliance with the CG Code.

The role and function written in terms of reference of the remuneration committee are no less exacting terms than the CG Code. The primary functions of the remuneration committee are to make recommendation to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group, review performance based remuneration and ensure none of the Directors determine their own remuneration.

At the date of this annual report, the remuneration committee comprises Mr. Wong Ming Fair Victor, Mr. Yu Lap Pan and Mr. Wong Chi Man, Mr. Wong Ming Fair Victor is the Chairman of the remuneration committee.

For the Year, the remuneration committee held one meeting to review the remuneration packages of the Directors. Details of the attendance of the meeting are as follows:

Name of Members	Number of attendance/ number of meetings
Mr. Wong Ming Fair Victor (chairman)	1/1
Mr. Yu Lap Pan	1/1
Mr. Wong Chi Man	1/1

NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

The Company established the nomination and corporate governance committee pursuant to a resolution of the Directors passed on 3 November 2016 and revised on 21 December 2018 and 27 June 2025 with written terms of reference in compliance with the CG Code.

The primary functions of the nomination and corporate governance committee are to review the structure, size, composition and diversity (including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service) of the Board at least annually; to make recommendations to the Board on the selection of, individuals nominated for directorships; to review the Nomination Policy of Directors as appropriate; to assess the independence of the independent non-executive Directors; to review the Board Diversity Policy as well as monitor its implementation so as to ensure its effectiveness; to make recommendations to the Board regarding policies/practices on corporate governance of the Group; to develop, review and monitor the code of conduct and compliance manual applicable to employees and Directors; and to review the Company's compliance with the CG Code.

At the date of this annual report, the nomination and corporate governance committee comprises Ms. Lin Yan Lin, Mr. Yu Lap Pan and Mr. Wong Ming Fair Victor. Ms. Li Yan Lin is the chairlady of the nomination and corporate governance committee.

For the Year, the nomination and corporate governance committee held one meeting to review the independence of the independent non-executive Directors and to make recommendation regarding practice on corporate governance of the Group. Details of the attendance of the meeting are as follows:

Name of Members	Number of attendance/ number of meetings
Ms. Li Yan Lin (chairlady) (appointed on 27 June 2025)	–/–
Mr. Leung Wai Tai (chairman) (resigned on 27 June 2025)	1/1
Mr. Yu Lap Pan	1/1
Mr. Wong Ming Fair Victor	1/1

CORPORATE GOVERNANCE FUNCTION

The nomination and corporate governance committee is responsible for the following corporate governance functions:

- to develop and review the Company's policies and practices on corporate governance and make recommendations on changes and updating;
- to review and monitor the training and continuous professional development of Directors and senior managements;

- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
- to review the Company's compliance with the CG Code and disclosure in corporate governance reports; and
- such other corporate governance duties and functions set out in the CG Code (as amended from time to time) for which the Board is responsible.

AUDIT COMMITTEE

The Company established the audit committee with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules pursuant to a resolution of the Directors passed on 3 November 2016 and revised on 21 December 2018.

The primary duties of the audit committee are mainly to make recommendations to the Board on the appointment and removal of the external auditors; to review and monitor the external auditors' independence and objectivity; to review the financial statements and material advice in respect of financial reporting system and to oversee the risk management and internal control systems of the Group.

At the date of this report, the audit committee comprises Mr. Yu Lap Pan, Mr. Wong Chi Man and Mr. Wong Ming Fair Victor, all being the independent non-executive Directors. Mr. Yu Lap Pan is the chairman of the audit committee.

For the Year, the audit committee held three meetings to review and supervise the financial reporting process, to review the internal control system of the Group and to review the quarterly results of the Group as well as to recommend to the Board for their consideration and approval. The audit committee of the Company was of the opinion that the preparation of such results complied with applicable accounting standards and that adequate disclosure has been made. Details of the attendance of the meeting are as follows:

Name of Members	Number of attendance/ number of meetings
Mr. Yu Lap Pan (chairman)	3/3
Mr. Wong Chi Man	3/3
Mr. Wong Ming Fair Victor	3/3

AUDITOR REMUNERATION

For the Year, the fee paid or payable to the auditor of the Company, CCTH CPA Limited, for the annual audit services provided were HK$498,000 and non-audit services was HK$160,000.

ACCOUNTABILITY AND AUDIT

The Board acknowledges its responsibility to prepare the consolidated financial statements that give a true and fair view in accordance with applicable accounting standards and ordinances. In preparation of the audited consolidated financial statements for the Year, the Board has prepared on a going concern basis, selected appropriate accounting policies and applied them consistently, made judgements and estimates that are prudent, fair and reasonable. The Directors are responsible for taking all necessary and reasonable steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The auditor of the Company, CCTH CPA Limited, acknowledges and sets out its responsibilities in the independent auditor's report on the consolidated financial statements of the Group for the Year.

INTERNAL CONTROLS AND RISK MANAGEMENT

The Board acknowledges that it has overall responsibility for the establishment, maintenance and review of the risk management and internal control systems of the Group to safeguard shareholder investments and the assets of the Group. Such risk management and internal control systems of the Group aim to facilitate effective and efficient operations and are designed for managing risks rather than eliminating the risk of failure to achieve business objectives. Such systems can only provide reasonable but not absolute assurance against material misstatement or loss.

The Board has conducted a review of the implemented systems and procedures, covering financial, operational and legal compliance controls and risk management functions and in particular, the adequacy of resources, qualifications and experience of staff, and training programmes and budget of the Company's accounting and financial reporting function. The Board is satisfied with the effectiveness and efficiency of the internal control systems of the Group.

NON-COMPETITION UNDERTAKINGS

The independent non-executive Directors have reviewed the status of compliance of the terms and the enforcement and confirmed that all of these non-competition undertakings have been complied with by the relevant covenantors.

SHAREHOLDERS' RIGHTS

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

RIGHT TO CONVENE EGM

The following procedures for shareholders to convene an EGM are subject to the Articles of Associations (as amended from time to time), and the applicable legislations and regulations, in particular the GEM Listing Rules (as amended from time to time):

(a) any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company (the "**Eligible Shareholder(s)**") carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the company secretary, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition;

(b) the Requisition must state clearly the name of the Eligible Shareholder(s) concerned, his/her/their shareholding, the reason(s) to convene an EGM and the details of the business(es) proposed to be transacted in the EGM, and must be signed by the Eligible Shareholder(s) concerned together with a deposit of a sum of money reasonable sufficient to meet the Company's expenses in serving the notice of the resolution and circulating the statement submitted by the shareholders concerned in accordance with the statutory requirements to all the registered shareholders;

(c) Eligible Shareholders who wish to convene an EGM must deposit a written requisition (the "**Requisition**") signed by the Eligible Shareholder(s) concerned to the head office and principal place of business of the Company in Hong Kong at Shop B10, 1/F, Goodrich Shopping Arcade, Tuen Mun, New Territories, Hong Kong or Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, for the attention of the Board and/or the company secretary(ies);

(d) the Requisition will be verified with Hong Kong branch share registrar and transfer office of the Company and upon their confirmation that the Requisition is proper and in order, the Board will convene an EGM by serving sufficient notice in accordance with the requirements under the Articles of Associations to all the registered Shareholders. On the contrary, if the Requisition has been verified as not in order or the Shareholders concerned have failed to deposit sufficient money to meet the Company's expenses for the said purposes, the Eligible Shareholder(s) concerned will be advised of this outcome and accordingly, the Board will not call for an EGM; and

(e) if within twenty one days of such deposit of the Requisition the Board fails to proceed to convene such EGM, the Eligible Shareholder(s) himself/herself/themselves may do so in the same manner, and all reasonable expenses incurred by the Eligible Shareholder(s) concerned as a result of the failure of the Board shall be reimbursed to the Eligible Shareholder(s) by the Company.

RIGHT TO PUT FORWARD PROPOSALS AT GENERAL MEETINGS

There are no provisions allowing shareholders to move new resolutions at the general meetings under the Companies Law (Revised) of Cayman Islands. However, pursuant to the Articles of Associations, shareholders who wish to move a resolution may by means of Requisition convene an EGM following the procedures set out above.

RIGHT TO PUT ENQUIRIES TO THE BOARD

Shareholders have the right to put enquiries to the Board. All enquiries shall be in writing and sent by post to the principal place of business of the Company in Hong Kong or by e-mail to goldway8160@outlook.com for the attention of the company secretary(ies) of the Company.

Shareholders are reminded to lodge their questions together with their detailed contact information for the prompt response from the Company if it deems appropriate.

INVESTORS RELATIONS

The Company has established a range of communication channels between itself and its shareholders, investors and other stakeholders. These include the AGM, the publication of annual, interim and quarterly reports, notices, announcements and circulars and the Company's website at www.goldwayedugp.com and meetings with investors and shareholders. News update of the Group's business development and operation are also available on the Company's website.

CONSTITUTIONAL DOCUMENTS

There had been no changes in the Company's constitutional documents for the Year.

Goldway Education Group Limited (the "**Company**", "**We**") and its subsidiaries (together the "**Group**") listed on the GEM of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 2 December 2016. With over 9 years of experience in providing tutoring services, franchising services and management services in Hong Kong and the People's Republic of China ("**PRC**").

This is the Company's annual Environmental, Social and Governance (the "**ESG**") report ("**The Report**"), documenting our performance relating to the ESG aspects. The Report is in accordance with the ESG reporting guide (the "**ESG Reporting Guide**") set out in Appendix C2 of the Rules Governing the Listing of Securities on the GEM of the Stock Exchange and has complied with the disclosure requirements of the "comply or explain" provisions set out in the ESG Reporting Guide. The reporting scope covers above mentioned the Company's five main businesses operates out of our Hong Kong office premise from 1 April 2025 to the financial year ended on 31 March 2026 (the "**Reporting Period**").

During the process of preparation of this Report, we summarized the Group's performance in corporate and social responsibilities based on the principles of "Materiality, Quantitative, Balance and Consistency". Please refer to the table below for our understanding and response to such reporting principles.

Materiality — Through continuous communication with stakeholders, combined with the Group's strategic development and business operations, we can identify current material sustainable development issues.

Quantitative

The Group provides below the standards, methodologies, calculation tools, assumptions and emission factor sources used to quantify its environmental KPIs for the Reporting Period.

Greenhouse Gas Emissions

- *Measurement Standard:* The Group follows the **Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition 2015)** and the HKEX "Reporting Guidance on Environmental KPIs".

- *Calculation Tool:* The Group applies the basic calculation formula — **Activity Data × Emission Factor** — as set out in the HKEX guidance. No third-party software is used.

- *Operational Boundary:* The Group's GHG inventory covers Scope 2 (purchased electricity) and Scope 3 Category 1 (purchased goods and services — paper consumption). Scope 1 is not applicable.

- *Assumptions:*

  - All electricity consumed is drawn from the Hong Kong public grid supplied by HK Electric. No renewable energy certificates were purchased.

  - Paper consumed is A4 80gsm copying paper with typical supply chain characteristics for the Hong Kong market.

  - The paper emission factor (cradle-to-grave) includes raw material extraction, manufacturing, distribution, use and end-of-life disposal.

- *Emission Factor Sources:*

  - **Scope 2 (Electricity):** 0.59 kg CO_2e/kWh — HK Electric Sustainability Report 2025 (the most recent publicly available emission intensity for the calendar year 2025).

  - **Scope 3 (Paper):** 1.41539 kg CO_2e/kg — Peer-reviewed LCA study (1000 kg copying paper → 1,415.39 kg CO_2e, cradle-to-grave).

Energy Consumption

- *Measurement Method:* Total electricity consumption (kWh) is recorded directly from monthly utility invoices issued by HK Electric for the Group's sole office premise.
- *Assumptions:* No backup generators, on-site fuel combustion or owned fleet exist.

Paper Consumption

- *Measurement Method:* Total paper consumption (kg) is derived from purchase records of office supplies, converted from number of reams (80gsm A4, 500 sheets per ream, each ream ≈ 2.5 kg).

The Group will apply the same methodology in future reporting periods. Any material changes to methodology will be disclosed together with the reasons and the impact on comparability.

Balance — The Group has explained in detail the sustainable development issues that have a significant impact in the business, including the results achieved and the challenges it faces.

Consistency

In accordance with the "Consistency" principle under Part B of Appendix C2, the Group confirms that the statistical methods and key performance indicators applied in this ESG Report are **consistent** with those used in the previous reporting period (2025 ESG Report), except where explicitly noted below.

Changes Affecting Year-on-Year Comparability

KPI	2025 usage	2026 Usage	Change	Explanation
Scope 2 GHG emissions (electricity)	90,553 kg CO_2e	88,672 kg CO_2e	–2.1%	Decrease driven by lower electricity consumption (153,480 kWh → 150,291 kWh). **No change in methodology**; applied 2025 HK electric sustainability report's emission factor (0.59) applied to both years.
Scope 3 GHG emissions (paper)	21,655 kg CO_2e	20,825 kg CO_2e	–3.8%	Decrease driven by reduced paper consumption (15,300 kg → 14,713 kg). **No change in methodology**; same LCA emission factor (1.41539) applied to both years.
Total energy consumption	153,480 kWh	150,291 kWh	–2.1%	Normal operational fluctuation; no change in measurement method.
Printing paper consumption	15,300 kg	14,713 kg	–3.8%	Reduction achieved through digitalisation initiatives (duplex default, electronic communication).

Conclusion on Consistency

Other than the natural fluctuations in activity data as explained above, there have been **no changes to statistical methods, KPIs, emission factors or calculation tools** between the two reporting periods. The Group will continue to apply consistent methodologies in future ESG reports to facilitate meaningful year-on-year comparisons.

GOVERNANCE

The Group has established a three-tier ESG governance structure as described in the "Governance" section of this Report, comprising the Board, an ESG Working Group, and functional departments/subordinate companies. The Board, as the ultimate decision-making body, holds overall responsibility for ESG governance and the oversight of significant ESG-related risks, including climate change (physical and transition risks).

Board Level (Oversight & Strategy): Decision-making level

As the ultimate decision-making body, the Board holds overall responsibility for ESG governance and the oversight of significant ESG-related risks, including climate change (physical and transition risks). It will continue to enhance risk management processes and regulatory mechanisms to strengthen ESG governance standards.

ESG Working Group (Management & Coordination): Supervision and guideline level

This supervisory body is responsible for implementing the ESG governance strategy, coordinating cross-functional ESG matters, identifying climate-related risks, compiling ESG reports, and reporting progress to the Board regularly.

Functional departments and management of subordinate companies (Implementation & Data): Execution level

Our managers execute initiatives defined by the ESG Working Group and report relevant data and work progress to the working group for consolidation.

Integral to the Company's corporate governance in our standard operating procedure, which establishes binding guidelines for employees on ethical dealings with customers, suppliers, and colleagues. It governs the following key areas:

- **Fraud and Sanction Risk Management:** A standardized procedure for the consistent identification, assessment, management, and reporting of relevant risks.

- **Whistleblowing:** A formal mechanism enabling employees and other stakeholders to raise concerns regarding potential fraud, unethical business conduct, or legal violations.

- **Gift and Entertainment Control:** A defined procedure regulating the receipt and provision of gifts or entertainment in connection with any party transacting with the Company or its prospective customers.

Board's Oversight in the reporting period:

The Board reviews ESG matters as part of its regular board meetings on a quarterly basis. The ESG Working Group reports ESG performance and progress towards targets to the Board on a semi-annual basis, with the most recent review conducted in February 2026. During these reviews, the Board assesses the Group's performance against the three material issues identified — namely Employment, Anti-corruption and Whistle-blowing, and Climate Change — and evaluates whether any additional ESG issues require prioritisation based on stakeholder feedback and regulatory developments.

STAKEHOLDERS ENGAGEMENT

The Group engages a wide variety of stakeholders including employees, customers, suppliers, the government, and the shareholders on a regular basis. We strive to be cognizant and responsive to our stakeholders' expectations, creating an enduring collaboration that can sustain the business growth.

Stakeholder Group	Method of Engagement	Purpose of Engagement
Employees	Induction upon joining On the job training Employee engagement events	Continuous engagement allows developing our employees' capabilities and address workplace concerns in timely manner
Customers	Customer's feedback Face to face consultation	We value our customers' feedback and use it to improve our services.
Suppliers	Ongoing communication Annual supplier's evaluation	Trusted relationships with brand name suppliers is vital to the Group' ability to meet its quality commitment.
Government	Discussions and communications with authorities when necessary	Exchange ideas with government allows us to keep up with regulatory requirements.
Shareholders	Annual general Meetings Public reports and announcements	The engagement allows us to keep up with shareholders' expectations.

MATERIALITY ASSESSMENT PROCESS

During the Reporting Period, the management and employees who are responsible for the key functions of the Group have participated in reviewed and re-validated its material ESG issues, confirming their continued relevance to its current business and stakeholder expectations. Based on stakeholder's feedback and industry trends, the key areas remain significant. As defined in the ESG Reporting Guide, materiality is the threshold at which ESG issues become important to investors and other stakeholders. Management agreed below shortlisted material issues remain relevant whereas environmental KPIs considered latest important.

	Material Issues	Definition
1	Employment	Provide equal employment opportunities, fair compensation and fair treatment to all employees, provide fair performance appraisal system and provide quality operational training
2	Anti-corruption and Whistle-blowing	Maintain transparent protocol and readily assessable communication channel to our stakeholders
3	Climate change	Identifying and managing risks arising from extreme weather and the transition to a low-carbon operation

Considering our business model and stakeholder interests, the Group faces relatively low environmental and climate-related risks associated with energy consumption and emissions. We set our sustainability targets based on our material issues. They are:

Targets	2026 progress made	Our plan
1. Employment Achieve 100% gender-specific training coverage across all staff categories by 2035.	We set up a two hours in-house formal forum inviting external professional as speaker and exchange ideas with our management.	Enhance professional development through regular in-house workshops to strengthen occupational skills training, provide updates on regulatory requirements, and improve accessibility to learning resources.
2. Anti-corruption and Whistle-blowing Achieve and maintain 72 hours report with remediation to the Audit committee when received opinions and feedback from our whistleblowing mechanism.	We maintain sound and efficient communication channel (e.g. office direct line, email, and WhatsApp instant messaging) with our board of directors and do not aware of material exception in the reporting period.	Our management maintain a systematic communication with our Board by email all the executive directors monthly updates including financial, operational, and compliance aspects.
3. Climate change Lower 5% electricity consumption from 2024 usage by 2035.	Compared with 2024 annual power usage, we used 14,713 kWh (2025: 15,800) which is 3.8% lesser.	By technology upgrades. Promote and upgrade infrastructure to enable electronic office workplace and remote workplace (home office model). Replaced outdated lighting with light-emitting diode fixtures.

For more information on corporate governance of the Company, please refer to the "Corporate Governance Report" of our 2026 Annual Reports.

INFORMATION AND FEEDBACKS

Your opinions and feedbacks on our ESG performance are highly valued. Should you have any advice or suggestions, please share with us via email at goldway8160@outlook.com.

SOCIAL

EMPLOYMENT AND LABOUR STANDARDS

Employees are central to the Company's success. As at 31 March 2026, the Company employed 94 full-time staff in Hong Kong (2025: 97) with turnover rate 20% (2025: 33%). The recruitment process is merit-based and adheres to a fair, non-discriminatory human resources policy. Remuneration is determined by qualifications, contribution, and seniority, and complies with Hong Kong's Employment Ordinance including provisions for insurance, maternity/paternity leave, and other statutory benefits. The Company strictly prohibits child and forced labour, all applicants must provide valid identity documents prior to employment, and overtime is strictly voluntary with compensation or compensatory leave. There was no material non-compliance regarding employment brought against the Company or its employees relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare was recorded during the Reporting Period.

For details of total workforce by gender, employment type, age group, geographical region and their respective turnover rate, please refer to the section "KEY PERFORMANCE INDICATORS".

OCCUPATIONAL HEALTH AND SAFETY

The Group strives to provide and maintain a safe, healthy and hygienic workplace for our employees and protect them from occupational hazards. We have developed proper occupational safety procedures, including adhering to an agreed reporting structure and investigation methodology in the event of an incident occurring within the workplace. We have also implemented several occupational safety measures as below:

- Encourage employees to maintain a good and correct posture, while maintaining an appropriate eye level with the computer screen to reduce stress and strain on their bodies;
- Ensure that all employees are familiar with the fire protection equipment and fire escape routes;
- Provide clear and comprehensive guidelines to all employees on how to handle bad weathers, injuries and work-related injuries;
- Keep passages clear and the working environment clean and tidy; and
- Maintain office furniture properly and regularly.

In the past 3 years, there have been zero cases of work-related injury and thus no relevant lost working days. Yet, the Group will continuingly strive to monitor and improve the safety standards of the workplace environment.

Overall compliance

During the Year, the Group has complied with the relevant labour laws and regulations, including but not limited to below listed, that has a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, other benefits and welfare, preventing child and forced labour, and health and safety in workplace.

✓ Disability Discrimination Ordinance (Cap. 487, the laws of Hong Kong)

✓ Employees' Compensation Ordinance (Cap. 282, the laws of Hong Kong)

✓ Employment of Children Regulations (Cap. 57B, the laws of Hong Kong)

✓ Employment Ordinance (Cap. 57, the laws of Hong Kong)

✓ Mandatory Provident Fund Scheme Ordinance (Cap. 485, the laws of Hong Kong)

✓ Minimum Wage Ordinance (Cap. 608, the laws of Hong Kong)

✓ Occupational Safety and Health Ordinance (Cap. 509, the laws of Hong Kong)

✓ Sex Discrimination Ordinance (Cap. 480, the laws of Hong Kong)

DEVELOPMENT AND TRAINING

The Company supports employee development through a mentorship programme for new hires, covering technical and customer service skills, followed by continuous on-the-job training to maintain alignment with evolving industry standards and regulations. Our front-line employee who are licensed and supervised by Securities and Futures Commission are required to obtain continuous professional trainings ("**CPT**") on an on-going basis. Our compliance department is responsible for monitoring the CPT hours of licensed employee to maintain the highest quality and standard of services to be provided to our clients. In addition, our employees' training needs are identified through yearly employee performance appraisal, industrial changes or any major changes introduced to the IT system, software or changes in our service offering.

All our directors, including the independent non-executive Directors, have attended trainings to reinforce their knowledge and skills as a Director, and knowledge on the latest development regarding the Listing Rules, other applicable statutory and regulatory regime and the business environment to facilitate them to discharge their responsibilities.

Anti-Corruption Training

The Company has rolled out a rotation plan of anti-corruption trainings in the Reporting Period. As of the date of this ESG Report, we intend to provide anti-corruption trainings, through professional organisation, to our Directors and Management and front-line sales department personnel first. We will also extend such training to our staff on a 4-years rotation plan targeting to attain a 100% training coverage in 4-years.

Labour Standards

We prohibited the use of child and forced labour. Anyone who is aged under 16 must not be recruited in the stringent screening process on qualified candidates. The human resources and administration department will verify the applicant's age by checking the valid identification document to prevent employing child labour. If any improper conduct is discovered, the Group will immediately investigate the case thoroughly. Any material non-compliance with our protocol may result in summary dismissal. All the employment terms and conditions, including the scope of work, working hours, benefits, and compensations are specified in the employment letter, so as to assure employees of sufficient rest time and prevent forced labour.

The Group complied the relevant local labour provisions, namely Employment of Children Regulations (Cap. 57B, the laws of Hong Kong), and the Employment Ordinance (Cap. 57, the laws of Hong Kong). During the Year, there was no material breach with relevant laws and regulations recorded pertaining to child and forced labour.

Supply Chain Management

As for the nature of our business, we do not have any major suppliers. The Group's services providers mainly provide office supplies.

Prior to establishing any long-term business relationship with potential services providers, we will perform due diligence to ensure services providers' compliance to relevant laws and regulations. The management of the Group selects our service providers based on their pricing, competence, experience and reputation. The management of the Group will also consider environmentally-friendly factor while selecting suppliers of office supplies (such as recycle copy paper, and stationeries made from environmentally-friendly materials). Senior management approval is required for accepting a services provider as our recognized services provider. Our senior management also reviews our supplier regularly in light of their overall performance and quality.

The Group operates solely from Hong Kong and PRC, and does not have any major suppliers. The Group's service providers mainly provide office supplies. Prior to establishing any long-term business relationship with potential service providers, the Group performs due diligence to ensure the service providers' compliance with relevant laws and regulations. The management selects service providers based on pricing, competence, experience and reputation.

As the Group's supply chain is limited in both size and scope, the Group considers that the environmental and social risks associated with its suppliers are minimal. The Group does, however, consider environmentally-friendly factors when selecting suppliers of office supplies, such as using recycled copy paper and stationery made from environmentally-friendly materials. The Group currently does not have a formalised supplier code of conduct or a systematic process for assessing environmental and social risks across its supply chain. Given the small scale of operations and the service-based nature of the Group's supply chain, the Group intends to develop a more structured supply chain management policy over the next two reporting cycles, taking into account the practices of comparable Hong Kong tutoring business companies.

During the Year, the Group has around 50 (2025: 50) service providers and certain smaller suppliers for office supplies, which were all located in Hong Kong.

Service Responsibility

Quality Customer Services

The Group's business involves the provision of tutoring services, franchising services and management services in Hong Kong and PRC.

With regard to customer complaints, the Group has developed a Customer Complaint Policy to handle customer feedback properly. The management and Executive Directors are highly involved in the day-to-day management of complaints, investigating each complaint by identifying potential causes. All complaints are properly documented and filed for future reference and follow-up. During the Reporting Period, the Group did not receive any serious complaint from customers and was not subject to any disciplinary actions imposed by any government authorities in respect of the quality of its services. The Group did not receive a large volume of minor or routine complaints, and as no formal complaints were recorded, quantitative data on complaint numbers is unavailable. The Group will enhance its customer complaint recording system in the next reporting cycle to capture and quantify all levels of customer feedback, whether formal or informal, for more transparent disclosure in future ESG reports.

Privacy Protection

The Group attaches great attention to privacy protection. The Group only collects personal data which are necessary for conducting business, and the data are not used for any other purposes or without the consent of the related parties. Our employees who will be handling personal data must adhere to the data privacy protection measures. The Group will review the measures design and the management team will monitor the implementation of the measures on a regular basis. Some related measures as follows:

- Ascertain that personal data is secured from unintended deletion or loss;
- Employees are reminded to take extra care during handling customer information;
- Ensure that all data-storage devices are appropriately destroyed and reformatted after each use;
- Ongoing monitoring and testing of privacy risks to secure the computer databases and customer's information;
- Personal data is not allowed to be transferred or disclosed to entities which are not a member of the Group without the permission of the Group; and
- Unauthorized software is not permitted by the Group and employees should seek permission from the Group before installing software.

Protecting Intellectual Property

We respect intellectual property rights, such as trademarks, patents, and copyrights, among others. The Group kept a complete record of its intellectual property rights and will seek legal advice and take appropriate action if any of its intellectual property rights are infringed upon.

During the Reporting Period, we believe that we have taken all reasonable measures to protect our intellectual property rights and deter any such infringement. We were unaware of any infringement (i) by us of any intellectual property rights owned by third parties; or (ii) by any third parties of any intellectual property rights owned by us.

Overall compliance

During the Year, there were no material breach with relevant law and regulations relating to advertising, labelling and privacy matters recorded pertaining to our products and services. The Group has complied with relevant laws and regulations, including but limited to the below listed, that have a significant impact on the Group relating to safety, advertising, labelling and privacy matters relating to services provided and method of redress.

✓ Patents Ordinance (Cap. 514, the laws of Hong Kong)

✓ Personal Data (Privacy) Ordinance (Cap. 486, the laws of Hong Kong)

✓ Trade Marks Ordinance (Cap. 559, the laws of Hong Kong)

Anti-corruption and Whistle-Blowing System

The Group is dedicated to running the business with integrity and cultivating an ethical corporate culture. The Group has established code of conduct and anti-money laundering policy. We have contained anti-corruption provisions, including but not limited to bribery, extortion, fraud, and money laundering, into the Group's code of conduct, which can be summarized as:

a) requires our directors and employees not to solicit or accept any advantage from any person, company or organisation that the company is having business dealings with, except that they may accept (but not solicit) subject to conditions or with permission from the company's approving authority; and;

b) prohibits our directors and employees from offering advantage to any director, staff member or agent of another company or organisation unless such offer carries no intention of improper influence in any dealing and it is ascertained that the intended recipient is permitted by his employer or principal to accept it.

Any potential conflicts of interest must be reported to the Group's human resource department. Any breach of behavior will result in the termination of the employment contract or consultancy agreement (as the case may be), as well as legal implications for the subject. Our human resource department will continually review the whole operations to prevent or detect fraudulence.

The Group also established whistleblowing policy for the detection of fraud and corruption risks. Our employees and stakeholders are encouraged to file their complaints, knowledge or suspicion of fraud, corruption of material violation of internal policies to our registered office in Hong Kong or at our whistleblowing email goldway8160@outlook.com.

Upon receipt of goodwill whistleblowing reports, our executive directors will assess the cases on a fair and timely basis. They are also instructed to escalate important, sensitive or conflicting-interests matters to the Audit Committee which is responsible to oversee the whistleblowing policy and system.

The Group confirms that during the Reporting Period, there were no non-compliance cases in relation to bribery, corruption, extortion, fraud or money laundering, and no legal actions were brought against the Group, its directors or its employees. The Group is in compliance with the Prevention of Bribery Ordinance (Cap. 201) and the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615) of Hong Kong.

During the Reporting Period, the Group did not receive any whistleblowing reports. As there were no reports received, there are no substantiated cases or outcomes to disclose. The Group considers that reporting "zero" reports is meaningful information that does not detract from the Group's compliance with applicable anti-corruption laws and regulations. The Group will continue to maintain its whistleblowing channels and will disclose the number of reports received in future ESG reports in a transparent manner, even if the number remains zero. The Group confirms that it is in full compliance with the Prevention of Bribery Ordinance (Cap. 201) and the Anti-Money Laundering and Counter-Terrorist Financing Ordinance (Cap. 615) and has not been subject to any investigation or enforcement action during the Reporting Period.

Community Investment

The Group's CSR initiatives during the Reporting Period were conducted on an informal, ad-hoc basis without systematic tracking of the financial resources or employee hours dedicated to such activities. The Group did not allocate a formal CSR budget during the Reporting Period, and any community-related expenditures were immaterial relative to the Group's overall operating costs.

Given the small scale of the Group's operations and the informal nature of its current CSR programmes, the Group is not yet in a position to provide reliable quantitative data on resources allocated to community investment. The Group recognises the importance of community engagement and will work towards developing a formal CSR policy with measurable targets and systematic tracking of resource allocation. Once such systems are in place, the Group will provide quantitative community investment disclosures in future ESG reports. The Group encourages employees to participate in volunteer activities as opportunities arise, and will continue to maintain proactive community partnerships through regular dialogue and collaborative initiatives that align business growth with localised social impact objectives.

ENVIRONMENTAL PROTECTION

We understand the importance of maintaining environmental sustainability in our daily operation. Our GHG emissions generated from our energy and paper consumption.

We act in strict compliance with local laws and regulations relating to environmental protection and pollution control. However, our business nature is service-oriented and posed insignificant impact to the environment when compared with other industries.

GHG emissions

As a service-based enterprise, the Group does not directly generate industrial exhaust gas. Our direct environmental impact is not material in the process of our daily operation and business development. We conduct our business in local office premise. The emission of the Group is the indirect greenhouse gas emission mainly generated from the purchased electricity and paper consumption at office setting while our scope 3 indirect emission from suppliers are also operating in office premise supported by purchased electricity. During the Year, the Scope 2 and Scope 3 of GHG emissions were recorded to be 88,672 kg CO_2e (2025: 90,553 kg, applied emission factor from HK Electric Sustainability Report 2025) and 20,825 kg CO_2e (2025: 21,655 kg) respectively. To further reduce emissions, the Group promotes electronic interactions with stakeholders, such as use of email and e-conference as much as possible, to reduce unnecessary business travels. The major wastewater generated by the Group is domestic sewage, which is directly discharged to the public drainage system.

Waste Management

For non-hazardous waste, the Group produce paper and generate domestic waste. Domestic waste is collected and handled by the property management office. Some of our paper waste is collected for delivery to recycling companies. Therefore, the overall amount of non-hazardous wastes is considered minimal after adopting waste reduction measures in our daily operation:

1. Set duplex printing as the default mode for our network printers

2. Encourage employees in using papers on both sides

3. Use smaller font size and adjust line spacing when printing

4. Disseminate information via electronic means

5. Encourage employees to bring their own mugs instead of disposable paper cups

For hazardous wastes, our used toner cartridges were collected and handled safely by the toner suppliers.

Overall compliance

During the Year, the Group has complied with relevant laws and regulations, including but not limited to those listed below, that have a significant impact on the Group relating to air and greenhouse gas emissions, and generation of hazardous, non-hazardous waste and sewage.

Use of Resources

The Group is fully aware of the high values of natural resources and committed to reducing the waste of resources in its daily operation. We encourage employees to use the natural resources in an effective and efficient way. Our resource consumption mainly occurs in the use of electricity for its daily office operation, and the consumption of other resources includes the use of 14,713 kg (2025: 15,300 kg) printing paper. In line with the business nature. We do not use packaging materials.

Energy consumption

The Group deploys multiple energy saving initiatives to improve the operating efficiency of equipment or devices and reduce energy consumption. In terms of lighting system, the Group has separated light switches for different light zones, keeps the lighting fixture clean. To reduce the use of air conditioning, employees are required to set the air-conditioners at 25.5ºC as indoor temperature and allowed to dress casually. The Group also encourages employees to turn off unused electrical devices, including air-conditioners and lighting system, before leaving the office. During the Year, the total energy consumption was recorded to be 150,291 kWh (2025: 153,480 kWh).

Water consumption

We do not consume significant volume of water through its business activities thus we do not have maintain a record on both water consumption and waste water produced. During the Year, the Group did not face any difficulties in sourcing water, which is supplied by the government.

The Environment and Natural Resources

The Group's operations consist solely of office-based administrative and financial services activities. The direct environmental footprint of the Group is minimal, comprising mainly indirect GHG emissions from purchased electricity and paper consumption. The Group has embedded sustainability principles into its daily operational practices as described in the "Use of Resources" section, including energy-saving initiatives (e.g., LED lighting, air-conditioning set at 25.5°C, casual dress code, turning off unused electrical devices before leaving the office), paper conservation measures (duplex printing, double-sided paper usage, electronic dissemination of information), and waste reduction practices (recycling of paper waste, safe handling of toner cartridges by suppliers).

Given the service-based nature of the Group and its immaterial environmental impact, the Group considers that the current level of disclosure adequately reflects its environmental management practices. The Group will continue to monitor and optimise its resource consumption and will enhance its environmental disclosures in future reports as regulatory expectations evolve.

Compliance Operation

Our management systematically monitors operational compliance with all applicable Hong Kong environmental regulations, including the Water Pollution Control Ordinance, Waste Disposal Ordinance, and Environmental Protection Ordinance.

Responding to Climate Change

As a GEM-listed issuer, the Group is subject to voluntary disclosure obligations in respect of climate-related matters under Part D of the ESG Reporting Code. The Group has chosen not to provide the full range of climate-related disclosures (covering governance, strategy, risk management, and metrics and targets) in this ESG Report for the following reasons:

Business Nature and Scale:

The Group is main provide tutoring services, franchising services services and management services in urban city. Its direct exposure to climate-related physical risks (e.g., extreme weather events) is limited to temporary operational disruptions at its office premises. Transition risks associated with moving to a low-carbon economy are similarly limited, as the Group's primary operational emissions are indirect emissions from purchased electricity and paper consumption, which are not significant in the context of the Group's overall financial position.

Phased Approach:

The Group intends to adopt a phased approach to climate-related disclosures. The Board of Directors holds ultimate oversight responsibility for climate-related risks and opportunities. The Board receives semi-annual updates on climate-related matters from the ESG Working Group and reviews the Group's progress towards its electricity consumption reduction target as part of its quarterly board meetings. The Group has not yet established a formal linkage between executive remuneration policies and climate-related performance metrics. The Group will assess the feasibility of providing more detailed climate-related disclosures (including climate risk identification, scenario analysis, and resilience assessment) in future reporting cycles, taking into account the evolving regulatory expectations and the development of industry guidance for smaller financial services companies.

Strategy

The Group has identified the following climate-related risks and opportunities:

- *Physical Risks:* Extreme weather events (e.g., typhoons, heavy rainfall) may cause temporary office closures or operational disruptions. The Group maintains work-from-home arrangements and cloud-based operations to mitigate such risks.

- *Transition Risks:* Regulatory changes in Hong Kong's carbon market or energy policies may increase electricity costs. The Group mitigates this risk through ongoing energy efficiency initiatives.

- *Opportunities:* Digital transformation (electronic office, paper reduction, remote working) enhances operational efficiency and reduces long-term operational costs.

Risk management

The Group integrates climate-related risk considerations into its existing enterprise risk management framework. Climate risks are identified and assessed based on likelihood and potential operational impact. The Group does not currently employ formal climate scenario analysis due to its small operational scale and service-based business model, but intends to reassess this position as regulatory expectations evolve.

Current Disclosures:

Notwithstanding the above, the Group has voluntarily disclosed the following climate-related information in this Report:

- GHG emissions (Scope 2 and Scope 3)

- Total energy consumption

- Targets for reducing electricity consumption (5% reduction by 2035 from 2025 baseline)

- Initiatives to address climate change, including technology upgrades, LED lighting replacement, electronic office workplace promotion, and remote working arrangements

Assets vulnerable to climate risks — As a service-based company with no physical assets beyond leased office premises, the Group has no material assets vulnerable to climate-related physical or transition risks.

Internal carbon price — The Group does not currently apply an internal carbon price in its decision-making.

The Group will continue to monitor regulatory developments and market best practices with a view to enhancing its climate-related disclosures in future ESG Reports in line with its operational capabilities and the specific circumstances of its business.

KEY PERFORMANCE INDICATORS

B1 — Employee statistic	**Number of employees**	**Turnover rate**
By gender		
Male	48	21%
Female	46	16%
By age group		
18–29	43	10%
30–50	45	10%
Above 50	6	14%
By ranking		
Management	8	0%
General employees	86	22%
By location		
Hong Kong	83	22%
PRC	11	0%

B3 — Development and training	**Percentage of employee trained**	**Average training hour per employee**
By gender		
Male	92%	48.1
Female	85%	44.2
By ranking		
Management	75%	39.0
General employees	91%	47.2

CCTH CPA LIMITED
中正天恆會計師有限公司

To the shareholders of Goldway Education Group Limited
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Goldway Education Group Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 47 to 119, which comprise the consolidated statement of financial position as at 31 March 2026, and 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 ("**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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("**the Code**"), as applicable to audit 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 the section headed "Going concern basis" in Note 2 to the consolidated financial statements that the Group incurred losses attributable to owners of the Company of approximately HK$15,136,000 and HK$12,875,000 for the years ended 31 March 2026 and 2025 respectively, and that as at 31 March 2026, the Group's current liabilities, which include borrowing amounted to HK$8,000,000, exceeded its current assets by approximately HK$722,000. These conditions indicate that a material uncertainty exists which may cast significant doubt on the Group's ability to continue as a going concern. In light of all the measures and arrangements detailed in the section headed "Going concern basis" in Note 2 to the consolidated financial statements, the directors of the Company are of the opinion that the Group will be able to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

Key audit matters	How our audit addressed the key audit matters
Recognition of revenue and contract liabilities *Refer to Note 4, Note 7 and Note 27 to the consolidated financial statements.*	
Revenue of the Group mainly comprises tutoring services income which involves significant cash receipt at various tutorial centres and are mostly settled in advance. We identified the recognition of revenue from tutoring services rendered as a key audit matter because revenue is one of the key performance indicators of the Group as the magnitude of the revenue is significant, and there is an inherent risk of revenue and related contract liabilities being recorded in inappropriate periods.	Our procedures include: • obtaining an understanding of the key controls relating to revenue recognition process; • on a sampling basis, testing the collection of tuition fees; checking the attendance records and the identities of students to verify the existence of revenue; • for a sample of revenue transactions, assessing whether revenue was recorded in the correct period, including testing whether revenue transactions were recognised as contract liabilities where appropriate; and • assessing the adequacy of disclosures made in the consolidated financial statements.

KEY AUDIT MATTERS (CONTINUED)

Key audit matters	How our audit addressed the key audit matters
Impairment assessment on non-financial assets	
Refer to Note 14, Note 15, Note 17 and Note 18 to the consolidated financial statements.	
As at 31 March 2026, the carrying amounts of the Group's property, plant and equipment, right-of-use assets, intangible assets and goodwill are approximately HK$805,000, HK$10,494,000, HK$ Nil and HK$ Nil respectively. Due to indication of existence of assets impairment, management engaged an external valuer to perform an impairment assessment regarding the Group's tutoring services operation and management services operation, which are considered by the management as two different cash-generating units ("**CGUs**"). As a result, impairment losses on intangible assets and goodwill amounted to HK$4,017,000 and HK$6,283,000 respectively, were recognised in profit and loss of the Group in respect of the year ended 31 March 2026. We identified the impairment assessment on property, plant and equipment, right-of-use assets, intangible assets and goodwill as a key audit matter due to the significant judgement exercised by the management in determining the key assumptions adopted in the assessment of the recoverable amounts of the assets.	Our procedures in relation to impairment assessment on property, plant and equipment, right-of-use assets, intangible assets and goodwill include: • understanding of the key controls relating to the assessment process, including the determination of CGUs and appropriateness of the value-in-use calculation model used; • assessing the qualification, experience and expertise of the external valuer engaged by management and considering their objectivity; • involving our internal valuation specialist in evaluating the appropriateness of the impairment assessment methodology adopted and the reasonableness of the key assumptions used by the management; and • assessing the disclosures in the consolidated financial statements with reference to the requirements of the prevailing accounting standards.

KEY AUDIT MATTERS (CONTINUED)

Key audit matters	How our audit addressed the key audit matters
*Fair value of financial assets through other comprehensive income ("**FVTOCI**")* *Refer to Note 20 to the consolidated financial statements.*	
As at 31 March 2026, the Group's financial assets at FVTOCI represent unlisted equity investments with the carrying amount of approximately HK$10,670,000. Management of the Company engaged an external valuer to determine the fair value of the financial assets at FVTOCI. The valuation of these financial assets is based on a combination of valuation techniques and key unobservable inputs. Determination of unobservable inputs involves significant management's judgement. We identified assessing the fair value of financial assets at FVTOCI as a key audit matter because of the degree of complexity involved in valuing these financial assets and the significant degree of judgement exercised by management in determining the valuation techniques and inputs used.	Our procedures in relation to assessing the fair value of financial assets at FVTOCI include: • discussing with management and external valuer to understand the basis of valuation approach and methodology; • assessing the qualification, experience and expertise of the external valuer engaged by management and considering their objectivity; • involving our internal valuation specialist in evaluating the appropriateness of the valuation methodology, the accuracy of the calculations in the valuation model and inputs used in the fair value measurements; and • assessing the disclosures in the consolidated financial statements with reference to the requirements of the prevailing accounting standards.

KEY AUDIT MATTERS (CONTINUED)

Key audit matters	How our audit addressed the key audit matters
Valuation of investment properties	
Refer to Note 16 to the consolidated financial statements.	
As at 31 March 2026, the Group's investment properties are carried at fair value of HK$24,400,000 with fair value loss of HK$100,000 recognised in the consolidated statement of profit or loss for the year then ended. Management of the Company engaged an external valuer to determine the fair value of investment properties as at 31 March 2026. We identified the valuation of investment properties as a key audit matter because of the significant degree of judgement exercised by management in determining the valuation techniques and inputs used.	Our procedures in relation to valuation of investment properties include: • discussing with management and external valuer to understand the basis of valuation approach and methodology; • assessing the qualification, experience and expertise of the external valuer engaged by management and considering their objectivity; • involving our internal valuation specialist in evaluating the appropriateness of the valuation methodology, the accuracy of the calculations in the valuation model and inputs used in the fair value measurements; and • assessing the disclosures in the consolidated financial statements with reference to the requirements of the prevailing accounting standards.

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

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

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the 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.

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

CCTH CPA Limited
Certified Public Accountants

Wong Po Lam
Practising certificate number: P08167

Unit 1510–1517, 15/F., Tower 2
Kowloon Commerce Centre
No. 51 Kwai Cheong Road
Kwai Chung, New Territories
Hong Kong

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	7	**48,927**	51,209
Other income	7	**4,982**	3,585
Amortisation of intangible assets		**–**	(1,212)
Depreciation		**(8,207)**	(7,717)
Employee benefits expense		**(38,658)**	(40,860)
Fair value loss on investment properties	16	**(100)**	–
Fair value gain on financial assets at fair value through profit or loss ("**FVTPL**")		**27**	31
Provision for expected credit loss ("**ECL**") on accounts receivable	22	**(1,993)**	(3,464)
Reversal of /(provision for) ECL on deposits and other receivables	23	**157**	(279)
Loss arising from derecognition of profit guarantee		**–**	(59)
Impairment loss on intangible assets	17	**(4,017)**	–
Impairment loss on goodwill	18	**(6,283)**	–
Other operating expenses	23	**(16,077)**	(11,965)
Finance costs	8	**(727)**	(827)
Loss before tax	9	**(21,969)**	(11,558)
Income tax credit/(expense)	11	**76**	(1,384)
Loss for the year		**(21,893)**	(12,942)
Other comprehensive income/(expense):			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**86**	(76)
Item that will not be reclassified subsequently to profit or loss:			
Fair value gain/(loss) on financial assets at fair value through other comprehensive income ("**FVTOCI**")		**5,660**	(4,030)
Remeasurement of long service payment ("**LSP**") liabilities		**(986)**	–
Other comprehensive income/(expense) for the year, net of tax		**4,760**	(4,106)
Total comprehensive expense for the year		**(17,133)**	(17,048)
Loss for the year attributable to:			
– Owners of the Company		**(15,136)**	(12,875)
– Non-controlling interests		**(6,757)**	(67)
		(21,893)	(12,942)
Total comprehensive expense for the year attributable to:			
– Owners of the Company		**(10,416)**	(16,947)
– Non-controlling interests		**(6,717)**	(101)
		(17,133)	(17,048)
Loss per share — Basic and diluted (HK cents)	13	**(9.81)**	(9.04)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
Non-current Assets			
Property, plant and equipment	14	**805**	1,552
Right-of-use assets	15	**10,494**	9,935
Investment properties	16	**24,400**	–
Intangible assets	17	**–**	4,017
Goodwill	18	**–**	6,283
Financial assets at FVTOCI	20	**10,670**	5,010
		46,369	26,797
Current Assets			
Accounts receivable	22	**1,202**	7,754
Prepayments, deposits and other receivables	23	**4,546**	8,818
Financial assets at FVTPL	24	**1,827**	459
Cash and cash equivalents	25	**15,143**	14,319
		22,718	31,350
Current Liabilities			
Accruals and other payables	26	**6,147**	3,958
Contract liabilities	27	**1,711**	1,831
Lease liabilities	28	**6,041**	6,370
Borrowing	29	**8,000**	–
Income tax payable		**1,541**	1,345
		23,440	13,504
Net Current (Liabilities)/Assets		**(722)**	17,846
Total Assets less Current Liabilities		**45,647**	44,643
Non-current Liabilities			
Deferred tax liabilities	21	**–**	222
Lease liabilities	28	**4,653**	3,922
Promissory note	30	**4,299**	–
LSP liabilities	31	**1,212**	–
		10,164	4,144
Net Assets		**35,483**	40,499

	Notes	2026 HK$'000	2025 HK$'000
EQUITY			
Share capital	32	**102**	73
Reserves	33	**38,833**	37,160
Equity attributable to owners of the Company		**38,935**	37,233
Non-controlling interests		**(3,452)**	3,266
Total Equity		**35,483**	40,499

The consolidated financial statements on pages 47 to 119 were approved and authorised for issue by the board of directors on 30 June 2026 and are signed on its behalf by:

Leung Wai Tai
Director

Li Yan Lin
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2026

	Attributable to owners of the Company								
	Share capital HK$'000 (Note 32)	**Share premium** HK$'000 (Note 33(a))	**Fair value reserve of financial assets at FVTOCI** HK$'000 (Note 33(b))	**Capital reserve** HK$'000 (Note 33(c))	**Foreign currency translation reserve** HK$'000 (Note 33(d))	**Accumulated losses** HK$'000	**Sub-total** HK$'000	**Non-controlling interests** HK$'000	**Total equity** HK$'000
At 1 April 2024	18	45,499	(349)	3,372	(448)	(9,644)	38,448	3,367	41,815
Loss for the year	–	–	–	–	–	(12,875)	(12,875)	(67)	(12,942)
Other comprehensive expense:									
Exchange differences arising on translation of foreign operations	–	–	–	–	(42)	–	(42)	(34)	(76)
Fair value loss on financial assets at FVTOCI	–	–	(4,030)	–	–	–	(4,030)	–	(4,030)
Total comprehensive expense for the year	–	–	(4,030)	–	(42)	(12,875)	(16,947)	(101)	(17,048)
Issue of rights shares (Note 32(ii))	55	15,677	–	–	–	–	15,732	–	15,732
At 31 March 2025 and 1 April 2025	73	61,176	(4,379)	3,372	(490)	(22,519)	37,233	3,266	40,499
Loss for the year	–	–	–	–	–	(15,136)	(15,136)	(6,757)	(21,893)
Other comprehensive income/(expense):									
Exchange differences arising on translation of foreign operations	–	–	–	–	46	–	46	40	86
Fair value gain on financial assets at FVTOCI	–	–	5,660	–	–	–	5,660	–	5,660
Remeasurement of LSP liabilities	–	–	–	–	–	(986)	(986)	–	(986)
Total comprehensive income/(expense) for the year	–	–	5,660	–	46	(16,122)	(10,416)	(6,717)	(17,133)
Issue of shares for asset acquisition through acquisition of a subsidiary (Note 32(iii))	29	12,088	–	–	–	–	12,117	–	12,117
At 31 March 2026	**102**	**73,264**	**1,281**	**3,372**	**(444)**	**(38,641)**	**38,935**	**(3,452)**	**35,483**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
Operating Activities			
Loss before tax		**(21,969)**	(11,558)
Adjustments for:			
Finance costs	8	**727**	827
Interest income	7	**(113)**	(75)
Depreciation of property, plant and equipment	14	**841**	947
Depreciation of right-of-use assets	15	**7,366**	6,770
Amortisation of intangible assets	17	**–**	1,212
Fair value loss on investment properties	16	**100**	–
Fair value gain on financial assets at FVTPL	24	**(27)**	(31)
Provision for ECL on accounts receivable	22	**1,993**	3,464
(Reversal of)/provision for ECL on deposits and other receivables	23	**(157)**	279
Loss arising from derecognition of profit guarantee		**–**	59
Gain on early termination of lease	7	**–**	(62)
Rental concession	7	**–**	(7)
Impairment loss on intangible assets	17	**4,017**	–
Impairment loss on goodwill	18	**6,283**	–
Operating cash flows before movements in working capital		**(939)**	1,825
Decrease/(increase) in accounts receivable		**4,449**	(6,844)
Decrease/(increase) in prepayments, deposits and other receivables		**4,483**	(5,467)
Decrease in restricted bank deposits		**–**	14,559
Increase/(decrease) in accruals and other payables		**1,999**	(1,290)
(Decrease)/increase in contract liabilities		**(120)**	645
Increase in LSP liabilities		**226**	–
Cash generated from operations		**10,098**	3,428
Income tax received/(paid)		**50**	(25)
Interest paid		**(616)**	–
Interest received		**113**	75
Net cash generated from operating activities		**9,645**	3,478
Investing Activities			
Purchase of property, plant and equipment	14	**(94)**	(1,015)
Net cash inflow on acquisition of a subsidiary	34	**52**	–
Purchase of financial assets at FVTPL		**(1,800)**	–
Proceeds from disposal of financial assets at FVTPL		**459**	–
Net cash used in investing activities		**(1,383)**	(1,015)

	Notes	**2026 HK$'000**	2025 HK$'000
Financing Activities			
Interest paid		**(111)**	(760)
Proceeds from issue of shares		**–**	15,732
Payment for settlement of promissory note		**–**	(2,294)
Repayment of lease liabilities	36	**(7,523)**	(7,384)
Net cash (used in)/generated from financing activities		**(7,634)**	5,294
Net increase in cash and cash equivalents		**628**	7,757
Cash and cash equivalents at beginning of the year		**14,319**	6,855
Effect of foreign exchange rate changes		**196**	(293)
Cash and cash equivalents at end of the year	25	**15,143**	14,319

1. GENERAL INFORMATION

Goldway Education Group Limited (the "**Company**") was incorporated as an exempted company with limited liability in the Cayman Islands on 19 October 2015 and its shares have been listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (the "**GEM Board**") by way of placing and public offer of shares (the "**Share Offer**") on 2 December 2016 (the "**Listing**"). The Company's registered office and its principal place of business are situated at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and Shop B10, 1/F, Goodrich Shopping Arcade, Tuen Mun, New Territories, Hong Kong, respectively.

The Group is principally engaged in the provision of tutoring services, franchising services and management services in Hong Kong and in Mainland ("**Mainland China**") of the People's Republic of China (the "**PRC**"). The Group provides private tutoring services including primary and secondary tutoring services under the trade name of "Logic Tutorial Centre" and "Pedagog Education Centre".

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (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 disclosure required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange ("**GEM Listing Rules**") and with the disclosure requirements of the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost convention, unless indicated otherwise.

It should be noted that accounting estimates and assumptions are used in the preparation of the consolidated financial statements. Although these estimates are based on the management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5 to the consolidated financial statements.

The consolidated financial statements are presented in Hong Kong Dollars ("**HK$**") which is also the functional currency of the Company. All values are rounded to the nearest thousand except when otherwise indicated.

Going concern basis

The Group incurred losses attributable to owners of the Company of approximately HK$15,136,000 and HK$12,875,000 for the years ended 31 March 2026 and 2025, respectively. As at 31 March 2026, the Group's current liabilities, which includes borrowing amounted to HK$8,000,000, exceeded its current assets by approximately HK$722,000. These conditions indicate that a material uncertainty exists which may cast significant doubt on the Group's ability to continue as a going concern. The validity of the use of going concern in the preparation of the consolidated financial statements is dependent upon the Group's ability to generate adequate cash flows in order to meet its obligations as and when obligations fall due.

2. BASIS OF PREPARATION (CONTINUED)

Going concern basis (Continued)

The directors of the Company adopted the going concern basis in the preparation of consolidated financial statements and implemented the following measures in order to improve the working capital and liquidity and cash flow position of the Group:

(i) The Group continues to implement active measures to control administrative costs, optimize its debt structure, control finance costs to enhance the Group's net operating cash inflows;

(ii) In respect of the Group's borrowing as at 31st March 2026, repayment of the borrowing of approximately HK$8,000,000 has subsequently been extended; and

(iii) The Group has been actively negotiating with financial institutions to obtain facilities to finance its operations, capital expenditures, and other financing obligations.

In the opinion of the directors, in light of the various measures/arrangements implemented, the Group will have sufficient working capital for its current requirements and it is reasonable to expect the Group to remain a commercially viable concern. Accordingly, the directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, material uncertainty exists as to whether the Group is able to continue as a going concern as the ability of the Group to achieve its plans and measures as described above cannot be determined with reasonable certainty and incorporates assumptions about future events and conditions that are subject to inherent uncertainty. Should the Group be unable to continue to operate as a going concern, it may be unable to realise its assets and discharge its liabilities in the normal course of business. Adjustments would have to be made to write down the value of assets to their net realisable amounts, to provide for any future liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively. The effects of these adjustments have not been reflected in the consolidated financial statements.

3. 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 as issued by the HKICPA for the first time, which are mandatorily effective for the annual periods beginning on or after 1 April 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability

The application of the amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial positions and financial performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

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

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[1]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency[2]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards — Volume 11[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[2]
HKFRS 20	Regulatory Assets and regulatory liabilities[3]

1 Effective for annual periods beginning on or after 1 January 2026
2 Effective for annual periods beginning on or after 1 January 2027
3 Effective for annual periods beginning on or after 1 January 2029
4 No mandatory effective date yet determined but available for adoption

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

HKFRS 18 Presentation and Disclosure in Financial Statements

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

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

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

HKFRS 18 Presentation and Disclosure in Financial Statements (Continued)

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 position 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 and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

4. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries comprising the Group for the reporting periods.

A subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all of the following elements are present: power over the investee; exposure, or rights, to variable returns from the investee; and the ability to use its power to affect those variable returns. Generally control is achieved with a shareholding of more than one half of the voting rights over the relevant activities of the investee. The existence and effect of potential voting rights that are exercisable or convertible are considered when assessing whether the Company controls another entity. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

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.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated in preparing the consolidated financial statements. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from the Group's perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

The results of subsidiaries are included in the Company's profit or loss to the extent of dividends received and receivable. The Company's investments in subsidiaries are stated at cost less any impairment losses.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Business combinations or asset acquisitions

Optional concentration test

The Group can elect to apply an optional concentration test, on a transaction-by-transaction basis, that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. The gross assets under assessment exclude cash and cash equivalents, deferred tax assets, and goodwill resulting from the effects of deferred tax liabilities. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

Asset acquisitions

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to investment properties which are subsequently measured under fair value model and financial assets/financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

Business combinations

A business is an integrated set of activities and assets which includes an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired processes are considered substantive if they are critical to the ability to continue producing outputs, including an organised workforce with the necessary skills, knowledge, or experience to perform the related processes or they significantly contribute to the ability to continue producing outputs and are considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

The identifiable assets acquired and liabilities assumed must meet the definitions of an asset and a liability in the Conceptual Framework for Financial Reporting (the "**Conceptual Framework**") except for transactions and events within the scope of HKAS 37 Provisions, Contingent Liabilities and Contingent Assets or HK(IFRIC)-Int 21 Levies, in which the Group applies HKAS 37 or HK(IFRIC)-Int 21 instead of the Conceptual Framework to identify the liabilities it has assumed in a business combination. Contingent assets are not recognised.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income Taxes and HKAS 19 Employee Benefits respectively;

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 Share-based Payment at the acquisition date (see the accounting policy below);

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(b) Business combinations or asset acquisitions (Continued)

***Business combinations** (Continued)*

- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard; and

- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16 Leases) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(c) Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or group of cash-generating units) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and is not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in an annual period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that annual period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units). Impairment loss on goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit or any of the cash-generating unit within the group of cash-generating units, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal. When the Group disposes of an operation within the cash-generating unit (or a cash-generating unit within a group of cash-generating units), the amount of goodwill disposed of is measured on the basis of the relative values of the operation (or the cash-generating unit) disposed of and the portion of the cash-generating unit (or the group of cash-generating units) retained.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "**functional currency**"). The consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), which is the Company's functional and presentation currency.

(ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(d) Foreign currency translation (Continued)

(ii) Transactions and balances in each entity's financial statements (Continued)

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the company initially recognises such non-monetary assets or liabilities. Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

– Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

– Income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates for the period (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and

– All resulting exchange differences are recognised other comprehensive income and accumulated in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of monetary items that form part of the net investment in foreign entities are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are reclassified to the consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing date.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(e) Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the item has been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to profit or loss in the year in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in future economic benefits expected to be obtained from the use of the item, the expenditure is capitalised as an additional cost of the item. When an item of property, plant and equipment is sold, its cost and accumulated depreciation are derecognised and any gain or loss resulting from the disposal, being the difference between the net disposal proceeds and the carrying amount of the asset, is included in profit or loss.

Depreciation is calculated using the straight-line method, based on the estimated economic useful life of the individual assets, as follows:

Leasehold improvements	Over the lease term
Motor vehicles	5 years
Furniture, fixtures and equipment	5 years

The estimated useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period.

(f) Investment properties measured using the fair value model

Investment properties are properties held to earn rentals and/or for capital appreciation

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at fair value, adjusted to exclude any prepaid or accrued operating lease income.

Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(g) Intangible assets (other than goodwill)

Intangible assets acquired are measured on initial recognition at cost. The useful lives of intangible assets are assessed to be whether finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at the end of each reporting period.

(h) Impairment of non-financial assets

When an indication of impairment exists, or when annual impairment testing for an asset is required (other than financial assets), the asset's recoverable amount of the asset is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal. 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 assessment of time value of money and the risk specific to the asset or cash-generating unit.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent of those from other assets or groups of assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Impairment loss is charged to the assets pro rata on the basis of the carrying amounts of each asset in the cash-generating unit, except that the carrying value of an asset will not be reduced below its individual fair value less cost of disposal (if measurable) or value in use (if determinable), whichever is the higher.

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset is reversed only if there has been a favourable change in the estimates used to determine the asset's recoverable amount, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

(i) Leases

The Group as a lessee

Definition of a lease

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

For contracts entered into or modified on or after the date of initial application, or arising from business combinations, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(i) Leases (Continued)

The Group as a lessee (Continued)

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, including contract for acquisition of ownership interests of a property which includes both leasehold land and non-lease building components, unless such allocation cannot be made reliably.

As a practical expedient, leases with similar characteristics are accounted on a portfolio basis when the Group reasonably expects that the effects on the consolidated financial statements would not differ materially from individual leases within the portfolio.

Short-term leases and leases of low-value assets

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

Right-of-use assets

The cost of right-of-use asset includes:

– the amounts of the initial measurement of the lease liabilities;

– 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.

Except for those that are classified as investment properties and measured under fair value model, right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

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

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.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(i) Leases (Continued)

The Group as a lessee (Continued)

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. Lease payments to be made reasonably certain extension options are also included in the measurement of the lease liability.

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

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. To determine the incremental borrowing rate, the Group:

– where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received:

– uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the group entities, which do not have recent third-party financing: and

– makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the group entities use that rate as a starting point to determine the incremental borrowing rate.

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

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 based on the lease term of the modified lease by discounting the revised lease payments using a revised discounted 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, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(i) Leases (Continued)

The Group as lessor

Classification and measurement of leases

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

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, such costs are recognised as an expense on a straight-line basis over the lease term except for investment properties measured under fair value method. Variable lease payments for operating leases that depend on an index or a rate are based on the market or rate at commencement date of the lease and included in the total lease payments to be recognised on a straight-line basis over the lease term. Variable lease payments that do not depend on an index or a rate are recognised as income when they arise.

Rental income which is derived from the Group's ordinary course of business is presented as revenue.

(j) 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 accounts receivable arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) 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 fair value through profit or loss 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 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.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(j) Financial instruments (Continued)

Financial assets (Continued)

Classification and measurement of financial assets (Continued)

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

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling; 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 the date of initial application/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 (Revised) Business Combinations applies.

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

Amortised cost and interest income

Financial assets are 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.

Accounting policy of impairment of financial assets measured at amortised cost is stated in Note 4(k).

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or

- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(j) Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets (Continued)

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

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

The Group's financial liabilities include accruals and other payables, promissory note and borrowing.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised in accordance with the Group's accounting policy for borrowing costs.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in consolidated statement of profit or loss and other comprehensive income.

The financial liabilities are recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

(k) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost, including accounts receivable, deposits and other receivables, and cash and cash equivalents. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for accounts receivable. The expected credit losses on these financial assets are estimated using a provision matrix 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 as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(k) Impairment of financial assets (Continued)

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument 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. Forward-looking information considered includes the future prospects of the industries in which the Group's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's core operations.

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

– 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 for a particular financial instrument;

– 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;

– significant increases in credit risk on other financial instruments of the same 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 on a financial asset 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.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(k) Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

(i) the financial instrument has a low risk of default:

(ii) the debtor has a strong capacity to meet its contractual cash flow obligations in the near term: and

(iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there is no past due amounts.

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.

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

– when there is a breach of financial covenants by the counterparty; or

– 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 analysis, 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.

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:

– significant financial difficulty of the issuer or the counterparty;

– a breach of contract, such as a default or past due event;

– the lender(s) of the counterparty, for economic or contractual reasons relating to the counterparty's financial difficulty, having granted to the counterparty a concession(s) that the lender(s) would not otherwise consider;

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(k) Impairment of financial assets (Continued)

Credit-impaired financial assets (Continued)

- it is becoming probable that the counterparty will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, including when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of accounts receivable, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

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

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(m) Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carried forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carried forward unused tax credits and unused tax losses can be utilised, except in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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 profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(n) Revenue and other income

Under HKFRS 15, the Group recognises revenue when 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 is a promise in a contract with a customer to transfer to the customer either (a) goods or service (or a bundle of goods or services) that is distinct; or (b) a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer.

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 asset is created or enhanced; 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 goods or service.

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

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

A contract asset and a contract liabilities relating to a contract are accounted for and presented on a net basis.

The Group's revenue is recognised as follows:

i) Income from tutoring services is recognised when the services are rendered;

ii) Franchising income includes initial franchising income and continuing franchising income. Initial franchising income is recognised when the Group has performed substantially all initial services and other obligations required of the franchisor (the Group) under the franchise agreements. Continuing franchising income represents fees charged for the use of continuing rights granted by a franchise agreement, or for other services provided during the period of a franchise agreement, is recognised as revenue when the franchisees' sales occur; and

iii) Income from management services is recognised when the services are rendered.

Interest income is recognised as it accrues using the effective interest method.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(o) Employee benefits

(i) Contributions to defined contribution retirement plans

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution.

The contributions recognised in respect of defined contribution plans are expensed as they fall due. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets as they are normally of a short-term nature.

The Group participates the defined contribution scheme (the "**MPF Scheme**") under the Mandatory Provident Fund Schemes Ordinance which is available to its employees in Hong Kong. Contributions to the MPF Scheme by the Group and employees are made based on a percentage of employees' basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme.

As stipulated under the relevant rules and regulations in Mainland China, the employees of a Group's subsidiary established in Mainland China is a member of a central pension scheme operated by the local municipal government. This subsidiary is required to contribute certain percentage of the employees' basic salaries and wages to the central pension scheme to fund the retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of all existing and future retired employees of this subsidiary. The only obligation of this subsidiary with respect to the central pension scheme is to meet the required contributions under the scheme.

There were no forfeited contributions utilised by or available for the Group to reduce existing level of contributions for each of the years.

(ii) Short-term employee benefits

Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short term employee benefits are recognised in the year when the employees render the related service.

Non-accumulating compensated absences, such as sick leave and maternity leave, are not recognised until the time of leave.

(iii) Pension obligations

The Group operates defined contribution provident fund schemes for its employees, the assets of which are held separately from those of the Group in independently administered funds. The Group's contributions under the schemes are charged to profit or loss as incurred. The amount of the Group's contributions is based on specified percentages of the basic salaries of employees. Any contributions forfeited from employees who leave the Group, relating to unvested benefits, are used to reduce the Group's ongoing contributions otherwise payable.

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

(o) Employee benefits (Continued)

(iv) Long service payment

The Group is obliged to pay long service payment ("**LSP**") to Hong Kong employees under the Hong Kong Employment Ordinance. The Group's net obligation in respect of LSP, which is a defined benefit plan, is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount. The estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group's MPF contributions that have been vested with employees, which are deemed to be contributions from the relevant employees. The present value of the long service payment depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of long service payment liabilities.

The cost of providing the long service payment liabilities is charged to profit or loss so as to spread the costs over the service lives of employees. Net interest expense related to the discounting of long service payment liabilities is also recognised in profit or loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the other comprehensive income in the period when they arise.

(v) Termination benefits

Termination benefits are recognised on the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group restructuring costs involve the payment of termination benefits.

(p) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Any specific borrowing that remain outstanding after the related asset is ready for its intended use or sale is included in the general borrowing pool for calculation of capitalisation rate on general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

(q) Segment reporting

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

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

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATES UNCERTAINTY

The preparation of the consolidated financial statements requires the directors of the Company to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

The directors of the Company have considered the development, selection and disclosure of the Group's critical accounting judgements and estimates.

Critical judgements in applying accounting policies

Deferred tax on investment properties

For the purposes of measuring deferred tax arising from investment properties that are measured using the fair value model, the directors have reviewed the Group's investment properties situated in Hong Kong not held under a business model whose objective is to consume substantially all of the economic benefits which embodied in the investment properties over time. Therefore, in determining the deferred tax on investment properties, the directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is not rebutted for investment properties situated in Hong Kong. For the Group's investment properties situated in Hong Kong, the Group has not recognised any deferred taxes on changes in fair value of these investment properties as the Group is not subject to any income taxes on disposal of these investment properties.

Key sources of estimation uncertainty

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 with the next financial year, are discussed below.

(a) Provision for ECL for accounts receivable, deposits and other receivables

The Group estimated the amounts of ECL on these types of receivables based on the expected settlement dates taking into amount of the Group's historical experience in relation to these types of receivables. The Group also takes into account forward-looking information that is reasonable and supportable available without undue costs or effort. At every reporting date, the estimated default rates are reassessed and changes in the forward-looking information are considered. The information about the ECL and the Group's accounts receivable, deposits and other receivables are disclosed in note 22, 23 and 40.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATES UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (Continued)

(b) *Impairment of non-financial assets*

The Group assesses at the end of each reporting period whether there is an indication that property, plant and equipment, right-of-use assets, intangible assets and goodwill may be impaired. If any such indication exists, the Group makes an estimate of the recoverable amount of the asset. This requires an estimation of the value in use of the cash-generating unit to which the asset is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. A change in the estimate future cash flows and/or the discount rate applied will result in an adjustment to the estimated impairment provision previously made.

As at 31 March 2026, the carrying amounts of property, plant and equipment, right-of-use assets, intangible assets and goodwill are approximately HK$805,000 (2025: HK$1,552,000), HK$10,494,000 (2025: HK$9,935,000), HK$ Nil (2025: HK$4,017,000) and HK$Nil (2025: HK$6,283,000) respectively.

Impairment losses on intangible assets and goodwill amounted to HK$4,017,000 (2025: Nil) and HK$6,283,000 (2025: Nil) respectively, have been recognised in profit and loss of the Group for the year ended 31 March 2026. No impairment loss on property, plant and equipment and right-of-use assets have been recognised by the Group in respect of the year ended 31 March 2026 (2025: Nil).

(c) *Estimated useful lives of property, plant and equipment, right-of-use assets and intangible assets*

In determining the useful lives of property, plant and equipment, right-of-use assets and intangible assets, the Group has to consider various factors, such as expected usage of the asset, expected physical wear and tear, the care and maintenance of the asset, and legal or similar limits on the use of the asset, where applicable. The estimation of the useful lives of the asset is made based on the experience of the Group with similar assets that are used in a similar way. Depreciation/amortisation charge is revised if the estimated useful lives of items of property, plant and equipment, right-of-use assets and intangible assets are different from the previous estimation. Estimated useful lives are reviewed, at the end of each reporting period, based on the changes in circumstances. The carrying amounts of property, plant and equipment, right-of-use assets and intangible assets are disclosed in note 14, 15 and 17 respectively.

(d) *Fair value of investment properties*

Investment properties with carrying amount of HK$24,400,000 (2025: Nil) are stated at fair value based on the valuation performed by independent qualified professional valuer. In determining the fair values, the valuer has used different methods of valuation which involve certain assumptions of market conditions. In relying on the valuation report, the directors have exercised their judgment and are satisfied that the methods of valuation are reflective of the current market conditions. Changes in assumption relating to these factors could affect the reported fair value of the investment properties. Details of the valuation of investment properties are set out on note 16.

5. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATES UNCERTAINTY (CONTINUED)

Key sources of estimation uncertainty (Continued)

(e) Fair value of unlisted equity investments recognised as financial assets at FVTOCI

The fair value of unlisted equity investments that are not traded in an active market is determined by using valuation techniques. The Group use its judgement to select a variety of methods (such as market comparable approach) and makes assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of the key assumptions used and the impact of changes to these assumptions are disclosed in note 40. Changes in assumptions could affect the fair value of the investments and as a result affect the Group's financial position and results of operation.

As at 31 March 2026, the carrying amount of unlisted equity investments is approximately HK$10,670,000 (2025: HK$5,010,000).

6. SEGMENT INFORMATION

An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is identified on the basis of the internal management reporting information that is provided to and regularly reviewed by the Group's chief operating decision maker ("**CODM**") in order to allocate resources and assess performance of the segment. For the reporting period, management of the Company has determined that the Group has one single operating segment as the Group is only engaged in the provision of tutoring services, which is the basis used by the CODM to allocate resources and assess performance. Provision of tutoring services includes primary school tutoring services, secondary school tutoring services, franchising services and management services. The Group's revenue from external customers is further disclosed in note 7 to the consolidated financial statements.

Information about the Group's non-current assets based on the geographical location is presented as follows:

	2026 HK$'000	2025 HK$'000
Hong Kong	**11,299**	11,487
Mainland China	**–**	10,300
Consolidated total	**11,299**	21,787

Non-current assets include property, plant and equipment, right-of-use assets, intangible assets and goodwill and exclude financial assets.

Information about the Group's revenue from external customers presented based on the geographical location where the Group operates is as follows:

	2026 HK$'000	2025 HK$'000
Hong Kong	**46,183**	42,411
Mainland China	**2,744**	8,798
Consolidated total	**48,927**	51,209

For the year ended 31 March 2026, the Group does not have a customer who contributed 10% or more of the Group's revenue for the year.

For the year ended 31 March 2025, the Group's total revenue included approximately HK$8,798,000 from a customer, who accounted for 10% or more of the revenue for that year.

7. REVENUE AND OTHER INCOME

Revenue from the Group's principal activities represents income from provision of tutoring services, franchising services and management services. Revenue and other income are analysed as follows:

	2026 HK$'000	2025 HK$'000
Revenue from contracts with customers, recognised over time		
Income from tutoring services	**44,657**	40,913
Income from continuing franchising	**1,526**	1,498
Income from management services	**2,744**	8,798
	48,927	51,209
Other income		
Interest income	**113**	75
Rental income	**148**	–
Rental concession	**–**	7
Gain on early termination of lease	**–**	62
Net gain on trading of listed securities	**1,494**	–
Others (note)	**3,227**	3,441
	4,982	3,585

Note: Others mainly represent income from outsourcing human resources to franchisee for the years ended 31 March 2026 and 2025.

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

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) under management service contract as at 31 March 2026 and 31 March 2025 and the expected timing of recognising revenue as follows:

	Management service contract	
	2026 HK$'000	2025 HK$'000
Within one year	**–**	8,798
More than one year but not more than two years	**–**	8,798
More than two years	**–**	11,732
	–	29,328

Performance obligations under the contracts for tutorial and franchising services that are unsatisfied (or partially unsatisfied) as of the end of the reporting period are part of a contract with an original expected duration of one year or less. Therefore, the Group has applied the practical expedient set out in paragraph 121 of HKFRS 15, which exempts the transaction price allocated to such performance obligations from disclosure.

8. FINANCE COSTS

	2026 HK$'000	2025 HK$'000
Interest expense for lease arrangements	**616**	760
Interest expense for promissory note	**–**	67
Interest expense on other borrowings	**111**	–
	727	827

9. LOSS BEFORE TAX

Loss before tax is arrived at after charging:

	2026 HK$'000	2025 HK$'000
Auditor's remuneration		
– Audit services	**498**	488
Amortisation of intangible assets (Note 17)	**–**	1,212
Depreciation of		
– Property, plant and equipment (Note 14)	**841**	947
– Right-of-use assets (Note 15)	**7,366**	6,770
	8,207	7,717
Employee benefits expense (including directors' remuneration (Note 10))		
– Salaries, allowances and benefits in kind	**37,559**	39,730
– Pension scheme contributions		
– Defined contribution plan	**1,099**	1,130
	38,658	40,860
Expenses related to short-term leases	**555**	742

10. DIRECTORS' REMUNERATION, FIVE HIGHEST PAID EMPLOYEES AND SENIOR MANAGEMENT EMOLUMENTS

(a) Directors' remuneration

Directors' emoluments disclosed pursuant to section 383(1) of the Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

	Fees HK$'000	Salaries, allowances and benefits in kind HK$'000	Pension scheme contributions HK$'000	Total HK$'000
Year ended 31 March 2026				
Executive directors:				
Mr. Leung Wai Tai	–	240	–	240
Ms. Li Yan Lin (Note 1)	–	–	–	–
	–	240	–	240
Independent Non-Executive directors:				
Mr. Yu Lap Pan	120	–	–	120
Mr. Wong Chi Man	120	–	–	120
Mr. Wong Ming Fair Victor	120	–	–	120
	360	–	–	360
	360	240	–	600

10. DIRECTORS' REMUNERATION, FIVE HIGHEST PAID EMPLOYEES AND SENIOR MANAGEMENT EMOLUMENTS (CONTINUED)

(a) Directors' remuneration (Continued)

	Fees HK$'000	Salaries, allowances and benefits in kind HK$'000	Pension scheme contributions HK$'000	Total HK$'000
Year ended 31 March 2025				
Executive directors:				
Mr. Leung Wai Tai	–	240	–	240
Ms. Li Yan Lin (Note 1)	–	–	–	–
Ms. Ip Sin Nam Ingrid (Note 2)	–	77	–	77
Mr. Cheung Tung Tsun Billy (Note 3)	–	–	–	–
	–	317	–	317
Independent Non-Executive directors:				
Mr. Yu Lap Pan	120	–	–	120
Mr. Wong Chi Man	120	–	–	120
Mr. Wong Ming Fair Victor	120	–	–	120
	360	–	–	360
	360	317	–	677

Note 1: Ms. Li Yan Lin was appointed as the executive director of the Company with effect from 24 January 2025.

Note 2: Ms. Ip Sin Nam Ingrid resigned as executive director of the Company with effect from 26 July 2024.

Note 3: Mr. Cheung Tung Tsun Billy resigned as executive director of the Company with effect from 24 January 2025.

10. DIRECTORS' REMUNERATION, FIVE HIGHEST PAID EMPLOYEES AND SENIOR MANAGEMENT EMOLUMENTS (CONTINUED)

(a) Directors' remuneration (Continued)

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

Ms. Li Yan Lin, the executive directors, waived remuneration for the year ended 31 March 2026. Except for this, there was no arrangement under which a director waived or agreed to waive any remuneration during the year ended 31 March 2026.

Ms. Li Yan Lin and Mr. Cheung Tung Tsun Billy, the executive directors, waived remuneration for the year ended 31 March 2025. Except for this, there was no arrangement under which a director waived or agreed to waive any remuneration during the year ended 31 March 2025.

(b) Five highest paid individuals

The five individuals with the highest emoluments in the Group included Nil (2025: Nil) directors of the Company whose emoluments are disclosed in Note 10(a) above. The analysis of the emoluments of the remaining 5 (2025: 5) highest paid individuals are set out below:

	2026 **HK$'000**	2025 HK$'000
Salaries, allowances and benefits in kind	**9,630**	16,045
Pension scheme contributions	**90**	90
	9,720	16,135

An analysis of the emoluments of the five highest paid individuals (2025: 5) whose emoluments fell within the following bands is as follows:

	Number of individuals	
	2026	2025
Nil to HK$1,000,000	**–**	1
HK$1,000,001 to HK$1,500,000	**2**	2
HK$1,500,001 to HK$2,500,000	**1**	–
HK$2,500,001 to HK$3,000,000	**2**	–
HK$3,000,001 to HK$3,500,000	**–**	–
HK$5,000,001 to HK$5,500,000	**–**	1
HK$7,000,001 to HK$7,500,000	**–**	1
	5	5

10. DIRECTORS' REMUNERATION, FIVE HIGHEST PAID EMPLOYEES AND SENIOR MANAGEMENT EMOLUMENTS (CONTINUED)

(b) Five highest paid individuals (Continued)

During the year ended 31 March 2026, no director or any of the five highest paid individuals waived or agreed to waive any emoluments (2025: Nil). No emoluments were paid by the Group to the directors or any of the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office for the year (2025: Nil).

(c) Directors' termination benefits

None of the directors received or will receive any termination benefits during the year ended 31 March 2026 (2025: Nil).

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

The Group did not pay any consideration to any third parties for making available directors' services during the year ended 31 March 2026 (2025: Nil).

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

Save as disclosed in note 38, no significant transactions, arrangements or contracts in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year of at any time during the year.

11. INCOME TAX (CREDIT)/EXPENSE

	Notes	**2026 HK$'000**	2025 HK$'000
Current tax			
Hong Kong Profits Tax	b		
– Provision for the year		**18**	–
– (Over)/under-provision in respect of prior years		**(27)**	18
		(9)	18
PRC Enterprise Income Tax ("**EIT**")	c		
– Provision for the year		**155**	1,669
		146	1,687
Deferred tax			
Deferred tax credit for the year (Note 21)		**(222)**	(303)
Income tax (credit)/expense		**(76)**	1,384

Notes:

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

(b) Under the two-tiered profits tax rates regime, the first HK$2,000,000 of profits of a qualifying corporation established in Hong Kong will be taxed at 8.25%, and profits above HK$2,000,000 will be taxed at 16.5%. The profits of corporations not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. The two-tiered profits tax rates regime was applicable to the Group for the year.

(c) The tax rate applicable to the Group's other PRC subsidiaries were 25% during the years ended 31 March 2026 and 2025.

11. INCOME TAX (CREDIT)/EXPENSE (CONTINUED)

Income tax (credit)/expense can be reconciled to loss before tax as follows:

	2026 HK$'000	2025 HK$'000
Loss before tax	**(21,969)**	(11,558)
Tax at Hong Kong Profits Tax of 16.5% (2025: 16.5%)	**(3,625)**	(1,907)
Tax effect of expenses not deductible for tax purpose	**3,430**	1,747
Tax effect of income not taxable for tax purpose	**(37)**	(13)
Tax effect of temporary difference not recognised	**(173)**	–
Effect of tax reduction	**(3)**	–
Utilisation of tax losses previously not recognised	**(1,189)**	–
Tax effect of tax losses not recognised	**1,095**	932
(Over)/under-provision of tax in prior years	**(27)**	18
Effect of different tax rates of subsidiaries operating in other jurisdictions	**453**	607
Income tax (credit)/expense	**(76)**	1,384

12. DIVIDENDS

No interim dividend was declared by the Company in respect of the year ended 31 March 2026 (2025: Nil). The board of directors does not recommend the payment of a final dividend for the year ended 31 March 2026 (2025: Nil).

13. LOSS PER SHARE

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

	2026 HK$'000	2025 HK$'000
Loss for the purpose of basic loss per share		
Loss for the year attributable to the owners of the Company	**(15,136)**	(12,875)
Number of shares for the purpose of basic loss per share		
Weighted average number of ordinary shares	**154,329,475**	142,374,761

Diluted loss per share for both years was the same as those of the basic loss per share for the respective years as there are no potential ordinary shares during the years.

14. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements HK$'000	Motor vehicles HK$'000	Furniture, fixture and equipment HK$'000	Total HK$'000
Cost:				
At 1 April 2024	10,120	513	2,183	12,816
Additions	819	89	107	1,015
At 31 March 2025 and 1 April 2025	10,939	602	2,290	13,831
Additions	**10**	**–**	**84**	**94**
At 31 March 2026	**10,949**	**602**	**2,374**	**13,925**
Accumulated depreciation:				
At 1 April 2024	8,716	513	2,103	11,332
Depreciation provided for the year	902	5	40	947
At 31 March 2025 and 1 April 2025	9,618	518	2,143	12,279
Depreciation provided for the year	**775**	**18**	**48**	**841**
At 31 March 2026	**10,393**	**536**	**2,191**	**13,120**
Carrying amount:				
At 31 March 2026	**556**	**66**	**183**	**805**
At 31 March 2025	1,321	84	147	1,552

As at 31 March 2026 and 2025, property, plant and equipment and right-of-use assets are allocated to the cash-generating unit of tutoring services (the "**Tutorial CGU**") for impairment assessment. Details of impairment assessment are set out in note 19 to the consolidated financial statements.

15. RIGHT-OF-USE ASSETS

	Premises HK$'000	Motor vehicle HK$'000	Total HK$'000
Cost:			
At 1 April 2024	18,017	–	18,017
Additions	7,068	600	7,668
Eliminated on early termination	(2,685)	–	(2,685)
At 31 March 2025 and 1 April 2025	22,400	600	23,000
Additions	**7,925**	**–**	**7,925**
Derecognition upon expiry	**(9,814)**	**–**	**(9,814)**
At 31 March 2026	**20,511**	**600**	**21,111**
Accumulated depreciation:			
At 1 April 2024	8,085	–	8,085
Depreciation provided for the year	6,660	110	6,770
Eliminated on early termination	(1,790)	–	(1,790)
At 31 March 2025 and 1 April 2025	12,955	110	13,065
Depreciation provided for the year	**7,246**	**120**	**7,366**
Derecognition upon expiry	**(9,814)**	**–**	**(9,814)**
At 31 March 2026	**10,387**	**230**	**10,617**
Carrying amount:			
At 31 March 2026	**10,124**	**370**	**10,494**
At 31 March 2025	9,445	490	9,935

The Group leases certain premises as office and tutorial centres and motor vehicle for its operations. The Group's obligations are secured by the lessor's title to the lease assets of motor vehicle and rental deposits for office premises. Lease terms are negotiated on an individual basis and contain various different terms and conditions.

Leased premises are used as offices and tutorial centres for its operations under operating lease arrangements over the lease terms ranging from 2 to 3 years (2025: 2 to 3 years), which are stated at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for any remeasurement of the lease liabilities. 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.

15. RIGHT-OF-USE ASSETS (CONTINUED)

Lease contract for the motor vehicle was entered into for a fixed period of 4.5 years. The Group has the option to purchase the motor vehicle for a nominal amount at the end of the relevant lease terms. At lease commencement dates, the Group assessed and concluded that it is reasonably certain to exercise the purchase option. During the year ended 31 March 2026, there is no other triggering event and the Group remains to be reasonably certain to exercise the purchase option. As the purchase option is considered to be exercised at the end of the lease term, the Group depreciates the right-of-use assets from the commencement date to the end of the useful life of the motor vehicle, which is estimated to be 5 years based on the experience of the Group with similar assets.

Lease liabilities of approximately HK$10,694,000 (2025: approximately HK$10,292,000) are recognised with related right-of-use assets of approximately HK$10,494,000 (2025: approximately HK$9,935,000) as at 31 March 2026.

Details of total cash outflow of lease is set out in note 36.

The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

	2026 **HK$'000**	2025 HK$'000
Depreciation expenses on right-of-use assets	**7,366**	6,770
Interest expenses on lease liabilities	**616**	760
Expense relating to short-term leases	**580**	742
Rent concessions	**–**	7

16. INVESTMENT PROPERTIES

	Leasehold land and building in Hong Kong	
	2026 **HK$'000**	2025 HK$'000
At fair value		
At beginning of the year	**–**	–
Acquired on assets acquisition through acquisition of a subsidiary (Note 34)	**24,500**	–
Fair value loss recognised in profit and loss	**(100)**	–
At end of the year	**24,400**	–

The Group leases out its land and buildings (representing property units) under operating leases deriving monthly rental income. The leases typically run for a period of 2 years (2025: 2 to 3 years).

The Group is not exposed to foreign currency risk as a result of the lease arrangements, as all leases are denominated in the respective functional currencies of group entities. The lease contracts do not contain residual value guarantee and/or lessees' option to purchase the properties at the end of lease term.

The Group's properties interest held under operating leases to earn rentals and/or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

16. INVESTMENT PROPERTIES (CONTINUED)

The fair value of the Group's investment properties as at 31 March 2026 (2025: Nil) was determined by the directors with reference to a valuation carried out on that date by B.I Appraisals Limited, an independent qualified professional valuer not connected with the Group.

Details of the valuation methodologies are as follows:

Class of properties	Fair value at 31 March		Valuation methodology	Fair value hierarchy	Unobservable key inputs to the valuation	Sensitivity analysis
	2026 **HK$'000**	2025 HK$'000				
Workshop units in Hong Kong	**24,400**	–	The valuers have used the direct comparison approach and made reference to comparable sales evidence as available in the market adjusted by location, size, age and maintenance, etc	Level 3	Market unit rate, taking into account the recent transaction prices for similar properties adjusted for nature, location and conditions of the property, which ranged from HK$6,409 to HK$9,695 per square feet ("**sq.ft.**") on gross floor area (2025: Nil).	A significant adverse change in the adjusting factors for location, size, age and maintenance of the comparable property used would result in a significant decrease in fair value of that property and vice versa.

In estimating the fair value of investment properties, the Group uses market-observable data to the extent it is available. In respect of the valuation of investment properties carried out by an independent qualified professional valuer at the end of the reporting period, the valuer has appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The management works closely with the independent qualified professional valuer to establish the appropriate valuation techniques and inputs to the model.

There were no transfers into or out of Level 3 for the year.

17. INTANGIBLE ASSETS

	Long-term management service contract HK$'000
Cost:	
As at 1 April 2024	7,071
Exchange realignments	(42)
At 31 March 2025, 1 April 2025 **and 31 March 2026**	**7,029**
Accumulated amortisation and impairment:	
As at 1 April 2024	1,818
Amortisation provided for the year	1,212
Exchange realignments	(18)
At 31 March 2025 and 1 April 2025	3,012
Impairment loss recognised in the year	**4,017**
As at 31 March 2026	**7,029**
Carrying amount:	
At 31 March 2026	**–**
At 31 March 2025	4,017

17. INTANGIBLE ASSETS (CONTINUED)

On 28 September 2022, the Group acquired 55% equity interest of Golden Path Developments Limited and its subsidiaries (the "**Golden Path Group**"). Jieshan Education Technology (Shenzhen) Co., Ltd. ("**OPCO**") 借山教育科技(深圳)有限公司, an indirect wholly-owned subsidiary of Golden Path Development Limited, is principally engaged in the provision of management services to Jieshan Gallery ("**JSG**"), an independent third party of the Group.

Pursuant to the management service contract entered into between OPCO and JSG, OPCO provides management, operation, consulting and administration services (the "**Management Services**") to JSG with 9 teaching centres in Mainland China, including but not limited to providing teaching materials and teachers to these centres. OPCO is entitled to a fixed monthly management service fee which is determined with reference to the estimated costs in providing the required services and an agreed margin on top of the costs. The management service contract is for a fixed term of 6 years and neither party is entitled to terminate prior to expiry of the service period.

Subsequent to the end of reporting period, OPCO and JSG entered into an agreement on 26 June 2026, under which both of the contracting parties confirmed that OPCO have suspended to render the Management Services to JSG with effect from 1 April 2025 and no management services fees are payable by JSG in respect of the period as from that date. The management of the Group considered that, following the suspension of the Management Services, the recoverable amount of the intangible assets was estimated to be minimal, accordingly impairment loss on intangible assets amounted to HK$4,017,000 (2025: Nil) was recognised in profit and loss for the year ended 31 March 2026.

For the prior year ended 31 March 2025, such intangible assets are amortised on a straight-line basis over the period of the management service, which represent management service contract, to be rendered by OPCO pursuant to the related service contract.

* English name is only for identification purpose

18. GOODWILL

	2026 **HK$'000**	2025 HK$'000
Cost		
At beginning of the year	**6,283**	6,290
Impairment loss recognised in the year	**(6,283)**	–
Exchange realignments	**–**	(7)
At end of the year	**–**	6,283

Impairment testing of goodwill and intangible assets

Goodwill and intangible assets (note 17) in relation to the acquisition of Golden Path Group are allocated to the Management Services CGU.

The recoverable amount of the Management Services CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a four-year period approved by senior management. Assumptions were used in the value in use calculation of the Management Services CGU. The following describes each key assumption on which management has based for the preparation of its cash flow projections for impairment testing of the Management Services CGU:

	2026	2025
Long term growth rate	**1.9%**	1.9%
EBIT (% on revenue)	**Nil**	25.1%
Pre-tax discount rate	**17.6%**	12.4%

Long term growth rate — For the purposes of the Group's value in use calculation, a long-term growth rate into perpetuity is applied immediately at the end of the four-year forecast period which is based on the nominal GDP growth rate forecasts for PRC, the country where the Management Service CGU operates.

Pre-tax discount rate — The pre-tax discount rate reflects the time value of money and specific risks relating to the Group's Management Services CGU.

The values assigned to the key assumptions on market development of the Management Services CGU and discount rate are consistent with external information sources.

Based on the value in use calculation, the recoverable amount at 31 March 2026 attributable to goodwill of Management Services CGU was estimated to be nil. Accordingly, impairment loss on goodwill of approximately HK$6,283,000 (2025: Nil) was recognised in the Group's consolidated statement of profit and loss for the year ended 31 March 2026.

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for the Management Services CGU to which goodwill and intangible assets are allocated. An approximately 1.5% increase of pre-tax discount rate would reduce the headroom in Management Service CGU to nil but would not result in an additional impairment loss recognised on the goodwill.

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

As at 31 March 2026, property, plant and equipment and right-of-use assets (notes 14 and 15, respectively), have been allocated to the Tutorial CGU for impairment assessment due to indicator of assets impairment existed.

The Group assessed the recoverable amounts of the Tutorial CGU by value in use calculation of present value of expected cash flows approved by the directors of the Company. Management determined the annual growth rate of revenue in five-year period based on past performance and its budget of market development. The discount rate applied reflected specific risks relating to the Tutorial CGU.

Key assumptions adopted in the cash flow projection are as below:

	2026	2025
Annual growth rate of revenue in five-year period	**5.5%**	4.3%
Long term growth rate	**2.5%**	2.5%
Pre-tax discount rate	**18.6%**	16.0%

The recoverable amounts of the Tutorial CGU exceeded the carrying amounts of the Tutorial CGU as at 31 March 2026. As a result, the Group had not recognised any impairment loss for the year ended 31 March 2026 (2025: Nil).

20. FINANCIAL ASSETS AT FVTOCI

	2026 **HK$'000**	2025 HK$'000
Unlisted equity investment	**10,670**	5,010
Analysed as:		
Non-current assets	**10,670**	5,010

The Group's unlisted equity investment at 31 March 2026 represents approximately 7.43% equity interest (2025: 7.43% equity interest) in Orange Financial Printing Limited ("**Orange**"), an entity incorporated in Hong Kong and principally engaged in the provision of financial and commercial printing services.

The above unlisted equity investment was irrevocably designated at FVTOCI as the Group considers these investments to be strategic in nature.

20. FINANCIAL ASSETS AT FVTOCI (CONTINUED)

The financial assets at FVTOCI are denominated in HK$.

Based on the valuation carried out by an independent qualified professional valuer not connected to the Group, using the market comparable approach, which is generally accepted approach in the industry, at the end of reporting period, the fair value of the equity interest in Orange was approximately HK$10,670,000 (2025: approximately HK$5,010,000). Details of the fair value measurement of the unlisted equity investment are set out in note 40.

21. DEFERRED TAX LIABILITIES

Deferred tax liabilities are attributable to intangible assets.

Movements in deferred tax liabilities during the year are as follows:

	HK$'000
At 1 April 2024	525
Deferred tax credited to the profit or loss (Note 11)	(303)
At 31 March 2025 and 1 April 2025	222
Deferred tax credited to the profit or loss (Note 11)	**(222)**
At 31 March 2026	**–**

As at 31 March 2026, the Group has unused tax losses of approximately HK$26,020,000 (2025: approximately HK$26,590,000), which are yet to be agreed by the Hong Kong Inland Revenue Department. Such tax losses have no expiry date and can be carried forward indefinitely. No deferred tax assets in respect of the tax losses are recognised as it is not certain that the tax losses can be offset by future profits due to the unpredictability of future profits streams.

22. ACCOUNTS RECEIVABLE

	2026 HK$'000	2025 HK$'000
Accounts receivable arising from:		
– Tutoring service income	**598**	679
– Franchising income	**176**	209
– Management service income	**6,778**	11,113
Less: provision for ECL	**(6,350)**	(4,247)
	1,202	7,754

For tutoring service income, there is no credit period granted as it is normally received in advance.

For franchising income, there is 5 days credit period, in general, granted to franchisees.

For management service income, there is no credit period granted.

Ageing analysis of the Group's accounts receivable, based on the revenue recognition dates, which also presented the ageing analysis of accounts receivable which are past due but not impaired, at 31 March 2026 and 2025.

	2026 HK$'000	2025 HK$'000
1 to 90 days past due	**1,166**	2,230
Over 90 days past due	**36**	5,524
	1,202	7,754

The Group's accounts receivable were interest-free. As at 31 March 2026, the Group has significant concentration of credit risk as approximately 35.8% (2025: approximately 88.7%) of the Group's accounts receivable were due from one (2025: one) customer in the Management Service CGU, the remaining balance of accounts receivable were related to a large number of diversified customers.

The maximum exposure to credit risk at the reporting date is the carrying value of the receivables. The Group does not hold any collateral as security.

Details of impairment assessment of accounts receivable are set out in note 40.

22. ACCOUNTS RECEIVABLE (CONTINUED)

Movements in ECL allowance of accounts receivable are as follows:

	2026 **HK$'000**	2025 HK$'000
At beginning of the year	**4,247**	807
Provision for ECL for the year	**1,993**	3,464
Exchange realignments	**110**	(24)
At end of the year	**6,350**	4,247

At the end of the reporting period, accounts receivable of the Group are denominated in the following currencies:

	2026 **HK$'000**	2025 HK$'000
HK$	**772**	877
Renminbi ("**RMB**")	**430**	6,877
	1,202	7,754

23. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2026 **HK$'000**	2025 HK$'000
Prepayments	**959**	2,548
Deposits (Note)	**2,384**	6,541
Other receivables	**1,324**	7
	4,667	9,096
Less: Provision for ECL	**(121)**	(278)
	4,546	8,818

Note: Included in deposits at 31 March 2026 are rental deposits amounted to approximately HK$2,149,000 (2025: HK$2,264,000) for office and tutorial centres.

Included in deposits at 31 March 2025 is also the deposit paid amounted to approximately HK$3,550,000 pursuant to the strategic cooperation agreement with third parties in relation to the proposed automated intelligent parking systems. During the current year, the deposit paid of approximately HK$3,550,000 were charged to the Group's consolidated statement of profit or loss for the year and was included in other operating expenses, as the management of the Group considered that the automated intelligent parking systems are not commercially viable and the deposit paid is not recoverable.

23. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (CONTINUED)

The movements in ECL allowance of deposits and other receivables are as follows:

	2026 **HK$'000**	2025 HK$'000
At beginning of the year	**278**	–
Provision for ECL for the year	**–**	279
Reversal of provision for ECL for the year	**(157)**	–
Exchange realignments	**–**	(1)
At end of the year	**121**	278

Further details on the Group's impairment assessment for deposits and other receivables are set out in note 40.

At the end of the reporting period, prepayments, deposits and other receivables of the Group are denominated in the following currencies:

	2026 **HK$'000**	2025 HK$'000
HK$	**4,522**	8,811
RMB	**24**	7
	4,546	8,818

24. FINANCIAL ASSETS AT FVTPL

	2026 **HK$'000**	2025 HK$'000
Profit guarantee (Note a)	**–**	–
Equity securities listed in Hong Kong (Note b)	**1,827**	459
Analysed for reporting purposes as:		
Current assets	**1,827**	459

Notes:

(a) Details of movement of fair value of the profit guarantee are as follows:

	Profit guarantee HK$'000
At 1 April 2024, at fair value	59
Derecognised during the year	(59)
At 31 March 2025, 1 April 2025 and **31 March 2026**	–

On 28 September 2022, the Group acquired 55% equity interest in Golden Path Developments Limited and its subsidiaries (the "**Golden Path Group**") from an independent third party of the Company (the "**Vendor**").

The acquisition is subject to a profit guarantee given by the Vendor to the Group, which requires the aggregate net profit before tax of Golden Path Group for the period from 29 September 2022 to 28 September 2024 (the "**Guaranteed Period**") not to be less than HK$4 million (the "**Guaranteed Profit**").

If the aggregate of the audited net profit before tax of Golden Path Group (the "**Audited Profit**") falls short of the Guaranteed Profit, the Vendor shall compensate the Group based on the terms of the relevant sale and purchase agreement dated 6 September 2022, as set out in the announcement of the Company dated 6 September 2022 up to a maximum of HK$11,000,000, being the entire amount of consideration paid for the acquisition of Golden Path Group.

During the financial year ended 31 March 2025, the profit guarantee provided by the Vendor in connection with the acquisition of Golden Path Group has expired.

Based on the information available to the directors of the Company, the actual profit before tax of Golden Path Group for the Guaranteed Period exceeded the Guaranteed Profit, accordingly, the profit guarantee was discharged and de-recognised during the prior year ended 31 March 2025.

(b) Details of movement of fair value of equity securities listed in Hong Kong are as follows:

	HK$'000
At 1 April 2024, at fair value	428
Gain on change in fair value	31
At 31 March 2025 and 1 April 2025	459
Additions, at cost	**1,800**
Disposals	**(459)**
Gain on change in fair value	**27**
At 31 March 2026, at fair value	**1,827**

The fair value of the listed securities was determined with reference to quoted price.

25. CASH AND CASH EQUIVALENTS

	2026 HK$'000	2025 HK$'000
Cash in hand and bank balances	**15,143**	14,319
Cash and cash equivalents	**15,143**	14,319

At the end of the reporting period, cash in hand and bank balances of the Group are denominated in the following currencies:

	2026 HK$'000	2025 HK$'000
HK$	**15,081**	14,270
RMB	**62**	49
	15,143	14,319

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximate to their fair values.

Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

26. ACCRUALS AND OTHER PAYABLES

	2026 HK$'000	2025 HK$'000
Accruals	**5,197**	3,021
Other payables	**950**	937
	6,147	3,958

At the end of the reporting period, accruals and other payables are denominated in the following currencies:

	2026 HK$'000	2025 HK$'000
HK$	**5,753**	3,532
RMB	**394**	426
	6,147	3,958

27. CONTRACT LIABILITIES

	2026 HK$'000	2025 HK$'000
Receipts in advance arising from:		
– Tutoring services	**1,711**	1,831

The performance obligation of the tutoring services is satisfied when the services are rendered, and advances are required before rendering the services.

As at 1 April 2024, contract liabilities amounted to approximately HK$1,186,000. Revenue from tutoring services recognised during the year ended 31 March 2026 that was included in the contract liabilities at the beginning of the year was approximately HK$1,831,000 (2025: approximately HK$1,186,000).

All the tutoring services are for periods of one year or less. As permitted under HKFRS 15, transaction prices allocated to these unsatisfied contracts is not disclosed.

28. LEASE LIABILITIES

The carrying amounts of the lease liabilities and the movements during the year are as follows:

	HK$'000
At 1 April 2024	11,195
Additions	7,445
Rental concession	(7)
Eliminated on early termination	(957)
Lease payments	(7,384)
At 31 March 2025 and 1 April 2025	10,292
Additions	**7,925**
Lease payments	**(7,523)**
At 31 March 2026	**10,694**

	2026 **HK$'000**	2025 HK$'000
Analysed into:		
Current portion	**6,041**	6,370
Non-current portion	**4,653**	3,922
	10,694	10,292

As at 31 March 2026, the future lease liabilities together with interest thereon will be settled as follows:

	2026 **HK$'000**	2025 HK$'000
Within one year	**6,548**	6,792
Over one year but not more than two years	**4,887**	4,010
Over two years but not more than five years	**–**	44
Total lease payments	**11,435**	10,846
Less: Interest on lease liabilities	**(741)**	(554)
Lease liabilities at the end of the year	**10,694**	10,292

All lease payable are denominated in HK$.

The incremental borrowing rates applied to lease liabilities ranged from 2.28% to 7.49% (2025: 2.28% to 7.49%) per annum.

29. BORROWING

	2026 HK$'000	2025 HK$'000
Secured	**8,000**	–
The carrying amount of borrowing is repayable:		
Within one year	**8,000**	–

As at 31 March 2026, borrowing of HK$8,000,000 (2025: Nil) with repayment on demand clause are shown under current liabilities.

The effective interest rates of borrowing at 31 March 2026 is 10% per annum.

The borrowing bears interest at 10% (2025: Nil) per annum and is secured by investment properties, as follows:

	2026 HK$'000	2025 HK$'000
Carrying amount of investment properties	**24,400**	–

30. PROMISSORY NOTE

	2026 HK$'000	2025 HK$'000
Unsecured promissory note	**4,299**	–

Movements during the year:

	HK$'000
At 1 April 2024	2,227
Imputed interest charged	67
De-recognised upon repayment during the year	(2,294)
At 31 March 2025 and 1 April 2025	–
Promissory note issued on acquisition of a subsidiary (Note 34)	**4,299**
At 31 March 2026	**4,299**

On 28 September 2022, the Group issued a promissory note with the principal amount of HK$2 million as partial consideration for acquisition of the Golden Path Group. The promissory note is unsecured with interest bearing at interest rate of 8% per annum and is repayable with the interests accrued on the expiry day of a 36-month period from the date of issue. The effective interest rate applied to the promissory note is 7.43% per annum. The promissory note was fully repaid by the Group during the year ended 31 March 2025.

30. PROMISSORY NOTE (CONTINUED)

On 3 February 2026, the Group issued a promissory note with the principal amount of HK$4.34 million as partial consideration for acquisition of Team Swift Limited (note 34). The promissory note is unsecured, interest bearing at 3% per annum and is repayable with the accrued interests on the expiry day of a 24-month period from the date of issue. The fair value of the promissory note of HK$4,299,000 at the date of issue was estimated by applying the discounted cash flow approach, using the effective interest rate of 3.49% per annum. The interest on promissory note for the year is insignificant and has not been recognised in the consolidated financial statements.

31. LSP LIABILITIES

Hong Kong employees that have been employed continuously for at least five years are entitled to LSP in accordance with the Hong Kong Employment Ordinance under certain circumstances. The amount payable is determined with reference to the employee's final salary and the years of service, reduced by the amount of any accrued benefits derived from the Group's contributions to MPF scheme. Currently, the Group does not have any separate funding arrangement in place to meet its LSP obligation.

Starting from 1 May 2025 (the "**Transition Date**"), the Hong Kong Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the "**Amendment Ordinance**") came into effect, which abolishes the statutory right of an employer to reduce its LSP payable to a Hong Kong employee by drawing on its mandatory contributions to the MPF scheme. Separately, a 25-year scheme to provide a subsidy ("**Subsidy**") for employer's costs in relation to the post-transition portion of the LSP has been implemented with effect on 1 May 2025.

Among other things, once the abolition of the offsetting mechanism takes effect, an employer can no longer use any of the accrued benefits derived from its mandatory MPF contributions (irrespective of the contributions made before, on or after the Transition Date) to reduce the LSP in respect of an employee's service from the Transition Date. However, where an employee's employment commenced before the Transition Date, the employer can continue to use the above accrued benefits to reduce the LSP in respect of the employee's service up to that date. In addition, the LSP in respect of the service before the Transition Date will be calculated based on the employee's monthly salary immediately before the Transition Date and the years of service up to that date.

(a) Movement of LSP liabilities

The amount recognised in the consolidated statement of financial position is the present value of unfunded obligations and its movements are as follows:

	2026 **HK$'000**	2025 HK$'000
At beginning of the year	**–**	–
Current service cost *(Note)*	**226**	–
Remeasurement arising from experience adjustments and changes in actuarial assumptions	**986**	–
At end of the year	**1,212**	–

Note: During the year ended 31 March 2026, total long service payments expenses charged to profit or loss including current service cost, past service cost and interest cost amounted to HK$226,000 (2025: Nil). They are recognised in employee benefits expense.

31. LSP LIABILITIES (CONTINUED)

(b) Significant actuarial assumptions and sensitivity analysis

An actuarial valuation of LSP liabilities was carried out at 31 March 2026 by B.I. Appraisals Limited, an independent professional valuer, using the projected unit credit method.

The principal actuarial assumptions used are as follows:

	2026	2025
Discount rate	**3.74%**	–

The below analysis shows how the LSP liabilities would have increased/(decreased) as a result of 0.5% change in the significant actuarial assumptions:

	2026		2025	
	Increase in 0.5% HK$'000	**Decrease in 0.5% HK$'000**	Increase in 0.5% HK$'000	Decrease in 0.5% HK$'000
Discount rate	**(135)**	**155**	–	–

The above sensitivity analysis is based on the assumption that changes in actuarial assumptions are not correlated and therefore it does not take into account the correlations between the actuarial assumptions.

32. SHARE CAPITAL

Movements in the Company's authorised and issued share capital during the years ended 31 March 2026 and 2025 are as follows:

	2026 Number of ordinary shares '000	**2026** Amount HK$'000	2025 Number of ordinary shares '000	2025 Amount HK$'000
Authorised:				
At beginning of the year, ordinary shares of HK$0.0005 each (2024: HK$0.0001 each)	**40,000,000**	**20,000**	200,000,000	20,000
Share consolidation (note (i))	**–**	**–**	(160,000,000)	–
At end of the year, ordinary shares of HK$0.0005 each (2025: HK$0.0005 each)	**40,000,000**	**20,000**	40,000,000	20,000
Issued and fully paid:				
At beginning of the year, ordinary shares of HK$0.0005 each (2024: HK$0.0001 each)	**145,272**	**73**	181,590	18
Issue of consideration shares (note (iii))	**58,000**	**29**	–	–
Share consolidation (note (i))	**–**	**–**	(145,272)	–
Issue of rights shares (note (ii))	**–**	**–**	108,954	55
At end of the year, ordinary shares of HK$0.0005 each (2025: HK$0.0005 each)	**203,272**	**102**	145,272	73

Notes:

(i) On 17 June 2024, the Company implemented a share consolidation of every five (5) existing shares of par value of HK$0.0001 each in the ordinary shares of the Company into one (1) consolidated share of par value of HK$0.0005 each with effect from 19 June 2024. Details of the share consolidation are set out in the Company's circular dated 31 May 2024 and announcement dated 30 April 2024, 17 June 2024 and 20 June 2024.

(ii) On 5 August 2024, the Company completed a rights issue of shares on the basis of three rights shares for every one share then held, at the subscription price of HK$0.145 per share. This resulted in the issuance by the Company of 108,953,956 new shares of HK$0.0005 each. The gross proceeds raised from the rights issue were approximately HK$15,800,000, while the net proceeds (after deducting all relevant expenses) amounted to approximately HK$15,000,000. The Company intends to apply the net proceeds from the rights issue towards the development of the new business, administrative expenses for opening sales office in China, and general working capital of the Group. Details of the rights issue of shares are set out in Company's circular dated 2 July 2024 and announcement dated 19 July 2024, 2 August 2024 and 5 August 2024. The closing share price of the Company was HK$0.153 on 5 August 2024.

(iii) On 30 September 2025, the Company entered into an agreement with certain third parties for the acquisition of 100% of the issued shares of Team Swift Limited at the consideration of HK$20 million to be settled by the issue of the promissory note and the allotment and issue of the consideration shares. The transaction was completed on 3 February 2026 and a total of 58,000,000 shares were issued and approximately HK$29,000 and HK$12,088,000 were credited to share capital and share premium respectively upon issue of the new shares. Details of the acquisition are set out in the Company's announcements dated 30 September 2025, 21 January 2026, 3 February 2026 and the circular dated 2 January 2026. The closing share price of the Company was HK$0.59 on 3 February 2026.

33. RESERVES

Details of the movements on the Group's reserve are as set out in the consolidated statement of changes in equity.

(a) Share premium

Share premium account of the Group represents the excess of the proceeds received over the nominal value of the Company's shares issued.

(b) Fair value reserve of financial assets at FVTOCI

The fair value reserve of financial assets at FVTOCI comprises the cumulative net changes in the fair value of equity instruments designated as measured at FVTOCI in accordance with the accounting policy adopted for equity instruments designated at FVTOCI in note 4(j) to the consolidated financial statements.

(c) Capital reserve

Capital reserve of the Group represents the capital contribution from the then shareholders.

(d) Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy adopted for foreign currencies in note 4(d) to the consolidated financial statements.

34. ASSET ACQUISITION THROUGH ACQUISITION OF A SUBSIDIARY

On 3 February 2026, the Company acquired 100% equity interest in Team Swift Limited from certain third parties for a total consideration of HK$20,000,000 which was satisfied by: (i) the allotment and issue of 58,000,000 new shares of the Company (the "**Consideration Shares**") at an issue price of HK$0.27 per share; and (ii) the issue of a promissory note (the "**Promissory Note**") in the principal amount of HK$4,340,000, bearing interest at a rate of 3% per annum and repayable together with accrued interest on the second anniversary of the date of issue.

Team Swift Limited was incorporated in Hong Kong under Hong Kong Companies Ordinance with limited liability. Team Swift Limited is a property holding company and its only material asset is the properties located in Hong Kong.

The board of the directors considered that the acquisition could provide a steady rental income, and may in the future for its own use. In addition, the acquisition also enables the Group to capture the potential capital appreciation of the investment properties in the future.

The Group elected to apply the optional concentration test in accordance with HKFRS 3 Business Combinations and concluded that substantially all of the fair value of the gross assets acquired was concentrated in a group of similar identifiable assets. Accordingly, the acquired set of activities and assets did not constitute a business, and the transaction was therefore accounted for as an asset acquisition. In accordance with the accounting requirements applicable to an acquisition of a group of assets that does not constitute a business, the Group recognised the identifiable assets acquired and liabilities assumed and allocated the cost of acquisition to those assets and liabilities on the basis of their relative fair values at the acquisition date. No goodwill or bargain purchase gain was recognised.

34. ASSET ACQUISITION THROUGH ACQUISITION OF A SUBSIDIARY (CONTINUED)

Assets and liabilities recognised at the date of acquisition

	Notes	HK$'000
Investment properties	(a)	24,500
Prepayments, deposits and other receivables		54
Cash and cash equivalents		52
Accruals and other payables		(5)
Deposits received		(185)
Borrowings		(8,000)
Total identifiable net assets at fair value acquired		16,416

	Notes	HK$'000
Consideration transferred:		
The fair value of the consideration transferred at the acquisition date was as follows:		
Consideration Shares	(b)	12,117
Promissory Note	(c)	4,299
		16,416

	HK$'000
Analysis of net inflow of cash and cash equivalents in connection with the acquisition:	
Bank and cash balances acquired	52

Notes:

(a) The directors have estimated the fair values of the investment properties of Team Swift Limited with reference to the valuation report dated 3 February 2026 prepared by B.I. Appraisals Limited, an independent professional valuer. The valuation was carried out using the direct comparison approach, by making reference to market evidence of comparable properties available in the relevant market, with appropriate adjustments made to reflect differences in factors including, but not limited to, location, building age, size and other relevant characteristics.

(b) As the acquisition of Team Swift Limited did not constitute a business, the total consideration transferred was allocated to the identifiable assets acquired and liabilities assumed on the basis of their relative fair values at the acquisition date. The fair value attributable to the Consideration Shares represented the residual amount after taking into account the fair value of the Promissory Note and the other identifiable net liabilities assumed.

(c) The fair value of the Promissory Note of HK$4,299,000 was estimated by applying the discounted cash flow approach. The fair value estimates are based on the effective interest rate of 3.49% per annum.

(d) Had the acquisition of the subsidiary been effected at 1 April 2025, the revenue of the Group would have been approximately HK$48,927,000, and the loss for the year would have been approximately HK$23,242,000. This proforma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2025, nor is it intended to be a projection of future results.

35. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

As at 31 March 2026

	Note	2026 HK$'000	2025 HK$'000
Non-current asset			
Investments in subsidiaries		**–**	–
Current assets			
Other receivable		**798**	–
Amounts due from subsidiaries		**16,416**	3,649
Cash and cash equivalents		**–**	799
		17,214	4,448
Current liabilities			
Accruals		**234**	56
Amounts due to subsidiaries		**709**	257
		943	313
Net current assets		**16,271**	4,135
Total assets less current liabilities		**16,271**	4,135
Non-current liability			
Promissory note		**4,299**	–
Net assets		**11,972**	4,135
Equity			
Share capital	32	**102**	73
Reserves		**11,870**	4,062
Total equity		**11,972**	4,135

The statement of financial position of the Company was approved and authorised for issue by the board of directors on 30 June 2026 and is signed on its behalf by:

Leung Wai Tai
Director

Li Yan Lin
Director

35. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED)

Reserves of the Company

	Share premium (note 33(a)) HK$'000	Accumulated losses HK$'000	Total reserves HK$'000
At 31 March 2024 and 1 April 2024	45,499	(39,663)	5,836
Loss and total comprehensive expense for the year	–	(17,451)	(17,451)
Issue of rights shares	15,677	–	15,677
At 31 March 2025 and 1 April 2025	61,176	(57,114)	4,062
Loss and total comprehensive expense for the year	**–**	**(4,280)**	**(4,280)**
Issue of shares for assets acquisition through acquisition of a subsidiary	**12,088**	**–**	**12,088**
At 31 March 2026	**73,264**	**(61,394)**	**11,870**

36. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities 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$'000	**Promissory note** HK$'000
As at 1 April 2024	11,195	2,227
Changes from financing cash flows:		
Payment for promissory note (Note 30)	–	(2,294)
Payment for principal portion of lease liabilities	(7,384)	–
Payment for interest portion of lease liabilities	(760)	–
Total changes from financing cash flows	(8,144)	(2,294)
Other changes:		
Interest charge on lease liabilities (Note 8)	760	–
Interest charge on promissory note (Note 30)	–	67
Additions of lease liabilities (Note 28)	7,445	–
Rental concession	(7)	–
Eliminated on early termination	(957)	–
Total other changes	7,241	67
As at 31 March 2025 and 1 April 2025	10,292	–
Changes from financing cash flows:		
Payment for principal portion of lease liabilities	**(7,523)**	**–**
Payment for interest portion of lease liabilities	**(616)**	**–**
Total changes from financing cash flows	**(8,139)**	**–**
Other changes:		
Interest charge on lease liabilities (Note 8)	**616**	**–**
Additions of lease liabilities (Note 28)	**7,925**	**–**
Total other changes	**8,541**	**–**
As at 31 March 2026	**10,694**	**–**

37. PARTLY OWNED SUBSIDIARIES WITH MATERIAL NON-CONTROLLING INTERESTS ("NCI")

Name of the subsidiary	Principal place of business/ country of operation	Percentage of equity interest held by NCI
OPCO	Mainland China	45% (2025: 45%)

OPCO	2026 HK$'000	2025 HK$'000
Revenue	**2,744**	8,798
Loss for the year	**(15,015)**	(150)
Loss for the year attributable to non-controlling interest	**(6,757)**	(67)
Total comprehensive expense	**(14,927)**	(224)
Comprehensive expense attributable to non-controlling interests	**(6,717)**	(101)
Net cash outflow from operating activities	**(30)**	(102)
Net cash outflow from investing activities	**(21)**	(6)
Net cash outflow	**(51)**	(108)

	2026	2025
At 31 March		
Non-current assets	**21**	4,023
Current assets	**508**	10,332
Current liabilities	**(8,200)**	(6,876)
Non-current liabilities	**–**	(222)
Net (liabilities)/assets	**(7,671)**	7,257
Accumulated non-controlling interest	**(3,452)**	3,266

38. RELATED PARTY TRANSACTIONS

Other than those balances of related party disclosed elsewhere in the consolidated financial statements, the Group had the following material transactions with its related parties during the year.

Key Management Compensation

Other than those disclosed in note 10 to the consolidated financial statements, there is no remuneration paid to key management personnel of the Company during the year.

39. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments are as follows:

	2026 **HK$'000**	2025 HK$'000
Financial assets		
At FVTOCI:		
Unlisted equity investments	**10,670**	5,010
At FVTPL:		
Equity securities listed in Hong Kong	**1,827**	459
At amortised cost:		
Accounts receivable	**1,202**	7,754
Deposits and other receivables	**3,587**	6,548
Cash and cash equivalents	**15,143**	14,319
	19,932	28,621
Total financial assets	**32,429**	34,090
Financial liabilities		
At amortised cost:		
Accruals and other payables	**6,147**	3,958
Lease liabilities	**10,694**	10,292
Borrowing	**8,000**	–
Promissory note	**4,299**	–
Total financial liabilities	**29,140**	14,250

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise financial assets at FVTOCI, accounts receivable, deposits and other receivables, financial assets at FVTPL, cash and cash equivalents, accruals and other payables, lease liabilities, borrowing and promissory note. These financial instruments mainly arise from its operations.

Fair value estimates are made at a specific point in time and are based on relevant market information about the financial instruments.

These estimates are subjective in nature and involve uncertainties and matters of significant judgement, and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

The main risks arising from the Group's financial instruments are foreign currency risk, interest rate risk, credit risk, liquidity risk and market price risk. As the Group's exposure to these risks is kept to a minimum, the Group has not used any derivatives and other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes. The board of directors of the Company reviews and agrees policies for managing each of these risks and they are summarised below.

Foreign currency risk

The Group has minimal exposure to foreign currency risks as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group monitors its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances due to the fluctuation of the prevailing market interest rate. The Group is also exposed to fair value interest rate risk in relation to fixed-rate lease liabilities and promissory note. The directors of the Company consider the Group's exposure of the bank balances to interest rate risk is insignificant as interest bearing bank balances are within short maturity period and the fluctuation of market interest rate is not expected to be significant, no sensitivity analysis is presented accordingly.

The Group currently does not have any interest rate hedging policy in relation to cash flow interest rate risks. The directors of the Company monitor the Group's exposure on an ongoing basis and will consider hedging interest rate risk should the need arise.

Credit risk

Credit risk relates to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group.

In order to minimise the credit risk, the management of the Group performs ongoing and tightly monitoring the ageing of the receivables. In this regard, the management of the Group considers that the Group's credit risk is significantly reduced.

For accounts receivable, customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. The Group normally grant no or a short credit period to its customers, debtors with balance that are more than 1 month past due are closely monitored by the management of the Company. In addition, the Group has policies in place to ensure that services are provided to customers with an appropriate credit history.

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (Continued)

The Group measures loss allowances for accounts receivable at an amount equal to lifetime ECL. The ECL rates are estimated based on historical observed default rates over the expected life of the receivables and adjusted for forward-looking information that is available without undue cost or effort.

The following table provides information about the Group's exposure to credit risk and ECLs for accounts receivable as at 31 March 2026:

As at 31 March 2026	**Expected loss rate**	**Gross carrying amount**	**Loss allowance**
	%	**HK$'000**	**HK$'000**
1–90 days past due	**8.9%**	**1,298**	**115**
Over 90 days past due	**99.7%**	**6,254**	**6,235**
		7,552	**6,350**

As at 31 March 2025	Expected loss rate	Gross carrying amount	Loss allowance
	%	HK$'000	HK$'000
1–90 days past due	27.5%	3,075	845
Over 90 days past due	38.1%	8,926	3,402
		12,001	4,247

For deposits and other receivables, the Group has applied the general approach in HKFRS 9 to measure the ECL allowance approximate to such at 12m ECL; further quantitative disclosures in respect of the Group's exposure to credit risk arising from deposits and other receivables are set out in note 23.

As at 31 March 2026 and 2025, an analysis of ECL for deposits and other receivables is as follows:

As at 31 March 2026	**Expected loss rate**	**Gross carrying amount**	**Loss allowance**
	%	**HK$'000**	**HK$'000**
Stage 1 — 12 month ECL	**3.3%**	**3,708**	**121**

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk (Continued)

As at 31 March 2025	Expected loss rate %	Gross carrying amount HK$'000	Loss allowance HK$'000
Stage 1 — 12 month ECL	4.2%	6,548	278

The Group's deposits and other receivables mainly represents rental deposits and amount due from online-payment platform providers. In view of the nature of receivables and the financial background of these counterparties, the management believes that there is no significant credit risk.

The credit risk for cash at banks are regarded as immaterial as they are deposited with major banks located in Hong Kong.

None of the Group's financial assets are secured by collateral or other credit enhancement.

Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet obligations associated with its financial liabilities. The Group is exposed to liquidity risk in respect of settlement of accruals and other payables, lease liabilities and promissory note and also in respect of its cash flow management. The Group's objective is to maintain an appropriate level of liquid assets and committed lines of funding to meet its liquidity requirements in the short and longer term.

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

	On demand or within 1 year HK$'000	**1 to 5 years HK$'000**	**Total contractual undiscounted cash flow HK$'000**	**Carrying amounts HK$'000**
31 March 2026				
Accruals and other payables	**6,147**	**–**	**6,147**	**6,147**
Lease liabilities	**6,548**	**4,887**	**11,435**	**10,694**
Borrowing	**8,733**	**–**	**8,733**	**8,000**
Promissory note	**–**	**4,620**	**4,620**	**4,299**
	21,428	**9,507**	**30,935**	**29,140**
31 March 2025				
Accruals and other payables	3,942	–	3,942	3,942
Lease liabilities	6,792	4,054	10,846	10,292
Promissory note	–	–	–	–
	10,734	4,054	14,788	14,234

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Market price risk

Market price risk is the risk that the fair value or future cash flows of a financial instrument traded in the market will fluctuate because of changes in market prices. The Group manages market prices risk, when it is considered significant, by entering into appropriate derivatives contracts.

The Group is exposed to equity price risk arising from equity investments classified as financial assets at FVTOCI and financial assets at FVTPL.

At 31 March 2026, the Group had financial assets at FVTOCI with the carrying amount of approximately HK$10,670,000 (2025: approximately HK$5,010,000) (note 20) and financial assets at FVTPL of approximately HK$1,827,000 (2025: approximately HK$459,000) (note 24), which were exposed to market price risk.

The sensitivity analysis below has been determined based on the exposure to equity price risks as at 31 March 2026.

If the prices of the respective equity instruments had been 10% higher/lower:

— fair value reserve of financial assets at FVTOCI would increase/decrease by approximately HK$1,067,000 (2025: approximately HK$501,000) for the Group as a result of the changes in fair value of financial assets at FVTOCI; and

— loss (2025: loss) for the year would decrease/increase by approximately HK$183,000 (2025: decrease/increase by approximately HK$46,000) for the Group as a result of the changes in fair value of financial assets at FVTPL.

Fair value of financial instruments

The fair value of financial assets and financial liabilities are determined as follows:

(i) the fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices; and

(ii) the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

As at 31 March 2026 and 2025, the directors of the Company consider that the carrying amount of financial assets and liabilities carried at amortised cost in the consolidated financial statements approximate to their fair values.

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair value of these financial assets and financial liabilities are determined.

Description	Fair value as at 31 March 2026 HK$'000	Fair value as at 31 March 2025 HK$'000	Fair value hierarchy	Valuation technique
Financial assets				
Financial assets at FVTOCI:				
— Unlisted equity investments	**10,670**	5,010	Level 3	Market comparable approach
Financial assets at FVTPL:				
— Equity securities listed in Hong Kong	**1,827**	459	Level 1	Quoted price in active markets

There was no transfer between Level 1, 2 and 3 during the year.

Reconciliation of assets measured at fair value based on Level 3:

	Unlisted equity investment HK$'000	Profit guarantee HK$'000
At 1 April 2024	9,040	59
Changes on fair values	(4,030)	–
Derecognised during the year	–	(59)
At 31 March 2025 and 1 April 2025	5,010	–
Changes on fair values	**5,660**	**–**
At 31 March 2026	**10,670**	**–**

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)

The valuation techniques and inputs used in Level 3 fair value measurement are as follows:

Description	Valuation technique	Significant Unobservable inputs	Range	Effect on fair value for increase of inputs	Fair value as at 31 March	
					2026	2025
					HK$'000	HK$'000
Unlisted equity investment designated as financial assets at FVTOCI	Market comparable approach	Price-to-Earnings multiple method	7.14x (2025: 19x)	Increase	**10,670**	5,010
		Discount for lack of marketability	20.4% (2025: 20.4%)	Decrease		

Note:

The Group appointed an independent professional valuer, B.I. Appraisals Limited, to determine the fair value of the unlisted equity investment at 31 March 2026 and 31 March 2025, using the market comparable approach. The market comparable approach values a business entity by comparing prices at which other business entities in a similar nature changed hands in arm's length transactions. The fair value is determined based on the price-to-earnings ratio of listed companies with similar business scope and operation.

41. CAPITAL MANAGEMENT

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as going concern and to maintain reasonable capital ratios in order to support its business and maximise shareholders' value. The Group's overall strategy remains unchanged during the year.

The capital structure of the Group consists of equity attributable to the owners of the Company, comprising share capital and reserves disclosed in the consolidated statement of financial position, amounting to approximately HK$38,935,000 as at 31 March 2026 (2025: approximately HK$37,233,000).

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders' returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through adjust the amount of dividends payable to the shareholders, return capital to the shareholders, issue new shares and raise new borrowings.

The Group's overall strategy remains unchanged from that of 2025.

The Group is required to maintain its listing on the Stock Exchange, to have a public float of at least 25% of the shares. Based on the information that is publicly available to the Company and within the knowledge of the directors, the Company has maintained a sufficient public float of at least 25% throughout the year ended 31 March 2026.

42. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the subsidiaries, directly and indirectly held by the Company, at the end of reporting period are set out below:

Company name	Place and date of incorporation	Particulars of issued and fully paid up share capital	Attributable equity interest held by the Company		Place of operation and principal activities
			Directly	Indirectly	
Simple Joyous Limited	the BVI, 25 August 2015	1 ordinary share of United States dollars ("**US$**")	100% (2025: 100%)	–	Hong Kong, Investment holding
Asia Pacific Goldway Education Holding Limited	the BVI, 19 March 2021	US$1	100% (2025: 100%)	–	Hong Kong, Investment holding
Bright Union International Limited	Hong Kong, 7 December 2007	HK$10,000	–	100% (2025: 100%)	Hong Kong, Provision of private tutoring services
Billion Bright Management Limited	the BVI, 1 July 2009	US$50,000	–	100% (2025: 100%)	Hong Kong, Investment holding
Base Channel Limited	the BVI, 13 March 2017	US$1	–	100% (2025: 100%)	Hong Kong, Investment holding
Bright Wealth International Limited	Hong Kong, 13 January 2017	HK$1	–	100% (2025: 100%)	Hong Kong, Provision of private tutoring services
Wise Develop Investment Limited	the BVI, 31 May 2017	US$1	–	100% (2025: 100%)	Hong Kong, Investment holding
Bright Talents International Limited	Hong Kong, 16 June 2017	HK$1	–	100% (2025: 100%)	Hong Kong, Provision of franchising services
Asia Pacific Goldway Limited (Previously known as Asia Pacific Goldway Education Limited)	Hong Kong, 29 March 2021	HK$1	–	100% (2025: 100%)	Hong Kong, Inactive
Golden Path Developments Limited	the BVI, 8 August 2022	US$100	55% (2025: 55%)	–	Hong Kong, Investment holding
Pro-Lucrative Limited	Hong Kong, 20 May 2022	HK$10,000	100% (2025: 100%)	–	Hong Kong, Investment holding
Goldenrod Limited	Hong Kong, 27 June 2022	HK$1	–	55% (2025: 55%)	Hong Kong, Investment holding
OPCO 借山教育科技(深圳)有限公司 (Note 1)	Mainland China, 9 September 2020	RMB1,000,000	–	55% (2025: 55%)	PRC, Provision of management services
金得樂教育科技(深圳)有限公司 (Note 2)	Mainland China, 2 August 2022	RMB3,000,000	–	55% (2025: 55%)	PRC, Investment holding
Grand Popular Limited	the BVI, 5 January 2023	US$1	100% (2025: 100%)	–	Hong Kong, Investment holding
Element Education Services Limited	Hong Kong, 22 July 2022	HK$2	–	100% (2025: 100%)	Hong Kong, Investment holding
Bright Year Co., Limited	Hong Kong, 19 July 2024	HK$100	–	100% (2025: Nil)	Hong Kong, Inactive
Team Swift Limited	Hong Kong, 26 November 2021	HK$22,710,000	–	100% (2025: Nil)	Hong Kong, Property investment

None of the subsidiaries had any debt securities outstanding as at 31 March 2026 or at any time during the year.

Note 1: Limited liability company (legal person sole investment)

Note 2: Limited liability company (Taiwan, Hong Kong or Macau legal person sole investment)

43. EVENTS AFTER THE REPORTING PERIOD

There are no significant events occurred by the Group after the end of the reporting period.

FINANCIAL SUMMARY

The following is a summary of the published results and assets and liabilities of the Group for the last five financial years prepared on the basis set out in the notes below.

RESULTS

	Year ended 31 March				
	2026	2025	2024	2023	2022
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue	**48,927**	51,209	45,793	43,662	35,902
Loss before tax	**(21,969)**	(11,558)	(5,941)	(167)	(4,016)
Income tax expense	**76**	(1,384)	(18)	(85)	(2,952)
Loss for the year	**(21,893)**	(12,942)	(5,959)	(252)	(6,968)
Other comprehensive income/(expense)	**4,760**	(4,106)	(1,153)	(12)	–
Total comprehensive expense	**(17,133)**	(17,048)	(7,112)	(264)	(6,968)
Loss for the year attributable to:					
– Owners of the Company	**(15,136)**	(12,875)	(6,400)	(250)	(6,968)
– Non-controlling interests	**(6,757)**	(67)	441	(2)	–
	(21,893)	(12,942)	(5,959)	(252)	(6,968)
Total comprehensive expense attributable to:					
– Owners of the Company	**(10,416)**	(16,947)	(7,191)	(256)	(6,968)
– Non-controlling interests	**(6,717)**	(101)	79	(8)	–
	(17,133)	(17,048)	(7,112)	(264)	(6,968)

ASSETS AND LIABILITIES

	As at 31 March				
	2026	2025	2024	2023	2022
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Total assets	**69,087**	58,147	62,196	52,509	37,172
Total liabilities	**(33,604)**	(17,648)	(20,381)	(16,888)	(8,996)
	35,483	40,499	41,815	35,621	28,176
Equity attributable to:					
– Owners of the Company	**38,935**	37,233	38,448	32,333	28,176
– Non-controlling interests	**(3,452)**	3,266	3,367	3,288	–
	35,483	40,499	41,815	35,621	28,176