MIN FU
INTERNATIONAL HOLDING LIMITED

(Incorporated in the Cayman Islands with limited liability)

STOCK CODE : 8511

2026
ANNUAL REPORT

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This report will be available on the Company's website www.minfuintl.com and will remain on the "Latest Company Announcements" page on the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its posting.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors
Ms. Jiang Yanhua *(Chairlady) (appointed on 2 April 2026)*
Ms. Ye Jialing
Mr. Zeng Weijin *(resigned on 2 April 2026)*
Mr. Shu Zhongwen *(appointed on 29 June 2026)*

Non-executive Directors
Mr. Chen Donglong *(appointed on 29 June 2026)*
Ms. Li Chunling
Ms. Li Xiaoxuan *(resigned on 29 June 2026)*
Ms. Zhu Minchun
Mr. Zhu Xiliang *(appointed on 2 April 2026)*
Ms. Zhang Xiaoling *(resigned on 2 April 2026)*

Independence non-executive Directors
Ms. Chen Meng
Mr. Lu Shengwei
Dr. Zhou Wenming
Ms. Wang Ruiqin *(appointed on 29 June 2026)*

AUDIT COMMITTEE
Mr. Lu Shengwei *(Chairman)*
Ms. Chen Meng
Dr. Zhou Wenming

REMUNERATION COMMITTEE
Dr. Zhou Wenming *(Chairman)*
Ms. Chen Meng
Ms. Ye Jialing *(appointed on 2 April 2026)*
Mr. Zeng Weijin *(resigned on 2 April 2026)*

NOMINATION COMMITTEE
Ms. Chen Meng *(appointed as chairlady on 2 April 2026)*
Ms. Ye Jialing *(appointed on 2 April 2026)*
Dr. Zhou Wenming
Mr. Zeng Weijin *(resigned on 2 April 2026)*

AUTHORISED REPRESENTATIVES
Ms. Ye Jialing *(appointed on 2 April 2026)*
Mr. Cheng Wai Hei
Mr. Zeng Weijin *(resigned on 2 April 2026)*

COMPANY SECRETARY
Mr. Cheng Wai Hei

COMPLIANCE OFFICER
Ms. Ye Jialing *(appointed on 2 April 2026)*
Mr. Zeng Weijin *(resigned on 2 April 2026)*

AUDITOR
McMillan Woods (Hong Kong) CPA Limited
Registered Public Interest Entity Auditor
24/F., Siu On Centre 188 Lockhart Road
Wanchai, Hong Kong

REGISTERED OFFICE
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Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG
Room 1911, Lee Garden One
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Hong Kong

PRINCIPAL SHARE REGISTRAR
Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
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KY1-1108, Cayman Islands

PRINCIPAL BANKERS
The Hong Kong and Shanghai Banking Corporation
Industrial and Commercial Bank of China

STOCK CODE
8511

HONG KONG SHARE REGISTRAR
Computershare Hong Kong Investor Services Limited
Shop 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

COMPANY'S WEBSITE
www.minfuintl.com

LISTING DATE
20 April 2018

Dear shareholders,

On behalf of the board of directors (the "**Board**") of Min Fu International Holding Limited (the "**Company**", together with its subsidiaries, the "**Group**"), it is my pleasure to present to you the annual report of the Group for the year ended 31 March 2026.

SMART MANUFACTURING SOLUTION BUSINESS

The Group is one of the leading smart manufacturing solution providers in China. For FY2026, the Group continued to focus on providing high-end precision 3D testing solutions and precision machining solutions to customers in industries such as aviation, aerospace, shipbuilding, ground transportation vehicles and electronics.

FY2026 was a year marked by continued economic volatility. Although the global situation showed some signs of recovery, the economic landscape remained complex. High inflation rates still persisted in many regions, and central banks' monetary policies, including interest rate adjustments, continued to impact financial markets. Geopolitical tensions, such as the ongoing conflicts in some areas and trade frictions, added to the economic uncertainties. Even affected by the economic uncertainties, the Group's still realised revenue was approximately HK$44.2 million from smart manufacturing solution business, an increase of 67.8% from last year.

Looking ahead, we will continue to closely monitor the economic situation, adjust our business strategies in a timely manner, and strive to achieve sustainable growth for the Group and maximize returns for our shareholders.

AGRICULTURAL FOOD TECHNOLOGY AND SALES BUSINESS

On 24 January 2025, the Group entered into the sale and purchase agreement with the vendors in respect of the acquisition of 100% equity interest of Hunan Province Baisheng Biotechnology Company Limited (the "**Acquisition**"). The Group recognises huge potential in the agricultural food technology market. Leveraging on the expertise of the Group's smart manufacturing solutions business, the Group has developed a comprehensive suite of smart manufacturing solutions designed to assist manufacturers in upgrading their agricultural food production, processing, and storage capabilities. The Acquisition has been completed on 11 August 2025.

In FY2026, agricultural food technology and sales business contributed approximately of HK$8.2 million (equivalent to approximately of 15.6% of total revenue of the Company), the Company believes that the agricultural food technology and sales business will serve as a new revenue driver, contributing to the Group's future growth.

APPRECIATION

On behalf of the Board and management, I would like to take this opportunity to express my sincere gratitude to our shareholders, all staff, business partners and customers for their ongoing support and contributions to the Group.

Ms. Jiang Yanhua
Chairlady

Hong Kong, 7 August 2026

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The principal activities of the Group consist of i) equipment manufacturing business; ii) burial business; and iii) agricultural food technology and sales business in the People's Republic of China (the "**PRC**").

Smart manufacturing solution services

The Group is a smart manufacturing solution provider focusing on precision 3D testing solutions and precision machining solutions in the PRC. The Company provides smart manufacturing solutions to serve the needs of high-end equipment manufacturers which require a high level of precision in the manufacture of their industrial products. Its solutions comprise and integrate various equipment and services, ranging from solution concept and design, procurement of machinery, auxiliary tools and software and system installation and debugging to provision of aftersales services such as technical support and training.

The Group had been persisting in developing new technology, including new auxiliary tools design and relevant software applications. As of 31 March 2026, the Group has 34 registered patents, including 8 invention patents and 26 utility model patents as well, and 16 invention patents in the registration process.

Agricultural Food Technology and Sales Business

On 24 January 2025, the Group entered into the sale and purchase agreement with the vendors in respect of the acquisition of 100% equity interest of Hunan Province Baisheng Biotechnology Company Limited (the "**Acquisition**"). The Group recognises huge potential in the agricultural food technology market. Leveraging on the expertise of the Group's smart manufacturing solutions business, the Group has developed a comprehensive suite of smart manufacturing solutions designed to assist manufacturers in upgrading their agricultural food production, processing, and storage capabilities. The Board believes that the acquisition would enable the Group to promptly establish a comprehensive organisational structure in preparation for the commencement of the agricultural food technology and sales business. The Acquisition has been completed on 11 August 2025.

Agricultural food technology and sales business contributed approximately of 15.6% of its revenue for the year ended 31 March 2026 (2025: N/A).

FINANCIAL REVIEW

Revenue

For the year ended 31 March 2026, the Group recorded revenue of approximately HK$52.9 million, representing an increase of approximately 90.0% comparing with that of approximately HK$27.8 million for the year ended 31 March 2025. The increase in revenue was mainly due to (i) the sales of equipment of smart manufacturing solutions business increased by HK$17.8 million, and (ii) the agricultural food technology and sales business contributed approximately of HK$8.2 million (2025: Nil).

Cost of sales

Cost of sales increased by 63.6% to HK$41.3 million for the year ended 31 March 2026 from HK$25.3 million for the year ended 31 March 2025. The cost of sales increase in line with revenue.

Gross profit and gross profit margin

Gross profit increased by 352.7% to HK$11.5 million for the year ended 31 March 2026 from HK$2.5 million for the year ended 31 March 2025.

Gross profit margin was 21.8% for the year ended 31 March 2026 (2025: 9.2%).

Selling and marketing expenses

Selling and marketing expenses increased to HK$1.7 million for the year ended 31 March 2026 (2025: HK$1.4 million).

Administrative expenses

Administrative expenses decreased by 22.4% to HK$15.5 million for the year ended 31 March 2026 from HK$19.9 million for the year ended 31 March 2025, which was due to decrease in depreciation of plant and equipment, amortisation of intangible assets and professional fee.

Income tax expense

The Group had incurred an income tax expense of HK$0.06 million (2025: income tax credit of HK$1.1 million) for the year ended 31 March 2026.

Loss for the year

Loss for the year decreased by 69.4% to HK$8.4 million for the year ended 31 March 2026 from HK$27.3 million for the year ended 31 March 2025. Such decrease was mainly attributable to the effect of increase of gross profit, decrease of administrative expenses and recognised the gain on bargain purchase on acquisition of a subsidiary.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Cash position

As at 31 March 2026, the net current assets of the Group were approximately HK$1.5 million (2025: HK$8.9 million). The decrease was mainly due to the effect of increase in other payables and decrease in deposits and other receivables net off with increase in prepayments and cash and cash equivalents.

As at 31 March 2026, the cash and cash equivalents of the Group were approximately HK$3.9 million (2025: HK$0.2 million). The Group expected to fund the future cash flow needs through internally generated cash flows from operations, debt financing and equity financing.

Gearing ratio

The Group monitors capital on the basis of the net gearing ratio. Net gearing ratio represents the ratio of net debts (amount due to a director and bonds payables net of cash and cash equivalents and restricted cash) divided by total equity as at 31 March 2026 was 487.4% (31 March 2025: 5.4%).

As at 31 March 2026, the Group had bonds payables with principal amount of HK$1.0 million at interest rate of 10% per annum (2025: No bonds payables).

Capital Structure

Placing of 132,960,000 placing shares

On 13 August 2024 the Company entered into a placing agreement (the "**Placing Agreement 1**") with a sole placing agent, pursuant to which the Company appointed the sole placing agent as its agent to procure not less than six placees who were independent third parties to subscribe up to 143,978,636 ordinary Shares (the "**Placing 1**") at the placing price of HK$0.024 (the "**Placing Price 1**") per Share, representing approximately 16.67% of the issued share capital of the Company as immediately after the completion of the Placing 1.

The Placing Price 1 of HK$0.024 per placing share represents (i) a discount of approximately 14.29% to the closing price of HK$0.028 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 16.67% to the average of the closing prices per Share of HK$0.0288 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing 1 was completed on 28 August 2024 in accordance with the terms and conditions of the Placing Agreement 1. An aggregate of 143,960,000 placing shares (the "**Placing Shares 1**"), representing approximately 16.66% of the issued share capital of the Company immediately after the completion of the Placing 1, have been successfully placed to not less than six placees at the Placing Price 1 of HK$0.024 per Placing Share 1.

The net proceeds derived from the placing amounted to approximately HK$3,292,000 and resulted in the increase in share capital of approximately HK$112,000 and share premium of approximately HK$3,180,000, net of transaction costs of approximately HK$163,000.

For details of the Placing, please refer to the announcements of the Company dated 13 August 2024 and 28 August 2024.

Share consolidation

On 19 August 2024, the Board proposes that every forty (40) issued and unissued existing shares in the share capital of the Company be consolidated into one (1) consolidated share (the "**Share Consolidation**"). The Share Consolidation become effective from 3 October 2024.

Immediate before the effective of the Share Consolidation, the authorised share capital of the Company is US$500,000 divided into 5,000,000,000 existing shares (the "**Existing Shares**") of par value of US$0.0001 each, of which 863,853,183 Existing Shares have been allotted and issued as fully paid or credited as fully paid. Upon the effective of the Share Consolidation, the authorised share capital of the Company becomes US$500,000 divided into 125,000,000 Consolidated Shares of US$0.004 each, of which 21,596,329 Consolidated Shares were issued.

For details of the Share Consolidation, please refer to the announcements of the Company dated 19 August 2024 and 30 September 2024, and the circular dated 30 August 2024.

Placing of 4,318,000 placing shares

On 12 December 2024 the Company entered into a placing agreement (the "**Placing Agreement 2**") with a sole placing agent, pursuant to which the Company appointed the sole placing agent as its agent to procure not less than six placees who were independent third parties to subscribe up to 4,318,000 ordinary Shares (the "**Placing 2**") at the placing price of HK$0.85 (the "**Placing Price 2**") per Share, representing approximately 16.66% of the issued share capital of the Company as immediately after the completion of the Placing 2.

The Placing Price 2 of HK$0.85 per placing share represents (i) a discount of approximately 5.56% to the closing price of HK$0.90 per Share as quoted on the Stock Exchange on the date of the Placing Agreement 2; and (ii) a discount of approximately 8.21% to the average of the closing prices per Share of HK$0.926 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement 2.

The Placing 2 was completed on 27 December 2024 in accordance with the terms and conditions of the Placing Agreement 2. An aggregate of 4,318,000 placing shares (the "**Placing Shares 2**"), representing approximately 16.66% of the issued share capital of the Company immediately after the completion of the Placing 2, have been successfully placed to not less than six placees at the Placing Price 2 of HK$0.85 per Placing Share 2.

The net proceeds derived from the placing amounted to approximately HK$3,572,000 and resulted in the increase in share capital of approximately HK$135,000 and share premium of approximately HK$3,437,000, net of transaction costs of approximately HK$98,000.

For details of the Placing 2, please refer to the announcements of the Company dated 12 December 2024 and 27 December 2024.

Save as disclosed above, there was no other material change in the capital structure of the Group during the years ended 31 March 2025 and 31 March 2026. As at 31 March 2026, the Company has 25,914,329 Shares in issue. Details are set out in Note 20 to the audited financial statements.

USE OF NET PROCEEDS

Placing 1

On 28 August 2024, 143,960,000 Placing Share 1, have been issued and allotted at the Placing Price 1 of HK$0.024 per Placing Share 1. The net proceeds from the Placing 1 are approximately HK$3,292,000 after deducting placing commissions and other costs related to the Placing 1. The Company has been applying the net proceeds according to the use of proceeds stated in the announcement of the Company dated 13 August 2024. Use of net proceeds as at 31 March 2026 are listed as follows:

	Planned use of proceeds *HK$'million*	Percentage of net proceeds	Actual use of proceeds from 28 August 2024 to 31 March 2025 *HK$'million*	Percentage of net proceeds	Actual use of proceeds for the year ended 31 March 2026 *HK$'million*	Percentage of net proceeds	Unutilized net proceeds as at 31 March 2026 *HK$'million*	Percentage of net proceeds
General working capital	3.3	100%	3.3	100%	–	0%	–	0%
	3.3	100%	3.3	100%	–	0%	–	0%

Placing 2

On 27 December 2024, 4,318,000 Placing Share 2, have been issued and allotted at the Placing Price 2 of HK$0.85 per Placing Share 2. The net proceeds from the Placing 2 are approximately HK$3,572,000 after deducting placing commissions and other costs related to the Placing 2. The Company has been applying the net proceeds according to the use of proceeds stated in the announcement of the Company dated 12 December 2024. Use of net proceeds as at 31 March 2026 are listed as follows:

	Planned use of proceeds *HK$'million*	Percentage of net proceeds	Actual use of proceeds from 27 December 2024 to 31 March 2025 *HK$'million*	Percentage of net proceeds	Actual use of proceeds for the year ended 31 March 2026 *HK$'million*	Percentage of net proceeds	Unutilized net proceeds as at 31 March 2026 *HK$'million*	Percentage of net proceeds
General working capital	3.6	100%	3.6	100%	–	0%	–	0%
	3.6	100%	3.6	100%	–	0%	–	0%

CONTINGENT LIABILITIES

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

CAPITAL COMMITMENTS

As at 31 March 2026, the Group did not have any capital commitments.

PLEDGE OF ASSETS

As at 31 March 2026, save for the restricted cash approximately of HK$0.1 million (2025: HK$0.1 million), the Group did not have any pledge on its assets.

EXCHANGE RATE RISK EXPOSURE

The Group is exposed to foreign exchange risk primarily through its transactions that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily United States dollars ("**US$**") and Swiss Franc ("**CHF**"). 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.

Because of the fluctuation in the exchange rate of the functional currencies of the group entities, mainly RMB, CHF and US$, to the Group's presentation currency, HK$, the Group recorded a gain in other comprehensive loss of HK$0.1 million for the year ended 31 March 2026.

PROSPECTS

The Group recognises huge potential in the agricultural food technology market. Leveraging on the expertise of the Group's smart manufacturing solutions business, the Group has developed a comprehensive suite of smart manufacturing solutions designed to assist manufacturers in upgrading their agricultural food production, processing, and storage capabilities. The Group has been approaching a number of potential customers for co-operations and the feedbacks are encouraging. The acquisition would enable the Group to promptly establish a comprehensive organisational structure in preparation for the commencement of the agricultural food technology and sales business.

SIGNIFICANT INVESTMENTS HELD

As at 31 March 2026, the Group did not hold any significant investments.

OTHER FINANCIAL ASSETS

As at 31 March 2026, other financial assets held by the Group comprise:

– Trade receivables of HK$33.9 million;

– Cash and bank deposits of HK$3.9 million;

– Restricted cash of HK$0.1 million; and

– Other receivables of HK$1.1 million.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 31 March 2026, the Group did not have any plans for material investments.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

Save for the Acquisition, the Group did not have any other material acquisitions and disposal of subsidiaries and affiliated companies during the year ended 31 March 2026.

Details of the Acquisition, please refer to the paragraph headed "Business Review" above in this section and Note 27(a) of the audited financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal business of the Group is to provide smart manufacturing solutions to its customers on a project basis. As the Company does not have any long-term contractual arrangements with its customers, there is no assurance that the Company will continue to secure new contracts or maintain or increase its current level of business activities with existing or future customers in the future. Therefore, the Group is increasing its sales and marketing efforts, expanding its sales force, sales spots and sales coverage, aiming to continuously get new tenders and secure contracts from more customers.

The Group's major customers are high-end equipment manufacturers in the aviation, aerospace, shipbuilding, ground transportation vehicles and electronics industries. The market for smart manufacturing solutions is characterised by rapidly changing technologies and evolving developments. The success of its business is dependent upon its ability to continuously develop, in a timely manner, new technological applications through research and development and introduce new solution designs to cater its customers' requirements. Therefore, the Group intends to increase its research and development efforts, establish its own research and development centers, recruit more technical staff, so as to hold its edges in terms of technology.

Other risks are as follows:

Credit risk

Credit risk mainly arises from cash at banks, restricted cash, contract assets and trade and other receivables. The carrying amount of these balances in the consolidated statement of financial position represents the Group's maximum exposure to credit risk in relation to its financial assets. The Group has a credit policy in place and the exposure to these credit risks is monitored on an ongoing basis.

Interest rate risk

The Group's interest-bearing assets and liabilities are borrowings, restricted cash and cash at banks. Borrowings bore at fixed rates expose the Group to fair value interest rate risk. The Group's exposure to cash flow interest rate risks arises from its restricted cash and cash at banks and therefore bear interest at variable rates varied with the then prevailing market condition. The directors of the Company consider the cash flow interest rate risk with respect to restricted cash and cash at banks to be insignificant to the Group. The Group has not entered into any interest rate swaps to hedge its exposure to interest rate risks.

During the reporting period, the Group did not hedge its interest rate risk.

Except as stated above, the Group does not have other significant interest-bearing assets and liabilities at the end of the reporting period, its income and operating cash flows are substantially independent of changes in market interest rates.

Liquidity risk

To manage the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the operations and mitigate the effects of fluctuations in cash flows. The Group met cash flow needs through internally generated cash flows from operation and borrowings from financial institutions.

DIRECTORS AND SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Ms. Jiang Yanhua ("Ms. Jiang"), aged 38, was appointed as an executive Director and chairlady of the Board on 2 April 2026.

Ms. Jiang obtained her bachelor's degree in marketing management from the University of South China (南華大學) in 2009. Ms. Jiang has over 15 years of experience in the agricultural production industry. In 2016, Ms. Jiang found 東安縣易達農貿服務有限公司 (Dong'an County Yida Agricultural Trade Service Co., Ltd.*), which is principally engaged in the sale of agricultural products. In 2024, it transformed into a breeding factory for ducks and duck eggs.

Ms. Ye Jialing ("Ms. Ye"), aged 39, is the executive Director of the Company. She was appointed as nonexecutive Director on 7 January 2023 and re- designated as executive Director on 4 November 2023. She is currently the chief operation officer of Min Fu Holding (Shenzhen) Limited. Ms. Ye is overseeing the business operation and research & development of enterprise digital management system for the PRC subsidiaries of the Group.

Ms. Ye has over ten years of investment and management experience. In 2009, she had worked in Shenzhen City Tourism (Group) Capital Limited (transliteration of 深圳市旅遊(集團)股份有限公司) for over ten years. She holds a Bachelor of International Hotel and Tourism Management from The University of Queensland.

Mr. Shu Zhongwen ("Mr. Shu"), aged 52, was appointed as an executive Director and chief executive officer of the Company on 29 June 2026.

Mr. Shu has more than 20 years of working experience in corporate and project management. Mr. Shu focuses on value investing across high-tech sectors such as agricultural technology, intelligent manufacturing, and new energy. Mr. Shu was appointed as the chief executive officer of Hao Bai International (Cayman) Limited (a company listed on GEM, stock code: 8431) from 1 December 2022 to 8 October 2024. Mr. Shu was appointed as an executive Director of China Greenfresh Group Company Limited (a company previously listed on the Main Board of the Stock Exchange, stock code: 6183) between 5 June 2020 and 31 December 2020, while Mr. Shu was appointed as the Chairman between 31 December 2020 and 25 June 2021. Mr. Shu was an executive director of Kiu Hung International Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 381) from 25 October 2018 to 28 June 2019. Mr. Shu was a vice president of Jingdezhen Jingdong Ceramics Company Limited from August 2010 to July 2016. Mr. Shu has been working as an executive president of Huge Profit International (HK) Holdings Limited since July 2016 and managing director of Shenzhen Shensen Supply Chain Management Co., Ltd.* (深圳申森供應鏈管理有限公司) since 2021. Mr. Shu graduated from Jiangxi University of Science and Technology in 2007.

NON-EXECUTIVE DIRECTORS

Mr. Chen Donglong ("Mr. Chen"), aged 32, was appointed as non-executive Director of the Company on 29 June 2026.

Mr. Chen obtained a Bachelor of Science degree in Finance from Jimei University Chengyi College in 2017. He has nearly ten years of experience in equity investment in hard technology, new consumption, healthcare, and enterprise services. Since July 2017, Mr. Chen has worked at Goldman Sachs Huijin, Huasheng Renhe, and Yingren Fund, where he led and implemented several benchmark projects covering artificial intelligence, semiconductors, and commercial aerospace, demonstrating his professional project discovery capabilities and industry empowerment strength. His representative projects include Xingdong Jiyuan, Shichuangyi, and Tianfu Gaofen. Mr. Chen has received honors such as the 2023 Hurun U30 China Entrepreneurship Pioneer and the 2023 Guangdong-Hong Kong-Macao Greater Bay Area Venture Capital List Best Investor. He currently serves as the Vice President of the Shenzhen Quanzhou Chamber of Commerce and the President of the Shenzhen Alumni Association of Jimei University Chengyi College. In 2026, he was appointed as the "Investment Ambassador" of Huian County.

Ms. Li Chunling ("Ms. CL Li"), aged 27, is a non-executive Director of the Company. Ms. CL Li graduated from Shenzhen University in 2020 with a Bachelor's Degree in Finance and Management. Since February 2020, she has been serving in the Finance and Human Resources Department of Shenzhen Deyuan Investment Co., Ltd. In her role, she has taken on comprehensive responsibilities, including accounting and bookkeeping, budget planning and management, tax compliance and reporting, recruitment and talent acquisition, employee training and development, as well as performance management. Through her diverse role, Ms. Li Chunling has contributed significantly to the company's financial stability, operational efficiency, and workforce development.

Ms. Zhu Minchun (Ms. Zhu"), aged 27, is an non-executive Director of the Company. Ms. Zhu obtained a Bachelor's Degree majoring in Communication Studies from the University of California, San Diego in 2020. From June 2020 to September 2020, she worked as a Content Editor at Shenzhen Yue Dong Smart Network Technology Co., Ltd. She later joined Shenzhen Fulida Asset Management Co., Ltd. as the Marketing Director from January 2021 to May 2025. During her tenure, she oversaw market sales and the promotion of Kweichow Moutai liquor, contributing to the company's stable growth in both scale and market share. Since June 2025, she has been working at Shenzhen Rong Tai Enterprise Consulting Co., Ltd. as the Deputy General Manager. In this role, she is responsible for the company's financial planning and budget execution, reviewing business-related reports, and assisting the team in management decision making.

Mr. Zhu Xiliang ("Mr. Zhu"), aged 58, was appointed as non-executive director on 2 April 2026.

Mr. Zhu obtained his junior college diploma in economic management from Hunan Vocational College of Commerce (湖南商務職業技術學院) in 1990. Mr. Zhu has over 30 years of ample experience in the international trade in fruits and vegetables. From 1994-1995, Mr. Zhu had been engaged in agricultural planting and breeding industry. Since 1996, Mr. Zhu has been engaging in vegetable distribution from the Buji/Haijixing market in Shenzhen to the Hong Kong market, as well as international vegetable trade, mainly selling to Southeast Asia, Singapore, Malaysia, Thailand, Vietnam, Indonesia and other countries with annual exports total of approximately Renminbi 7 billion. Mr. Zhu currently owns (i) seven vegetable processing plants in Shenzhen; and (ii) one vegetable processing plant and five vegetable bases in Hunan, with aggregate total area of over 11,000 mu (畝). Mr. Zhu is currently a committee member of the Chinese People's Political Consultative Conference of Yongzhou City.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Chen Meng ("Ms. Chen"), aged 33, as an independent non-executive Director of the Company. Ms. Chen graduated from Changchun Normal University with a bachelor's degree in Chinese language and literature. Ms. Chen assumed the position of driving control section officer in public security bureau of Hunchun city from April 2016 to December 2018. She also worked at the office of the People's Procuratorate of Hunchunlin District, Jilin Province of the PRC from January 2019 to December 2022. She was responsible for the collection of confidential documents and the publicity work of the procuratorate.

Mr. Lu Shengwei ("Mr. Lu"), aged 36, as an independent non-executive Director of the Company. Mr. Lu graduated from Jiangxi University of Finance and Economics with a bachelor's degree in accountancy and law in 2012 and has extensive experience in finance and taxation. Mr. Lu assumed various positions in different enterprises in the PRC including as a tax manager in China Construction Second Bureau Second Construction Engineering Co., Ltd. (transliteration of 中建二局第二建築工程有限公司) from 2012 to 2017, as a finance and taxation expert and trainer in Yiqiying Network Technology Co., Ltd. (transliteration of 億企贏網絡科技有限公司) from 2017 to 2020, and as a financial manager in Wangqibang Technology Group Co., Ltd. (transliteration of 萬企幫科技集團有限公司) from 2021 to 2022. Since July 2022, he has been a partner of Nanqiao Xi Tax Accountant Firm (Shenzhen) Co., Ltd. (transliteration of 南橋希稅務師事務所（深圳）有限公司) and is responsible for advising on finance and compliance matters, as well as conducting lectures on tax laws and regulations in the PRC. Mr. Lu passed all the required subjects of the professional stage of the National Uniform CPA Examination of the PRC in 2020. He also obtained the qualification certificate of tax advisor issued by China Certified Tax Agents Association in 2018 and the qualification certificate of public valuer issued by China Appraisal Society in 2021.

Ms. Wang Ruiqin ("Ms. Wang"), aged 48, was appointed as an independent non-executive Director of the Company on 29 June 2026.

Ms. Wang with a bachelor's degree, she is a seasoned professional with extensive experience in equity investment, industrial finance, and high-tech sector investment. She focuses on value investing across high-tech fields such as artificial intelligence, semiconductor chips, robotics, biotechnology, intelligent manufacturing, and new energy, and has successfully incubated several technology companies.

Ms. Wang possesses extensive practical experience in equity investment. She has led or participated in investments in numerous well-known projects, including but not limited to Shenzhen Cloudwalk Technology (stock code: 688343.SH), Nayuki (stock code: 2150.HK), Pagoda (stock code: 2411.HK).

Ms. Wang currently serves as the Chairman of Shenzhen Longhuacheng Investment Co., Ltd. and the President of Singapore NOVAX Fund Management Co., Ltd., demonstrating her outstanding corporate management and capital operation capabilities.

In addition, Ms. Wang actively participates in social affairs and currently holds social positions such as Vice President of Guangdong High-Tech Business Association*（廣東高科技商業協會）, Chairman of Shenzhen Zhixing Charity Foundation*（深圳市智行慈善基金會）, Member of Functional Medicine Professional Committee of China Anti-Aging Promotion Association*（中國抗衰老促進會功能醫學專業委員會）, and Vice Chairman of Angel Investment Alliance of Shenzhen Virtual University Achievement Transfer Promotion Association*（深圳市虛擬大學成果轉移促進會天使投資聯盟）.

Dr. Zhou Wenming ("Dr. Zhou"), aged 44, as an independent non-executive Director of the Company. Dr. Zhou has over seven years of experience in investment management and risk management. He is currently the chief risk management officer of Szu PhD Investment Management Co., Ltd., where he is responsible for the investment management, and establishment, supervision and implementation of risk management and control system. He is currently also the associate dean of Longhua Bioindustry and Innovation Research Institute, Shenzhen University, where he is responsible for technology transformation and other areas. He worked in Shenzhen University Graduate School from August 2008 to December 2017, where he was responsible for postgraduate admission, training and management. He obtained his Bachelor's degree in biotechnology from South China University of Tropical Agriculture (which had merged with Hainan University) in Hainan, the PRC in June 2005; his Master's degree in biochemistry and molecular biology from Shenzhen University in Shenzhen, the PRC in June 2008; and his Doctorate degree in history of economic thoughts from Shenzhen University in Shenzhen, the PRC in December 2016. He is a registered fund practitioner with the Asset Management Association of China.

COMPLIANCE OFFICER

Mr. Zeng Weijin resigned as the compliance officer of the Company on 2 April 2026.

Ms. Ye has been appointed as the compliance officer on 2 April 2026. For her biographical information, please refer to the paragraph headed "Executive Directors" above in this section.

COMPANY SECRETARY

Mr. Cheng Wai Hei ("Mr. Cheng"), aged 45, joined our Group in December 2020 as financial controller and was later appointed as the company secretary of our Group on 7 January 2025. Mr. Cheng is responsible for the accounting and financial functions, internal control as well as the company secretary affairs of the Group. Mr. Cheng holds a Master of Business Administration from The Hong Kong Polytechnic University. He is a fellow member of the Association of Chartered Certified Accountants and an associate of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute. Mr. Cheng has over 15 years of experience in accounting, auditing and corporate governance.

DISCLOSURE REQUIRED UNDER RULE 17.50(2) OF THE GEM LISTING RULES

Save as disclosed in this annual report, each of our Directors confirms with respect to him/her that: (a) he/she has not held directorships in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas; (b) he/she did not hold other positions in our Company or other members of our Group; (c) he/she did not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of our Company; (d) he/she does not have any interests in our Shares within the meaning of Part XV of the SFO, save as disclosed in this Report; (e) he/she does not have any interest in any business which competes or is likely to compete, directly or indirectly, with the Group, which is discloseable under the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "**GEM Listing Rules**"); and (f) to the best of the knowledge, information and belief of our Directors having made all reasonable enquiries, there was no additional information relating to our Directors or senior management that was required to be disclosed pursuant to Rule 17.50(2) of the GEM Listing Rules and no other matter with respect to their appointments that needed to be brought to the attention of our shareholder.

CORPORATE GOVERNANCE REPORT

The Board is pleased to present the corporate governance report of the Company for the year ended 31 March 2026.

CORPORATE GOVERNANCE PURPOSE, VALUE, CULTURE AND STRATEGY

The Board leads and promotes to establish and continually reinforce the desired corporate culture of the Company which is underpinned by our corporate values of committing high standard of business ethics and integrity. Our sound corporate culture reaches all levels of the Group, and aligns with the Company's missions, corporate values and strategies.

During the year ended 31 March 2026, we continued to strengthen and focus on the following areas to achieve our corporate purpose and value: business expansion, customer satisfaction, operational safety and efficiency, environmental protection through various initiatives set out in the Chairman's Statement, Management Discussion and Analysis and Environmental, Social and Governance Report in this annual report.

CORPORATE GOVERNANCE PRACTICE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has complied with all the applicable code provisions of the Corporate Governance Code (the "**Code**") set out in Part 2 of Appendix C1 of the GEM Listing Rules save for the deviation from code provision C.2.1. Save as disclosed in this annual report, the Company has, to the best knowledge of the Board, complied with all applicable code provisions of the Code for the Year. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the Code.

CODE PROVISION C.2.1

There was a deviation from code provision C.2.1 of the Code which stipulates that the roles of chairman and chief executive should be separated and should not be performed by the same individual. The Company considers that having Mr. Zeng Weijin ("**Mr. Zeng**") acting as both its chairman of the Board and its chief executive officer ("**CEO**") will provide a strong and consistent leadership to the Group and allow for more effective planning and management for the Group. In view of Mr. Zeng's extensive experience in the industry, personal profile and critical role in the Group and its historical development, the Company considers that it is beneficial to the business prospects of the Group that Mr. Zeng continues to act as both its chairman and its chief executive officer.

On 11 August 2025, i) Mr. Zeng has been resigned as the CEO of the Company and remain as the chairman of the Board (the "**Resignation**"); and ii) Mr. Xia Ronghua ("**Mr. Xia**") has been appointed as the CEO (the "**Appointment**").

On 29 June 2026, Mr. Xia has been resigned as the CEO of the Company. Following the resignation of Mr. Xia, Mr. Shu Zhongwen has been appointed as the CEO with effect from 29 June 2026.

Following the Resignation and the Appointment of CEO with effect from 11 August 2025, the Company re-complied with code provision C.2.1 of the Code.

Save as disclosed above, the Company has complied with the applicable code provisions of the Code as set out in Appendix 15 to the GEM Listing Rules for the year ended 31 March 2026.

COMPLIANCE WITH THE REQUIRED STANDARD OF DEALINGS IN SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "**Standard of Dealings**"), as its own code of conduct regarding Directors' securities transactions.

Having made specific enquiries of all the Directors, each of the Directors has confirmed that he or she has complied with the required Standard of Dealings for the year ended 31 March 2026.

THE BOARD

Responsibilities

The Board is responsible for the overall leadership of the Group, overseeing the Group's strategic decisions and monitoring the Group's business and performance. The Board has delegated the authority and responsibility for day-to-day management and operation of the Group to the senior management of the Group. To oversee particular aspects of the Company's affairs, the Board has established three Board committees including the audit committee (the "**Audit Committee**"), the remuneration committee (the "**Remuneration Committee**") and the nomination committee (the "**Nomination Committee**") (together, the "**Board Committees**"). The Board has delegated to the Board Committees responsibilities as set out in their respective terms of reference.

For the year ended 31 March 2026, all the Directors had carried out duties in good faith and, to their best knowledge and belief, in compliance with applicable laws and regulations, and had acted in the interest of the Company and the Shareholders as a whole at all times.

The Company has arranged appropriate liability insurance in respect of legal action against the Directors. The insurance coverage will be reviewed on an annual basis.

Board composition

As at the date of this annual report, the Board comprises three executive Directors, four non-executive Directors and four independent non- executive Directors are as follows:

Executive Directors
Ms. Jiang Yanhua *(Chairlady) (appointed on 2 April 2026)*
Mr. Shu Zhongwen *(appointed on 29 June 2026)*
Ms. Ye Jialing
Mr. Zeng Weijin *(resigned on 2 April 2026)*

Non-executive Directors
Mr. Chen Donglong *(appointed on 29 June 2026)*
Ms. Li Chunling
Ms. Zhu Minchun
Mr. Zhu Xiliang *(appointed on 2 April 2026)*
Ms. Zhang Xiaoling *(resigned on 2 April 2026)*
Ms. Li Xiaoxuan *(resigned on 29 June 2026)*

Independent non-executive Directors
Ms. Chen Meng
Mr. Lu Shengwei
Ms. Wang Ruiqin *(appointed on 29 June 2026)*
Dr. Zhou Wenming

The brief biographic details of the Directors are set out in the section headed "Directors and Senior Management" on pages 12 to 15 of this annual report.

During the year ended 31 March 2026, the Board has met at all times the requirements under Rules 5.05(1) and 5.05(2) of the GEM Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications or accounting or related financial management expertise.

The Company has also complied with Rule 5.05A of the GEM Listing Rules relating to the appointment of independent non-executive Directors representing at least one-third of the Board.

The Company believes that the diversity of Board members will be immensely beneficial for the enhancement of the Company's performance. Therefore, the Company has adopted a board diversity policy to ensure that the Company will, when determining the composition of the Board, consider board diversity from various perspectives. The board diversity policy is summarized below:

Summary of Board Diversity Policy of the Company (the "Policy")

1. Purpose:

1.1 The Policy aims achieve diversity on the Board of the Group.

2. Vision:

2.1 The Group recognises and embraces the benefits of having a diverse Board to enhance the quality of the Company's performance.

3. Policy statement:

3.1 With a view to achieving a balanced and stable development, the Group sees diversity at the Board level as an essential element in achieving balanced development of the Group. In designing the Board's composition of the Group, Board diversity has been comprehensively considered from a number of aspects, including but not limited to gender, age, cultural and educational background or professional experience on the principle of "promotion of the worthy".

4. Measurable objectives:

4.1 Selection of candidates will be based on a range of diversity perspectives, which will include but not limited to gender, age, cultural and educational background or professional experience. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Group.

5. Review and monitoring:

5.1 The Nomination Committee will review the Policy, as and when appropriate, to ensure the effectiveness of the Policy. The Nomination Committee will discuss any revisions that may be required, and recommend any such revisions to the Board for consideration and approval.

5.2 Details of the Policy and any measurable objectives designed for it will be disclosed in the annual report of the Group.

The Group has adopted a policy to diversify the membership of the Board. The Group recognises and embraces the benefits of having a diverse Board to enhance the quality of its performance. The Board composition of the Group is based on a range of diverse perspectives, and candidates will be selected from a number of aspects, including but not limited to gender, age, cultural and educational background or professional experience on the principle of "promotion of the worthy".

During the Year and at the date of this report, the Board has eight Directors, three of which are female. The table below further describes the degree of diversity of the Board:

	Age Distribution			Gender	
Name of directors	**21-40**	**41-60**	**61-70**	**Male**	**Female**
Ms. Jiang Yanhua *(appointed on 2 April 2026)*	✓				✓
Mr. Shu Zhongwen *(appointed on 29 June 2026)*		✓			
Ms. Ye Jialing	✓			✓	✓
Mr. Zeng Weijin *(resigned on 2 April 2026)*		✓		✓	
Mr. Chen Donglong *(appointed on 29 June 2026)*	✓				
Ms. Li Chunling	✓			✓	✓
Ms. Li Xiaoxuan *(resigned on 29 June 2026)*		✓			✓
Ms. Zhu Minchun	✓				✓
Mr. Zhu Xiliang *(appointed on 2 April 2026)*			✓	✓	
Ms. Zhang Xiaoling *(resigned on 2 April 2026)*	✓				✓
Ms. Chen Meng	✓				✓
Mr. Lu Shengwei	✓			✓	
Ms. Wang Ruiqin *(appointed on 29 June 2026)*		✓			✓
Dr. Zhou Wenming		✓		✓	

	Education background			Professional experience		
Name of directors	**Management**	**Legal and/or Finance**	**Others**	**Legal and/or Finance**	**Investment and Assets/Risks Management**	**Others**
Ms. Jiang Yanhua *(appointed on 2 April 2026)*	✓					✓
Mr. Zeng Weijin *(resigned on 2 April 2026)*			✓	✓	✓	
Mr. Shu Zhongwen *(appointed on 29 June 2026)*			✓		✓	
Ms. Ye Jialing	✓				✓	
Mr. Chen Donglong *(appointed on 29 June 2026)*			✓		✓	
Ms. Li Chunling		✓		✓		
Ms. Li Xiaoxuan *(resigned on 29 June 2026)*	✓					✓
Ms. Zhang Xiaoling *(resigned on 2 April 2026)*			✓			✓
Ms. Zhu Minchun			✓		✓	
Mr. Zhu Xiliang *(appointed on 2 April 2026)*			✓			✓
Ms. Chen Meng			✓			✓
Mr. Lu Shengwei				✓		
Ms. Wang Ruiqin *(appointed on 29 June 2026)*			✓		✓	
Dr. Zhou Wenming			✓		✓	

Save as disclosed in the Directors' biographies set out in the section headed "Directors and Senior Management" in this annual report, none of the Directors have any personal relationship (including financial, business, family or other material or relevant relationship) with any other Directors and the chief executive of the Company.

All Directors, including independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning. Independent non-executive Directors are invited to serve on the Audit Committee, the Remuneration Committee and the Nomination Committee.

As regards the Code requiring Directors to disclose the number and nature of offices held in public companies or organisations and other significant commitments as well as the identity of the public companies or organisations and the time involved to the Company, the Directors have agreed to disclose their commitments and any subsequent change to the Company in a timely manner.

INDUCTION AND CONTINUOUS PROFESSIONAL DEVELOPMENT

Each newly appointed Director is provided with necessary induction and information to ensure that he/she has a proper understanding of the Group's operations and businesses as well as his/her responsibilities under relevant statues, laws, rules and regulations. The Company also provides regular updates on latest development and changes in the GEM Listing Rules and other relevant legal and regulatory requirements from time to time. The Directors are also provided with regular updates on the Company's performance, position and prospects to enable the Board as a whole and each Director to discharge his/her duties.

Directors are encouraged to participate in continuous professional development seminars and programmes to develop and refresh their knowledge and skills. The Company secretary of the Company has from time to time updated and provided the Directors with written training materials relating to the roles, functions and duties of the director of a listed issuer on GEM of the Stock Exchange. The Company has also engaged external legal advisers to provide training to Directors on updates of GEM Listing Rules as well as latest changes in relevant rules and regulations.

According to the information provided by the Directors, a summary of training received by the Directors throughout the year ended 31 March 2026 is as follows:

Name of Directors	Type of trainings
Ms. Jiang Yanhua *(appointed on 2 April 2026)*	N/A
Mr. Shu Zhongwen *(appointed on 29 June 2026)*	N/A
Ms. Ye Jialing	A/B
Mr. Zeng Weijin *(resigned on 2 April 2026)*	A/B
Mr. Chen Donglong *(appointed on 29 June 2026)*	N/A
Ms. Li Chunling	B
Ms. Li Xiaoxuan *(resigned on 29 June 2026)*	B
Ms. Zhu Minchun	B
Mr. Zhu Xiliang *(appointed on 2 April 2026)*	N/A
Ms. Zhang Xiaoling *(resigned on 2 April 2026)*	B
Ms. Chen Meng	B
Mr. Lu Shengwei	B
Ms. Wang Ruiqin *(appointed on 29 June 2026)*	N/A
Dr. Zhou Wenming	B

A: Attending seminars and/or meetings and/or forums and/or briefings

B: Reading materials relevant to corporate governance, director's duties and responsibilities, listing rules and other relevant ordinances

C: Giving talks in the seminars and/or meetings and/or forums

D: Attending training relevant to the Company's governance business conducted by lawyers

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of the executive Directors has signed a service agreement with the Company for an initial term of 3 years commencing on the date of appointment until terminated by either party by giving not less than 3 months' notice in writing to the other.

Each of the non-executive Directors and independent non-executive Directors has signed a letter of appointment with the Company for an initial term of three years commencing on the appointment date, provided that either party may terminate such appointment at any time by giving not less than 3 months' notice in writing to the other.

None of the Directors has a service agreement which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

In accordance with article 108 of the articles of association (the "**Articles**") of the Company, at each annual general meeting (the "**AGM**"), one third of the Directors for the time being shall retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors.

In accordance with article 112 of the Articles, any Director so appointed by the Board to fill a casual vacancy of the Board shall hold office only until the first general meeting of the Company after his/her appointment and be subject to re-election at such meeting. Any Director so appointed by the Board shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at the AGM.

Each of the Directors has been appointed for an initial term of three years until terminated by either party giving not less than three months' written notice to the other. Pursuant to the Articles, Ms. Jiang Yanhua, Mr. Shu Zhongwen, Mr. Chen Donglong, Mr. Zhu Xiliang, Mr. Lu Shengwei, Ms. Wang Ruiqin and Dr. Zhou Wenming will retire from office as Directors at the forthcoming AGM, and being eligible, will offer themselves for re-election.

DELEGATION BY THE BOARD

The Board reserves for its decision on all major matters of the Company, including approval and monitoring of all policy matters, overall strategies and budgets, risk management and internal control systems, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant financial and operational matters. Directors are provided with sufficient resources to seek independent professional advice in performing their duties at the Company's expense and are encouraged to access and to consult with the Company's senior management independently.

The daily management, administration and operation of the Group are delegated to the senior management. The delegated functions and responsibilities are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transaction entered into by the management.

CORPORATE GOVERNANCE FUNCTION

The Board recognises that corporate governance should be the individual and collective responsibility of the Directors which includes:

(a) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

(b) to review and monitor the training and continuous professional development of the Directors and senior management;

(c) to develop, review and monitor the codes of conduct and compliance manuals applicable to employees and the Directors;

(d) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board and report to the Board on such matters;

(e) to review the Company's compliance with corporate governance and disclosure in the corporate governance report; and

(f) to review and monitor the Company's compliance with the Company's whistleblowing policy.

BOARD MEETINGS AND PROCEDURES

The Company adopts the practice of holding Board meetings regularly, at least four times a year, and at approximately quarterly intervals. Notices of not less than fourteen days are given for all regular Board meetings to provide all Directors with an opportunity to attend and include matters in the agenda for a regular meeting.

For other Board and Board Committees meetings, reasonable notice is generally given. The agenda and accompanying board papers are despatched to the Directors or Board Committees members at least three days before the meetings to ensure that they have sufficient time to review the papers and are adequately prepared for the meetings. When Directors or Board Committees members are unable to attend a meeting, they will be advised of the matters to be discussed and given an opportunity to make their views known to the chairman of the Board or the relevant Board Committees prior to the meeting.

Minutes of the meetings are kept by the company secretary, with copies circulated to all Directors or the relevant Board Committees members for information and records.

Minutes of the Board meetings and Board Committees meetings are recorded in sufficient details about the matters considered by the Board and the Board Committees and the decisions reached, including any concerns raised by the Directors or the Board Committees members. Draft minutes of each Board meeting and Board Committee meeting are sent to the Directors or the Board Committees members for comments within a reasonable period after the meeting is held. Minutes of the Board meetings and the Board Committees meetings are open for inspection by Directors.

During the year ended 31 March 2026, the board of directors held 8 board meetings and 1 general meeting. The attendance of each director at board meetings and general meeting is set out in the table below:

	Board meeting	General meeting
Executive Directors		
Ms. Jiang Yanhua *(appointed on 2 April 2026)*	N/A	N/A
Mr. Shu Zhongwen *(appointed on 29 June 2026)*	N/A	N/A
Ms. Ye Jialing	8/8	1/1
Mr. Zeng Weijin *(resigned on 2 April 2026)*	8/8	1/1
Non-executive Directors		
Mr. Chen Donglong *(appointed on 29 June 2026)*	N/A	N/A
Ms. Li Chunling	8/8	1/1
Ms. Zhu Minchun	8/8	1/1
Mr. Zhu Xiliang *(appointed on 2 April 2026)*	N/A	N/A
Ms. Zhang Xiaoling *(resigned on 2 April 2026)*	8/8	1/1
Ms. Li Xiaoxuan *(resigned on 29 June 2026)*	8/8	1/1
Independent non-executive Directors		
Ms. Chen Meng	8/8	1/1
Mr. Lu Shengwei	8/8	1/1
Ms. Wang Ruiqin	N/A	N/A
Dr. Zhou Wenming	8/8	1/1

BOARD COMMITTEES

The Board has established specific committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee to oversee particular aspects of the Company's affairs. The Board committees are provided with sufficient resources to discharge their duties.

The written terms of reference of the Audit Committee, the Remuneration Committee and the Nomination Committee are posted on the respective websites of the Stock Exchange and the Company.

AUDIT COMMITTEE

As at 31 March 2026, the Audit Committee currently comprises three members, who are Mr. Lu Shengwei (Chairman), Ms. Chen Meng and Dr. Zhou Wenming. All of them are independent non-executive Directors.

The principal duties of the Audit Committee are as follows:

- to review the relationship with the External Auditor by reference to the work performed by the External Auditor, their fees and terms of engagement, and make recommendations to the Board on the appointment, re-appointment and removal of the External Auditor;

- to review the financial statements and reports and consider any significant or unusual items raised by the Company's staff responsible for the accounting and financial reporting function, Compliance Officer or the External Auditor before submission to the Board; and

- to review the adequacy and effectiveness of the Company's financial reporting system, risk management and internal control systems and associated procedures, including the adequacy of the resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function.

The written terms of reference of the Audit Committee are available on the websites of the Stock Exchange and the Company.

4 meetings were held by the Audit Committee for the year ended 31 March 2026 and the attendance of each Audit Committee member at the Audit Committee meetings is set out in the table below:

Audit Committee members	Attendance/ Number of meetings
Mr. Lu Shengwei *(Chairman)*	4/4
Ms. Chen Meng	4/4
Dr. Zhou Wenming	4/4

During the meetings, the Audit Committee:

- making recommendation to the Board on the appointment or re-appointment of the external auditors and approved their terms of engagement;

- reviewing the effectiveness of the audit process in accordance with the applicable standards;

- reviewing the change in accounting standards and assessment of potential impacts on the Group's financial statements;

- reviewing the interim and annual financial statements and the related results announcements;

- discussing the risk management and internal control systems with management including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions; and

- reviewing and accessing the effectiveness of the risk management and internal control systems.

NOMINATION COMMITTEE

As at 31 March 2026, the Nomination Committee consists of three members who are Dr. Zhou Wenming (an independent non-executive Director and chairman), Ms. Cheng Meng (an independent non-executive Director) and Mr. Zeng Weijin (an executive Director). The majority of the members of the Nomination Committee are independent non-executive Directors.

The principal duties of the Nomination Committee include the following:

- to review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;

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

- to assess the independence of independent non-executive Directors; and

- to make recommendations to the Board on the appointment or re-appointment of Directors and the succession planning for Directors, in particular the chairman of the Board and the Chief Executive Officer.

Nomination Policy of the Company

1. Purpose

1.1 The Nomination Committee shall nominate suitable candidates to the Board for it to consider and make recommendations to the shareholders for election as Directors at general meetings or appoint as Directors of the Company to fill casual vacancies.

1.2 The number of candidates nominated by the Nomination Committee may (as it deems appropriate) exceed the number of directors to be appointed or reappointed at the general meeting or the number of temporary vacancies to be filled.

2. Criteria of selection

2.1 In assessing the suitability of a proposed candidate, the Nomination Committee would consider factors including:

– reputation for integrity;

– commitment in respect of available time and interest on behalf of relevant stakeholders;

– diversity in all aspects of the Board, including but not limited to gender, age (18 years or above), cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service;

These factors are bases for the Nomination Committee to nominate new members. The Nomination Committee has the discretion to nominate any person, as it considers appropriate.

2.2 All the retiring directors (excluding those who have been independent non-executive directors for 9 consecutive years) are qualified to be nominated by the Board for re-election at the general meeting. For the avoidance of doubt, (a) the nine-year period for deciding whether an independent non-executive director is qualified to be nominated by the Board for election at the general meeting shall be from the date when the director is appointed for the first time up to the date of the forthcoming annual general meeting (the current term of office of such director will expire at the end of the annual general meeting); (b) such independent non-executive director who has been a member of the Board can hold office until the expiry of its current term of office.

2.3 Proposed candidate is required to submit the required personal information, in established form, and a consent letter, and agrees to be appointed as a director and disclose its personal information in respect of its election for director and matters related thereto in any document or relevant website.

2.4 The Nomination Committee can request, if necessary, the candidate to provide additional information and document.

3. Nomination Procedure

3.1 The secretary of the Nomination Committee is required to convene a Nomination Committee meeting where Board members are invited to nominate candidates (if any) for the Nomination Committee to consider before the meeting. The Nomination Committee may also nominate candidates who are not nominated by the Board members.

3.2 The Nomination Committee has the responsibility of nominating candidates to the Board for consideration and approval to fill casual vacancies. In order to propose candidate(s) for election as Director(s) at a general meeting, the Nomination Committee shall nominate to the Board for its consideration and recommendation for election.

3.3 The nominees shall not be assumed with recommendation of the Board for election until the issue of circulars to shareholders.

3.4 Name, resume (containing qualification and relevant experiences), independence, proposed remuneration and other information of candidates is set forth in circulars to shareholders in accordance with applicable laws, rules and regulations.

3.5 The Board has the right of making final decision on all matters relating to election of recommendation of candidates in general meeting.

4. Confidentiality

Unless required by law or any regulatory authority, under no circumstances shall a member of the Nomination Committee or a staff member of the Company disclose any information to entertain any enquiries from the public with regard to any nomination or candidate before the circular to shareholders, as the case may be, is issued. Following the issue of the circular, the Nomination Committee or company secretary or other staff member of the Company, approved by the Nomination Committee may answer enquiries from the regulatory authorities or the public but confidential information regarding nominations and candidates should not be disclosed.

The written terms of reference of the Nomination Committee are available on the websites of the Stock Exchange and the Company.

2 meeting was held by the Nomination Committee for the year ended 31 March 2026 and the attendance of each Nomination Committee member at the Nomination Committee meetings is set out in the table below:

Nomination Committee members	Attendance/ Number of meetings
Ms. Chen Meng *(Chairlady)*	2/2
Ms. Ye Jialing *(appointed on 2 April 2026)*	N/A
Dr. Zhou Wenming	2/2
Mr. Zeng Weijin *(resigned on 2 April 2026)*	2/2

During the meetings, the Nomination Committee:

- to review the structure, size, composition and diversity of the Board;
- to assess the independence of the independent non-executive directors;
- to consider and make recommendations to the Board on the re-election of Directors at the annual general meeting; and
- to assess each director's time commitment and contribution to the Board.

Each of the Directors should ensure that sufficient time and attention are allocated to the Company to discharge his/her responsibilities. Each of them is required to disclose to the Company the number and nature of offices held in public companies or other organisations and his or her significant commitments at the time of his or her appointment, and any subsequent changes thereto in a timely manner.

The Nomination Committee has reviewed and assessed each Director's time commitment and contribution to the Board during the year and each Director's ability to discharge his or her responsibilities. The Nomination Committee considered that each Director gave sufficient time and attention to the affairs of the Company and undertook his or her responsibilities effectively during the year, with regard to the following:

- Directors' skills and experience which are set out in the "Directors' Biographical Details" of the Report of the Directors;
- Each Director's role and positions at the Company and its subsidiaries, as well as his or her external directorships or offices in other companies or organisations and/or other major commitments; and
- Each Director's attendance record at the Board and committee meetings of the Company during the year.

The Board has adopted a board diversity policy which sets out the approach to achieve diversity on the Board.

In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

As at the date of this annual report, the Board comprises 6 female director and 3 male directors and the Board considers the Company have achieved gender diversity on the Board. The Company will continually assess the gender diversity of the Board and objectively consider the composition and effectiveness of the Board for the 2026/27 financial year.

The Board has also adopted a nomination policy which sets out the selection criteria and nomination procedures to identify, select and recommend candidates for directors. When evaluating and selecting candidates for directorships, the Board will consider criteria include the board diversity policy, qualifications, character and integrity and such other perspectives appropriate to the Company's business.

REMUNERATION COMMITTEE

As at 31 March 2026, the Remuneration Committee consists of three members who are Mr. Zeng Weijin (an executive Director and Chairman), Ms. Cheng Meng (an independent non-executive Director) and Dr. Zhou Wenming (an independent non-executive Directors). The majority of the members of the Remuneration Committee are independent non-executive Directors.

The principal duties of the Remuneration Committee include the following:

- to consult the chairman of the Board and/or chief executive of the Company about the remuneration proposals for other executive Directors. The Committee should have access to independent professional advice if necessary;

- to make recommendations to the Board on the Company's policy and structure for the remuneration of the Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy;

- to review and approve the management's remuneration proposals with reference to the corporate goals and objectives determined by the Board, and assess performance of executive Directors and the terms of their service agreements;

- to make recommendations to the Board on the remuneration packages of individual executive Directors and senior management. These include benefits in kind, pension rights and compensation payments, including compensation payable for loss or termination of their office or appointment;

- to make recommendations to the Board on the remuneration of non-executive Director(s);

- to consider salaries paid by comparable companies, time commitment and responsibilities and employment conditions elsewhere in the Group;

- to review and approve compensation payable to executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;

- to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;

- to ensure that no Director or any of his/her associates (in accordance with the GEM Listing Rules) is involved in deciding his/her own remuneration;

- to review and/or approve matters relating to share schemes under Chapter 23 of the GEM Listing Rules;

- to do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board; and

- to conform any requirement, direction and regulation that may from time to time be prescribed by the Board, or contained in the articles of association of the Company or imposed by the GEM Listing Rules or any applicable laws.

The written terms of reference of the Remuneration Committee are available on the websites of the Stock Exchange and the Company.

2 meetings were held by the Remuneration Committee for the year ended 31 March 2026 and the attendance of each Remuneration Committee member at the Remuneration Committee meetings is set out in the table below:

Remuneration Committee members	Attendance/ Number of meetings
Dr. Zhou Wenming *(Chairman)*	2/2
Ms. Chen Meng	2/2
Ms. Ye Jialing *(appointed on 2 April 2026)*	N/A
Mr. Zeng Weijin *(resigned on 2 April 2026)*	2/2

During the meetings, the Remuneration Committee:

- reviewed and approved the remuneration of directors and senior management of the Company for the year ended 31 March 2025;

- proposed Remuneration Policy and Structure for Directors and Senior Management of the Company for the year ended 31 March 2026; and

- reviewed and approved the remuneration of directors appointed during the year.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the financial statements for the Year which give a true and fair view of the affairs of the Group and of the Group's results and cash flows.

The management has provided the Board such explanation and information as are necessary to enable the Board to carry out an informed assessment of the Company's financial statements, which are put forward to the Board for approval. The Company provides all members of the Board with quarterly updates on the Group's performance, positions and prospects.

The Directors were not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Group's ability to continue as a going concern.

The statement by the External Auditor regarding their reporting responsibilities on the consolidated financial statements of the Company is set out in the independent auditor's report on pages 49 to 54 of this annual report.

EXTERNAL AUDITORS' REMUNERATION

For the year ended 31 March 2026, the total remuneration paid/payable to the Group's external auditors amounted to HK$1,000,000.

COMPANY SECRETARY

The Company's company secretary, Mr. Cheng Wai Hei, coordinates the supply of information to the Directors and is the primary contact person within the Company for all matters relating to the duties and responsibilities of the company secretary. All Directors have access to the company secretary to ensure that Board procedures and all applicable laws, rules and regulations are followed.

All Directors have access to the advice and services of the company secretary. The company secretary reports to the Chairman on Board governance matters, and is responsible for ensuring that Board procedures are followed, and for facilitating communications among Directors as well as with the Shareholders and management. During the year ended 31 March 2026, the company secretary had taken no less than 15 hours of relevant professional training.

For his biographical details, please refer to the section headed "Directors and Senior Management" in this annual report.

COMPLIANCE OFFICER

During the year ended 31 March 2026, the compliance officer of the Company was Mr. Zeng Weijin ("**Mr. Zeng**").

Mr. Zeng resigned as compliance office on 2 April 2026. Following the resignation of Mr. Zeng, Ms. Ye Jialing ("**Ms. Ye**") has been appointed as Compliance office with effect from 2 April 2026. For Ms. Ye's biographical, please refer to the section headed "Directors and Senior Management" in this annual report.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and understanding of the Group's business, performance and strategies. The Company also recognises the importance of timely and non-selective disclosure of information, which enables Shareholders and investors to make informed investment decisions.

The annual general meeting of the Company provides opportunity for the Shareholders to communicate directly with the Directors. The chairman of the Company and the chairmen of each of the Board Committees will attend the annual general meeting to answer Shareholders' questions. The External Auditor will also attend the annual general meeting to answer questions about the conduct of the audit, the preparation and content of the auditor's report, the accounting policies and auditor independence.

To promote effective communication, the Company adopts a shareholders' communication policy which aims at establishing a two-way relationship and communication between the Company and the Shareholders and maintains a website of the Company at http://www.minfuintl.com, where up-to-date information on the Company's business operations and developments, financial information, corporate governance practices and other information are available for public access. The Company has reviewed the implementation and effectiveness of the Shareholder's communication policy and considered it to be conducted effectively during the year ended 31 March 2026.

SHAREHOLDERS' RIGHTS

To safeguard Shareholders' interests and rights, a separate resolution will be proposed for each issue at general meetings, including election of individual Directors.

All resolutions put forward at general meetings will be voted by poll pursuant to the GEM Listing Rules except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a precedent or administrative matter to be voted by a show of hands. Poll results will be posted on the websites of the Company and the Stock Exchange in a timely manner after each general meeting.

Convening of extraordinary general meeting and putting forward proposals

Shareholders may put forward proposals for consideration at a general meeting of the Company according to the Articles of Association. Any one or more members holding as at date of deposit of the requisition not less than one-tenth of the paid-up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board, to require an extraordinary general meeting of the Company to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board to convene such meeting shall be reimbursed to the requisitionist(s) by the Company.

As regards proposing a person for election as a Director, the procedures are available on the website of the Company.

Enquiries to the Board

Shareholders who intend to put forward their enquiries about the Company to the Board could send their enquiries to the Headquarters of the Company at Hong Kong.

SENIOR MANAGEMENT'S REMUNERATION

The senior management's remuneration payment of the Group during the year ended 31 March 2026 falls within the following bands:

	No. of individual
Less than HK$1,000,000	1
HK$1,000,001 to HK$1,500,000	1

RISK MANAGEMENT AND INTERNAL CONTROL

The Directors confirmed that during the ordinary course of the Company's business, the Company are exposed to various types of risks, including (i) control risks relating to the Company's overall monitoring system; (ii) regulatory risks in relation to the Company's business; (iii) operational risk; and (iv) credit risks relating to assets.

The Company has designed and implemented risk management policies to address these potential risks identified in relation to its business. The risk management system of the Company sets out procedures to identify, analyse, assess, mitigate and monitor any potential risks. Its chief executive officer is responsible for overseeing the overall risk management system of the Company and each department carries out their own risk management identification exercise and proposes risk response plan according to the Company's overall risk assessment program. Each department is required to set up appropriate risk management strategies based on the risk identified and their proposed risk response plan and is responsible for the implementation and supervision. For material deficiency or risks identified, the relevant departments should report the situation to the Board for further investigation, internal control, review, enhancement and supervision.

For the year ended 31 March 2026, the Group had not experienced any non-compliance incidents that had or would reasonably be expected to have a material financial or operational impact on its business or would negatively affect the Directors' or senior management's ability or tendency to operate in a compliant matter.

The Directors are responsible for establishing the Company's internal control system and reviewing its effectiveness on an annual basis. In accordance with the applicable laws and regulations, the Company has established procedures for developing and maintaining its internal control system, covering areas such as corporate governance, operations, management, legal, finance and audit. The Company believes that its internal control system is sufficient in terms of comprehensiveness, practicability and effectiveness for its current business operation. To strengthen its internal control and ensure future compliance with the applicable laws and regulations (including the GEM Listing Rules), the Company has adopted the following additional internal control measures:

(1) the Directors will continuously monitor, evaluate and review the internal control system of the Company to ensure compliance with the applicable legal and regulatory requirements and will adjust, refine and enhance its internal control system as appropriate;

(2) the Company will provide training and updates on the legal and regulatory requirements applicable to its business operations to Directors, members of senior management and relevant employees of the Company from time to time;

(3) if necessary, the Company may consider appointing external PRC legal advisers to advise the Company on matters relating to compliance with the applicable PRC laws and regulations; and

(4) if necessary, the Company may consider appointing external Hong Kong legal advisers to advise the Company on matters relating to compliance with the GEM Listing Rules and the applicable Hong Kong laws and regulations.

The Company has also adopted relevant procedures and internal controls for the handling and dissemination of inside information to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made.

In light of the foregoing and based on the findings and recommendations of the work performed by the internal control consultant, the Directors reviewed the Group's risk management and internal control systems during the year ended 31 March 2026 and are of the view that the Group's risk management and internal control systems are adequate and effective.

INSIDE INFORMATION

The Group has formulated policies on the proper management of inside information. It regularly reminds the Directors and employees to properly comply with all policies regarding inside information. To ensure all relevant reports to receive adequate attention, the Group has established a notification mechanism to handle and discuss internal reports and inside information concerning the areas of financial, operational and internal control procedures as well as fraud. Significant deficiencies of internal control procedures are reported to the Audit Committee.

WHISTLEBLOWING POLICY

The Group endeavors to maintain a high standard of business ethics, and encourage its employees and partners to participate in the system of monitoring the ethical operation of the Company, and to report any non-compliance incidents such as corruption and duty-related crimes. Corresponding whistleblowing channels are established, so that employees and partners can report any suspected cases in an anonymous way.

ANTI-CORRUPTION TRAININGS

Anti-corruption training is part of the induction plan of employees. During the Reporting Period, the Group does not have any non-compliance incident regarding corruption, extortion, fraud and money-laundering, and there is no concluded legal cases regarding corrupt practices brought against the Group or its employees.

DIRECTORS' REPORT

The Directors are pleased to present their report together with the audited consolidated financial statements of the Group for the year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The principal activities of the Group consist of (i) smart manufacturing solutions business; and (ii) agricultural food technology and sales business in the PRC.

The activities and particulars of the Company's subsidiaries are shown under note 28 to the Financial Statements.

RESULTS AND APPROPRIATIONS

The financial results of the Group for the year ended 31 March 2026 are set forth in the audited consolidated statement of comprehensive income on page 55 of this annual report. The Board did not recommend the payment of a final dividend for the year ended 31 March 2026 (2025: nil).

DIVIDEND POLICY

This policy is made by the Group pursuant to the Inside Information Provisions (as defined under the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and the Rule 17.10 of the GEM Listing Rules.

The Board has approved and adopted a dividend policy of the Company on 25 December 2018 (the "**Dividend Policy**").

1. Goal

1.1 The Board seeks to maintain a balance between meeting shareholders' expectations and prudent capital management with a sustainable dividend policy (the "**Dividend Policy**").

1.2 Under the Dividend Policy, provided the Group is profitable and without affecting the normal operations of the Group, the Company may declare and pay dividends to the Shareholders.

1.3 The Dividend Policy aims to allow Shareholders to participate in the Company's profit and for the Company to retain adequate reserves for future development.

2. **Criteria**

2.1 When proposing to declare dividends, the Board shall consider the followings, inter alia:

(a) the actual and expected financial results of the Company and the Group;

(b) retained earnings and distributable reserves of the Company and each member of the Group;

(c) dividends received from subsidiaries of the Company;

(d) the debt-to-equity ratio level, return on equity and related financial covenants of the Group;

(e) restrictions on payment of dividends that may be imposed by the Group's lenders;

(f) the expected working capital requirements and future expansion plans and prospects of the Group;

(g) the general economic and financial conditions, business cycle of the Group and other internal or external factors that may have an impact on the business or financial performance and position of the Company; and

(h) any other factors that the Board deems appropriate.

3. **Procedure on declaration of dividends**

3.1 The Dividend Policy and the declaration and/or payment of the dividends under the Dividend Policy in the future shall depend on whether the Board will continue to affirm the Dividend Policy and the declaration and/or payment of dividends is in the best interests of the Group and the Shareholders, and is compliance with all applicable laws and regulations.

3.2 The declaration and payment of dividends shall be approved and conducted in accordance with all applicable laws and regulations and the articles of association (as amended from time to time) of the Company.

3.3 The declaration and payment of dividends is at the sole discretion of the Board and there is no assurance that dividends will be paid in any particular amount for any given period.

4. **Review of the Dividend Policy**

The Board will continually review the Dividend Policy and reserve the right in its sole and absolute discretion to update, amend, modify and/or cancel the Dividend Policy at any time; and the Dividend Policy shall in no way constitute a legally binding commitment by the Company in respect of its future dividend and/or in no way obligate the Company to declare a dividend at any time or from time to time.

DIVIDENDS

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

BUSINESS REVIEW AND FUTURE BUSINESS DEVELOPMENT

The business review and future business development of the Group for the year ended 31 March 2026 is set out in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" of this annual report.

OUTLOOK

The outlook of the Group is set out in the section headed "Management Discussion and Analysis – Prospects" of this annual report.

PRINCIPAL RISKS AND UNCERTAINTIES

A description of the principal risks and uncertainties the Group faces can be found in the section headed "Management Discussion and Analysis – Principal Risks and Uncertainties" of this annual report.

ENVIRONMENTAL POLICY

The Group actively keep promoting sustainable development and environmental protection, and also has strictly complied with relevant environmental protection, health and related laws and regulations. Please refer to the 2026 environmental, social and governance report of the Company for details.

COMPLIANCE WITH LAWS AND REGULATIONS

The Group has complied with all applicable laws and regulations without any non-compliance. Please refer to the 2026 environmental, social and governance report of the Company for details.

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

Employees

We maintained a good working relationship with our employees and we did not experience any labour disputes for our operations during the year ended 31 March 2026.

Major customers

For the year ended 31 March 2026, the Group's sales to its five largest customers accounted for approximately 78.5% (2025: 100%) of the Group's total revenue and our single largest customer accounted for approximately 31.0% (2025: 47.3%) of the Group's total revenue.

Major suppliers

For the year ended 31 March 2026, the Group's five largest suppliers accounted for approximately 82.1% (2025: 98.1%) of the Group's total purchases and our single largest supplier accounted for approximately 24.4% (2025: 35.4%) of the Group's total purchases.

During the year ended 31 March 2026, none of the Directors or any of their close associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the number of issued shares of the Company) had any interest in the Group's five largest customers and suppliers.

FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years is set out on page 130 of this annual report. This summary does not form part of the audited consolidated financial statements in this annual report.

PLANT AND EQUIPMENT

Details of movements in the plant and equipment of the Group during the year ended 31 March 2026 are set out in Note 13 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the share capital of the Company during the year ended 31 March 2026 are set out in Note 20 to the consolidated financial statements.

CAPITAL AND RESERVES

Details of movements in the share capital, share premium, retained earnings, capital reserves and other reserves of the Group during the year ended 31 March 2026 are set out on page 58 of this annual report in the consolidated statement of changes in equity.

DISTRIBUTABLE RESERVES

Pursuant to applicable statutory provisions of the Cayman Islands, the Company's reserves available for distribution to the shareholders of the Company as at 31 March 2026 amounted to HK$Nil.

SHARE STRUCTURE

The Company was incorporated in the Cayman Islands as an exempted company on 23 June 2017 with limited liability as a holding company of the Group. The authorised share capital of the Company was 125,000,000 ordinary shares of par value of US$0.004 each. As at 31 March 2026, the Company has 25,914,329 shares in issue.

PLACING OF NEW SHARES OF THE COMPANY UNDER GENERAL MANDATE

Placing of 132,960,000 placing shares

On 13 August 2024 the Company entered into a placing agreement (the "**Placing Agreement 1**") with a sole placing agent, pursuant to which the Company appointed the sole placing agent as its agent to procure not less than six placees who were independent third parties to subscribe up to 143,978,636 ordinary Shares (the "**Placing 1**") at the placing price of HK$0.024 (the "**Placing Price 1**") per Share, representing approximately 16.67% of the issued share capital of the Company as immediately after the completion of the Placing 1.

The Placing Price 1 of HK$0.024 per placing share represents (i) a discount of approximately 14.29% to the closing price of HK$0.028 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 16.67% to the average of the closing prices per Share of HK$0.0288 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing 1 was completed on 28 August 2024 in accordance with the terms and conditions of the Placing Agreement. An aggregate of 143,960,000 placing shares (the "**Placing Shares 1**"), representing approximately 16.66% of the issued share capital of the Company immediately after the completion of the Placing 1, have been successfully placed to not less than six placees at the Placing Price 1 of HK$0.024 per Placing Share 1.

The net proceeds derived from the placing amounted to approximately HK$3,291,000 and resulted in an increase in share capital of approximately HK$112,000 and share premium of approximately HK$3,179,000, net of transaction costs of approximately HK$163,000.

For details of the Placing, please refer to the announcements of the Company dated 13 August 2024 and 28 August 2024.

Placing of 4,318,000 placing shares

On 12 December 2024 the Company entered into a placing agreement (the "**Placing Agreement 2**") with a sole placing agent, pursuant to which the Company appointed the sole placing agent as its agent to procure not less than six placees who were independent third parties to subscribe up to 4,318,000 ordinary Shares (the "**Placing 2**") at the placing price of HK$0.85 (the "**Placing Price 2**") per Share, representing approximately 16.66% of the issued share capital of the Company as immediately after the completion of the Placing 2.

The Placing Price 2 of HK$0.85 per placing share represents (i) a discount of approximately 5.56% to the closing price of HK$0.90 per Share as quoted on the Stock Exchange on the date of the Placing Agreement 2; and (ii) a discount of approximately 8.21% to the average of the closing prices per Share of HK$0.926 as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement 2.

The Placing 2 was completed on 27 December 2024 in accordance with the terms and conditions of the Placing Agreement 2. An aggregate of 4,318,000 placing shares (the "**Placing Shares 2**"), representing approximately 16.66% of the issued share capital of the Company immediately after the completion of the Placing 2, have been successfully placed to not less than six placees at the Placing Price 2 of HK$0.85 per Placing Share 2.

The net proceeds derived from the placing amounted to approximately HK$3,550,000 and resulted in the increase in share capital of approximately HK$135,000 and share premium of approximately HK$3,415,000, net of transaction costs of approximately HK$120,000.

For details of the Placing 2, please refer to the announcements of the Company dated 12 December 2024 and 29 December 2024.

DIRECTORS

The Directors during the year ended 31 March 2026 and up to the date of this annual report were:

Executive Directors
Ms. Jiang Yanhua *(Chairlady) (appointed on 2 April 2026)*
Mr. Shu Zhongwen *(appointed on 29 June 2026)*
Ms. Ye Jialing
Mr. Zeng Weijin *(resigned on 2 April 2026)*

Non-executive Directors
Mr. Chen Donglong *(appointed on 29 June 2026)*
Ms. Li Chunling
Ms. Zhu Minchun
Mr. Zhu Xiliang *(appointed on 2 April 2026)*
Ms. Zhang Xiaoling *(resigned on 2 April 2026)*
Ms. Li Xiaoxuan *(resigned on 29 June 2026)*

Independent non-executive Directors
Ms. Chen Meng
Mr. Lu Shengwei
Ms. Wang Ruiqin *(appointed on 29 June 2026)*
Dr. Zhou Wenming

In accordance with the Articles, at each annual general meeting, one third of the Directors for the time being shall retire from office by rotation. However, if the number of Directors is not a multiple of three, then the number nearest to but not less than one third shall be the number of retiring Directors. The Directors to retire in each year shall be those who have been in office longest since their last re-election or appointment but, as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management are disclosed in the section headed "Directors and Senior Management" on pages 12 to 15 of this annual report.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules from each of the independent non-executive Directors and the Company considers such Directors to be independent during the Year and remain so as of the date of this annual report.

DIRECTORS' SERVICE CONTRACTS AND LETTERS OF APPOINTMENT

Ms. Jiang Yanhua has entered into a service agreement with the Company for an initial term of 3 years commencing from 2 April 2026, which could be terminated by either party by giving not less than 3 months' notice in writing to the other, and subject to retirement by rotation and re-election pursuant to the Articles of Association.

Mr. Shu Zhongwen has entered into a service agreement with the Company for an initial term of 3 years commencing from 29 June 2026, which could be terminated by either party by giving not less than 3 months' notice in writing to the other, and subject to retirement by rotation and re-election pursuant to the Articles of Association.

Ms. Ye Jialing has entered into a service agreement with the Company for an initial term of 3 years commencing from 4 November 2025, which could be terminated by either party by giving not less than 3 months' notice in writing to the other, and subject to retirement by rotation and re-election pursuant to the Articles of Association.

Mr. Chen Donglong has entered into a letter of appointment with the Company for an initial term of 3 years commencing from 29 June 2026, which could be terminated by either party by giving not less than 3 months' notice in writing to the other, and subject to retirement by rotation and re-election pursuant to the Articles of Association.

Each of Li Chunling and Zhu Minchun has entered into a letter of appointment with the Company for an initial term of 3 years commencing from 21 February 2025, which could be terminated by either party by giving not less than 3 months' notice in writing to the other, and subject to retirement by rotation and re-election pursuant to the Articles of Association.

Mr. Zhu Xiliang has entered into a letter of appointment with the Company for an initial term of 3 years commencing from 2 April 2026, which could be terminated by either party by giving not less than 3 months' notice in writing to the other, and subject to retirement by rotation and re-election pursuant to the Articles of Association.

Ms. Chen Meng has entered into a letter of appointment with the Company for an initial term of 3 years commencing from 2 May 2024, which could be terminated by either party by giving not less than 3 months' notice in writing to the other, and subject to retirement by rotation and re-election pursuant to the Articles of Association.

Mr. Lu Shengwei has entered into a letter of appointment with the Company for an initial term of 3 years commencing from 20 July 2026, which could be terminated by either party by giving not less than 3 months' notice in writing to the other, and subject to retirement by rotation and re-election pursuant to the Articles of Association.

Ms. Wang Ruiqin has entered into a letter of appointment with the Company for an initial term of 3 years commencing from 29 June 2026, which could be terminated by either party by giving not less than 3 months' notice in writing to the other, and subject to retirement by rotation and re-election pursuant to the Articles of Association.

Dr. Zhou Wenming has entered into a letter of appointment with the Company for an initial term of 3 years commencing from 7 January 2025, which could be terminated by either party by giving not less than 3 months' notice in writing to the other, and subject to retirement by rotation and re-election pursuant to the Articles of Association.

None of the Directors has a service agreement or a letter of appointment which is not determinable by the Group within 1 year without payment of compensation (other than statutory compensation).

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

None of Directors or his/her connected entity had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to the business of the Group to which the Company, or any of its subsidiaries or fellow subsidiaries was a party at the end of the Year or at any time during the Year and up to the date of this annual report.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year ended 31 March 2026 and up to the date of this annual report.

EMPLOYEES AND EMOLUMENT POLICIES

The Group had 37 employees (including executive Directors) as at 31 March 2026 (2025: 32 employees). The Company relies on its employees to provide smart manufacturing solutions to its customers. In order to recruit, develop and retain talented employees, the Group offers competitive remuneration packages to its staff, including internal promotion opportunities and performance-based bonus. The Company generally has a fixed-term employment contract with its employees such as administrative and finance staff and the Company generally renews the employment contract with such employees on a yearly basis.

The Group also reviews the performance of the Group's staff periodically and considers the result of such a review for staff's annual bonus, salary review and promotion appraisal. The Company has also adopted a share option scheme, details of which are set out on pages 45 to 46 of this annual report.

The Remuneration Committee shall make recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management; review remuneration proposals of the management with reference to the Board's corporate goals and objectives; and ensure none of the Directors or any of their associates determine their own remuneration.

EQUITY-LINKED AGREEMENTS

The Company did not have any other equity-linked agreement that would or might result in the Company issuing Shares, or that requiring the Company to enter into an agreement that would or might result in the Company issuing Shares, entered into by the Company during the year ended 31 March 2026 or subsisted as at 31 March 2026.

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.

DIRECTORS' INTEREST IN COMPETING BUSINESS

As at 31 March 2026, none of the Directors or their respective associates had engaged in or had any interest in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

RELATED PARTY TRANSACTIONS

Related party transactions of the Group during the year ended 31 March 2026 are disclosed in note 29 to the consolidated financial statements in this annual report. They did not constitute connected transactions or continuing connected transactions, which are required to comply with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

PERMITTED INDEMNITY PROVISION

Pursuant to the Articles of Association, every Director and officer of the Company for the time being shall be entitled to be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses incurred or sustained by him/her as a Director about the execution of the duties or supposed duties of his/her office or otherwise in relation thereto provided that such indemnity shall not extend to any matter in respect of fraud or dishonesty which may attach to the said Director.

RELIEF OF TAXATION

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the Shares of the Company.

SHARE INFORMATION

As at 31 March 2026, the number of issued Shares of the Company is 25,914,329 Shares. The Company has only one class of Shares, where all the Shares (100%) rank equally in all respects, including in relation to dividends, distributions and voting.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and to the best knowledge of the Directors, the Company has maintained sufficient public float under the GEM Listing Rules during the year ended 31 March 2025 and as at the date of this annual report.

EVENTS AFTER THE REPORTING PERIOD

On 23 March 2026 the Company entered into a placing agreement (the "**Placing Agreement 3**") with a sole placing agent, pursuant to which the Company appointed the sole placing agent as its agent to procure not less than six placees who were independent third parties to subscribe up to 5,182,000 ordinary Shares (the "**Placing 3**") at the placing price of HK$0.66 (the "**Placing Price 3**") per Share, representing approximately 16.66% of the issued share capital of the Company as immediately after the completion of the Placing 3.

On 13 April 2026, the Company and the placing agent entered into a supplemental agreement to the Placing Agreement 3 (the "**Supplemental Agreement**"). Pursuant to the Supplemental Agreement, the Placing Price 3 has been increased from HK$0.66 to HK$0.74 per Placing Share (the "**Revised Placing Price**"). Save for the updated information in above, all other information in Placing Agreement 3 remain unchanged.

The Placing 3 was completed on 30 April 2026 in accordance with the terms and conditions of the Placing Agreement 3 and the Supplemental Agreement. An aggregate of 5,182,000 placing shares (the "**Placing Shares 3**"), representing approximately 16.66% of the issued share capital of the Company immediately after the completion of the Placing 3, have been successfully placed to not less than six placees at the Placing Price 3 of HK$0.74 per Placing Share 3.

The net proceeds derived from the placing amounted to approximately HK$3,560,000 and resulted in the increase in share capital of approximately HK$162,000 and share premium of approximately HK$3,398,000, net of transaction costs of approximately HK$275,000.

For details of the Placing 3, please refer to the announcements of the Company dated 23 March 2026, 25 March 2026, 13 April 2026 and 30 April 2026.

COMPLIANCE OFFICER

As at date of the annual report, the compliance officer of the Company is Ms. Ye Jialing, whose biographical details are set out on page 12 of this annual report.

CORPORATE GOVERNANCE PRACTICE

During the year ended 31 March 2026, the Company has complied with all the applicable code provisions of the Corporate Governance Code (the "**Code**") set out in Part 2 of Appendix C1 of the GEM Listing Rules save for the deviation from code provision C.2.1. Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report from pages 16 to 33 of this annual report.

CODE PROVISION C.2.1

Code provision C.2.1 of the Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. The Company considers that having Mr. Zeng Weijin ("**Mr. Zeng**") acting as both its chairman of the Board and its chief executive officer will provide a strong and consistent leadership to the Group and allow for more effective planning and management for the Group. In view of Mr. Zeng's extensive experience in the industry, personal profile and critical role in the Group and its historical development, the Company considers that it is beneficial to the business prospects of the Group that Mr. Zeng continues to act as both its chairman and its chief executive officer.

On 11 August 2025, i) Mr. Zeng has been resigned as the chief executive officer ("**CEO**") of the Company and remain as the chairman of the Board (the "**Resignation**"); and ii) Mr. Xia Ronghua ("**Mr. Xia**") has been appointed as the CEO (the "**Appointment**")

On 29 June 2026, Mr. Xia has been resigned as the CEO of the Company. Following the resignation of Mr. Xia, Mr. Shu Zhongwen has been appointed as the CEO with effect from 29 June 2026.

Following the Resignation and the Appointment of CEO with effect from 11 August 2025, the Company re-complied with code provision C.2.1 of the Code.

COMPETING BUSINESS

During the year ended 31 March 2026, none of the Directors or substantial shareholders of the Company, nor any of their respective close associates (as defined under the GEM Listing Rules) have been engaged in any business that competes or may compete, directly or indirectly, with the business of the Group or had any other conflicts of interest with the Group nor have they been aware of any other conflicts of interest which any such person has or may have with the Group.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities of the Company during the year ended 31 March 2026.

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

As at 31 March 2026, none of the Directors and chief executive of the Company had any interests or short positions in the share, underlying shares and debentures of the Company and its associated corporation (within the meaning of Part XV of Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**") which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) pursuant to Section 352 of the SFO, to be recorded in the register referred therein; or (c) pursuant to Rule 5.46 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

So far as was known to the Directors, as at 31 March 2026, the following persons had, or were deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were 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 any member of the Group:

Name of Substantial Shareholder	Long/short position	Capacity	Number of shares	Percentage of interest
Tecway Technology Limited ("**Tecway**")	Long position	Beneficial interest	3,061,545	11.82%
Mr. Huang *(Noe 1)*	Long position	Interest in a controlled corporation	3,061,545	11.82%

Notes:

(1) Tecway is a company incorporated in the Hong Kong and is wholly-owned by Mr. Huang. Mr. Huang is deemed to be interested in all the Shares held by Tecway for the purpose of the SFO.

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

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this annual report, at no time during the year ended 31 March 2026 and up to the date of this annual report, were rights to subscribe for equity or debt securities the Company granted to any Director or chief executive of the Company or to their spouse or children under the age of 18 years of age as record in the register required to be kept under Part XV of the SFO, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries, a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme (the "**Share Option Scheme**") on 26 March 2018 which took effect on the Listing Date. As at date of the annual report, the total number of Shares available for issue under the Share Option Scheme was 1,000,000 Shares, representing approximately 3.22% of the total issued Shares as at the date of the 2025 Annual Report. The following is a summary of the principal terms and conditions of the Share Option Scheme.

1. **Purpose of the Share Option Scheme**
   The purpose of the Share Option Scheme is to recognise the Participants (as defined below) who have contributed to the Group and to provide the Participants an opportunity to have a personal stake in the Company.

2. **Who may join**
   The Directors may, at their discretion, invite Directors (including non-executive Directors and independent non-executive Directors) and employees and any advisers, consultants, suppliers, customers and agents who the Board considers, in its sole discretion, have contributed or will contribute to the Group (the "**Participants**") to take up options at the subscription price.

3. **Acceptance of an offer of options**
   An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptance of the options duly signed by the grantee, together with a remittance in favour of its Company of HK$1.00 by way of consideration for the grant thereof, is received by its Company on or before the relevant acceptance date. Such payment shall in no circumstances be refundable. Any offer to grant an option to subscribe for shares may be accepted in respect of less than the number of shares for which it is offered provided that it is accepted in respect of a board lot for dealing in shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

4. **Maximum number of shares**

The maximum number of shares in respect of which options may be granted (including shares in respect of which options, whether exercised or still outstanding, have already been granted) under the Share Option Scheme and under any other share option schemes of its Company must not in aggregate exceed 10% of the total number of shares in issue, being 40,000,000 shares (the "**Scheme Limit**"), excluding for this purpose shares which would have been issuable pursuant to options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of its Company). The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of its Company (including both exercised, outstanding options and shares which were the subject of options which have been granted and accepted under the Share Option Scheme or any other scheme of its Company but subsequently cancelled (the "**Cancelled Shares**"), to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of the shares in issue as at the date of grant.

5. **Subscription price of the shares**

The subscription price of a shares in respect of any particular option granted under the Share Option Scheme shall be such a price as the Board in its absolute discretion shall determine, save that such price will not be less than the highest of:

(i) the closing price of the shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;

(ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the date of grant; and

(iii) the nominal value of a shares.

6. **Time of exercise of option and duration of the Share Option Scheme**

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted prior to the expiry of ten years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than ten years after it has been granted. No option may be granted more than ten years after the date of approval of the Share Option Scheme by the shareholders of its Company (the "**Adoption Date**"). Subject to earlier termination by its Company in a general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of ten years from the Adoption Date.

No options were granted, exercised, cancelled or lapsed and there were no outstanding options from the date of the adoption of the Share Option Scheme to 31 March 2026.

Further particulars of the Share Option Scheme are set out in the section headed "Statutory and General Information – 13. Share Option Scheme" in Appendix IV to the Prospectus.

LIMITING CONDITIONS

The Company has assumed the accuracy of, and have relied on the information and management representations provided in arriving at the opinion of value.

The Company assumes that there are no hidden or unexpected conditions associated with the assets valued that might adversely affect the market value.

It is assumed that the assets valued are free from encumbrances, restrictions and outgoings of an onerous nature which could affect their values.

REQUIRED STANDARD OF DEALINGS IN SECURITIES TRANSACTIONS BY DIRECTORS

The Group has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "**Required Standard of Dealings**") as its code of conduct regarding securities transactions by the Directors in respect of the Shares (the "**Code of Conduct**"). All the Directors have confirmed, following specific enquiry made by the Company, that they have complied with the Required Standard of Dealings as set out in the Code of Conduct and there was no event of non-compliance during the year ended 31 March 2026 and up to the date of this annual report.

AUDIT COMMITTEE

The Group has established an audit committee of the Company (the "**Audit Committee**") on 26 March 2018 in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. Written terms of reference in compliance with code provision D.3.3 of the Code has been adopted. Among other things, the primary duties of the Audit Committee are to make recommendations to the Board on appointment, reappointment and removal of external auditor, to review financial statements of the Company and make judgments in respect of financial reporting; and to oversee the effectiveness of the internal control procedures of the Group.

The Audit Committee consists of three independent non-executive Directors, namely Mr. Lu Shengwei as the chairman of the Audit Committee, who holds the appropriate professional qualifications as required under Rules 5.05(2) and 5.28 of the GEM Listing Rules, Ms. Chen Meng and Dr. Zhou Wenming. The Audit Committee together with the management of the Company have reviewed the accounting principles and practices adopted by the Group and discussed the auditing, internal control and financial report matters, including review of the audited consolidated financial statements of the Group for the year ended 31 March 2026.

AUDITOR

The consolidated financial statements for the year ended 31 March 2026 have been audited by McMillan Woods (Hong Kong) CPA Limited ("McMillan Woods"). McMillan Woods will retire, and being eligible, offer themselves re-appointed at the forthcoming annual general meeting. A resolution for its reappointment as auditor of the Company will be proposed.

There have been no changes in the Company's auditors in the past three years.

On behalf of the Board

Ms. Jiang Yanhua
Chairman

Hong Kong, 7 August 2026

McMillanWoods
Professionalism at the forefront

To the Shareholders of
Min Fu International Holding Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Min Fu International Holding Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 55 to 129, which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2026, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

KEY AUDIT MATTER

Key audit matter is the matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements of the current period. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. The key audit matter we identified is impairment assessment on trade and other receivables.

Impairment assessment on trade and other receivables

Key audit matter	How our audit addressed the key audit matter
Refer to the material accounting policy information in note 2, critical judgements and key sources of estimation uncertainty in note 4, and relevant disclosures in notes 3.1.2, 16 and 17 to the consolidated financial statements. As at 31 March 2026, the Group had trade receivables of approximately HK$33,907,000 and deposits and other receivables of approximately HK$1,131,000. The Group has recognised an impairment loss of trade receivables of approximately HK$2,700,000 and impairment loss of other receivables of approximately HK$3,220,000 during the year ended 31 March 2026. The measurement of impairment loss under the expected credit losses ("ECLs") model is determined by the management and the external valuers through the application of judgement and increased complexity which include the identification of exposures with a significant deterioration in credit quality and assumptions used in the ECLs model, such as the probability of default, loss given default and forward-looking macroeconomic factors.	Our key audit procedures in relation to impairment assessment on trade and other receivables included: • Obtaining an understanding of and evaluating the Group's credit policies and internal control on ECL assessment; • Selecting samples to assess the reasonableness of management judgements and estimates on whether the credit risk on other receivables has increased significantly since initial recognition and whether credit impairment has occurred; • Obtaining and testing the accuracy of trade receivables ageing analysis as at 31 March 2026, on a sample basis;

KEY AUDIT MATTER *(CONTINUED)*

Impairment assessment on trade and other receivables *(Continued)*

Key audit matter	How our audit addressed the key audit matter
We identified the impairment assessment on trade and other receivables as a key audit matter due to the significance of trade and other receivables to the Group's consolidated financial statements and the involvement of subjective judgements and management estimations in evaluating the ECLs of the Group's trade and other receivables at the end of the reporting period.	• Assessing the external valuers' qualifications, experience and expertise and considering their competence, capabilities and objectivity; • Obtaining and inspecting the valuation report and model prepared by the external valuers engaged by the Group on which the impairment assessment on trade and other receivables were based; • Evaluating, together with auditor's expert, the reasonableness of the Group's ECL methodology and related parameters, including the probability of default, loss given default and forward looking information; • Recalculating the amount of the impairment loss of trade and other receivables and assessing the appropriateness and adequacy of the impairment as at 31 March 2026; and • Reviewing the appropriateness of the disclosure of credit risk exposure and ECLs in the consolidated financial statements.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report other than 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 the other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

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

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.

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

- Conclude on the appropriateness of the Company's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

McMillan Woods (Hong Kong) CPA Limited
Certified Public Accountants

Ho Wai Kuen
Practising Certificate Number: P05966
24/F., Siu On Centre
188 Lockhart Road, Wan Chai
Hong Kong

Hong Kong, 7 August 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
Revenue	6	**52,886**	27,829
Cost of sales	7	**(41,346)**	(25,280)
Gross profit		**11,540**	2,549
Selling and marketing expenses	7	**(1,716)**	(1,403)
Administrative expenses	7	**(15,470)**	(19,936)
Gain on bargain purchase on acquisition of a subsidiary	27(a)	**2,187**	–
Impairment loss of trade receivables		**(2,700)**	(5,181)
Reversal of impairment loss of contract assets		–	50
Impairment loss of other receivables		**(3,220)**	(426)
Impairment loss of non-financial assets		**–**	(2,736)
Other income	9	**57**	145
Other gains/(losses), net	9	**1,066**	(1,421)
Operating loss		**(8,256)**	(28,359)
Finance costs	7	**(33)**	(51)
Loss before income tax		**(8,289)**	(28,410)
Income tax (expense)/credit	10	**(62)**	1,079
Loss for the year		**(8,351)**	(27,331)
Other comprehensive income/(loss)			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**134**	(105)
Total comprehensive loss for the year		**(8,217)**	(27,436)
Loss per share			
– Basic and diluted (HK$)	11	**(0.32)**	(1.29)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	**2026** **HK$'000**	2025 HK$'000
ASSETS			
Non-current assets			
Plant and equipment	13	**234**	–
Intangible assets	15	**–**	–
		234	–
Current assets			
Trade receivables	16	**33,907**	13,158
Deposits and other receivables	17	**1,131**	5,324
Prepayments	18	**12,932**	8,985
Restricted cash	19(a)	**131**	130
Cash and cash equivalents	19(b)	**3,892**	223
		51,993	27,820
Total assets		**52,227**	27,820
CAPITAL AND RESERVES			
Share capital	20	**809**	809
Other reserves	21	**85,853**	85,719
Accumulated losses		**(85,977)**	(77,626)
Total equity		**685**	8,902

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
LIABILITIES			
Non-current liability			
Bonds payables	22	**1,000**	–
Current liabilities			
Trade payables	24	**35,227**	12,643
Other payables	25	**14,287**	5,211
Contract liabilities	26	**993**	1,064
Bonds payables	22	**33**	–
Income tax payable		**2**	–
		50,542	18,918
Total liabilities		**51,542**	18,918
Total equity and liabilities		**52,227**	27,820
Net current assets		**1,451**	8,902
Total assets less current liabilities		**1,685**	8,902

These consolidated financial statements on pages 55 to 129 were approved and authorised for issue by the board of directors of the Company on 7 August 2026 and are signed on its behalf by:

Jiang Yanhua
Director

Ye Jialing
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2026

	Share capital *HK$'000* *(Note 20)*	Other reserves *HK$'000* *(Note 21)*	Accumulated losses *HK$'000*	Total equity *HK$'000*
Balance at 1 April 2024	562	79,207	(50,295)	29,474
Loss for the year	–	–	(27,331)	(27,331)
Other comprehensive loss	–	(105)	–	(105)
Total comprehensive loss for the year	–	(105)	(27,331)	(27,436)
Issuance of shares upon placing *(notes 20(a) and (c))*	247	6,878	–	7,125
Transaction cost attributable to issuance of shares upon placing *(notes 20(a) and (c))*	–	(261)	–	(261)
	247	6,617	–	6,864
Balance at 31 March 2025 and 1 April 2025	**809**	**85,719**	**(77,626)**	**8,902**
Loss for the year	**–**	**–**	**(8,351)**	**(8,351)**
Other comprehensive income	**–**	**134**	**–**	**134**
Total comprehensive income/(loss) for the year	**–**	**134**	**(8,351)**	**(8,217)**
Balance at 31 March 2026	**809**	**85,853**	**(85,977)**	**685**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2026

	Notes	2026 HK$'000	2025 HK$'000
Cash flows from operating activities			
Cash used in operations	27(b)	**(3,165)**	(15,612)
Income tax paid		**(60)**	(2,217)
Net cash used in operating activities		**(3,225)**	(17,829)
Cash flows from investing activities			
Interest received		**1**	27
Withdrawal of restricted cash		**–**	557
Net cash inflows from acquisition of a subsidiary	27(a)	**253**	–
Payment for purchases of plant and equipment		**–**	(22)
Net cash from investing activities		**254**	562
Cash flows from financing activities			
Other interest paid		**–**	(32)
Repayment of bank borrowings		**–**	(4,584)
Proceeds from issuance of bonds	22	**1,000**	–
Principal element of lease rental paid		–	(161)
Interest element of lease rental paid		**–**	(19)
Advanced from a director		**5,494**	835
Proceeds from placing of new shares	20(a) & (c)	**–**	7,125
Transaction cost attributable to issuance of shares upon placing	20(a) & (c)	**–**	(261)
Net cash from financing activities		**6,494**	2,903
Net increase/(decrease) in cash and cash equivalents		**3,523**	(14,364)
Cash and cash equivalents at the beginning of the reporting period		**223**	14,676
Effect of exchange rate changes on cash and cash equivalents		**146**	(89)
Cash and cash equivalents at the end of the reporting period, represented bank balances and cash	19(b)	**3,892**	223

1 GENERAL INFORMATION

Min Fu International Holding Limited (the "**Company**") was incorporated in the Cayman Islands on 23 June 2017 as an exempted company with limited liability. The shares of the Company were listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 20 April 2018. The address of its registered office is Offices of Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. Its principal place of business is Room 1911, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the "**Group**") are principally engaged in (i) equipment manufacturing business; (ii) burial business; and (iii) agricultural food technology and sales business in the People's Republic of China (the "**PRC**").

The Group commenced its business of food technology and sales during the year ended 31 March 2026 upon the completion of the acquisition of Hunan Province Baisheng Biotechnology Company Limited* (湖南省百升生物科技有限公司) ("**Hunan Baisheng**") on 11 August 2025. These consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), which is also the Company's functional currency, and all values are rounded to the nearest thousand unless otherwise stated.

* *The English name is for identification purpose only*

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

This note provides the basis of preparation and the material accounting policy information adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

(a) Compliance with HKFRS Accounting Standards, Disclosure Requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on GEM of the Stock Exchange

These 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**") and accounting principles generally accepted in Hong Kong. HKFRS Accounting Standards comprise all applicable Hong Kong Financial Reporting Standards ("**HKFRSs**"), Hong Kong Accounting Standards ("**HKASs**") and Interpretations ("**Ints**") as issued by the HKICPA. These consolidated financial statements also comply with applicable disclosure provisions of the GEM Listing Rules and the disclosure requirements of the Hong Kong Companies Ordinance. A summary of material accounting policy information adopted by the Group is discussed below.

(b) Historical cost convention

These consolidated financial statements have been prepared under the historical cost convention. Historical cost is generally based on fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.1 Basis of preparation *(Continued)*

(c) Amendments to HKFRS Accounting Standards adopted by the Group

During the year ended 31 March 2026, 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 Group's annual period beginning on or after 1 April 2025 for the preparation of these consolidated financial statements:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability

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

(d) New standard and amendments to standards and Int not yet effective

The Group has not applied any new standard and amendments to standards and Int that have been issued but are not yet effective for the financial year beginning from 1 April 2025. The new standard and amendments to standards and Int include the followings which may be relevant to the Group.

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7 – Classification and Measurement of Financial Instruments	1 January 2026
Amendments to HKFRS 9 and HKFRS 7 – Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
Amendment to HKAS 21 – Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to HK Int 5 – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.1 Basis of preparation *(Continued)*

(d) *New standard and amendments to standards and interpretation not yet adopted* *(Continued)*

The Group has already commenced an assessment of the impact of these new standard and amendments to standards and Int. According to the preliminary assessment made by the Group, no significant impact on the consolidated financial performance and position of the Group is expected when they become effective, except for HKFRS 18 – Presentation and Disclosure in Financial Statements which is detailed as follows:

HKFRS 18 – Presentation and Disclosure in Financial Statements

HKFRS 18 will replace HKAS 1 – Presentation of Financial Statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group presents and discloses financial performance in the consolidated financial statements.

The new accounting standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.

- Management-defined performance measures ("**MPMs**") are disclosed in a single note in the financial statements.

- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.1 Basis of preparation *(Continued)*

(d) New standard and amendments to standards and interpretation not yet adopted (Continued)

The Group is currently assessing the impact of HKFRS 18, with respect to the structure of the Group's consolidated statement of comprehensive income, the consolidated statement of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the consolidated financial statements. Preliminary assessments indicate the following key impacts:

- The Group will need to reclassify certain income and expense items (e.g., foreign exchange gains/losses) into the new categories, namely investing and financing categories.

- The Group disclosed certain MPMs (e.g., adjusted operating profits and adjusted profit before interest, tax and depreciation) in its results announcement and the annual report. Under HKFRS 18, this will likely require additional disclosure for the MPMs within the notes to the consolidated financial statements.

- The consolidated statement of cash flows will also be impacted, as the operating profit subtotal will be the required starting point for the indirect method.

2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.2 Consolidation *(Continued)*

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

2.3 Business combination

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The consideration transferred in a business combination is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and any contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are, with limited exceptions, measured at their acquisition-date fair values.

The excess of the sum of the consideration transferred over the Group's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the sum of the consideration transferred is recognised in consolidated comprehensive income as a gain on bargain purchase which is attributed to the Group.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.4 Separate financial statements

In the Company's statement of financial position, investments in subsidiaries are stated at cost less accumulated impairment losses, unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale). Cost includes direct attributable costs of investments. The results of subsidiaries are accounted for by the Company on the basis of dividend received or receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (the "**CODM**"), who are responsible for allocating resources and assessing performance of the operating segments. The CODM has been identified as the executive directors of the Company that make strategic decisions.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.6 Foreign currency translation

(a) *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 is presented in HK$, which is the Company's functional and presentation currency.

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

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

All foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within other gains/(losses), net.

(c) *Group companies*

The results and financial position of the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency of the Company are translated into the 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 comprehensive income are translated at average exchange rates for the period (unless this average rate 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 rate on the dates of the transactions); and

- all resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations are taken to the equity. On the disposal of a foreign operation, all of the currency translation differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

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 value in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.7 Plant and equipment

Plant and equipment (other than construction in progress) is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the any component accounted for as a separated asset is derecognised when replaced. All other repairs and maintenance are charged to the consolidated statement of comprehensive income during the financial period in which they are incurred.

Depreciation on plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Furniture and office equipment	4 – 5 years
Machinery and equipment	3 – 10 years

The assets' residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period, with the effect of any changes in estimates accounted for on a prospective basis.

Construction in progress represents buildings under construction and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

An asset's carrying amount is impaired to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.9).

2.8 Intangible assets

Patent and software

Separately acquired computer software and patent are shown at historical cost and are carried at cost less accumulated amortisation and impairment (note 2.9).

Amortisation is calculated using the straight-line method to allocate the cost over its estimated useful lives, as follows:

Patent	10 years
Software	5 years

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

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.9 Impairment of non-financial assets

The carrying amounts of the non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Whenever the asset does not generate cash inflows that are largely independent of those from other assets or group of assets, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). The recoverable amount is determined for the cash-generating unit to which the asset belongs. Recoverable amount is the higher of value in use and the fair value less costs of disposal of the individual asset or the cash-generating unit.

Value in use is the present value of the estimated future cash flows of the asset/cash-generating unit. Present values are computed using pre-tax discount rates that reflect the time value of money and the risks specific to the asset/cash-generating unit whose impairment is being measured.

Impairment losses for cash-generating units are allocated first against the goodwill of the unit, if any, and then pro rata amongst the other assets of the cash-generating unit. Subsequent increases in the recoverable amount caused by changes in estimates are credited to profit or loss to the extent that they reverse the impairment.

2.10 Financial assets

Financial assets are recognised in the consolidated statement of financial position when the Group entity becomes a party to the contractual provisions of the instrument.

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss); or

- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.10 Financial assets *(Continued)*

(b) *Recognition and derecognition*

Regular way purchases and sales of financial assets are recognised and derecognised on the trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

(c) *Measurement*

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("**FVPL**"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset as mentioned in note (a) above.

Trade and other receivables that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other losses, net, if any, together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of comprehensive income.

2.11 Trade and other receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection of trade and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less accumulated impairment. See Note 2.10 for further information about the Group's accounting policy for trade receivables.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.12 Contract liabilities

A contract liability is recognised when the customer pays consideration before the Group recognises the related revenue. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

For a single contract with the customer, either a net contract asset or a net contract liability is presented. For multiple contracts, contract assets and contract liabilities of unrelated contracts are not presented on a net basis.

When the contract includes a significant financing component, the contract balance includes interest accrued under the effective interest method.

2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks. Bank deposits which are restricted for use are included in "restricted cash". Restricted cash are excluded from cash and cash equivalents.

2.14 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.15 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.16 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are derecognised from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

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

2.17 Borrowing costs

All borrowing costs are expensed in the period in which they are incurred.

2.18 Current and deferred income tax

The income tax expense for the period comprises current and deferred tax. Income tax is recognised in the consolidated statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.18 Current and deferred income tax *(Continued)*

(b) Deferred income tax

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

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

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.19 Employee benefits

(a) *Pension obligations*

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in defined contribution retirement benefit plans organised by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries, subject to certain ceiling.

The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post-retirement benefits of its employees. The Group's contributions to these plans are expensed as incurred.

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the "**MPF Scheme**"), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, the group company in Hong Kong (the employer) and its employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. The monthly contributions of each of the group company and its employees are subject to a cap of HK$1,500 and thereafter contributions are voluntary.

(b) *Housing funds, medical insurances and other social insurances*

Employees of the group companies in the PRC are entitled to participate in various government-supervised housing funds, medical insurance and other employee social insurance plan. The Group contributes on a monthly basis to these funds based on certain percentages of the salaries of the employees, subject to certain ceiling. The Group's liability in respect of these funds is limited to the contributions payable in each period. Contributions to these funds are expensed of as incurred.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.20 Revenue recognition

Revenue is recognised when or as the control of the promised goods or services is transferred to the customer. Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. The Group recognises revenue when specific criteria have been met for each of the Group's activities, as described below.

(a) Sales of goods

Sales of goods are recognised at a point in time when control of the products has been transferred to the customers and the collectability of the related receivables is reasonably assured.

(b) Rendering of services

The Group provided technical services to external parties. Service fee is recognised as revenue over time when services are rendered.

(c) Agency service on burial business

The Group provided agency services for sales of burial plots and columbarium to external parties. The service income is recognised over time when services are rendered.

2.21 Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (the "**ECLs**") on investments in debt instruments that are measured at amortised cost and trade receivables. The amount of the ECL is updated at the end of the reporting period to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The ECL 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 end of the reporting period, including time value of money where appropriate.

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 ECL 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 end of the reporting period.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.21 Impairment of financial assets *(Continued)*

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 end of the reporting period 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; or

– 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.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.21 Impairment of financial assets *(Continued)*

Significant increase in credit risk *(Continued)*

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.

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 end of the reporting period. 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 are 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.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.21 Impairment of financial assets *(Continued)*

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;

– 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. 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 the ECL

The measurement of the ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the end of the reporting period. Estimation of the ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.21 Impairment of financial assets *(Continued)*

Measurement and recognition of the ECL *(Continued)*

For financial assets and trade receivables, the ECL 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.

2.22 Interest income

Interest income is recognised using the effective interest method.

2.23 Leases

At inception of a contract, the Group assesses whether the contract is, or contains, 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. Control is conveyed where the customer has both the right to direct the use of the identified asset and to obtain substantially all of the economic benefits from that use.

The Group as a lessee

At the lease commencement date, the Group recognises a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets which, for the Group are primarily laptops and office furniture. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalise the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalised are recognised as an expense on a systematic basis over the lease term.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.23 Leases *(Continued)*

The Group as a lessee *(Continued)*

Where the lease is capitalised, the lease liability is initially recognised at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. Lease payments to be made under reasonably certain extension options are also included in the measurement of the lease liability. After initial recognition, the lease liability is measured at amortised cost and interest expense is calculated using the effective interest method.

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 companies, which does 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.

The right-of-use asset recognised when a lease is capitalised is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. Where applicable, the cost of the right-of-use assets also includes an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, discounted to their present value, less any lease incentives received. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term 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.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION *(CONTINUED)*

2.24 Research and development

Research expenditures are recognised as expenses as incurred. Costs incurred on development projects (relating to the design and developing of new or improved utility models and utility patents) are recognised as intangible assets if, and only if, the Group can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- its ability to measure reliably the expenditure attributable to the intangible asset during its development.

Other development expenditures that do not meet these criteria are recognised as expenses when incurred. Development costs previously recognised as expenses are not recognised as an asset in a subsequent period.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

3.1.1 Market risk

(a) Foreign exchange risk

The Group is exposed to foreign exchange risk primarily through its transactions that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transactions relate. The currencies giving rise to this risk are primarily United States dollars ("**US$**") and Swiss Franc ("**CHF**"). 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.

3 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1 Financial risk factors *(Continued)*

3.1.1 Market risk (Continued)

(a) Foreign exchange risk (Continued)

As at 31 March 2026 and 2025, the carrying amounts of the Group's monetary assets and liabilities which are denominated in US$ and CHF are as follows:

	2026 **HK$'000**	2025 HK$'000
Assets		
Cash and cash equivalents	**3,491**	95
Restricted cash	**80**	79
	3,571	174
Liabilities		
Trade payables	**310**	924

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the exchange rate of US$ and CHF, with all other variables held constant, of the Group's loss before income tax:

	Year ended 31 March 2026	
	Increase/ (decrease) in foreign exchange rate	**(Decrease)/ increase in loss before income tax**
	%	**HK$'000**
US$	**10**	**(44)**
US$	**(10)**	**44**
CHF	**10**	**(282)**
CHF	**(10)**	**282**

	Year ended 31 March 2025	
	Increase/ (decrease) in foreign exchange rate	(Decrease)/ increase in loss before income tax
	%	HK$'000
US$	10	(75)
US$	(10)	75

3 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1 Financial risk factors *(Continued)*

3.1.1 Market risk *(Continued)*

(b) Interest rate risk

The Group's interest-bearing assets and liabilities are restricted cash, cash at banks and bonds payables. Bonds payables bores at fixed interest rates expose the Group to fair value interest rate risk. The Group's exposure to cash flow interest rate risks arises from its restricted cash and cash at banks and therefore bear interest at variable rates varied with the then prevailing market condition. The directors of the Company consider the cash flow interest rate risk with respect to restricted cash and cash at banks to be insignificant to the Group.

During the years ended 31 March 2026 and 2025, the Group did not hedge its interest rate risk.

Except as stated above, the Group does not have other significant interest-bearing assets and liabilities at the end of the reporting period, its income and operating cash flows are substantially independent of changes in market interest rates.

3 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1 Financial risk factors *(Continued)*

3.1.2 Credit risk

Credit risk mainly arises from cash at banks, restricted cash and trade and other receivables. The carrying amount of these balances in the consolidated statement of financial position represents the Group's maximum exposure to credit risk in relation to its financial assets. Management has a credit policy in place and the exposure to these credit risks are monitored on an ongoing basis.

Cash at banks and restricted cash

Majority of the Group's bank balances and restricted cash are placed in reputable banks and financial institution. Management does not expect any credit losses from non-performance by these banks and financial institutions as they have no default history in the past.

Trade receivables

For trade receivables, periodical credit evaluations are performed on all customers taking into account the market conditions, customers' reputation, financial capacity, payment history, and other factors. The Group generally requires customers to settle billings in accordance with contracted terms of the agreements. Normally, the Group does not obtain collateral from customers.

The Group has concentration of credit risk in certain individual customers. As at 31 March 2026, approximately 30.8% (2025: 74.4%) of total trade receivables was concentrated in the largest customer of the Group, and approximately 88.9% (2025: 100%) of the total trade receivables was concentrated in the largest five customers of the Group. The Group seeks to minimise its risk by dealing with counterparties which have good credit history.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits and credit approvals. The level of credit granted must not exceed a predetermined level set by the management. Credit evaluation is performed on a regular basis. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group applies HKFRS 9 and measures the impairment based on the lifetime ECL for all trade receivables. To measure lifetime ECL, the trade receivables have been grouped on shared credit characteristic and the days past due.

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

3 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1 Financial risk factors *(Continued)*

3.1.2 Credit risk (Continued)

Trade receivables (Continued)

On that basis, the loss allowance for trade receivables as at 31 March 2026 and 2025 was determined as follows:

	Expected loss rate	Gross carrying amount *HK$'000*	Loss allowance *HK$'000*	Net carrying amount *HK$'000*
As at 31 March 2026				
Current not past due	**18.0%**	**27,502**	**(4,948)**	**22,554**
Past due:				
– 1 – 180 days	**23.9%**	**13,661**	**(3,266)**	**10,395**
– Over 180 days	**58.7%**	**2,320**	**(1,362)**	**958**
		43,483	**(9,576)**	**33,907**
As at 31 March 2025				
Current not past due	19.7%	13,419	(2,640)	10,779
Past due:				
– Over 180 days	62.7%	6,375	(3,996)	2,379
		19,794	(6,636)	13,158

The following significant changes in the gross carrying amount of trade receivables contributed to the increase (2025: increase) in the loss allowance:

– increase (2025: increase) in current not past due resulted in an increase (2025: increase) in loss allowance of approximately HK$2,308,000 (2025: HK$2,155,000);

– increase (2025: nil) in past due 1-180 days resulted in an increase (2025: nil) in loss allowance of approximately HK$3,266,000 (2025: nil); and

– decrease (2025: increase) in past due over 180 days resulted in a decrease (2025: increase) in loss allowance of approximately HK$2,634,000 (2025: HK$3,037,000).

3 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1 Financial risk factors *(Continued)*

3.1.2 Credit risk (Continued)

Trade receivables (Continued)

The movement in accumulated impairment losses of trade receivables during the years ended 31 March 2026 and 2025 are as follows:

	2026 ***HK$'000***	2025 *HK$'000*
At the beginning of the reporting period	**6,636**	1,477
Impairment loss during the year	**2,700**	5,181
Currency translation differences	**240**	(22)
At the end of the reporting period	**9,576**	6,636

3 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1 Financial risk factors *(Continued)*

3.1.2 ***Credit risk*** *(Continued)*

Other receivables

For other receivables, the management makes periodic individual assessment on the recoverability of other receivables based on historical settlement records, the likelihood of recovery, and also quantitative and qualitative information that is reasonable and supportive forward-looking information.

For financial assets whose impairment losses are measured using the ECL model under general approach, the Group assesses whether their credit risk has increased significantly since their initial recognition, and applies a three-stage impairment model to calculate their impairment allowance and recognise their ECL, as follows:

Stage 1: If the credit risk has not increased significantly since its initial recognition, the financial asset is included in stage 1 (12m ECL).

Stage 2: If the credit risk has increased significantly since its initial recognition but not yet deemed to be credit-impaired, the financial instrument is included in stage 2 (lifetime ECL, not credit-impaired).

Stage 3: If the financial instrument is credit-impaired, the financial instrument is included in stage 3 (lifetime ECL, credit-impaired).

Other receivables of the Group as at 31 March 2026 and 2025 are as follows:

	2026	2025
	HK$'000	*HK$'000*
Other receivables, gross	**6,153**	6,942
Less: Accumulated impairment losses	**(5,022)**	(1,618)
Other receivables, net	**1,131**	5,324

3 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1 Financial risk factors *(Continued)*

3.1.2 ***Credit risk*** *(Continued)*

Other receivables (Continued)

As at 31 March 2026

	Stage 1 *HK'000*	Stage 2 *HK'000*	Stage 3 *HK'000*	Total *HK'000*
Other receivables, gross	**1,031**	**358**	**4,764**	**6,153**
Less: Accumulated impairment losses	**(140)**	**(118)**	**(4,764)**	**(5,022)**
Other receivables, net	**891**	**240**	**–**	**1,131**

As at 31 March 2025

	Stage 1 *HK'000*	Stage 2 *HK'000*	Stage 3 *HK'000*	Total *HK'000*
Other receivables, gross	2,440	4,502	–	6,942
Less: Accumulated impairment losses	(430)	(1,188)	–	(1,618)
Other receivables, net	2,010	3,314	–	5,324

3 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1 Financial risk factors *(Continued)*

3.1.2 ***Credit risk*** *(Continued)*

Other receivables (Continued)

The movement in the accumulated impairment losses of other receivables according to the stage of ECL during the years ended 31 March 2026 and 2025 are as follows:

	Stage 1 12m ECL *HK$'000*	Stage 2 Lifetime ECL (not credit impaired) *HK$'000*	Stage 3 Lifetime ECL (credit impaired) *HK$'000*	Loss allowance *HK$'000*
As at 1 April 2024	1,199	–	–	1,199
– Transfer from stage 1 to Stage 2	(798)	798	–	–
– Charged to profit or loss	31	395	–	426
Currency translation differences	(2)	(5)	–	(7)
As at 31 March 2025 and 1 April 2025	430	1,188	–	1,618
– Transfer from stage 1 to Stage 2	**(56)**	**56**	**–**	**–**
– Transfer from stage 2 to Stage 3	**–**	**(1,188)**	**1,188**	**–**
– (Crediting)/charged to profit or loss	**(248)**	**57**	**3,411**	**3,220**
Currency translation differences	**14**	**5**	**165**	**184**
As at 31 March 2026	**140**	**118**	**4,764**	**5,022**

The increase in loss allowance on other receivables during the year ended 31 March 2026 was mainly due to increase (2025: increase) in expected loss rate as a result of credit-impaired (2025: significant increase in credit risk) for certain receivables.

3 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.1 Financial risk factors *(Continued)*

3.1.3 Liquidity risk

To manage the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	Interest rate	Less than 1 year or on demand	Between 1 and 2 years	Total
		HK$'000	*HK$'000*	*HK$'000*
As at 31 March 2026				
Subject to a repayment on demand clause				
Amount due to a director	**N/A**	**6,329**	**–**	**6,329**
Not subject to a repayment on demand clause				
Trade payables	**N/A**	**35,227**	**–**	**35,227**
Other payables	**N/A**	**4,669**	**–**	**4,669**
Bonds payables	**10%**	**100**	**1,100**	**1,200**
		46,325	**1,100**	**47,425**
As at 31 March 2025				
Subject to a repayment on demand clause				
Amount due to a director	N/A	835	–	835
Not subject to a repayment on demand clause				
Trade payables	N/A	12,643	–	12,643
Other payables	N/A	2,054	–	2,054
		15,532	–	15,532

3 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to enhance shareholders' value in the long term.

The management reviews the capital structure on a regular basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. In order to maintain the capital structure, the Group will balance its overall capital structure through the new shares issues as well as the issue of new debt or the redemption of existing debt. No change was made in the objectives, policies or processes for managing capital during the years ended 31 March 2026 and 2025.

The externally imposed capital requirements for the Group is in order to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares.

The Group has maintained a sufficient public float to comply with the GEM Listing Rules during the years ended 31 March 2026 and 2025.

The Group monitors capital on the basis of the net gearing ratio. Net gearing ratio represents the ratio of net debts (amount due to a director and bonds payables, net of cash and cash equivalents and restricted cash) divided by total equity as at the end of each reporting period.

	2026 ***HK$'000***	2025 *HK$'000*
Amount due to a director	**6,329**	835
Bonds payables	**1,033**	–
Less: Cash and cash equivalents	**(3,892)**	(223)
Restricted cash	**(131)**	(130)
Net debts	**3,339**	482
Total equity	**685**	8,902
Net gearing ratio	**487.4%**	5.4%

3 FINANCIAL RISK MANAGEMENT *(CONTINUED)*

3.3 Financial instruments by category

	2026	2025
	HK$'000	*HK$'000*
Financial assets		
Financial assets at amortised cost		
Trade receivables	**33,907**	13,158
Deposits and other receivables	**1,131**	5,324
Restricted cash	**131**	130
Cash and cash equivalents	**3,892**	223
Total	**39,061**	18,835
Financial liabilities		
Financial liabilities at amortised cost		
Trade payables	**35,227**	12,643
Other payables	**10,998**	2,889
Bonds payables	**1,033**	–
Total	**47,258**	15,532

3.4 Fair value estimation

As at 31 March 2026 and 2025, the carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their fair value.

4 CRITICAL JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the Group's accounting policies, the directors of the Company are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an 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.

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

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors of the Company have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements (apart from those involving estimations, which are dealt with below).

Principal versus agent consideration for income from equipment manufacturing business

The Group concluded that the Group acts as the principal for the sales of equipment as it controls the specified good before it is transferred to the customer after taking into consideration indicators such as the Group is primarily responsible for fulfilling the promise to provide and install of equipment in the customers' specified location. The Group has discretion in establishing the price for the sales of equipment with the customers. The Group also bears the loss if the customers are not satisfied the quality of the equipment. When the Group satisfies the performance obligation, the Group recognises revenue in the gross amount of consideration to which the Group expects to be entitled as specified in the contracts.

Significant increase in credit risk

As explained in note 2.21, ECL under general approach are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. HKFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Group takes into account qualitative and quantitative reasonable and supportable forward-looking information.

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 have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Impairment assessment on trade and other receivables

The management of the Group estimates the amount of impairment losses for ECL on trade and other receivables based on the credit risk of trade and other receivables. The amount of the impairment losses based on ECL model is measured 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 effective interest rate determined at initial recognition. Where the future cash flows are less than expected, or being revised downward due to changes in facts and circumstances, a material impairment losses may arise.

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

Key sources of estimation uncertainty *(Continued)*

Impairment assessment on trade and other receivables *(Continued)*
As at 31 March 2026, the carrying amount of trade and other receivables are approximately HK$33,907,000 (net of accumulated impairment losses of approximately HK$9,576,000) and HK$1,131,000 (net of accumulated impairment losses of approximately HK$5,022,000) (2025: HK$13,158,000 (net of accumulated impairment losses of approximately HK$6,636,000) and HK$5,324,000 (net of accumulated impairment losses of approximately HK$1,618,000)).

Impairment assessment on non-financial assets
In determining whether an asset is impaired, the Group has to exercise judgement and make estimation, particularly in assessing: (1) whether an event has occurred or any indicators that may affect the asset value; (2) whether the carrying value of an asset can be supported by the recoverable amount, in the case of value in use, the net present value of future cash flows which are estimated based upon the continued use of the asset; and (3) the appropriate key assumptions to be applied in estimating the recoverable amounts including cash flow projections and an appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the assets belongs. Changing the assumptions and estimates, including the pre-tax discount rates and the growth rate used in the cash flow projections, could materially affect the recoverable amounts.

As at 31 March 2026, the carrying amounts of the Group's plant and equipment, intangible assets and prepayments are approximately Nil (2025: Nil), Nil (2025: Nil) and HK$12,932,000 (2025: HK$8,985,000) respectively. Impairment loss on plant and equipment and intangible assets of approximately Nil (2025: HK$3,134,000) and Nil (2025: HK$968,000) and reversal of impairment loss on prepayments of approximately Nil (2025: HK$1,366,000) were recognised for the year ended 31 March 2026 respectively.

5 SEGMENT INFORMATION

The Group manages its businesses by business operations in a manner consistent with the way in which information is reported internally to the CODM for the purposes of resource allocation and performance assessment. The Group's reportable and operating segments are as follows:

– Equipment Manufacturing Business: (i) sales of equipment relating to smart manufacturing solution services focusing on precision 3D testing solutions and precision machining solutions; and (ii) provision of digital smart worship ancestors service and relevant technical service in the PRC;

– Burial Business: agency services for sales of burial plots and columbarium units and other burial-related service in the PRC; and

– Agricultural Food Technology and Sales Business: sales of agricultural food in the PRC.

5 SEGMENT INFORMATION *(CONTINUED)*

The Group commenced its business of sales of agricultural food during the year ended 31 March 2026 upon the completion of the acquisition of Hunan Baisheng on 11 August 2025.

Segment results

Segment results represent the loss before income tax from each segment except for the unallocated corporate expenses, being central administrative expenses, gain on bargain purchase on acquisition of a subsidiary and certain unallocated finance costs. Segment assets and liabilities are not presented in the consolidated financial statements as they are not regularly reviewed by the CODM.

Information regarding the Group's reportable segments as provided to the CODM for the purposes of resource allocation and assessment of segment performance is set out below:

	For the year ended 31 March 2026			
	Agricultural Food Technology and Sales Business	Equipment Manufacturing Business	Burial Business	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Reportable segment revenue	**8,248**	**44,156**	**482**	**52,886**
Reportable segment (loss)/profit	**(690)**	**(6,360)**	**79**	**(6,971)**
Gain on bargain purchase on acquisition of a subsidiary				**2,187**
Central administrative expenses				**(3,472)**
Unallocated finance costs				**(33)**
Loss before income tax				**(8,289)**
Amounts included in the measure of segment profit or loss:				
Depreciation of plant and equipment	**1**	**–**	**–**	**1**
Impairment loss of trade receivables	**837**	**1,861**	**2**	**2,700**
Impairment loss of other receivables	**1**	**3,204**	**15**	**3,220**
Interest income from bank deposits	**–**	**(1)**	**–**	**(1)**

5 SEGMENT INFORMATION *(CONTINUED)*

	For the year ended 31 March 2025		
	Equipment Manufacturing Business	Burial Business	Total
	HK$'000	*HK$'000*	*HK$'000*
Reportable segment revenue	26,309	1,520	27,829
Reportable segment loss	(21,267)	(2,550)	(23,817)
Central administrative expenses			(4,593)
Loss before income tax			(28,410)
Amounts included in the measure of segment loss:			
Depreciation of:			
– Plant and equipment	1,038	–	1,038
– Right-of-use assets	–	163	163
Amortisation of intangible assets	1,506	–	1,506
Gain on termination of leases	–	(32)	(32)
Impairment loss of trade receivables	5,181	–	5,181
Impairment loss/(reversal of impairment loss) of other receivables	544	(118)	426
Reversal of impairment loss of contract assets	(50)	–	(50)
Impairment loss/(reversal of impairment loss) of:			
– Plant and equipment	3,134	–	3,134
– Intangible assets	968	–	968
– Prepayments	(1,366)	–	(1,366)
Finance costs	32	19	51
Interest income from bank deposits	(27)	–	(27)
Loss on write-off of intangible assets	1,409	–	1,409

5 SEGMENT INFORMATION *(CONTINUED)*

All of the Group's revenue was derived in the PRC, based on the location of the operations, during the years ended 31 March 2026 and 2025.

All of the Group's non-current assets were located in the PRC, based on the geographical location of the assets, as at 31 March 2026 and 2025.

Revenue from major customers

Revenue from external customers amounted to 10% or more of the Group's revenue are as follows:

	2026 **HK$'000**	2025 *HK$'000*
Customer A#	**16,410**	10,263
Customer B#	**11,031**	Not applicable*
Customer C#	**Not applicable***	13,159
Customer D#	**9,707**	Not applicable*

*: The revenue from each customer is less than 10% of the Group's revenue for the respective year.

#: Revenue from Equipment Manufacturing Business.

6 REVENUE

Revenue from contracts with customers within the scope of HKFRS 15:

	2026 **HK$'000**	2025 *HK$'000*
Equipment Manufacturing Business		
– Sales of equipment	**40,957**	26,309
– Technical services	**3,199**	–
	44,156	26,309
Burial Business		
– Agency services for sales of burial plots and columbarium units and other burial-related service	**482**	1,520
Agricultural Food Technology and Sales Business		
– Sales of agricultural food	**8,248**	–
Total	**52,886**	27,829

6 REVENUE *(CONTINUED)*

The Group does not disclose information about remaining unsatisfied performance obligations for the year as permitted under the practical expedient in accordance with HKFRS 15 as their original expected duration is less than one year.

	2026	2025
	HK$'000	*HK$'000*
Timing of revenue recognition:		
– Recognised over time	**3,681**	1,520
– Recognised at a point in time	**49,205**	26,309
	52,886	27,829

7 EXPENSES BY NATURE

	2026	2025
	HK$'000	*HK$'000*
Cost of inventories recognised as expenses	**41,346**	25,280
Outsourced research and development expenses	**–**	1,028
Staff costs *(Note 8)* (including Directors' emoluments *(Note 8(a))*)	**8,526**	8,528
Professional fees	**4,129**	5,372
Entertainment expenses	**1,321**	724
Depreciation and amortisation, included in administrative expenses:		
– plant and equipment *(Note 13)*	**1**	1,038
– right-of-use assets *(Note 14(a))*	**–**	163
– intangible assets *(Note 15)*	**–**	1,506
Travelling expenses	**407**	290
Short-term lease expenses	**564**	372
Auditor's remuneration		
– audit service	**1,000**	850
Other expenses	**1,238**	1,468
Total cost of sales, selling and marketing expenses and administrative expenses	**58,532**	46,619
Interest expense on bonds payables *(Note 22)*	**33**	–
Interest expense on bank borrowings	**–**	32
Interest expense on lease liabilities	**–**	19
Finance costs	**33**	51

8 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

	2026	2025
	HK$'000	*HK$'000*
Salaries, wages and other benefits	**7,969**	7,688
Contribution to pension scheme	**557**	840
	8,526	8,528

(a) Directors' emoluments

Directors' emoluments paid or payable disclosed pursuant to the GEM Listing Rules and section 383 of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation are as follows:

For the year ended 31 March 2026

	Fees	Salaries and other benefits	Contribution to pension scheme	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Executive directors				
Mr. Zeng Weijin *(Note (i))*	–	480	18	498
Ms. Ye Jialing	–	360	18	378
Non-executive directors				
Ms. Zhang Xiaoling *(Note (iii))*	50	–	–	50
Ms. Li Xiaoxuan *(Note (iv))*	50	324	16	390
Ms. Li Chunling *(Note (v))*	50	–	–	50
Ms. Zhu Minchun *(Note (vi))*	50	–	–	50
Independent non-executive directors				
Dr. Zhou Wenming	50	–	–	50
Mr. Lu Shengwei	30	–	–	30
Ms. Chen Meng *(Note (viii))*	30	–	–	30
	310	1,164	52	1,526

8 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) *(CONTINUED)*

(a) Directors' emoluments *(Continued)*

For the year ended 31 March 2025

	Fees *HK$'000*	Salaries and other benefits *HK$'000*	Contribution to pension scheme *HK$'000*	Total *HK$'000*
Executive directors				
Mr. Zeng Weijin *(Note (i))*	–	480	18	498
Ms. Ye Jialing	–	720	18	738
Mr. Huang Minzhi *(Note (ii))*	–	600	9	609
Non-executive directors				
Ms. Zhang Xiaoling *(Note (iii))*	50	–	–	50
Ms. Li Xiaoxuan *(Note (iv))*	50	384	18	452
Ms. Li Chunling *(Note (v))*	7	–	–	7
Ms. Zhu Minchun *(Note (vi))*	7	–	–	7
Mr. Zhou Ruizhao *(Note (vii))*	180	–	–	180
Independent non-executive directors				
Dr. Zhou Wenming	50	–	–	50
Mr. Lu Shengwei	30	–	–	30
Ms. Chen Meng *(Note (viii))*	27	–	–	27
	401	2,184	63	2,648

Note:

(i) Mr. Zeng Weijin resigned as an executive director of the Company with effect from 2 April 2026.

(ii) Mr. Huang Minzhi resigned as an executive director of the Company with effect from 9 October 2024.

(iii) Ms. Zhang Xiaoling resigned as a non-executive director of the Company with effect from 2 April 2026.

(iv) Ms. Li Xiaoxuan resigned as a non-executive director of the Company with effect from 29 June 2026.

(v) Ms. Li Chunling was appointed as a non-executive director of the Company with effect from 21 February 2025.

(vi) Ms. Zhu Minchun was appointed as a non-executive director of the Company with effect from 21 February 2025.

(vii) Mr. Zhou Ruizhao resigned as a non-executive director of the Company with effect from 9 October 2024.

(viii) Ms. Chen Meng was appointed as an independent non-executive director of the Company with effect from 2 May 2024.

8 STAFF COSTS (INCLUDING DIRECTORS' EMOLUMENTS) *(CONTINUED)*

(a) Directors' emoluments *(Continued)*

Fees, salaries and other benefits in kind paid to the executive directors of the Company are generally emoluments paid or payable in respect of the executive directors' services in connection with the management of the affairs of the Company and the Group. The non-executive directors' emoluments shown above were for their services as directors of the Company.

(b) Five highest paid individuals

For the year ended 31 March 2026, the five individuals whose emoluments were the highest in the Group included one director (2025: three directors) of the Company whose emoluments is reflected in the analysis presented above. The emoluments paid to the remaining individuals during the year ended 31 March 2026 are as follows:

	2026 HK$'000	2025 HK$'000
Salaries, wages and other benefits	**2,723**	1,561
Contribution to pension scheme	**65**	36
	2,788	1,597

The number of the five highest paid individuals who are not the directors of the Company who's remuneration fell within the following bands:

	Number of individuals	
	2026	2025
Nil-HK$1,000,000	**3**	1
HK$1,000,001-HK$1,500,000	**1**	1

(c) Benefits and interests of directors

During the year ended 31 March 2026, Ms. Ye Jialing, the executive director of the Company, agreed to waive emoluments of approximately HK$360,000 in light of the operating loss of the Group, while no directors of the Company nor any of the five highest-paid individuals waived or agreed to waive any emoluments during the years ended 31 March 2026 and 2025. During the year ended 31 March 2026, no emoluments were paid by the Group to any director or the five highest-paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office (2025: Nil).

Save for disclosed in note 29, no directors of the Company and their connected entities had a material interest, directly or indirectly, in any significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party that subsisted at the end of the year or at any time during the years ended 31 March 2026 and 2025.

9 OTHER INCOME AND OTHER GAINS/(LOSSES), NET

	2026 HK$'000	2025 HK$'000
Other income		
– Gain on termination of leases	**–**	32
– Interest income from bank deposits	**1**	27
– Others	**56**	86
	57	145
Other gains/(losses), net		
– Exchange gains/(losses), net	**1,066**	(12)
– Loss on write-off of intangible assets	**–**	(1,409)
	1,066	(1,421)

10 INCOME TAX EXPENSE/(CREDIT)

	2026 HK$'000	2025 HK$'000
Current income tax		
– PRC Corporate Income Tax	**62**	494
Deferred tax *(Note 23)*	**–**	(1,573)
	62	(1,079)

10 INCOME TAX EXPENSE/(CREDIT) *(CONTINUED)*

The reconciliation between the income tax expense/(credit) and loss before income tax is as followings:

	2026 **HK$'000**	2025 HK$'000
Loss before income tax	**(8,289)**	(28,410)
Tax calculated at applicable tax rate on loss before income tax	**(907)**	(5,387)
Tax calculated under preferential tax rate *(Note (a))*	**(395)**	(595)
Tax calculated on deemed profit basis *(Note (b))*	**62**	494
Tax effect of income not taxable for tax purpose	**(547)**	–
Tax effect of expenses not deductible for tax purposes	**434**	1,189
Tax effect of additional deduction on research and development expenses	**(204)**	(237)
Tax effect of tax losses not recognised	**508**	1,378
Tax effect of deductible temporary differences not recognised	**1,111**	2,079
	62	(1,079)

Notes:

(a) Pursuant to the Corporate Income Tax Law of the PRC (the "**CIT Law**") and the Implementation Rules of the CIT Law in the PRC, the standard tax rate is 25% for the Company's subsidiaries and operations in the PRC.

In 2017, Quick Tech Corporation Ltd. ("**Quick Tech**"), the Group's subsidiary established in the PRC, was qualified as the High and New Technology Enterprise which commencing on 1 January 2017 and is entitled to preferential income tax rate of 15% for subsequent three years. In 2020 and 2023, Quick Tech had successfully renewed the qualification of High and New Technology Enterprise and is entitled to the preferential tax treatment of 15% for the period from 2020 to 2026. Accordingly, tax rate of 15% (2025:15%) has been applied for Quick Tech for the year ended 31 March 2026.

(b) Hong Kong Cheng Phong Technology Limited ("**Hong Kong Cheng Phong**") and Bow Chak Industry (HK) Limited ("**Bow Chak**") are the Group's subsidiaries incorporated in Hong Kong. However, their principal businesses for the years ended 31 March 2026 and 2025 were carried out in the PRC and the related income was subject to PRC Corporate Income Tax. Hong Kong Cheng Phong and Bow Chak were approved by the PRC tax bureau to pay PRC income tax on a "deemed profit basis", according to which their taxable income was calculated at 15% (2025:15%) of revenue for the year ended 31 March 2026.

(c) Under the two-tiered profits tax rates regime, the first HK$2,000,000 of assessable profits of qualifying Group's entities incorporated in Hong Kong will be taxed at 8.25% (2025: 8.25%), and assessable profits above HK$2,000,000 will be taxed at 16.5% (2025: 16.5%). The assessable profits of the Group's entities not qualifying for the two-tiered profit tax rates regime will continue to be taxed at a rate of 16.5% (2025: 16.5%). No provision for Hong Kong Profits Tax has been made as the income of the Group's subsidiaries incorporated in Hong Kong neither arises in, nor is derived from Hong Kong during both years.

(d) The Group is not subject to tax in other jurisdictions.

11 LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2026	2025
	HK$'000	*HK$'000*
Loss		
Loss for the year attributable to owners of the Company	**(8,351)**	(27,331)

	2026	2025
Number of shares		
Weighted average number of ordinary shares in issue	**25,914,329**	21,251,012

The diluted loss per share is equal to the basic loss per share as there were no dilutive potential ordinary shares outstanding during the years ended 31 March 2026 and 2025.

12 DIVIDEND

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

13 PLANT AND EQUIPMENT

	Furniture and office equipment	Machinery and equipment	Construction in progress	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Cost				
As at 1 April 2024	349	12,863	–	13,212
Addition	22	–	–	22
Written off	(326)	–	–	(326)
Currency translation differences	–	(76)	–	(76)
As at 31 March 2025 and 1 April 2025	**45**	**12,787**	**–**	**12,832**
Acquisition of a subsidiary *(note 27(a))*	**15**	**–**	**214**	**229**
Currency translation differences	**–**	**740**	**6**	**746**
As at 31 March 2026	**60**	**13,527**	**220**	**13,807**
Accumulated depreciation and impairment				
As at 1 April 2024	343	8,720	–	9,063
Written off	(326)	–	–	(326)
Impairment loss recognised	24	3,110	–	3,134
Depreciation charge	4	1,034	–	1,038
Currency translation differences	–	(77)	–	(77)
As at 31 March 2025 and 1 April 2025	**45**	**12,787**	**–**	**12,832**
Depreciation charge	**1**	**–**	**–**	**1**
Currency translation differences	**–**	**740**	**–**	**740**
As at 31 March 2026	**46**	**13,527**	**–**	**13,573**
Carrying amount				
As at 31 March 2026	**14**	**–**	**220**	**234**
As at 31 March 2025	–	–	–	–

13 PLANT AND EQUIPMENT *(CONTINUED)*

During the year ended 31 March 2025, due to the continuous loss incurred for the Equipment Manufacturing Business, the management of the Group concluded there was impairment indication for the Equipment Manufacturing Business and the Group's related plant and equipment, intangible assets and prepayments were allocated to the Equipment Manufacturing Business's cash-generating unit (the "**Equipment CGU**") for the purpose of impairment assessment. The recoverable amount of the Equipment CGU has been determined based on the value-in-use calculation which uses cash flows projection based on financial budgets approved by the directors of the Company and valued by International Valuation Limited, an independent valuation firm of the Group, covering a five-year period with pre-tax discount rate. Cash flows beyond that five-year period have been extrapolated using the estimated growth rate stated below.

Key assumptions used in the calculation are as follows:

	2025
LBITDA margin (average of next five years)	(5%)
Terminal growth rate	2%
Discount rate	15%

The above key assumptions were used in the value-in-use calculation of the Equipment CGU as at 31 March 2025. The followings describe each key assumption on which the management of the Group has based its cash flow projection to undertake impairment testing:

Management determined the loss before income tax, finance cost, depreciation and amortisation ("**LBITDA margin**") based on past performance and its expectations regarding market development.

Terminal growth rate – The terminal growth rate does not exceed the long-term average growth rate for the industry and the country in which the Equipment CGU currently operates.

Discount rate – The discount rate is pre-tax and reflects specific risk relating to the Equipment CGU.

Based on the assessment, the management of the Group assessed the recoverable amount of the Equipment CGU as at 31 March 2025 to be nil, which was lower than its carrying amount as at 31 March 2025. Accordingly, an impairment loss of approximately HK$3,134,000, HK$968,000 and reversal of impairment loss of approximately HK$1,366,000 (after considering its recoverable amount of the prepayments) were recognised in the Group's consolidated statement of comprehensive income during the year ended 31 March 2025 in respect of plant and equipment, intangible assets and prepayments respectively.

The impairment assessments were performed on the basis of the Equipment CGUs' past performance, management expectations for the market development and volatility in financial markets including potential disruptions of the Equipment Manufacturing Business.

13 PLANT AND EQUIPMENT *(CONTINUED)*

Management believes that a reasonably possible change in any of the above key assumptions would not cause the carrying amounts of the Equipment CGU to materially exceed its respective recoverable amount.

14 LEASES

The movement of the right-of-use assets is shown in the table below:

	Leased building *HK$'000*
Cost	
As at 1 April 2024	872
Termination of leases	(870)
Currency translation differences	(2)
As at 31 March 2025, 1 April 2025 and 31 March 2026	–
Accumulated depreciation and impairment	
As at 1 April 2024	254
Termination of leases	(416)
Depreciation charge	163
Currency translation differences	(1)
As at 31 March 2025, 1 April 2025 and 31 March 2026	–
Carrying amount	
As at 31 March 2026	**–**
As at 31 March 2025	–

The Group has lease contracts for leased properties used in its operations. Leases for lease properties generally have lease terms of 1 to 2 years (2026: Nil). Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

14 LEASES *(CONTINUED)*

Amounts recognised in the consolidated statement of comprehensive income

The consolidated statement of comprehensive income shows the following amounts relating to leases:

	2026	2025
	HK$'000	*HK$'000*
Gain on termination of lease *(note 9)*	**–**	(32)
Short-term lease expenses	**564**	372
Interest expense on lease liabilities (included in finance costs)	**–**	19
Depreciation of right-of-use assets	**–**	163

Amounts included in the consolidated statement of cash flows

Amounts included in the consolidated statement of cash flows for leases comprise the followings：

	2026	2025
	HK$'000	*HK$'000*
Within operating cash flows	**564**	372
Within financing cash flows	**–**	180
Total cash outflows	**564**	552

15 INTANGIBLE ASSETS

	Patent *HK$'000*	Software *HK$'000*	Total *HK$'000*
Cost			
As at 1 April 2024	305	16,139	16,444
Written off	–	(5,505)	(5,505)
Currency translation differences	–	(25)	(25)
As at 31 March 2025, 1 April 2025 and 31 March 2026	305	10,609	10,914
Accumulated amortisation and impairment			
As at 1 April 2024	272	12,289	12,561
Written off	–	(4,096)	(4,096)
Impairment loss recognised	27	941	968
Amortisation charge	6	1,500	1,506
Currency translation differences	–	(25)	(25)
As at 31 March 2025, 1 April 2025 and 31 March 2026	305	10,609	10,914
Carrying amount			
As at 31 March 2026	–	–	–
As at 31 March 2025	–	–	–

During the years ended 31 March 2025, intangible assets, together with the related plant and equipment and prepayments, are allocated to the Equipment CGU for impairment assessment. Details of impairment assessment are set out in note 13.

16 TRADE RECEIVABLES

	2026 **HK$'000**	2025 *HK$'000*
Trade receivables, gross	**43,483**	19,794
Less: Accumulated impairment losses	**(9,576)**	(6,636)
Trade receivables, net	**33,907**	13,158

As at 31 March 2026 and 2025, ageing analysis of gross trade receivables presented based on invoice date is as follows:

	2026 **HK$'000**	2025 *HK$'000*
Within 30 days	**21,536**	–
1 to 6 months	**12,210**	13,419
6 months to 1 year	**7,489**	–
Over 1 year	**2,248**	6,375
	43,483	19,794

The credit period of trade receivables is 30 – 180 days (2025: 90 – 180 days).

The carrying amount of the trade receivables was denominated in Renminbi ("**RMB**").

Details of the impairment assessment of trade receivables are set out in note 3.1.2.

17 DEPOSITS AND OTHER RECEIVABLES

	2026	2025
	HK$'000	*HK$'000*
Advances to employees	**756**	964
Tendering deposits	**125**	83
Consideration receivable for the disposal of an associate *(note)*	**4,764**	4,503
Others	**508**	1,392
	6,153	6,942
Less: Accumulated impairment losses	**(5,022)**	(1,618)
Deposits and other receivables, net	**1,131**	5,324

Note: During the year ended 31 March 2024, the Group disposed of an associate to an independent third party with the consideration of approximately RMB4,200,000 (equivalent to HK$4,530,000). Such consideration remained outstanding as at 31 March 2024 and is unsecured, interest-free and repayable within one year.

During the year ended 31 March 2025, the Group entered into an extension agreement with the independent third party, pursuant to which the repayment date of the consideration receivable for the disposal of an associate of approximately RMB4,200,000 (equivalent to HK$4,503,000) was extended to 31 December 2025.

As at 31 March 2026, the Group remained in negotiations with the independent third party regarding the settlement of this receivable. In light of the breach of contract by the counterparty and the continued delay in settlement, the Group determined these factors to be indicators of credit impairment. Accordingly, the Group performed credit impairment assessment for the receivable under Stage 3 of ECL.

The carrying amount of deposits and other receivable was denominated in RMB.

Details of the impairment assessment of deposits and other receivables are set out in note 3.1.2.

18 PREPAYMENTS

	2026 *HK$'000*	2025 *HK$'000*
Prepayments for developing software *(notes (a) and (e))*	–	1,661
Prepayments for purchasing equipment *(note (b))*	**9,655**	8,985
Prepayments for agricultural food *(note (c))*	**3,277**	–
Prepayments for outsourced research and development expenses *(notes (d) and (e))*	–	662
	12,932	11,308
Less: Accumulated impairment losses	–	(2,323)
Total prepayments, net	**12,932**	8,985

Notes:

(a) As at 31 March 2026 and 2025, the prepayments for developing software represent prepayment to independent software developers for developing software for the Group's self-use.

(b) As at 31 March 2026 and 2025, the prepayments for purchasing equipment represent prepayment to independent equipment manufacturers for purchasing equipment to be sold to the Group's customers.

(c) As at 31 March 2026 and 2025, the prepayments for agricultural food represent prepayment to independent suppliers of agricultural food to be sold to the Group's customers.

(d) As at 31 March 2026 and 2025, the prepayments for outsourced research and development expenses represent prepayment to independent software developers for the provision of technological solutions service relating to the specific requirements on the equipment.

(e) During the years ended 31 March 2025, prepayment for developing software and prepaid outsourced research and development expenses, together with the related plant and equipment and intangible assets, are allocated to the Equipment CGU for impairment assessment. Details are set out in note 13.

19 RESTRICTED CASH AND CASH AND CASH EQUIVALENTS

(a) Restricted cash was denominated in:

	2026	2025
	HK$'000	*HK$'000*
– US$	**80**	79
– HK$	**51**	51
	131	130

Restricted cash represents bank deposits pledged as security for corporate credit card. Restricted cash carried interest at the prevailing market interest rates as at 31 March 2026 and 2025.

(b) Cash and cash equivalents, representing bank balances and cash, were denominated in:

	2026	2025
	HK$'000	*HK$'000*
– RMB	**353**	119
– US$	**672**	95
– HK$	**48**	9
– CHF	**2,819**	–
	3,892	223

As at 31 March 2026, there was approximately HK$353,000 (2025: HK$119,000) denominated in RMB and deposited with banks in the PRC that the conversion of these balances into foreign currencies and the remittance of such foreign currencies denominated bank balances and cash out of the PRC are subject to relevant rules and regulation of foreign exchange control promulgated by the PRC government.

The cash at bank carried interest at the prevailing market interest rates as at 31 March 2026 and 2025.

20 SHARE CAPITAL

	Notes	Number of shares	Share capital US$	Share capital HK$'000
Authorised:				
Ordinary shares of US$0.0001 each as at 1 April 2024		5,000,000,000	500,000	3,905
Share consolidation	(b)	(4,875,000,000)	–	–
Ordinary shares of US$0.004 each as at 31 March 2025, 1 April 2025 and 31 March 2026		**125,000,000**	**500,000**	**3,905**
Issued and fully paid:				
Ordinary shares of US$0.0001 each as at 1 April 2024		719,893,183	71,989	562
Issuance of shares upon placing	(a)	143,960,000	14,396	112
Share consolidation	(b)	(842,256,854)	–	–
Ordinary shares of US$0.004 each as at 3 October 2024		21,596,329	86,385	674
Issuance of shares upon placing	(c)	4,318,000	17,272	135
Ordinary shares of US$0.004 each as at 31 March 2025, 1 April 2025 and 31 March 2026		**25,914,329**	**103,657**	**809**

20 SHARE CAPITAL *(CONTINUED)*

(a) On 13 August 2024, the Company and a placing agent entered into a placing agreement pursuant to which the Company has conditionally agreed to place a maximum of 143,978,636 placing shares to independent investors at a price of HK$0.024 per share. The placing was completed on 28 August 2024 pursuant to which the Company has allotted and issued 143,960,000 placing shares. The net proceeds derived from the placing amounted to approximately HK$3,292,000 and resulted in the increase in share capital of approximately HK$112,000 and share premium of approximately HK$3,180,000, net of transaction costs of approximately HK$163,000.

(b) Pursuant to an ordinary resolution passed by the shareholders of the Company at an annual general meeting on 30 September 2024, every forty issued and unissued shares of US$0.0001 each in share capital of the Company be consolidated into one share of US$0.004 each with effect from 3 October 2024 (the "**Share Consolidation**").

Prior to the Share Consolidation, the authorised share capital of the Company was US$500,000 divided into 5,000,000,000 shares of par value of US$0.0001 each, of which 863,853,183 shares of par value of US$0.0001 each were in issue and were fully paid or credited as fully paid. Immediately following the completion of the Share Consolidation, the Company's authorised share capital becomes US$500,000 divided into 125,000,000 shares of par value of US$0.004 each, and its issued share capital becomes US$86,385 (equivalent to approximately HK$674,000) divided into 21,596,329 shares of par value of US$0.004 each.

(c) On 12 December 2024, the Company and a placing agent entered into a placing agreement pursuant to which the Company has conditionally agreed to place a maximum of 4,318,000 placing shares to independent investors at a price of HK$0.85 per share. The placing was completed on 27 December 2024 pursuant to which the Company has allotted and issued 4,318,000 placing shares. The net proceeds derived from the placing amounted to approximately HK$3,572,000 and resulted in the increase in share capital of approximately HK$135,000 and share premium of approximately HK$3,437,000, net of transaction costs of approximately HK$98,000.

21 OTHER RESERVES

	Share premium HK$'000 (Note (a))	Capital reserve HK$'000 (Note (b))	Statutory reserve HK$'000 (Note (c))	Exchange reserve HK$'000 (Note (d))	Total HK$'000
Balance at 1 April 2024	79,028	163	3,067	(3,051)	79,207
Other comprehensive loss for the year	–	–	–	(105)	(105)
Issuance of shares upon placing *(notes 20(a) and (c))*	6,878	–	–	–	6,878
Transaction cost attributable to issuance of shares upon placing *(notes 20(a) and (c))*	(261)	–	–	–	(261)
Balance at 31 March 2025 and 1 April 2025	**85,645**	**163**	**3,067**	**(3,156)**	**85,719**
Other comprehensive income for the year	**–**	**–**	**–**	**134**	**134**
Balance at 31 March 2026	**85,645**	**163**	**3,067**	**(3,022)**	**85,853**

(a) Share premium

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(b) Capital reserve

Capital reserve represented the difference between (i) the then combined capital of the operating companies of the Group amounting to HK$552,000 before the listing of the Company; and (ii) the deemed distribution to Mr. Wu Di, the former controlling shareholder and former executive director of the Company, representing the cash consideration of HK$389,000 paid to Mr. Wu Di for acquisition of the 97% equity interest in Quick Tech during the reorganisation for the preparation for the listing of the Company.

(c) Statutory reserve

In accordance with relevant rules and regulations in the PRC, all the Group's subsidiaries established in the PRC that operated exclusively with foreign capitals are required to transfer an amount of not less than 10% of profit after taxation calculated under the PRC accounting standards and regulations to the statutory reserve, until the statutory reserve reaches 50% of their registered capital of the respective subsidiaries. The statutory reserve can only be used, upon approval by the relevant authority, to offset accumulated losses or to increase the capital of respective subsidiaries.

(d) Exchange reserve

Exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

22 BONDS PAYABLES

The movement of the bonds payables is as follows:

	2026 **HK$'000**	2025 *HK$'000*
At the beginning of the reporting period	**–**	–
Issuance of bonds	**1,000**	–
Interest charge for the year *(Note 7)*	**33**	–
At the end of the reporting period	**1,033**	–
Less: Amount due for settlement within 12 months shown under current liabilities	**(33)**	–
Amount due for settlement after 12 months shown under non-current liabilities	**1,000**	–

On 31 October 2025 and 31 December 2025, the Group issued unlisted bonds with principal amounts of HK$500,000 and HK$500,000 respectively to two individual third parties. These bonds bear interest rate of 10% per annum, payable annually, and are unsecured and mature within twenty-four months from their respective dates of issuance. The effective interest rate of the bonds is 10% (2025: Nil) as at 31 March 2026.

The Group's undiscounted cash flow of outstanding bonds were repayable as follows:

	2026 **HK$'000**	2025 *HK$'000*
Within one year	**100**	–
In the second year	**1,100**	–
	1,200	–

23 DEFERRED TAX LIABILITIES

The movements in deferred tax (liabilities)/assets during the year ended 31 March 2026 are as follows:

	Provisions for credit losses on trade receivables *HK$'000*	Expense in excess of allowance *HK$'000*	Depreciation allowance in excess of related depreciation *HK$'000*	Total *HK$'000*
At 1 April 2024	218	73	(1,873)	(1,582)
(Charged)/credited to the profit or loss *(Note 10)*	(218)	(73)	1,864	1,573
Currency translation differences	–	–	9	9
At 31 March 2025, 1 April 2025 and 31 March 2026	**–**	**–**	**–**	**–**

At the end of the reporting period, the Group has estimated unused tax losses of approximately HK$27,549,000 (2025: HK$24,156,000) and will expire in five to ten years (2025: five to ten years). No deferred tax asset and deductible temporary differences has been recognised due to the unpredictability of future profit streams.

24 TRADE PAYABLES

	2026 HK$'000	2025 HK$'000
Trade payables	**35,227**	12,643

(a) As at 31 March 2026 and 2025, ageing analysis of trade payables presented based on invoice date is as follows:

	2026 HK$'000	2025 HK$'000
Within 30 days	**45**	–
1 to 6 months	**24,797**	11,634
6 months to 1 year	**9,386**	29
Over 1 year	**999**	980
	35,227	12,643

(b) Trade payables were denominated in:

	2026 HK$'000	2025 HK$'000
– RMB	**34,917**	11,719
– US$	**310**	924
	35,227	12,643

The credit period of trade payables is 30 – 180 days (2025: 90 – 180 days).

25 OTHER PAYABLES

	2026 HK$'000	2025 HK$'000
Accrued expenses	**2,955**	1,822
Other payables	**1,714**	232
Other tax payables	**97**	43
Payroll payables	**3,192**	2,279
Amount due to a director *(note 29(c))*	**6,329**	835
	14,287	5,211

25 OTHER PAYABLES *(CONTINUED)*

Other payables were denominated in:

	2026 **HK$'000**	2025 *HK$'000*
– HK$	**5,127**	3,108
– RMB	**9,160**	2,103
	14,287	5,211

26 CONTRACT LIABILITIES

	2026 **HK$'000**	2025 *HK$'000*
Billings in advance of performance obligation		
– Equipment Manufacturing Business	**310**	598
– Burial Business	**–**	466
– Agricultural Food Technology and Sales Business	**683**	–
	993	1,064

Contract liabilities represent cash received from customers in advance for which the goods and services are yet to be delivered and rendered. When the Group receives a deposit before the goods and service to be delivered and rendered, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the contract exceeds the amount of the deposit.

Movement in the contract liabilities balance during the year are as follows:

	2026 **HK$'000**	2025 *HK$'000*
At the beginning of the reporting period	**1,064**	1,102
Decrease in contract liabilities as a result of revenue recognised during the year that was included in the contract liabilities balance at the beginning of the reporting period	**(1,064)**	(1,102)
Increase in contract liabilities as a result of acquisition of a subsidiary during the reporting period *(note 27(a))*	**350**	–
Increase in contract liabilities as a result of receipts in advance from customers during the reporting period	**613**	1,064
Currency translation differences	**30**	–
At the end of the reporting period	**993**	1,064

At at 31 March 2026 and 2025, all contract liabilities is expected to be recognised as revenue within one year.

27 CASH FLOW INFORMATION

(a) Acquisition of a subsidiary

During the year ended 31 March 2026, the Group acquired 100% of the issued share capital of Hunan Baisheng from the independent third party for a total consideration of approximately HK$1,000. Hunan Baisheng was engaged in the sales of agricultural food in the PRC. The management of the Group believes that the acquisition of Hunan Baisheng can serve as a new revenue driver and contribute the Group's future growth. The acquisition was completed on 11 August 2025.

The fair value of the identifiable assets and liabilities of Hunan Baisheng acquired as at the date of acquisition are as follows:

	HK$'000
Plant and equipment	229
Other receivables	3
Prepayments	2,859
Cash and cash equivalents	254
Accruals and other payables	(807)
Contract liabilities	(350)
Total identifiable net assets at fair value	2,188
Gain on bargain purchase	(2,187)
Total consideration	1
Consideration to be satisfied by:	
Cash	1
Net cash arising from acquisition:	
Cash consideration paid	(1)
Cash and cash equivalents acquired	254
Net cash inflow	253

27 CASH FLOW INFORMATION *(CONTINUED)*

(a) Acquisition of a subsidiary *(Continued)*

No acquisition related cost was incurred for the acquisition.

The fair value of the other receivables is approximately HK$3,000. The gross contractual amount for other receivables due is approximately HK$3,000 and the credit risk of the other receivables is low.

Gain on bargain purchase of approximately HK$2,187,000 arising from the acquisition of Hunan Baisheng was included in the consolidated statement of comprehensive income for the year ended 31 March 2026. The gain on bargain purchase was attributable to the Group's capability in negotiating the terms of the acquisition in favour of the Group with the vendor.

Since the acquisition, Hunan Baisheng has contributed revenue of approximately HK$8,248,000 to the Group's revenue and loss of approximately HK$690,000 to the Group's loss for the year. Had the acquisition been completed on 1 April 2025, the consolidated revenue and loss of the Group for the year ended 31 March 2026 would have been approximately HK$57,504,000 and HK$8,347,000 respectively.

The proforma information is for illustrative purposes only and is not necessarily an indication of the total revenue and loss after tax of the Group that actually would have been achieved had the acquisition been taken place at the beginning of the year, nor is intended to be a projection of future results.

27 CASH FLOW INFORMATION *(CONTINUED)*

(b) Cash used in operations

Reconciliation of loss before income tax to cash used in operations is as follows:

	2026 **HK$'000**	2025 HK$'000
Loss before income tax	**(8,289)**	(28,410)
Adjustments for:		
– Depreciation of plant and equipment	**1**	1,038
– Depreciation of right-of-use assets	**–**	163
– Amortisation of intangible assets	**–**	1,506
– Finance costs	**33**	51
– Interest income from bank deposits	**(1)**	(27)
– Gain on termination of leases	**–**	(32)
– Gain on bargain purchase on acquisition of a subsidiary	**(2,187)**	–
– Loss on write-off of intangible assets	**–**	1,409
– Impairment loss of trade receivables	**2,700**	5,181
– Reversal of impairment loss of contract assets	**–**	(50)
– Impairment loss of other receivables	**3,220**	426
– Impairment loss of non-financial assets	**–**	2,736
– Exchange (gains)/losses arising from operations	**(1)**	9
Operating cash flows before movements in working capital	**(4,524)**	(16,000)
Changes in working capital		
– Trade receivables	**(23,209)**	(7,537)
– Prepayments	**(1,069)**	(1,797)
– Deposits and other receivables	**984**	344
– Contract assets	**–**	1,704
– Trade payables	**22,544**	7,328
– Contract liabilities	**(451)**	(38)
– Other payables	**2,560**	384
Cash used in operations	**(3,165)**	(15,612)

(c) 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 consolidated statement of cash flows as cash flows from financing activities.

27 CASH FLOW INFORMATION *(CONTINUED)*

(c) Reconciliation of liabilities arising from financing activities *(Continued)*

	Bank borrowings	Lease liabilities	Amount due to a director, included in other payables	Bonds payables	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
		(Note 14)	*(Note 25)*	*(Note 22)*	
At 1 April 2024	4,584	656	–	–	5,240
Changes from financing cash flows:					
Repayment of bank borrowings	(4,584)	–	–	–	(4,584)
Interest paid	(32)	–	–	–	(32)
Principal element of lease rental paid	–	(161)	–	–	(161)
Interest element of lease rental paid	–	(19)	–	–	(19)
Advanced from a director	–	–	835	–	835
Total changes from financing cash flows	(4,616)	(180)	835	–	(3,961)
Other changes:					
Termination of leases	–	(486)	–	–	(486)
Interest expenses *(note 7)*	32	19	–	–	51
Currency translation differences	–	(9)	–	–	(9)
Total other changes	32	(476)	–	–	(444)
At 31 March 2025 and 1 April 2025	**–**	**–**	**835**	**–**	**835**
Changes from financing cash flows:					
Proceeds from issues of bonds	**–**	**–**	**–**	**1,000**	**1,000**
Advanced from a director	**–**	**–**	**5,494**	**–**	**5,494**
Total changes from financing cash flows	**–**	**–**	**5,494**	**1,000**	**6,494**
Other change:					
Interest expenses *(note 7)*	**–**	**–**	**–**	**33**	**33**
At 31 March 2026	**–**	**–**	**6,329**	**1,033**	**7,362**

28 SUBSIDIARIES OF THE COMPANY

Detail of the principal subsidiaries of the Company as at 31 March 2026 and 2025 are as follows:

Name of company	Place of incorporation/ establishment and kind of legal entity	Particulars of issued share capital/ registered capital	Equity interest held 31 March 2026	Equity interest held 31 March 2025	Place of operations and principal activities
Directly held					
CPT Asia-Pacific Holding Ltd.	British Virgin Islands ("**BVI**"), limited liability company	US$1	**100%**	100%	BVI, Investment holding
BCI East Asia Holding Ltd.	BVI, limited liability company	US$1	**100%**	100%	BVI, Investment holding
MG Pacific Holding Ltd.	BVI, limited liability company	US$1	**100%**	100%	BVI, Investment holding
ZHP Orient Holding Ltd.	BVI, limited liability company	US$1	**100%**	100%	BVI, Investment holding
Min Fu Investment Holding Limited	BVI, limited liability company	US$1	**100%**	100%	BVI, Investment holding
Indirectly held					
Hong Kong Zhi Phong Technology Limited	Hong Kong, limited liability company	HK$1	**100%**	100%	Hong Kong, Investment holding
Hong Kong Cheng Phong	Hong Kong, limited liability company	HK$100	**100%**	100%	The PRC, Provision of smart manufacturing solutions, including sales of equipment and provision of technical services in the PRC
Bow Chak	Hong Kong, limited liability company	HK$100	**100%**	100%	The PRC, Provision of smart manufacturing solutions, including sales of equipment and provision of technical services in the PRC
Quick Tech *(note)*	The PRC, limited liability company	RMB10,750,000	**100%**	100%	The PRC, Provision of smart manufacturing solutions, including sales of equipment and provision of technical services in the PRC
Min Fu Technology (Hong Kong) Limited	Hong Kong, limited liability company	HK$1	**100%**	100%	Hong Kong, Investment holding
Min Fu Holding (Shenzhen) Limited *(note)*	The PRC, limited liability company	RMB10,000,000	**100%**	100%	The PRC, Provision of burial business, agency services for sales of burial plots and columbarium units

28 SUBSIDIARIES OF THE COMPANY *(CONTINUED)*

Name of company	Place of incorporation/ establishment and kind of legal entity	Particulars of issued share capital/ registered capital	Equity interest held 31 March 2026	Equity interest held 31 March 2025	Place of operations and principal activities
Min Fu Technology Trading Limited	Hong Kong, limited liability company	HK$1	**100%**	100%	Hong Kong, Dormant
Shezhen Minfu Intelligent Manufacturing Co., Ltd. *(note)*	The PRC, limited liability company	RMB10,000,000	**100%**	100%	The PRC, Provision of digital smart worship ancestors services
Hunan Baisheng *(note)*	The PRC, limited liability company	RMB2,000,000	**100%**	N/A	The PRC, Provision of agricultural food technology and sales business

Note: Registered as wholly foreign owned enterprise under the PRC law.

None of the subsidiaries had issued any debt securities at the end each reporting period.

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

29 RELATED PARTY TRANSACTIONS

(a) Name and relationship with related parties

Name	Relationship
Ms. Ye Jialing	Executive director of the Company

(b) Key management personnel compensation

The remuneration of the key management personnel during the year ended 31 March 2026 was as follows:

	2026 **HK$'000**	2025 *HK$'000*
Fees, salaries and other benefits	**2,521**	3,243
Contribution to pension scheme	**70**	63
Total	**2,591**	3,306

Other than the disclosure elsewhere in these consolidated financial statements, the Group has not entered into any other related party transactions.

(c) Balance with related parties

	2026 **HK$'000**	2025 *HK$'000*
Amount due to a director included in other payables – Ms. Ye Jialing	**6,329**	835

The amount due was unsecured, interest-free and repayable on demand.

30 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

Statement of financial position of the Company

	2026 HK$'000	2025 HK$'000
ASSETS		
Non-current asset		
Investments in subsidiaries	**742**	3,135
Current asset		
Amount due from a subsidiary	**1,000**	–
Total assets	**1,742**	3,135
CAPITAL AND RESERVES		
Share capital	**809**	809
Other reserves	**104,788**	104,788
Accumulated losses	**(114,939)**	(109,041)
Total deficit	**(9,342)**	(3,444)
LIABILITIES		
Non-current liabilities		
Bonds payables	**1,000**	–
Current liabilities		
Other payables	**4,787**	2,989
Bonds payables	**33**	–
Amounts due to subsidiaries	**3,560**	3,590
Amount due to a director	**1,704**	–
	10,084	6,579
Total liabilities	**11,084**	6,579
Total equity and liabilities	**1,742**	3,135
Net current liabilities	**(9,084)**	(6,579)
Total assets less current liabilities	**(8,342)**	(3,444)

30 STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY *(CONTINUED)*

Reserve movement of the Company

	Share premium *HK$'000*	Other reserves *HK$'000* *(Note)*	Accumulated losses *HK$'000*	Total *HK$'000*
Balance at 1 April 2024	79,028	19,143	(85,393)	12,778
Loss and total comprehensive loss for the year	–	–	(23,648)	(23,648)
Issuance of shares upon placing *(notes 20(a) and (c))*	6,878	–	–	6,878
Transaction cost attributable to issuance of shares upon placing *(notes 20(a) and (c))*	(261)	–	–	(261)
Balance at 31 March 2025 and 1 April 2025	**85,645**	**19,143**	**(109,041)**	**(4,253)**
Loss and total comprehensive loss for the year	**–**	**–**	**(5,898)**	**(5,898)**
Balance at 31 March 2026	**85,645**	**19,143**	**(114,939)**	**(10,151)**

Note: Other reserves represented premium arising pursuant to the reorganisation arrangements undergone by the Company for the listing of the Company's shares on GEM of the Stock Exchange.

31 RETIREMENT BENEFIT SCHEMES

The Group operates the MPF Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The Group's contributions to the MPF Scheme are calculated at 5% (2025: 5%) of the salaries and wages subject to a monthly maximum amount of HK$1,500 (2025: HK$1,500) per employee and vest fully with employees when contributed into the MPF Scheme.

As stipulated under the relevant rules and regulations in the PRC, the employees of the Group's subsidiaries established in the PRC are members of a central pension scheme operated by the local municipal government. These subsidiaries are 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 these subsidiaries. The only obligation of these subsidiaries with respect to the central pension scheme is to meet the required contributions under the scheme.

During the years ended 31 March 2026 and 2025, the Group had no forfeited contributions under the central pension scheme and the MPF Scheme and which may be used by the Group to reduce the existing level of contributions in future years. There were also no forfeited contributions available at 31 March 2026 and 2025 under the central pension scheme and the MPF Scheme which may be used by the Group to reduce the contribution payable in future years.

32 EVENTS AFTER THE REPORTING PERIOD

On 23 March 2026 the Company entered into a placing agreement (the "**Placing Agreement**") with a sole placing agent, pursuant to which the Company appointed the sole placing agent as its agent to procure not less than six places who were independent third parties to subscribe up to 5,182,000 ordinary Shares (the "**Placing**") at the placing price of HK$0.66 (the "**Placing Price**") per Share, representing approximately 16.66% of the issued share capital of the Company as immediately after the completion of the Placing.

On 13 April 2026, the Company and the placing agent entered into a supplemental agreement to the Placing Agreement (the "**Supplemental Agreement**"). Pursuant to the Supplemental Agreement, the Placing Price has been increased from HK$0.66 to HK$0.74 per Placing Share (the "**Revised Placing Price**"). Save for the updated information in above, all other information in Placing Agreement remains unchanged.

The Placing was completed on 30 April 2026 in accordance with the terms and conditions of the Placing Agreement and the Supplemental Agreement. An aggregate of 5,182,000 placing shares (the "**Placing Shares**"), representing approximately 16.66% of the issued share capital of the Company immediately after the completion of the Placing, have been successfully placed to not less than six places at the Placing Price of HK$0.74 per Placing Share.

The net proceeds derived from the placing amounted to approximately HK$3,560,000 and resulted in the increase in share capital of approximately HK$162,000 and share premium of approximately HK$3,398,000, net of transaction costs of approximately HK$275,000.

For details of the Placing, please refer to the announcements of the Company dated 23 March 2026, 25 March 2026, 13 April 2026 and 30 April 2026.

FINANCIAL SUMMARY

A five-year summary of the consolidated results and the consolidated assets and liabilities of the Group, and as extracted from the Group's audited consolidated financial statements contained in published annual reports, is set out below:

	Year ended 31 March				
	2022	2023	2024	2025	**2026**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	***HK$'000***
Revenue	31,514	31,974	80,501	27,829	**52,886**
Gross profit	12,568	9,703	17,558	2,549	**11,540**
Loss before income tax	(9,355)	(26,778)	(17,630)	(28,410)	**(8,289)**
Loss for the year	(9,245)	(28,412)	(20,256)	(27,331)	**(8,351)**

	As at 31 March				
	2022	2023	2024	2025	**2026**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	***HK$'000***
Total assets	71,763	61,948	48,319	27,820	**52,227**
Total liabilities	(15,370)	(32,050)	(18,845)	(18,918)	**(51,542)**
Net assets	56,393	29,898	29,474	8,902	**685**
Current ratio	3.17	1.22	2.32	1.47	**1.03**

This report is published in both English and Chinese languages. Should there be any inconsistency between the Chinese and English versions, the English version shall prevail.