HONG KONG ZCLOUD TECHNOLOGY CONSTRUCTION LIMITED
香港智雲科技建設有限公司

(incorporated in the Cayman Islands with limited liability)

Stock Code : 9900

2024-25
Annual Report

Contents

Abbreviations

In this annual report, the following abbreviations have the following meanings unless otherwise specified:

"Articles"	articles of association of the Company (as amended from time to time)
"Board"	Board of Directors of the Company
"Company"	Hong Kong ZCloud Technology Construction Limited (formerly known as Gain Plus Holdings Limited)
"Director(s)"	director(s) of the Company
"Group"	the Company and its subsidiaries
"Hong Kong Companies Ordinance"	Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
"Listing Rules"	Rules Governing the Listing of Securities on the Stock Exchange
"Model Code"	Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules
"RMAA Services"	repair, maintenance, addition and alteration services
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.01 each in the capital of the Company
"Shareholders"	shareholders of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"HK$" and "HK cents"	Hong Kong dollars and cents
"%"	per cent.

The Chinese version of this annual report is a translation of the English version and is for reference only. In case of any discrepancies or inconsistencies between the English and the Chinese version, the English version shall prevail.

Corporate Information

Board of Directors

Executive Directors

Mr. Wong Howard *(Chairman and Chief Executive Officer)*
Mr. Lau Ka Ho

Independent Non-executive Directors

Mr. Yiu Chun Kong
Ms. Wu Liyan
Mr. Wang Daming

Authorised Representatives

Mr. Lau Ka Ho
Ms. Wong Wai Ki

Company Secretary

Ms. Wong Wai Ki

Audit Committee

Mr. Yiu Chun Kong *(Chairman)*
Ms. Wu Liyan
Mr. Wang Daming

Remuneration Committee

Mr. Wang Daming *(Chairman)*
Mr. Yiu Chun Kong
Ms. Wu Liyan

Nomination Committee

Ms. Wu Liyan *(Chairlady)*
Mr. Yiu Chun Kong
Mr. Wang Daming

Auditor

Deloitte Touche Tohmatsu
Certified Public Accountants
Registered Public Interest Entity Auditors
35/F., One Pacific Place
88 Queensway
Hong Kong

Principal Bankers

DBS Bank (Hong Kong) Limited
Bank of China (Hong Kong) Limited

Registered Office

Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman
KY1-1108
Cayman Islands

Headquarters and Principal Place of Business in Hong Kong

Room 1909, 19th Floor
Harbour Centre
25 Harbour Road
Wanchai
Hong Kong

Cayman Islands Principal Share Registrar and Transfer Office

Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman
KY1-1108
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

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

Company Website

www.hkzcloud.com

Stock Code

9900

** The above information is updated to 21 July 2025, being the latest practicable date before printing of this annual report.*

Chairman's Statement

Dear Shareholders,

On behalf of the Board, I am pleased to present the annual report of the Group for the year ended 31 March 2025 ("**FY2025**").

Business Review

For FY2025, the Group recorded a 10.8% increase in revenue to approximately HK$1,275.2 million (2024: HK$1,151.0 million) and a 12.3% increase in profit attributable to owners of the Company to approximately HK$31.1 million (2024: HK$27.7 million). Such increases are mainly driven by the increase in value of work certified of certain projects for revenue derived from building construction services, which outweighed the decrease in the revenue derived from RMAA Services.

Prospects

Looking ahead, the construction industry in Hong Kong faces challenges from global economic uncertainties and a subdued residential market. The recent removal of stamp duty controls has had limited effect in stimulating housing demand, with developers remain cautious, resulting in fewer new development projects. While government investment in infrastructure and public facilities continues to drive demand for subcontracting services, particularly in RMAA works, the highly competitive market presents significant obstacles for the Group in securing these contracts. Ongoing needs for property upkeep and retrofitting in both public and private sectors provide some opportunities for RMAA services, though capturing these remains challenging due to intense competition. Despite pressures from labour shortages and rising material costs, the industry is expected to see gradual growth. The Group will maintain a prudent approach and cautiously deploy surplus funds to explore other feasible business opportunities to deliver long-term value to Shareholders.

Appreciation

I wish to take this opportunity to extend my sincere gratitude to all Shareholders, business partners and customers for their ongoing support to the Group. At the same time, I would like to express my appreciation to my fellow directors, the Group's management team and staff members for their valuable contribution and unwavering dedication to the Group.

Wong Howard
Chairman

Hong Kong, 27 June 2025

Business Review

The Group is an established construction contractor in Hong Kong founded in 2004, principally engaged in subcontracting works providing RMAA Services and building construction services. The RMAA Services include general upkeep, restoration and improvement of existing facilities and components of buildings and their surroundings; and the building construction services primarily consist of building works and civil works for new buildings such as columbarium blocks, demolition of staff quarters, road enhancement works and lift tower.

During the year ended 31 March 2025 ("**FY2025**"), the Group secured new businesses mainly through participating in direct invitation to tender or request for quotation by customers on a project-by-project basis. Upon securing contracts, the Group endeavoured to ensure the work conducted by its workers and/or subcontractors conform to contract requirements including specification, quality, safety and environmental protection and that projects are completed on schedule and within budget.

For FY2025, the Group had RMAA Services and building construction services projects with awarded contract sum of approximately HK$729.1 million and HK$546.1 million (2024: HK$856.3 million and HK$294.7 million) respectively. Thus, the Group recorded a 10.8% increase in revenue to approximately HK$1,275.2 million (2024: HK$1,151.0 million) and a 12.3% increase in profit attributable to owners of the Company to approximately HK$31.1 million (2024: HK$27.7 million). Such increases are mainly driven by the increase in value of work certified of certain projects for revenue derived from building construction services, which outweighed the decrease in the revenue derived from RMAA Services.

Financial Review

Revenue

For FY2025, the Group generated a revenue of approximately HK$1,275.2 million (2024: HK$1,151.0 million), representing an increase of 10.8% compared to the year ended 31 March 2024 ("**FY2024**"). The increase was mainly driven by the increase in value of work certified of certain projects for revenue derived from the provision of building construction services, which outweighed the decrease in the revenue derived from RMAA Services.

Cost of Services

The cost of services during the year was approximately HK$1,212.5 million (2024: HK$1,090.9 million). The increase was in line with the increase in revenue and was mainly attributable to the increase in cost of services incurred by building construction services projects.

Gross Profit

For FY2025, despite the Group recorded a 4.3% increase in gross profit to approximately HK$62.7 million (2024: HK$60.1 million), it recorded a 5.8% decrease in gross profit margin to approximately 4.9% (2024: 5.2%), compared to FY2024. Such increase in gross profit and decrease in gross profit margin were mainly due to the increase in the number of projects performed with a lower gross profit margin during the year. The gross profit margin is expressed as a percentage of gross profit over revenue for the year.

Other Income, Other Gains and Losses

For FY2025, other income, other gains and losses was approximately HK$9.0 million (2024: HK$8.8 million). The increase was mainly due to that the increase in fair value of financial assets at fair value through profit or loss ("**FVTPL**") outweighed the decrease in bank interest income.

Administrative Expenses

The Group's administrative expenses during the year was approximately HK$30.6 million (2024: HK$29.9 million), representing an increase of 2.3% over FY2024. The increase was mainly attributable to the increase in legal and professional fees incurred during the year.

Share of Result of an Associate

Share of result of an associate during the year was approximately HK$3.3 million (2024: HK$3.2 million), representing an increase of 3.1% over FY2024. The slight increase was primarily due to that the associate maintained a stable profit during the year. The interest in an associate was reclassified as financial assets at FVTPL after the Group disposed of 14% equity interest in the associate held by the Group in March 2025.

Finance Costs

The Group incurred finance costs of approximately HK$9,000 for FY2025 (2024: HK$27,000). The decrease was mainly due to the decrease in interest expenses on lease liabilities as one of the leases had expired during the year.

Income Tax Expense

For FY2025, the income tax expense was approximately HK$5.4 million (2024: HK$5.4 million). The effective tax rate was approximately 13.3% (2024: 14.3%), after excluding the non-taxable income from bank interest income and increase in fair value of financial assets at FVTPL of approximately HK$3.5 million and HK$4.9 million (2024: HK$6.2 million and HK$0.4 million) respectively.

Overall Results

For FY2025, the Group recorded a profit attributable to owners of the Company of approximately HK$31.1 million (2024: HK$27.7 million) and basic earnings per share of HK8.35 cents (2024: HK7.45 cents). The increase in profit was mainly due to the increases in both revenue and gross profit.

Further, the profit before interest and tax for the year was approximately HK$37.0 million (2024: HK$31.0 million) and the profit and total comprehensive income for the year was approximately HK$35.1 million (2024: HK$32.1 million). The Group's net profit margin before interest and tax and net profit margin during the year were approximately 2.9% and 2.8% (2024: 2.7% and 2.8%) respectively. The net profit margin before interest and tax is expressed as a percentage of profit before interest and tax over revenue for the year. The net profit margin is expressed as a percentage of profit over revenue for the year.

Dividend

The Board has resolved not to recommend the payment of a final dividend for FY2025 (2024: nil).

The Board had declared a special dividend of HK$0.135 per ordinary share of the Company for FY2024 which was paid on Tuesday, 6 February 2024 to the shareholders of the Company.

Liquidity, Financial Resources and Capital Structure

The Group maintained a sound financial position during FY2025. As at 31 March 2025, the Group had current assets of approximately HK$425.3 million (2024: HK$341.2 million) and bank balances and cash of approximately HK$134.8 million (2024: HK$125.1 million). The Group's current ratio, calculated based on current assets over current liabilities of approximately HK$130.4 million (2024: HK$81.7 million), was at a strong ratio of approximately 3.3 times (2024: 4.2 times). In view of the Group's financial position as at 31 March 2025, the Directors considered that the Group had sufficient working capital for its operations and future development plans against market challenges.

There has been no change in the capital structure of the Company during FY2025. The share capital of the Group only comprises of ordinary shares.

Gearing Ratio

As at 31 March 2025, the equity attributable to owners of the Company increased by 11.7% or HK$31.0 million to approximately HK$296.7 million (2024: HK$265.7 million). The Group's gearing ratio, expressed as a percentage of total debt which represents lease liabilities of approximately HK$1.7 million (2024: HK$0.3 million) over equity attributable to owners of the Company of approximately HK$296.7 million (2024: HK$265.7 million), increased to approximately 0.6% as at 31 March 2025 (2024: 0.1%) and was mainly due to the renewal and new lease signed in March 2025.

Return on Investments

The return on equity and the return on assets during the year were approximately 11.7% and 8.1% (2024: 11.9% and 9.1%) respectively. The decrease in the return on equity and the return on assets were mainly attributable to the increase in total equity is higher than the increase in the profit and total comprehensive income for the year and more contract assets for ongoing projects were recognised as at 31 March 2025. The return on equity is expressed as a percentage of profit and total comprehensive income for the year over total equity as at the end of the year. The return on assets is expressed as a percentage of profit and total comprehensive income for the year over total assets as at the end of the year.

Commitment

The capital commitment of the Group was capital expenditure in respect of the acquisition of plant and equipment contracted for but not provided in the consolidated financial statements. As at 31 March 2025, the Group did not have any capital commitment (2024: nil).

Segment Information

Segment information is disclosed in note 6 of the notes to the consolidated financial statements.

Future Plans for Material Investments and Capital Assets

The Group did not have any plans for material investments and capital assets.

Material Acquisitions and Disposals of Subsidiaries and Affiliated Companies

For FY2025, the Group did not have any material acquisitions or disposals of subsidiaries and affiliated companies (2024: nil).

Significant Investment

As at 31 March 2025, the Group's significant investment comprised financial assets at FVTPL (2024: nil). Details of the significant investment performance (including any investment in an investee with a value of 5% or more of the Group's total assets as at the year end date) are as follows:

Name of the investment	Fair value as at 31 March 2025 *HK$'000*	Percentage to the total assets of the Group as at 31 March 2025 *%*	Increase in fair value of financial assets at FVTPL during the year *HK$'000*	Dividend received during the year *HK$'000*
Unlisted fund Widegold Investment Fund II SP 1	**27,678**	**6.4**	**2,680**	**–**

Contingent Liabilities

As at 31 March 2025, the Group did not have material contingent liabilities (2024: nil).

Foreign Exchange Exposure

The Group's revenue generating operations are mainly transacted in Hong Kong Dollars. The Directors consider that the impact of foreign exchange exposure to the Group is minimal. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure when the need arises.

Charge of Assets

As at 31 March 2025, the Group did not charge any of its assets (2024: nil).

Change of Controlling Shareholder of the Company

On 10 December 2024, Asia General Industries Limited ("**Asia General**") entered into a sale and purchase agreement ("**SPA**") with Universe King International Investment Limited and Great Star Investment Group Limited (collectively, the "**Vendors**"), pursuant to which the Vendors had agreed to sell and Asia General, as purchaser, had agreed to purchase 104,625,000 Shares and 15,625,000 Shares respectively, representing approximately 28.13% and 4.2% respectively and an aggregate of approximately 32.33% of the total issued share capital of the Company.

Following the completion of the SPA on 12 December 2024, Asia General became the controlling shareholder of the Company and was required to make a mandatory conditional cash offer pursuant to Rule 26.1 of the Hong Kong Code on Takeovers and Mergers for all the issued Shares (other than those already owned and/or agreed to be acquired by Asia General) at HK$0.806 per offer share (the "**Offer**"). The Offer was lapsed on 11 February 2025.

For details, please refer to the joint announcements jointly issued by Asia General and the Company dated 16 December 2024, 3 January 2025, 21 January 2025 and 11 February 2025 and the composite document dated 21 January 2025 issued by the Company.

Change of Company Name

Pursuant to a special resolution passed by the shareholders of the Company at the extraordinary general meeting of the Company held on 25 April 2025, the English name of the Company has been changed from "GAIN PLUS HOLDINGS LIMITED" to "HONG KONG ZCLOUD TECHNOLOGY CONSTRUCTION LIMITED" and the Chinese name "香港智雲科技建設有限公司" has been adopted and registered as the dual foreign name of the Company in place of its former Chinese name of "德益控股有限公司" (the "**Change of Company Name**").

The Certificate of Incorporation on Change of Name was issued by the Registrar of Companies of the Cayman Islands on 28 April 2025 and the Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company was issued by the Registrar of Companies in Hong Kong on 15 May 2025 confirming that the Change of Company Name has become effective. Details of the Change of Company Name were set out in the circular of the Company dated 28 March 2025 and the announcements of the Company dated 12 March 2025, 25 April 2025 and 21 May 2025.

Employees and Remuneration Policies

As at 31 March 2025, the Group had a total of 398 employees (including directors) (2024: 225 employees). The Group's gross staff costs for FY2025 amounted to approximately HK$73.1 million (2024: HK$62.0 million). To ensure that the Group is able to attract and retain directors and staff capable of attaining the best performance levels, remuneration packages are reviewed on a regular basis. In addition, discretionary bonus is offered to eligible employees by reference to the Group's results and individual performance. The Group operates the Mandatory Provident Fund Scheme (the "**MPF Scheme**") under the Hong Kong Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) for employees employed under the jurisdiction of the Hong Kong Employment Ordinance (Chapter 57 of the Laws of Hong Kong). The MPF Scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF Scheme, the Group and the employees are each required to make contributions to the plan at 5% of the employee's relevant income, subject to a cap of monthly relevant income of HK$30,000 per employee. There are no forfeited contributions for the MPF Scheme as the contributions are fully vested to the employees upon payments to the MPF Scheme. The Group provides various types of trainings to employees and sponsors employees to attend training courses.

Events After the Reporting Period

There are no material subsequent events undertaken by the Company or by the Group after 31 March 2025.

Biographical Details of Directors and Senior Management

Executive Directors

Mr. Wong Howard, aged 69, joined the Company as Executive Director, the Chairman of the Board and the Chief Executive Officer in February 2025. Mr. Wong is also a director of various subsidiaries of the Company. He has over 20 years of senior management experience in overall strategy, business development and retail chain shops establishment. Mr. Wong joined Chaifa Holdings Limited (stock code: 139) ("**Chaifa Holdings**") (now known as Central Wealth Group Holdings Limited), a company listed on the Main Board of the Stock Exchange, in February 2000 and was an executive director of the company until 1 August 2015. During his tenure as an executive director, the principal businesses of Chaifa Holdings and its subsidiaries changed from time to time and included manufacturing, trading and distribution of garment, shoes, car audio equipment business and other merchandise, provision of Internet and Internet-related businesses, trading and distribution of electronic products and securities investment and trading. Mr. Wong is deemed to be a controlling shareholder of the Company through his interest in Asia General Industries Limited, a controlling shareholder of the Company, as disclosed in the paragraph headed “Interests and Short Positions of Shareholders Discloseable under the SFO” in the “Report of the Directors”.

Mr. Lau Ka Ho, aged 47, joined the Company as Executive Director in February 2021. He was the Company Secretary of the Company for the period from September 2021 to February 2025. Mr. Lau is also a director of various subsidiaries of the Company. He obtained his master’s degree of business administration from The University of Iowa in 2010. He further obtained his master’s degree of corporate governance from Hong Kong Metropolitan University in 2015. Mr. Lau is currently a fellow member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom. He is also a member of The Hong Kong Institute of Directors.

Mr. Lau has over 15 years of experience in corporate management, corporate finance and corporate secretarial areas. Since December 2018, he has been working with Prosperous Future Holdings Limited (stock code: 1259) (“**Prosperous Future**”), a company listed on the Main Board of the Stock Exchange, and is currently an executive director and the chief executive officer of Prosperous Future. Since June 2020, he has been appointed as an independent non-executive director of International Entertainment Corporation (stock code: 1009), a company listed on the Main Board of the Stock Exchange.

Independent Non-executive Directors

Mr. Yiu Chun Kong, aged 40, joined the Company as Independent Non-executive Director in February 2025, and is the Chairman of the Audit Committee of the Company, and a member of the Remuneration Committee and the Nomination Committee. He holds a Bachelor of Business Administration in Accountancy degree from The Hong Kong Polytechnic University and is a fellow of the Hong Kong Institute of Certified Public Accountants. He has extensive experience in auditing, accounting and finance. Mr. Yiu has been an executive director of ZO Future Group (stock code: 2309) since 15 October 2016 and was an executive director of EPI (Holdings) Limited (stock code: 689) from 18 October 2016 to 18 July 2024. Both companies are listed on the Main Board of the Stock Exchange.

Ms. Wu Liyan, aged 40, joined the Company as Independent Non-executive Director in February 2025, and is the Chairlady of the Nomination Committee of the Company, and a member of the Audit Committee and the Remuneration Committee. She holds a Bachelor of Science in Business degree from University of Minnesota and a Master of Science in Integrated Marketing from New York University. She has extensive marketing and business development experiences in renowned investment management companies. Ms. Wu has been an independent non-executive director of Loco Hong Kong Holdings Limited (stock code: 8162), a company listed on the GEM of the Stock Exchange, since 29 September 2018.

Mr. Wang Daming, aged 65, joined the Company as Independent Non-executive Director in February 2025, and is the Chairman of the Remuneration Committee of the Company, and a member of the Audit Committee and the Nomination Committee. He holds a Bachelor's Degree in Economics from Beijing Union University in the People's Republic of China ("**PRC**") and was qualified as Assistant Economist of the PRC in 1987, and then as Economist and Senior Economist in 1990 and 1996 respectively. Mr. Wang has extensive experience in finance and holds various director position for several fund management companies in the PRC, including 中國創投資產管理有限公司 (China Venture Capital Co., Ltd.*) and 中創工信(北京)資本管理有限公司 (CVIT (Beijing) Capital Management Co., Ltd.*). Mr. Wang also provides advice on economic matters to government bureaux and departments in different cities including Beijing and acts as guest professors for a number of higher education institutes in the PRC. Mr. Wang has been an executive director of Core Economy Investment Group Limited (stock code: 339) (now known as China Sci-Tech Industrial Investment Group Limited), a company listed on the Main Board of the Stock Exchange, since 17 May 2002.

** For identification purpose only*

Senior Management

Mr. Tsang Chiu Kwan ("**Mr. Tsang**"), aged 61, joined the Company as Director, and was appointed as the Chairman of the Board and re-designated as Executive Director in July 2017. He was also appointed as Chief Executive Officer in June 2021. Mr. Tsang resigned from the above positions in February 2025. Mr. Tsang was also the controlling shareholder of the Company until December 2024. He remains as director of various subsidiaries of the Company and oversees the operation and management of the construction projects of the Group.

Mr. Tsang has completed a two-year part-time technician programme and was awarded the certificate in electrical engineering from Kwai Chung Technical Institute (now known as the Hong Kong Institute of Vocational Education (Kwai Chung)) in July 1987. He completed his higher certificate programme on modern factory management at the Hong Kong Management Association in December 1994 and the diploma in business management programme jointly organised by The Hong Kong Polytechnic University and the Hong Kong Management Association in September 2000.

Mr. Tsang has over 20 years of experience in the construction industry. Prior to joining the Group, Mr. Tsang served as an engineer and was responsible for the equipment maintenance and production supervision in Motorola Semiconductors (HK) Limited, a company principally engaged in manufacturing of semi-conductors from July 1988 to June 2001. Between May 2002 to March 2006, he served as a director in Gowin Engineering Co., Limited, a construction company, where he was responsible for the development and execution of business strategies.

The Board recognises that transparency and accountability are important to the Company as a listed company. Since its listing on the Stock Exchange, the Company is committed in establishing and maintaining good corporate governance practices and procedures. The Directors believe that good corporate governance provides a framework that is essential for effective management, successful business growth and a healthy corporate culture in return to the benefits of the Shareholders as a whole.

Culture and Values

The Board believes a healthy corporate culture is vital in attaining the Group's vision, values and strategy. It trusts that conducting business in an ethical and reliable way will maximise its long-term interests and those of its stakeholders. The structure of corporate governance adopted by the Company emphasises a quality board, sound internal controls and accountability to shareholders and these are based upon an ethical corporate culture. It is the Board's mission to establish and foster a healthy corporate culture with the following principles and to ensure that the Company's vision, values and business strategies are aligned to it.

(i) Ethics and Integrity

The Group strives to maintain a high standard of business ethics and corporate governance across all business levels and operating activities. Directors, management and staff members are all required to act lawfully, ethically and responsibly. Such required standards are set out in the Group's Code of Conduct, Anti-corruption Policy and Whistleblowing Policy (further discussions on the two policies are in the sections below). Trainings are conducted from time to time to reinforce the values across the Group and to uphold the standards with respect to ethics and integrity.

(ii) Commitment to Excellence

The Group believes commitment to excellence is the first step to continuous improvement and the driving force behind a business organisation. The Group implements a performance appraisal system and aims to reward and recognise performing staff members by providing them competitive remuneration packages, as well as the opportunities of career development and progression within the Group. Such values are articulated in policies, procedures and processes in day-to-day operations. Department heads are responsible to set expectations for staff members with respect to their roles and responsibilities. In addition, staff members are also encouraged to enrol in external training courses and seminars in order to update their technical skills and keep abreast of the market and regulatory developments.

Corporate Governance

During the year ended 31 March 2025, the Company had complied with all the applicable code provisions of the Corporate Governance Code (the "**CG Code**") set out in Appendix C1 to the Listing Rules except for the deviation as explained in the paragraph headed "Chairman and Chief Executive" in the "Corporate Governance Report".

The Directors will continue reviewing the Company's corporate governance practices in order to enhance its corporate governance standard, to comply with the increasingly tightened regulatory requirements from time to time, and to meet the rising expectation on the Company.

Board of Directors

The overall management of the Company's business is vested in the Board which assumes the responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. All Directors should make decisions objectively in the interests of the Company. The Board has the full support from the Executive Directors and the senior management of the Company to discharge its responsibilities.

The day-to-day management, administration and operation of the Company are delegated to the Executive Directors and the senior management of the Company. The delegated functions and work tasks are periodically reviewed by the Board. Approval has to be obtained from the Board prior to any significant transactions entered into by any of the Executive Directors and the senior management. The Board also assumes the responsibilities of maintaining high standard of corporate governance, including, among others, developing and reviewing the Company's policies and practices on corporate governance, reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements, and reviewing the Company's compliance with the CG Code. All Directors, including the Independent Non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for efficient and effective delivery of the Board functions. The Board has also delegated various responsibilities to the board committees of the Company (the "**Board Committees**"). Further details of Board Committees are set out below in this annual report.

As at 27 June 2025, the date of this annual report, the Board comprises five Directors, two of which are Executive Directors, namely Mr. Wong Howard (Chairman and Chief Executive Officer) and Mr. Lau Ka Ho and three are Independent Non-executive Directors, namely Mr. Yiu Chun Kong, Ms. Wu Liyan and Mr. Wang Daming. The Directors are considered to have a balance of skills and experience appropriate for the requirements of the businesses of the Company.

The biographical details of the Directors are set out in the section headed "Biographical Details of Directors and Senior Management" in this annual report.

As at 27 June 2025, the date of this annual report, in compliance with Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules, the Company has three Independent Non-executive Directors and one of whom, namely Mr. Yiu Chun Kong, has appropriate professional qualifications.

The Company has received written annual confirmation from each of the Independent Non-executive Directors in respect of his/her independence pursuant to Rule 3.13 of the Listing Rules. The Company considers all Independent Non-executive Directors to be independent in light of the independence guidelines set out in the Listing Rules.

As at the date of this report, no Independent Non-executive Director has served the Company for more than nine years.

There is no financial, business, family or other material/relevant relationship among members of the Board.

The Company recognises that the independent element of the Board is key to good corporate governance. The Board has established the mechanism to ensure independent views and input of independent non-executive directors are made available to the Board. The summary of mechanism is set out below:

(a) Composition

The Board ensures the appointment of at least three independent non-executive directors and at least one-third of its members being independent non-executive directors, with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise. As at 31 March 2025, the Board had a balanced composition of two executive directors and three independent non-executive directors so that there was a strong independent element on the Board, which allowed the effective exercise of independent judgement.

(b) Independence Assessment

The Board assesses the independence of independent non-executive directors annually with regards to, among others, (i) their character, integrity, expertise and experience; (ii) declaration of conflict of interest in their roles as independent non-executive directors; (iii) duration of appointment as independent non-executive directors; (iv) time commitments to the Company's affairs; (v) past and present financial or other interests in the business of the Company; and (vi) connection with other director(s), chief executive or substantial or controlling shareholder(s) of the Company.

(c) Board Decision Making

Directors (including independent non-executive directors) are entitled to seek further information independently from the management on the matters to be discussed at Board meetings and, where necessary, independent advice from external professional advisers at the Company's expense. A director (including independent non-executive director) who has a material interest in a contract, transaction or arrangement shall not vote or be counted in the quorum on any Board resolution approving the same. The Chairman shall promote a culture of openness, encourage directors with different views to voice their concerns and allow sufficient time for discussion of matters.

The Board will review the above mechanism annually to ensure it is implemented effectively.

Chairman and Chief Executive

The Company endeavors to adopt prevailing best corporate governance practices.

The Company had complied with all the applicable code provisions of the CG Code set out in Appendix C1 to the Listing Rules for the year ended 31 March 2025 except for the following deviation with reasons as explained:

Code Provision C.2.1

Code Provision C.2.1 of the CG Code requires the roles of the chairman and chief executive should be separate and should not be performed by the same individual.

Deviation

The Company had deviated from Code Provision C.2.1 of the CG Code during the year ended 31 March 2025 as the positions of chairman and chief executive officer of the Company were held by the same individual.

The positions of chairman and chief executive officer of the Company were held by Mr. Tsang Chiu Kwan ("**Mr. Tsang**"), a former Executive Director of the Company, who had served both roles of chairman and chief executive officer until 13 February 2025. Mr. Tsang has in-depth industry experience and knowledge about the operation and management of the business of the Company and he was responsible for the overall strategic planning and business development as well as executing the overall operation of the Group.

Following Mr. Tsang's resignation and the appointment of Mr. Wong Howard ("**Mr. Wong**") as Executive Director of the Company on 13 February 2025, the positions of chairman and chief executive officer of the Company were held by Mr. Wong. Mr. Wong is primarily involved in the formulation of business strategies and determination of the overall direction of the Group. He has also been chiefly responsible for the Group's operations and supervised members of the senior management. The Board believes that vesting the roles of chairman and chief executive officer in the same person provides strong and consistent leadership, and enhances the effectiveness and efficiency in planning and implementation of business decisions and strategies. As all major decisions are made in consultation with members of the Board and relevant Board committees, and there are Independent Non-executive Directors on the Board offering independent perspectives, the Board is of the view that there are adequate safeguards in place to ensure sufficient balance of powers within the Board and the current arrangement would be beneficial and in the best interests of the Company and its Shareholders.

Board Committees

The Board has established three Board Committees to oversee specific aspects of the Group's affairs and help it in the execution of its responsibilities. The Board Committees each have specific written terms of reference which clearly outline the committees' authority and duties, and require the Board Committees to report back on their decisions or recommendations to the Board. All Board Committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

Audit Committee

The Company has established the Audit Committee on 23 January 2018 with written terms of reference, which have been revised with effect from 16 December 2019, in compliance with paragraph D.3 of the CG Code. As at 31 March 2025, the Audit Committee consists of three Independent Non-executive Directors, namely Mr. Yiu Chun Kong, Ms. Wu Liyan and Mr. Wang Daming. Mr. Yiu Chun Kong is the chairman of Audit Committee, and is the independent non-executive director with the appropriate professional qualifications.

On 13 February 2025, Mr. Chen Yeung Tak, Mr. So Chun Man, and Mr. Lai Ming Ho resigned as Independent Non-executive Directors. Accordingly, Mr. Chen Yeung Tak ceased to be the chairman, while Mr. So Chun Man and Mr. Lai Ming Ho ceased to be members of the Audit Committee on the same date. Mr. Yiu Chun Kong has been appointed as the chairman of the Audit Committee, and Ms. Wu Liyan and Mr. Wang Daming have been appointed as members of the Audit Committee with effect from 13 February 2025.

The primary duties of the Audit Committee are to review the financial statements of the Company, supervise the Group's financial reporting process, nominate and monitor the Company's external auditors for audit matters, oversee the risk management and internal control procedures of the Company, and implement and oversee the Anti-corruption Policy and the Whistleblowing Policy (further discussions on the two policies are in the sections below).

The members of the Audit Committee should meet at least twice a year. During the year, the Audit Committee held two meetings and performed duties including review of the Group's annual and interim reports.

Subsequent to the end of the reporting period and up to the date of this annual report, a Audit Committee meeting was held on 27 June 2025, during which the Audit Committee has, among other things, reviewed the consolidated financial statements of the Group for the year ended 31 March 2025, including the accounting policies and practices adopted by the Group, as well as the risk management and internal control systems of the Group.

The attendance record of respective members of the Audit Committee during the year is set out below:

Name of member	Number of attendance
Mr. Yiu Chun Kong *(appointed on 13 February 2025)*	0/0
Ms. Wu Liyan *(appointed on 13 February 2025)*	0/0
Mr. Wang Daming *(appointed on 13 February 2025)*	0/0
Mr. Chen Yeung Tak *(ceased on 13 February 2025)*	2/2
Mr. So Chun Man *(ceased on 13 February 2025)*	2/2
Mr. Lai Ming Ho *(ceased on 13 February 2025)*	2/2

Remuneration Committee

The Company has established the Remuneration Committee on 23 January 2018 with written terms of reference, which have been revised with effect from 31 March 2023, in compliance with paragraph E.1 of the CG Code. As at 31 March 2025, the Remuneration Committee consists of three Independent Non-executive Directors, namely Mr. Wang Daming, Mr. Yiu Chun Kong and Ms. Wu Liyan. Mr. Wang Daming is the chairman of Remuneration Committee.

On 13 February 2025, Mr. So Chun Man and Mr. Chen Yeung Tak resigned as Independent Non-executive Directors. Accordingly, Mr. So Chun Man ceased to be the chairman, while Mr. Chen Yeung Tak ceased to be member of the Remuneration Committee on the same date. Mr. Lau Ko Ho resigned as a member of the Remuneration Committee on 13 February 2025. Mr. Wang Daming has been appointed as the chairman of the Remuneration Committee, and Mr. Yiu Chun Kong and Ms. Wu Liyan have been appointed as members of the Remuneration Committee with effect from 13 February 2025.

The primary duties of the Remuneration Committee are to make recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Company, to approve the terms of the directors' service contracts, and to ensure that none of the Directors determine their own remuneration. The Remuneration Committee is also responsible for reviewing and/or approving matters relating to share schemes under Chapter 17 of the Listing Rules.

The members of the Remuneration Committee should meet at least once a year. During the year, the Remuneration Committee held two meetings, has among other things, reviewed the remuneration packages for Executive Directors and senior management and made recommendations to the Board.

The attendance record of respective members of the Remuneration Committee during the year is set out below:

Name of member	Number of attendance
Mr. Wang Daming *(appointed on 13 February 2025)*	0/0
Mr. Yiu Chun Kong *(appointed on 13 February 2025)*	0/0
Ms. Wu Liyan *(appointed on 13 February 2025)*	0/0
Mr. So Chun Man *(ceased on 13 February 2025)*	2/2
Mr. Chen Yeung Tak *(ceased on 13 February 2025)*	2/2
Mr. Lau Ka Ho *(resigned on 13 February 2025)*	2/2

Details of the directors' remuneration are set out in note 13 to the consolidated financial statements. Pursuant to Code Provision E.1.5 of the CG Code, the annual remuneration of senior management by band for the year ended 31 March 2025 is set out below:

	Number of individual
HK$14,000,001 - HK$15,000,000	1

Nomination Committee

The Company has established the Nomination Committee on 23 January 2018 with written terms of reference, which have been revised with effect from 27 June 2025, in compliance with paragraph B.3 of the CG Code. As at 31 March 2025, the Nomination Committee consists of three Independent Non-executive Directors, namely Ms. Wu Liyan, Mr. Yiu Chun Kong and Mr. Wang Daming. Ms. Wu Liyan is the chairlady of Nomination Committee.

On 13 February 2025, Mr. Chen Yeung Tak and Mr. So Chun Man resigned as Independent Non-executive Directors. Accordingly, Mr. Chen Yeung Tak ceased to be the chairman, while Mr. So Chun Man ceased to be member of the Nomination Committee on the same date. Mr. Lau Ka Ho resigned as a member of the Nomination Committee on 13 February 2025. Ms. Wu Liyan has been appointed as the chairlady of the Nomination Committee, and Mr. Yiu Chun Kong and Mr. Wang Daming have been appointed as members of the Nomination Committee with effect from 13 February 2025.

The primary duties of the Nomination Committee are to review the structure, size and composition of the Board annually, to identify individuals suitably qualified to become members of the Board, to assess the independence of the Independent Non-executive Directors, and to make recommendations to the Board on appointment or re-appointment of Directors.

The members of the Nomination Committee should meet at least once a year. During the year, the Nomination Committee held one meeting, and has, among other things, reviewed the structure, size and composition of the Board and assessed the independence of the Independent Non-executive Directors.

The attendance record of respective members of the Nomination Committee during the year is set out below:

Name of member	Number of attendance
Ms. Wu Liyan *(appointed on 13 February 2025)*	0/0
Mr. Yiu Chun Kong *(appointed on 13 February 2025)*	0/0
Mr. Wang Daming *(appointed on 13 February 2025)*	0/0
Mr. Chen Yeung Tak *(ceased on 13 February 2025)*	1/1
Mr. So Chun Man *(ceased on 13 February 2025)*	1/1
Mr. Lau Ka Ho *(resigned on 13 February 2025)*	1/1

Nomination Policy

The Company adopted a nomination policy (the "**Nomination Policy**"). A summary of the Nomination Policy, together with the selection criteria and the nomination procedures made towards achieving those objectives are disclosed below:

Summary of the Nomination Policy

The Nomination Policy provides the key selection criteria and general principles of the Nomination Committee in making any recommendation on the appointment and re-appointment of the Directors. It aims to ensure that the Board has a balance of skills, experience, knowledge and diversity of perspectives appropriate to the requirements of the Group's business.

Selection criteria

When making recommendation(s) regarding the appointment of any proposed candidate(s) for directorships to the Board or re-appointment of any existing member(s) of the Board, the Nomination Committee shall consider a number of criteria including but not limited to the followings:

(a) Character and integrity;

(b) Qualifications including professional qualifications, skills, knowledge and experience and diversity aspects under the Board Diversity Policy that are relevant to the Company's business and corporate strategy;

(c) Measurable objectives adopted for achieving diversity on the Board;

(d) Requirements for the Board to have independent directors in accordance with the Listing Rules and whether the candidate would be considered independent with reference to the independence guidelines set out in the Listing Rules;

(e) Potential contributions he/she can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity;

(f) Willingness and ability to devote adequate time to discharge duties as a member of the Board and/or Board committee(s) of the Company; and

(g) Other perspectives that are appropriate to the Company's business and succession plan and where applicable, may be adopted and/or amended by the Board and/or the Nomination Committee from time to time for nomination of directors and succession planning.

The appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board shall be made in accordance with the Articles and other applicable rules and regulations. The progress made towards achieving the objectives set out in the Nomination Policy will be disclosed periodically in the Corporate Governance Report of the Company.

Nomination procedures

The Nomination Committee will recommend to the Board for the appointment of a director in accordance with the following procedures and process:

(a) Appointment of new director

(i) The Nomination Committee and/or the Board may select candidates for directorship from various channels, including but not limited to internal promotion, re-designation, referral by other member of the management and external recruitment agents;

(ii) The Nomination Committee and/or the Board should, upon receipt of the proposal on appointment of new director and the biographical information (or relevant details) of the candidate, evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship;

(iii) The Nomination Committee should then recommend to the Board to appoint the appropriate candidate for directorship, as applicable;

(iv) For any person that is nominated by a shareholder for election as a director at the general meeting of the Company, the Nomination Committee and/or the Board should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

Where appropriate, the Nomination Committee and/or the Board should make recommendation to shareholders in respect of the proposed election of director at the general meeting.

(b) Re-election of director at general meeting

(i) The Nomination Committee and/or the Board should review the overall contribution and service to the Company of the retiring director and the level of participation and performance on the Board;

(ii) The Nomination Committee and/or the Board should also review and determine whether the retiring director continues to meet the criteria as set out above;

(iii) The Nomination Committee and/or the Board should then make recommendation to shareholders in respect of the proposed re-election of director at the general meeting.

Where the Board proposes a resolution to elect or re-elect a candidate as director at the general meeting, the relevant information of the candidate will be disclosed in the circular to shareholders and/or explanatory statement accompanying the notice of the relevant general meeting in accordance with the Listing Rules and/or applicable laws and regulations.

Review of Nomination Policy

The Nomination Committee will conduct regular review on the structure, size and composition of the Board and the Nomination Policy and where appropriate, make recommendations on changes to the Board to complement the Company's corporate strategy and business needs.

Board Diversity Policy

The Company adopted a board diversity policy (the "**Board Diversity Policy**"). A summary of this Board Diversity Policy, together with the measurable objectives set for implementing this Board Diversity Policy, and the progress made towards achieving those objectives are disclosed as below.

Summary of the Board Diversity Policy

The Company recognised and embraced the benefits of having a diverse Board to the quality of its performance. The Board Diversity Policy aims to set out the approach to achieve diversity on the Board. In designing the Board's composition, Board diversity has been considered from a number of measurable aspects including but not limited to gender, age, ethnicity, knowledge and length of services. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regards for the benefits of diversity on the Board.

Measurable Objectives

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

Implementation and Monitoring

The Nomination Committee reviewed the Board's composition under diversified perspectives, and monitored the implementation of the Board Diversity Policy for the year ended 31 March 2025.

The Board and the Nomination Committee have reviewed the Board Diversity Policy to ensure its effectiveness and considered that it remains effective and appropriate for the Company.

Following the resignation of Ms. Li Amanda Ching Man as Independent Non-executive Director in January 2022, the Company had a single-gender board, which did not meet the requirements under Rule 13.92 of the Listing Rules. According to Rule 13.92 of the Listing Rules, listed issuers with single-gender boards are required to appoint at least one director of a different gender by 31 December 2024. Upon appointment of Ms. Wu Liyan as an Independent Non-executive Director on 13 February 2025, the Company has fully complied with the requirement under Rule 13.92 of the Listing Rules regarding gender diversity of the Board.

As at 31 March 2025, the male to female ratio in the workforce (including directors and senior management) was 22:3. The Board believes this ratio was appropriate for the time being. The Group is mindful of the importance of diversity, including but not limited to gender diversity, opportunities for employment, training and career development are equally opened to all eligible employees/candidates without discrimination so as to develop a pipeline of potential successors to the Board and the workforce. Going forward, the Group will strive to increase the ratio of female across all work levels through nomination, recruitment and promotion process. Further details on workforce composition are set out in the Environmental, Social and Governance Report of the Company for the year ended 31 March 2025, which will be published together with this annual report.

The Board and the Nomination Committee will review the implementation of the Board Diversity Policy annually to ensure its effectiveness.

Board Meeting and General Meeting

During the year, one annual general meeting and seven regular Board meetings were held. The attendance record of each Director at the annual general meeting and the regular Board meetings is set out in the table below:

	Number of attendance	
	General meeting	**Board meetings**
Executive Directors		
Mr. Wong Howard *(appointed on 13 February 2025)*	0/0	0/0
Mr. Lau Ka Ho	1/1	7/7
Mr. Tsang Chiu Kwan *(resigned on 13 February 2025)*	1/1	7/7
Independent Non-executive Directors		
Mr. Yiu Chun Kong *(appointed on 13 February 2025)*	0/0	0/0
Ms. Wu Liyan *(appointed on 13 February 2025)*	0/0	0/0
Mr. Wang Daming *(appointed on 13 February 2025)*	0/0	0/0
Mr. Chen Yeung Tak *(resigned on 13 February 2025)*	1/1	6/7
Mr. So Chun Man *(resigned on 13 February 2025)*	1/1	7/7
Mr. Lai Ming Ho *(resigned on 13 February 2025)*	1/1	6/7

In addition, the Chairman had held a meeting with the Independent Non-executive Directors without the presence of other Directors during the year.

Corporate Governance Functions

No corporate governance committee has been established and the Board is responsible for performing the corporate governance functions set out in the Code Provision A.2.1 of the CG Code. The primary duties are (i) to develop and review the Company's policies, practices on corporate governance; (ii) to review and monitor the training and continuous professional development of the Directors and senior management; (iii) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements; (iv) to develop, review and monitor the code of conduct; and (v) to review the Company's compliance with CG Code and disclosure in this Corporate Governance Report. The Board held meetings from time to time whenever necessary. For regular Board meetings, Board members are given at least 14 days' notice. Board members can include matters for discussion in the agenda as they think fit. The agenda with Board papers are sent to all the Directors at least 3 days before the date of the regular Board meeting in order to allow sufficient time for the Directors to review the documents.

Minutes of every Board meeting are circulated to all Directors within reasonable time after the Board meeting is held for their comments and records. Minutes of meetings of the Board and the Board Committees are kept by the company secretary and should record in sufficient detail the matters considered and decisions reached, including any concerns raised by directors or dissenting views expressed.

All Directors should have full access to the advice and services of the company secretary to ensure that Board procedures, and all applicable rules and regulations are followed. All Directors are also entitled to have access to board papers and relevant materials. These papers and related materials should be in a form and quality sufficient to enable the Board to make informed decisions on matters placed before it.

Code of Conduct for Directors' Securities Transactions

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings set out in Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules. Having made specific enquiry with the Directors, all of them confirmed that they have complied with the required standards set out in the Model Code during the year ended 31 March 2025.

Pursuant to B.13 of the Model Code, the Directors have also requested any employee of the Company or director or employee of subsidiary of the Company who, because of his/her office or employment in the Company or a subsidiary, is likely to possess inside information in relation to the securities of the Company, not to deal in securities of the Company when he/she would be prohibited from dealing by the Model Code as if he/she were a Director.

Term of Appointment of Non-executive Directors

Each of the Independent Non-executive Directors is appointed for a term of twelve-month period which automatically renews for successive twelve-month periods unless terminated by either party in writing prior to the expiry of the term. All the Independent Non-executive Directors are also subject to retirement by rotation and re-election at least once every three years at the annual general meetings of the Company in accordance with the Articles.

Continuous Professional Development

Each newly appointed Director will be provided a comprehensive, formal and tailored induction on his/her first appointment, so as to ensure that he/ she has appropriate understanding of the business and operations of the Group, and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements. Mr. Wong Howard, Mr. Yiu Chun Kong, Ms. Wu Liyan and Mr. Wang Daming, who were appointed as Directors during the year ended 31 March 2025, obtained legal advice on 11 February 2025 referred to Rule 3.09D of the Listing Rules and each of them has confirmed he/she understood his/her obligations as a director of the Company.

The Company encourages the directors to attend to develop and refresh their knowledge and skills. Directors participate in continuous professional development programmes such as external seminars organised by qualified professionals to get updates on developments in the statutory and regulatory regime and the business environment so as to facilitate the discharge of their responsibilities. The Company has provided timely technical updates, including the briefing on the amendments on the Listing Rules and the news release published by the Stock Exchange to the directors. In-house briefings and professional development for directors will be arranged where necessary.

During the year ended 31 March 2025, all Directors have participated in continuous professional development by attending seminars, in-house briefings or reading materials on the related areas to develop and refresh their knowledge and skills; and all Directors had complied with Code Provision C.1.4 of the CG Code and had provided the Company with their respective training records pursuant to the CG Code.

Directors' Responsibilities for the Financial Statements

The Directors acknowledge their responsibilities for preparing the consolidated financial statements of the Group that give a true and fair view of the state of affairs of the Group. The Directors aim to present a balanced, clear and understandable assessment of the Group's position and prospects with timely publication of the consolidated financial statements of the Group. As at 31 March 2025, the Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt on the Group's ability to continue as a going concern.

Risk Management and Internal Control

The Board has an overall responsibility to establish, maintain and oversee of the Group's risk management and internal control system to safeguard shareholders' interests and the assets of the Group on an ongoing basis, and conduct review on the effectiveness of the system at least annually. The risk management and internal control system of the Group is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable but not absolute assurance against material misstatement or losses.

The Group recognises the importance of establishing, implementing, reviewing and evaluating a sound and effective internal control system underpinning the risk management framework. The process used to identify, evaluate and manage the significant risks (including environmental, social and governance ("**ESG**") risks) of the Group is embedded in the Group's business operations. Organisational structure is well established with clearly defined authorities and responsibilities, and the Group has developed various risk management and internal control policies and procedures for employees to follow.

The objectives of the risk management and internal control framework of the Group are to identify and manage the risk of the Group's with the acceptable safety levels and achieve the Group's strategic objectives. The Group has adopted a three-line risk management approach to identify, analysis, evaluation, mitigate and handle risks (including ESG risks). At the first line of defence, department staff/frontline employees who must understand their roles and responsibilities are responsible for identifying, assessing and monitoring risks associated with transactions. The second line of defence is the Group's management that provides independent oversight of the risk management activities of the first line of defence. It ensures that risks are within the Group's risk capacity and that the control of the first line of defence is effective. As the final line of defence, the Audit Committee, with the advice from the external professional party and the regular internal control review conducted on an annual basis, the first and second lines of defence are ensured to have been performed effectively.

During the year, the Board has conducted reviews on the effectiveness of the risk management and internal control system covering all material controls including financial, operational and compliance. The Audit Committee reviews internal control issues identified by the external auditor and/or the management team, and evaluates the adequacy and effectiveness of the Group's risk management and internal control systems. The Audit Committee in turn reports material issues (if any) to the Board. The Group currently has no internal audit function and therefore it engages an external independent consultant, Global Vision CPA Limited ("**Global Vision**") to assist the Board and the Audit Committee to perform the review on the risk management and internal control systems. Taken into account the complexity of the Group's operation, the Board considers that it is more cost effective to engage an external independent consultant instead of recruiting a team of internal audit staff to perform such annual review.

Global Vision has reviewed the relevant policies and procedures of the Group, conducted collaborative interviews and document inspection, and performed walkthrough tests and samples testing procedures. After the review, a Risk Assessment Report (the "**RA Report**") and an Internal Control Review Report (the "**IC Report**") with findings and recommendations for improvement in relation to the systems had been provided to the Audit Committee and the management. The Board and the Audit Committee have reviewed and discussed the findings and recommendations with the management. In order to manage risks (including ESG risks) effectively and control risks within acceptable levels, the management will continue to monitor the identified risks (including ESG risks) and the respective control measures, and arrange adequate resources for the effective control measures undertaken. The RA Report and the IC Report have been endorsed by the Audit Committee and the management is required to establish remedial plans and take actions to rectify those internal control deficiencies identified (if any) according to their respective risk level and priorities. Subsequent review, where applicable, will be performed by Global Vision to monitor the implementation of those agreed recommendations and to report the results of the follow-up review to the Audit Committee.

In connection with the controls on compliance aspect, guidelines are provided to the directors, officers, management and relevant staff in handling and disseminating sensitive and confidential inside information with due care. Only personnel at appropriate level can get reach of the sensitive and confidential inside information.

The Board has also considered the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function as well as those relating to the Group's ESG performance and reporting. After reviewing the RA Report and the IC Report, the Board is not aware of any significant risk management and internal control weaknesses or inconsistencies with the Group's risk management and internal control policies, and considers the existing risk management and internal control systems are effective and adequate. The Board is of the opinion that the Company has complied with the relevant code provisions of the CG Code relating to risk management and internal control. Furthermore, the Board is of the opinion that the Group has adequate financial and human resources for its accounting and financial reporting function.

The Company adopted a whistleblowing policy (the "**Whistleblowing Policy**") which provides a clear procedure for employees and other parties who deal with the Group (e.g. customers and suppliers, etc.), to report concerns of misconduct, malpractice or impropriety when conducting business related to the Group, in good faith. An anti-corruption policy (the "**Anti-corruption Policy**") was also adopted, which outlines the Group's commitment to zero-tolerance towards any form of corruption, bribery, extortion, fraud and money laundering and assist employees in recognising circumstance which may lead to or give the appearance of being involved in corruption or unethical business conduct, so as to avoid such conduct which is clearly prohibited, and to promptly report or seek guidance where necessary. The Audit Committee is responsible for implementation and oversight of the Whistleblowing Policy and Anti-corruption Policy. The Board considers that the Whistleblowing Policy and Anti-corruption Policy are fundamental to good corporate governance.

External parties who wish to obtain more information on the Anti-corruption Policy and Whistleblowing Policy could contact us by email to acchairman@hkzcloud.com or by mail to Room 1909, 19th Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong.

Company Secretary

Ms. Wong Wai Ki, has been appointed as the Company Secretary of the Company since 13 February 2025. She is a certified public accountant of the Hong Kong Institute of Certified Public Accountants and an associate of The Institute of Chartered Accountants in England and Wales. She has extensive experience in company secretarial and corporate governance practices. She has complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules by taking no less than 15 hours of relevant professional training.

Auditor and Auditor's Remuneration

The responsibility of the external auditor is to form an independent opinion, based on their audit, on those consolidated financial statements prepared by the Board and to report their opinion to the shareholders of the Company. The statements by external auditor, Messrs. Deloitte Touche Tohmatsu, about their reporting responsibility on the consolidated financial statements of the Group is set out in the independent auditor's report in this annual report.

The amount of fees charged by the external auditor generally depends on the scope and volume of the external auditor's work performed.

For the year ended 31 March 2025, the remuneration paid or payable to the auditor of the Company, in respect of their audit services and non-audit services in relation to tax compliance for the Group is as follows:

Categories of Services	***HK$'000***
Audit	1,198
Non-audit	89
Total	1,287

Shareholders' Rights

As one of the measures to safeguard shareholders' interest and rights, separate resolutions can be proposed at shareholders' meetings on each substantial issue, including the election of individual directors, for shareholders' consideration and voting. All resolutions put forward at shareholders' meeting will be voted by poll pursuant to the Listing Rules and the poll voting results will be posted on the website of the Stock Exchange and the Company's website after the relevant shareholders' meeting.

Procedures for Shareholders to Convene Extraordinary General Meeting

The following procedures for shareholders to convene an extraordinary general meeting ("**EGM**") are subject to the Articles (as amended from time to time), and the applicable legislation and regulation, in particular the Listing Rules (as amended from time to time):

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

(b) Eligible Shareholders who wish to convene an EGM must deposit a Requisition signed by the Eligible Shareholder(s) concerned to the head office and principal place of business of the Company in Hong Kong or the Company's branch share registrar and transfer office in Hong Kong (the "**branch share registrar**") for the attention of the Board and/or the Company Secretary;

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

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

(e) if within 21 days of the deposit of the Requisition, the Board fails to proceed to convene such EGM, the Eligible Shareholder(s) himself/herself/themselves may do so, and all reasonable expenses incurred by the Eligible Shareholder(s) concerned as a result of the failure of the Board shall be reimbursed to the Eligible Shareholder(s) concerned by the Company.

Procedures for Shareholders to Put Forward Proposals at Shareholders' Meetings

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

Procedures for Raising Enquiries

Shareholders should direct their questions about their shareholdings, share transfer, registration and payment of dividend to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

Should the shareholders have any enquiries and concerns, they may send in written enquiries addressed to the headquarters and principal place of business of the Company in Hong Kong by post at Room 1909, 19th Floor, Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong for the attention of the Board and/or the Company Secretary.

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

Communication with Shareholders and Investors

The Company has adopted a shareholders communication policy (the "**Shareholders Communication Policy**") with the objective of providing the shareholders of the Company with information about the Company and enabling them to engage actively with the Company and exercise their rights as shareholders in an informed manner. The Board reviews the Shareholders Communication Policy annually to ensure its effectiveness. Details of the Shareholders Communication Policy are summarised as below:

1. Information of the Company shall be communicated to shareholders and the investment community mainly through the following communication channels:

    (i) The Company's publications such as financial reports (interim and annual reports), results announcements, corporate announcements, circulars and proxy forms (the "**Corporate Communications**");

    (ii) The Company's website; and

    (iii) Annual general meetings and other general meetings.

2. Effective, equal and timely dissemination of information to shareholders and the investment community shall be ensured at all times.

3. To facilitate timely and effective communications and contribute to environmental protection, the Company shall provide options for shareholders to receive Corporate Communications by electronic means in lieu of receiving printed copies. Shareholders are encouraged to receive electronic form of the Corporate Communications published on the Company's website. Shareholders have the right to choose the language (either English or Chinese) and means of receipt of the Corporate Communications (in hard copy or through electronic means).

4. The website of the Company (www.hkzcloud.com) provides information on the Company, including communication to shareholders. In addition, financial and other reports as well as announcements are available on the Company website.

5. Corporate Communications are posted on the Company website as soon as practicable following their publication on the website of The Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk).

6. The shareholders are encouraged to participate in general meetings or to appoint proxies to attend and, on poll, vote at meetings for and on their behalf if they are unable to attend the meetings.

7. Board members, appropriate management executives and the external auditor shall attend annual general meetings to answer shareholders' questions.

8. Shareholders may, at any time, direct questions, request for publicly available information and provide comments and suggestions to Directors or management of the Company. Such questions, requests and comments can be addressed to the Company Secretary.

9. Shareholders should direct their questions about their shareholdings to the branch share registrar, Tricor Investor Services Limited.

During the year ended 31 March 2025, the Board has reviewed the multiple channels of communication in place and shareholders' communication activities conducted, the Board considered that the Shareholders Communication Policy has been implemented properly and effectively.

Constitutional Documents

A copy of the Articles has been published on the websites of the Company and Hong Kong Exchanges and Clearing Limited. There has been no changes in the Company's constitutional documents during the year ended 31 March 2025.

Non-Competition Undertakings by Controlling Shareholders

In December 2019, the Company and each of the then controlling shareholders of the Company had executed a deed of non-competition (the "**Deed of Non-Competition**") pursuant to which each of the then controlling shareholders and his/her/its associates undertook to comply with the terms of non-competition undertakings (the "**Undertakings**"). Details of the Undertakings are set out in the section headed "Relationship with Controlling Shareholders" of the listing documents dated 19 December 2019 for Transfer of Listing (the "**Listing Documents**").

Mr. Tsang and Universe King International Investment Limited ("**Universe King**"), the then controlling shareholders of the Company, have made an annual declaration on compliance with the Undertakings under the Deed of Non-Competition for the period from 1 April 2024 to 10 December 2024. The Independent Non-executive Directors of the Company have reviewed the status of compliance by each of the then controlling shareholders with the Undertakings, and as far as the Independent Non-executive Directors can ascertain, there was no breach of any of the Undertakings.

Since 10 December 2024, as each of Mr. Tsang and Universe King has ceased to be a controlling shareholder of the Company, he/it is no longer required to comply with the Undertakings under the Deed of Non-Competition.

Dividend Policy

The Company has adopted a dividend policy (the "**Dividend Policy**"). Under the Dividend Policy, the declaration and payment of dividends shall be determined by the Board and subject to all the applicable requirements under, including but not limited to, the Companies Law of the Cayman Islands and the Articles.

The Company does not have any pre-determined dividend payout ratio. In deciding whether to propose a dividend and in determining an appropriate basis for dividend distribution, the Board will take into account, inter alia, the Group's results of its operations, cash flows, financial conditions, future prospects, legal and tax considerations and other factors the Board deems appropriate. The Directors will consider that if there is material adverse impact on the Group's financial and liquidity position arising out of the dividend payments. Dividends may be paid out by way of cash or by other means that the Group considers appropriate.

The Company will continually review the Dividend Policy from time to time. There is no guarantee that any particular amount of dividends will be distributed for any specific periods.

Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital is held by the public as at 21 July 2025, being the latest practicable date before printing of this annual report.

The Board is pleased to present the annual report together with the audited consolidated financial statements of the Group for the year ended 31 March 2025.

Principal Activities

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in note 33 to the consolidated financial statements. The principal activity of the Group is the provision of building construction services and RMAA Services in Hong Kong.

Results and Dividends

The results of the Group for the year ended 31 March 2025 are set out in the consolidated statement of profit or loss and other comprehensive income on page 48 of this annual report.

The Board has resolved not to recommend the payment of a final dividend for the year ended 31 March 2025 (2024: nil). The Board had declared a special dividend of HK$0.135 per Share for the year ended 31 March 2024 which was paid on Tuesday, 6 February 2024 to the shareholders of the Company.

Charitable Donations

During the year, charitable donations made by the Group amounted to approximately HK$28,000 (2024: HK$2,000).

Plant and Equipment

Details of the movements in plant and equipment of the Group during the year are set out in note 15 to the consolidated financial statements.

Business Review

Further discussion and analysis of the Group's activities as required by Schedule 5 to the Hong Kong Companies Ordinance, including a detailed business review, the particulars of important events affecting the Group that have occurred since the end of the financial year, and the performance of the Group during the year with reference to key financial performance indicators is set out in the section headed "Management Discussion and Analysis" in this annual report. An indication of likely future development in the Group's businesses is set out in the section headed "Chairman's Statement" of this annual report. These discussions form part of this report. In addition, discussions on the Group's environmental policies and performances are contained in the "Environmental, Social and Governance Report" of the Company, which will be published together with this annual report.

Compliance with Relevant Laws and Regulations

As far as the Board is aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group.

Principal Risk and Uncertainties

The Group believes that the risk management practices are important and it uses its best effort to ensure sufficient measures are in place to mitigate the risks present in the Group's operations and financial position efficiently and effectively. The Group believes the more significant risks relating to its business are as follows:

— The Group's revenue is mainly derived from projects which are not recurrent in nature and there is no guarantee that the customers will provide the Group with new projects or that the Group will be able to obtain new business opportunities after completion of the projects.

— The Group is reliant on the availability of construction projects from the public and private sectors in Hong Kong.

— Cancellation, suspension or delay in the commencement of public sector projects, which may be caused by factors such as political disagreements in relation to such projects, delay in approval of funding proposals due to political objections or legal actions by the affected members of the public, may adversely affect the Group's financial position and results of operation.

— Unsatisfactory performance by the subcontractors or unavailability of subcontractors may adversely affect the Group's reputation, operation and profitability.

— The Group had a concentration risk of customers during the year. If there is any deterioration in the major customers' businesses, the projects awarded to the Group may decline correspondingly.

— Increase in construction costs, shortage or delay of delivery of certain construction materials and substandard construction materials may have an adverse impact on the Group's financial results.

An analysis of the Group's financial risk management (including credit risk and liquidity risk) objectives and policies are provided in note 30 to the consolidated financial statements.

Environmental Policies and Performance

The Group has adopted measures and work procedures that are in compliant with environment protection for its workers to follow. Such measures and procedures concerning mainly air pollution and noise control include, amongst other things: (i) dust suppression by use of water; (ii) use of low-dust techniques and equipment as required by its customers; and (iii) inspection and maintenance of all equipment before use for compliance of permitted noise level.

Further information about the Group's environmental policies and performance are contained in the "Environmental, Social and Governance Report" of the Company, which will be published together with this annual report.

Financial Summary

A summary of the published results and of the assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements of the Company, is set out on page 96 of this annual report. This summary does not form part of the audited consolidated financial statements.

Share Capital

Details of the Company's share capital are set out in note 27 to the consolidated financial statements.

Pre-Emptive Rights

There is no provision for pre-emptive or similar rights under the laws of Caymans Islands or the Articles which would oblige the Company to offer new shares on a pro-rata basis to the existing shareholders.

Purchase, Sale or Redemption of the Company's Listed Securities

The Directors confirm that during the year and up to the date of this annual report, there has been no purchase, sale or redemption of the Company's listed securities by the Company or any of its subsidiaries.

Reserves

Details of movements in reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity on page 50 and note 34 to the consolidated financial statements, respectively.

Distributable Reserves

Pursuant to the Companies Act, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, share premium of the Company is distributable to the shareholders. The Company's reserves available for distribution to the shareholders as at 31 March 2025 amounted to approximately HK$197.5 million.

Segment Information

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

Relationship with Key Stakeholders

Major Customers

Customers are substantially the main contractors of construction projects in Hong Kong. For the year ended 31 March 2025, the percentage of total revenue attributable to the largest customer amounted to approximately 76%, while the percentage of total revenue attributable to the five largest customers combined amounted to approximately 100%.

Major Suppliers

The Group generally places orders with suppliers on a project-by-project basis and it does not enter into any long-term contract with the suppliers. For the year ended 31 March 2025, the percentage of the total cost of services attributable to the largest supplier amounted to approximately 1%, while the percentage of the total cost of services attributable to the five largest suppliers combined amounted to approximately 3%.

Subcontractors

The Group generally engages subcontractors on a project-by-project basis and it does not enter into any long-term contract with the subcontractors. For the year ended 31 March 2025, the percentage of the total cost of services attributable to the largest subcontractor amounted to approximately 16%, while the percentage of the total cost of services attributable to the five largest subcontractors combined amounted to approximately 43%.

None of the Directors, their close associates, or any shareholders of the Company (which, to the best knowledge of the Directors, own more than 5% of the Company's issued shares) had any beneficial interest in the Group's five largest customers, suppliers and subcontractors disclosed above.

Employees

Employees are regarded as important and valuable assets of the Group. Details of remuneration are set out in the section headed "Management Discussion and Analysis" in this annual report.

Directors

During the year and up to the date of this annual report, the Board's composition is as follows:

Executive Directors

Mr. Wong Howard (Chairman and Chief Executive Officer) *(appointed on 13 February 2025)*
Mr. Lau Ka Ho
Mr. Tsang Chiu Kwan (Chairman and Chief Executive Officer) *(resigned on 13 February 2025)*

Independent Non-executive Directors

Mr. Yiu Chun Kong *(appointed on 13 February 2025)*
Ms. Wu Liyan *(appointed on 13 February 2025)*
Mr. Wang Daming *(appointed on 13 February 2025)*
Mr. So Chun Man *(resigned on 13 February 2025)*
Mr. Chen Yeung Tak *(resigned on 13 February 2025)*
Mr. Lai Ming Ho *(resigned on 13 February 2025)*

Pursuant to Article 108 of the Articles, Mr. Lau Ka Ho will retire by rotation at the forthcoming annual general meeting of the Company ("**2025 AGM**") to be held on 28 August 2025, and, being eligible, offer himself for re-election in the 2025 AGM.

Pursuant to Article 112 of the Articles, Mr. Wong Howard, Mr. Yiu Chun Kong, Ms. Wu Liyan and Mr. Wang Daming, will hold office until the 2025 AGM, and, being eligible, will offer themselves for re-election in the 2025 AGM.

Biographical Details of Directors and Senior Management

Biographical details of the Directors and the senior management of the Group are set out on pages 10 to 12 of this annual report.

Directors' Service Contracts

Mr. Lau Ka Ho, Executive Director, has entered into a service contract with the Company for a term of three years and subject to renewal and termination by either party in accordance with the terms thereof and retirement and re-election provisions in accordance with the Articles.

Save as disclosed above, none of the Directors proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

Independence Confirmation

The Company has received confirmation from each of the Independent Non-executive Directors regarding his/her independence in accordance with Rule 3.13 of the Listing Rules and considers each of them to be independent.

Permitted Indemnity Provision

Pursuant to Articles, a permitted indemnity provision for the benefit of the Directors is currently in force and was in force throughout the financial year. The Company has arranged the Directors' and Officers' Liability Insurance coverage to provide protection against claims arising from the lawful discharge of duties by the Directors.

Emoluments of Directors, Chief Executive and the Five Highest Paid Individuals

Details of the emoluments of the Directors, chief executive and the five highest paid individuals of the Group are set out in note 13 to the consolidated financial statements.

Directors' Rights to Acquire Shares or Debentures

Other than the share option scheme of the Company as disclosed in the paragraph headed "Share Option Scheme" in the "Report of the Directors", at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable any Directors or their spouses or minor children to acquire benefits by means of the acquisition of the Shares in, or debentures of, the Company or any other body corporates.

Retirement Benefit Scheme

Details of the Group's retirement benefit scheme are set out in note 28 to the consolidated financial statements.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31 March 2025, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code contained in the Listing Rules, were as follows:

Long position in the Shares

Name of Director	Nature of interest	Number and class of Shares held/interested	Approximate percentage of the Company's issued shares
Mr. Wong Howard ("**Mr. Wong**") *(note 1)*	Interest of controlled corporation	120,250,000 ordinary Shares	32.33%

Note:

1. These interests were held by Asia General Industries Limited ("**Asia General**"), which was wholly owned by Mr. Wong. Mr. Wong was also the sole director of Asia General. Accordingly, Mr. Wong was deemed to be interested in 120,250,000 Shares under the SFO.

Save as disclosed above, as at 31 March 2025, none of the Directors or chief executives registered an interest or short positions in the Shares, underlying Shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Interests and Short Positions of Shareholders Discloseable under the SFO

As at 31 March 2025, the following interests of more than 5% of the issued Shares were recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

Long Positions in the Shares

Name of shareholders	Nature of interest	Number of Shares held/ interested	Approximate percentage of the Company's issued shares
Mr. Wong *(note 1)*	Interest in a controlled corporation	120,250,000	32.33%
Ms. Cheung Mei Yee Rebacca ("**Ms. Cheung**") *(note 2)*	Interest of spouse	120,250,000	32.33%
Asia General	Beneficial owner	120,250,000	32.33%
Mr. Lai Wai Lam Ricky ("**Mr. Lai**") *(note 3)*	Interest in a controlled corporation	62,775,000	16.88%
Ms. Chu Siu Ping ("**Ms. Chu**") *(note 4)*	Interest of spouse	62,775,000	16.88%
Giant Winchain Limited ("**Giant Winchain**")	Beneficial owner	62,775,000	16.88%

Notes:

1. These interests were held by Asia General, which was wholly owned by Mr. Wong. Mr. Wong was also the sole director of Asia General. Accordingly, Mr. Wong was deemed to be interested in 120,250,000 Shares under the SFO.

2. Ms. Cheung is the spouse of Mr. Wong and is deemed, or taken to be, interested in all the Shares held by Mr. Wong (through Asia General) by virtue of the SFO.

3. These interests were held by Giant Winchain, which was wholly owned by Mr. Lai. Accordingly, Mr. Lai was deemed to be interested in 62,775,000 Shares under the SFO.

4. Ms. Chu is the spouse of Mr. Lai and is deemed, or taken to be, interested in all the Shares held by Mr. Lai (through Giant Winchain) by virtue of the SFO.

Save as disclosed above, the Company had not been notified of any other relevant interests or short positions in the Shares and underlying Shares as at 31 March 2025 as required to be recorded pursuant to section 336 of the SFO.

Share Option Scheme

The share option scheme of the Company (the "**Share Option Scheme**") was adopted on 23 January 2018, amended and modified by the resolutions of the Board on 16 December 2019. The Share Option Scheme has a life of 10 years commencing on 13 February 2018 (the "**GEM Listing Date**"), which will expire on 12 February 2028.

No option has been granted since the adoption of the Share Option Scheme. As of the date of this annual report, the number of shares available for issue under the Share Option Scheme was 37,200,000 Shares, representing 10% of the total number of issued Shares. At the beginning of the financial year (i.e., on 1 April 2024) and at the end of the financial year (i.e., on 31 March 2025), options to subscribe for 37,200,000 Shares (representing 10% of the total number of issued Shares) were available for grant under the Share Option Scheme.

The following is a summary of the principal terms of the Share Option Scheme but it does not form part of, nor was it intended to be part of the Share Option Scheme nor should it be taken as affecting the interpretation of the rules of the Share Option Scheme:

(a) Purpose of the Share Option Scheme

The Share Option Scheme is a share incentive scheme and is established to recognise and acknowledge the contributions that eligible participants have made or may make to the Group.

(b) Who may join

On and subject to the terms of the Share Option Scheme and the Listing Rules, the Board shall be entitled to make an offer to any eligible participant as the Board may in its absolute discretion select. An offer shall be deemed to have been accepted when the Company receives the letter containing the offer duly signed by grantee together with a remittance of HK$1.00 (or such other nominal) as consideration of the grant. The offer shall remain open for acceptance by the eligible participant for a period of not less than five business days from the date on which the offer is granted.

(c) Grant of Option

The Board shall not offer grant of an option after inside information has come to the Company's knowledge or a price sensitive matter has been the subject of a decision until such price sensitive information has been announced pursuant to the relevant requirements of the Listing Rules. In particular, during the period commencing one month immediately preceding the earlier of (a) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company's results for any year, half-year, quarter-year period or any other interim period (whether or not required under the Listing Rules); (b) the deadline for the Company to publish an announcement of the results for any year, half-year, or quarter-year period under the Listing Rules or any other interim period (whether or not required under the Listing Rules), and ending on the date of the results announcement; or (c) during the period or times in which the Directors are prohibited from dealing in the Shares pursuant to the Listing Rules and its appendices or any corresponding code or securities dealing restrictions adopted by the Company. The period during which no option may be granted will cover any period of delay in the publication of a results announcement.

The total number of Shares issued and to be issued upon exercise of the options granted to each eligible participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the shares of the Company (or the subsidiary) in issue. Where any grant of further options to an Eligible Participant would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over above this limit, such further grant shall be subject to the requirements (a) approval of the shareholders at general meeting, with such eligible participant and his/her associates abstaining from voting; (b) a circular in relation to the proposal for such further grant having been sent by the Company to the shareholders with such information from time to time as required by the Listing Rules; and (c) the number and terms of the options to be granted to such proposed grantee shall be fixed before the shareholders' approval mentioned in (a) above.

(d) Price of Shares

The exercise price for any Share subject to the Share Option Scheme will be a price determined by the Board and notified to each grantee and shall be the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the relevant option, which must be a trading day; (ii) an amount equivalent to the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant of the relevant option; and (iii) the nominal value of a share on the date of grant.

(e) Maximum number of Shares

(i) Subject to the sub-paragraphs (ii), (iii) and (iv) below, the maximum number of shares which may be issued upon the exercise of all options granted under the Share Option Scheme and any other schemes of the Group must not in aggregate exceed 10% of the Shares in issue as at the adoption date (i.e. 23 January 2018) (the "**Scheme Mandate Limit**") unless approved by the shareholders pursuant to the sub-paragraph (iii) below, options lapsed in accordance with the terms of the Share Option Scheme will not be counted for the purpose of calculating the Scheme Mandate Limit. On the basis of 372,000,000 Shares in issue on GEM Listing Date, the Scheme Mandate Limit shall be equivalent to 37,200,000 shares, representing 10% of the Shares in issue as at the GEM Listing Date.

(ii) Subject to the sub-paragraphs (iii) and (iv) below, the Scheme Mandate Limit may be renewed by the shareholders in general meeting from time to time provided always that the Scheme Mandate Limit so renewed must not exceed 10% of the shares in issue as at the date of approval of such renewal by the shareholders in general meeting. Upon such renewal, all options previously granted under the Share Option Scheme and any other share option schemes of the Company (including those exercised, outstanding, cancelled, lapsed in accordance with the terms of the Share Option Scheme or any other share option schemes of the Company) prior to the approval of such renewal shall not be counted for the purpose of calculating the Scheme Mandate Limit as renewed. A circular must be sent to the shareholders containing such relevant information from time to time as required by the Listing Rules.

(iii) Subject to the sub-paragraph (iv) below, the Board may seek separate shareholders' approval in general meeting to grant options beyond the Scheme Mandate Limit provided that the options in excess of the Scheme Mandate Limit are granted only to the eligible participants specifically identified by the Company before such approval is sought and the Company must issue a circular to the shareholders containing such relevant information from time to time as required by the Listing Rules.

(iv) The maximum number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes involving the issue or grant of options or similar rights over the shares or other securities by the Company must not, in aggregate, exceed 30% of the shares in issue from time to time. Notwithstanding anything contrary to the terms of the Share Option Scheme, no options may be granted under the Share Option Scheme or any other share option schemes of the Company if this will result in the said 30% limit being exceeded.

(f) Time of exercise of Option

Unless the Directors otherwise determined and stated in the offer to the participant, there is no minimum vesting period for which an option granted under the Share Option Scheme must be held before it can be exercised. Therefore, an option may be exercised by the grantee in accordance with the terms of the Share Option Scheme at any time during the period within which the option must be exercised shall be determined by the Board to each Grantee which the Board may in its absolute discretion determine, save that such period shall not be more than ten years from the date of the grant of option. The Board may at its discretion when offering the grant of an option, impose any conditions, restrictions or limitations in relation thereto additional to those expressly set forth in the Share Option Scheme as it may think fit.

Equity-Linked Agreement

Save for the share option scheme as disclosed in the paragraph headed "Share Option Scheme" of the "Report of the Directors", no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year, or subsisted at the end of the year.

Directors' Interests in Transactions, Arrangements or Contracts of Significance

Save for the related party transactions disclosed in note 32 to the consolidated financial statements, no other transactions, arrangements or contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which a Director or any entity connected with a Director has or had a material interest, whether directly or indirectly subsisted at the end of the year or at any time during the year.

Competing Interest

For the year ended 31 March 2025, the Directors were not aware of any business or interest of the Directors, the controlling shareholders, and their respective close associates (as defined under the Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group.

Related Party Transactions

Details of the related party transactions entered into by the Group are set out in note 32 to the consolidated financial statements. Such related party transactions are continuing connected transactions exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Connected Transaction and Continuing Connected Transaction

During the year, the Group has not entered into any connected transactions or continuing connected transactions that are not exempted under the Listing Rules. The Board confirms that the Company has complied with the applicable disclosure requirements in accordance with Chapter 14A of the Listing Rules.

Management Contracts

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

Events After the Reporting Period

The Board is not aware of any significant event requiring disclosure that has taken place subsequent to 31 March 2025 and up to the date of this annual report.

Update on Director's Information

Pursuant to Rule 13.51B(1) of the Listing Rules, the updated information of Director is set out as follow:

– Mr. Yiu Chun Kong has become a fellow of the Hong Kong Institute of Certified Public Accountants with effect from 14 February 2025.

Auditor

The financial statements have been audited by Messrs. Deloitte Touche Tohmatsu, Certified Public Accountants, who will retire and, being eligible, offered themselves for re-appointment as auditor of the Company at the 2025 AGM. A resolution to re-appoint Messrs. Deloitte Touche Tohmatsu as the auditor of the Company will be proposed at the 2025 AGM.

Corporate Governance

Details of the corporate governance practices adopted by the Company are set out on pages 13 to 30 of this annual report.

Review by Audit Committee

The audited consolidated financial statements of the Company for the year ended 31 March 2025 have been reviewed by the Audit Committee and duly approved by the Board under the recommendation of the Audit Committee.

On behalf of the Board

Wong Howard
Chairman

Hong Kong, 27 June 2025

Deloitte. 德勤

TO THE SHAREHOLDERS OF HONG KONG ZCLOUD TECHNOLOGY CONSTRUCTION LIMITED
(FORMERLY KNOWN AS GAIN PLUS HOLDINGS LIMITED)
香港智雲科技建設有限公司（前稱：德益控股有限公司）
(incorporated in the Cayman Islands with limited liability)

Opinion

We have audited the consolidated financial statements of Hong Kong ZCloud Technology Construction Limited (formerly known as Gain Plus Holdings Limited) (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") set out on pages 48 to 95, which comprise the consolidated statement of financial position as at 31 March 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including 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 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("**HKSAs**") 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**"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Recognition of revenue from construction contracts	
We identified the occurrence assertion under recognition of revenue from construction contracts as a key audit matter due to the significance of the Group's revenue in the context of the Group's consolidated financial statements as a whole and management estimations are required in determining the progress towards complete satisfaction of the performance obligation and the amount of contract revenue recognised. As set out in note 4 to the consolidated financial statements, the management estimates the contract sum and budgeted costs at the commencement of the construction contracts and regularly assesses the progress of construction works. The Group recognised revenue of HK$1,275,230,000 from these contracts for the year ended 31 March 2025 as shown in the consolidated statement of profit or loss and other comprehensive income. The accounting policy and the details of the related revenue recognition are set out in notes 3 and 5 to the consolidated financial statements, respectively.	Our procedures in relation to recognition of revenue from construction contracts included: • Testing controls relevant to our audit on revenue recognition; • Verifying the amount of revenue recognised by checking to contracts and internal construction progress reports; • Verifying the contract revenue by checking to the latest certificates issued by the independent quantity surveyors before year end date, on a sample basis; • Visiting selected construction sites, on a sample basis, to observe the existence of the construction work and interview the site project managers for the progress of the construction work; and • Assessing the reliability of the approved budgets by comparing the actual outcome against the management's estimation of construction contracts, on a sample basis.

Other Information

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

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

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

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

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

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

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

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

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

The engagement partner on the audit resulting in the independent auditor's report is Ho Sin Ying (practising certificate number: P08228).

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
27 June 2025

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Revenue	5	**1,275,230**	1,150,954
Cost of services		**(1,212,510)**	(1,090,899)
Gross profit		**62,720**	60,055
Other income, other gains and losses	7	**8,959**	8,804
Impairment losses under expected credit loss model, net of reversal	8	**(3,922)**	(4,680)
Administrative expenses		**(30,619)**	(29,906)
Finance costs	9	**(9)**	(27)
Share of result of an associate		**3,318**	3,170
Profit before taxation		**40,447**	37,416
Income tax expense	10	**(5,394)**	(5,356)
Profit and total comprehensive income for the year	11	**35,053**	32,060
Profit and total comprehensive income for the year attributable to:			
Owners of the Company		**31,052**	27,704
Non-controlling interests		**4,001**	4,356
		35,053	32,060
Earnings per share	14		
Basic (HK cents)		**8.35**	7.45

Consolidated Statement of Financial Position

At 31 March 2025

	Notes	2025 HK$'000	2024 HK$'000
Non-current assets			
Plant and equipment	15	**1,290**	2,631
Right-of-use assets	16	**1,681**	275
Interest in an associate	17	**–**	6,057
Deferred tax assets	25	**2,042**	1,534
		5,013	10,497
Current assets			
Trade and other receivables	18	**131,100**	121,009
Financial assets at fair value through profit or loss ("**FVTPL**")	19	**31,106**	14,998
Contract assets	20	**128,270**	77,044
Tax recoverable		**–**	2,014
Amount due from an associate	21	**–**	978
Amount due from a shareholder	21	**–**	10
Bank balances and deposits	22	**134,778**	125,124
		425,254	341,177
Current liabilities			
Trade and other payables	23	**112,554**	68,961
Tax payable		**4,550**	–
Contract liabilities	24	**12,454**	12,454
Lease liabilities	26	**858**	280
		130,416	81,695
Net current assets		**294,838**	259,482
Total assets less current liabilities		**299,851**	269,979
Non-current liability			
Lease liabilities	26	**823**	4
Net assets		**299,028**	269,975
Capital and reserves			
Share capital	27	**3,720**	3,720
Reserves		**293,027**	261,975
Equity attributable to owners of the Company		**296,747**	265,695
Non-controlling interests		**2,281**	4,280
Total equity		**299,028**	269,975

The consolidated financial statements on pages 48 to 95 were approved and authorised for issue by the board of directors on 27 June 2025 and are signed on its behalf by:

Wong Howard
DIRECTOR

Lau Ka Ho
DIRECTOR

Consolidated Statement of Changes in Equity

For the year ended 31 March 2025

	Equity attributable to owners of the Company							
	Share capital *HK$'000*	Share premium *HK$'000*	Capital reserve *HK$'000* *(note a)*	Other reserve *HK$'000* *(note b)*	Retained earnings *HK$'000*	Subtotal *HK$'000*	Non-controlling interests *HK$'000*	Total *HK$'000*
At 1 April 2023	3,720	132,532	(48,883)	(3,337)	204,179	288,211	(76)	288,135
Profit and total comprehensive income for the year	–	–	–	–	27,704	27,704	4,356	32,060
Special dividend declared and paid *(note 12)*	–	(50,220)	–	–	–	(50,220)	–	(50,220)
At 31 March 2024	**3,720**	**82,312**	**(48,883)**	**(3,337)**	**231,883**	**265,695**	**4,280**	**269,975**
Profit and total comprehensive income for the year	**–**	**–**	**–**	**–**	**31,052**	**31,052**	**4,001**	**35,053**
Dividend paid to non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**(6,000)**	**(6,000)**
At 31 March 2025	**3,720**	**82,312**	**(48,883)**	**(3,337)**	**262,935**	**296,747**	**2,281**	**299,028**

Notes:

(a) The capital reserve represents the difference between the nominal value of share capital of Nation Max Holdings Limited ("**Nation Max**") and Double Gain Engineering Limited ("**Double Gain**") upon insertion of Nation Max between Double Gain and its then shareholders as part of the group reorganisation on 23 January 2019.

(b) Other reserve represents the differences between the principal amount of amounts due from Mr. Tsang Chiu Kwan and Mr. Tsang Man Ping, both being the former shareholders of the Company, and present value of estimated future cash flows discounted at the original effective interest rate, and the differences are recognised directly in equity as deemed distributions.

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	2025 HK$'000	2024 HK$'000
Operating activities		
Profit before taxation	**40,447**	37,416
Adjustments for:		
Depreciation of plant and equipment	**1,301**	1,608
Depreciation of right-of-use assets	**275**	275
Increase in fair value of financial assets at FVTPL	**(4,940)**	(355)
Interest income	**(3,483)**	(6,438)
Impairment losses under expected credit loss model, net of reversal	**3,922**	4,680
Finance costs	**9**	27
Share of result of an associate	**(3,318)**	(3,170)
Gain on disposal of plant and equipment	**(58)**	(574)
Gain on disposal of a subsidiary	**–**	(67)
Loss on disposal of equity shares of an associate	**707**	–
Operating cash flows before movements in working capital	**34,862**	33,402
Increase in trade and other receivables	**(8,422)**	(35,079)
Increase in contract assets	**(54,488)**	(11,886)
Increase in trade and other payables	**43,593**	6,434
Increase in contract liabilities	**–**	228
Cash generated from (used in) operations	**15,545**	(6,901)
Income tax refund (paid)	**662**	(13,437)
Net cash from (used in) operating activities	**16,207**	(20,338)
Investing activities		
Net cash inflow from disposal of a subsidiary	**–**	67
Net cash inflow from disposal of an associate	**3,000**	–
Interest received	**3,483**	6,438
Proceeds from disposal of plant and equipment	**98**	1,786
Purchase of financial assets at FVTPL	**(10,000)**	–
Purchase of plant and equipment	**–**	(2,799)
Dividends received from an associate	**4,500**	–
(Advance to) repayment from an associate	**(1,341)**	2,549
Net cash (used in) from investing activities	**(260)**	8,041

Consolidated Statement of Cash Flows

For the year ended 31 March 2025

	2025 ***HK$'000***	2024 *HK$'000*
Financing activities		
Repayments of lease liabilities	**(284)**	(266)
Interest paid on lease liabilities	**(9)**	(27)
Dividend paid to owners of the Company	**–**	(50,220)
Dividend paid to non-controlling interests	**(6,000)**	–
Net cash used in financing activities	**(6,293)**	(50,513)
Net increase (decrease) in cash and cash equivalents	**9,654**	(62,810)
Cash and cash equivalents at the beginning of the year	**125,124**	187,934
Cash and cash equivalents at the end of the year	**134,778**	125,124

1. General Information

Hong Kong ZCloud Technology Construction Limited (formerly known as Gain Plus Holdings Limited) (the "**Company**") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands on 4 July 2017 and its shares have been listed on the GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") with effect from 13 February 2018. On 30 December 2019, the listing of the shares of the Company has been transferred from the GEM to the Main Board of the Stock Exchange. The addresses of the registered office and principal place of business of the Company are disclosed in the "Corporate Information" in the annual report.

The Company acts as an investment holding company and its subsidiaries are principally engaged in the provision of building construction services and repair, maintenance, addition and alteration services ("**RMAA Services**"). The Company and its subsidiaries are hereafter collectively referred to as the "Group".

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), which is also the functional currency of the Company and all values are rounded to the nearest thousand (HK$'000) except otherwise indicated.

2. Application of New And Amendments to HKFRS Accounting Standards

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

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 April 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

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

2. Application of New And Amendments to HKFRS Accounting Standards (Continued)

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

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[3]
Amendments to HKFRS 9 and HKFRS 7	Contacts Referencing Nature-dependent Electricity[3]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[3]
Amendments to HKAS 21	Lack of Exchangeability[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[4]

1 Effective for annual periods beginning on or after a date to be determined.
2 Effective for annual periods beginning on or after 1 January 2025.
3 Effective for annual periods beginning on or after 1 January 2026.
4 Effective for annual periods beginning on or after 1 January 2027.

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

Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments

The amendments to HKFRS 9 clarify the recognition and derecognition for financial asset and financial liability and add an exception which permits an entity to deem a financial liability to be discharged before the settlement date if it is settled in cash using an electronic payment system if, and only if certain conditions are met.

The amendments also provide guidance on the assessment of whether the contractual cash flows of a financial asset are consistent with a basic lending arrangement. The amendments specify that an entity should focus on what an entity is being compensated for rather than the compensation amount. Contractual cash flows are inconsistent with a basic lending arrangement if they are indexed to a variable that is not a basic lending risk or cost. The amendments state that, in some cases, a contingent feature may give rise to contractual cash flows that are consistent with a basic lending arrangement both before and after the change in contractual cash flows, but the nature of the contingent event itself does not relate directly to changes in basic lending risks and costs. Furthermore, the description of the term "non-recourse" is enhanced and the characteristics of "contractually linked instruments" are clarified in the amendments.

2. Application of New And Amendments to HKFRS Accounting Standards (Continued)

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

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

The disclosure requirements in HKFRS 7 in respect of investments in equity instruments designated at fair value through other comprehensive income are amended. In particular, entities are required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period. An entity is also required to disclose any transfers of the cumulative gain or loss within equity related to the investments derecognised during the reporting period. In addition, the amendments introduce the requirements of qualitative and quantitative disclosure of contractual terms that could affect the contractual cash flow based on a contingent event not directly relating to basic lending risks and cost.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted. The application of the amendments is not expected to have significant impact on the financial position and performance of the Group.

HKFRS 18 Presentation and Disclosure in Financial Statements

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

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosure in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information

3.1 Basis of preparation of consolidated financial statements

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

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

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

3.2 Material accounting policy information

Basis of consolidation

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

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

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

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

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

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

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Revenue from contracts with customers

Information about the Group's accounting policies relating to contract with customers is provided in notes 5, 20 and 24.

Leases

Definition of a lease

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

The Group as a lessee

Right-of-use assets

The cost of right-of-use assets includes the amount of the initial measurement of the lease liability.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated on a straight-line basis over the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Lease liabilities

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

The lease payments include fixed payments less any lease incentives receivable.

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

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

Retirement benefit costs

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered services entitling them to the contributions.

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS Accounting Standards requires.

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

Taxation

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

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

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

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

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

The measurement of deferred tax assets and liabilities 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.

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

Current and deferred tax are recognised in profit or loss.

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Plant and equipment

Plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment losses, if any.

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

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

Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 *Revenue from Contracts with Customers*. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at FVTPL) are added to or deducted from the fair values of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets

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

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and

- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

(i) Amortised cost and interest income

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

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss is included in the "other gains and losses" and the dividend earned on the financial assets is included in the "other income".

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 "Financial Instruments"

The Group performs impairment assessment under expected credit loss ("**ECL**") model on financial assets (including trade and other receivables, amounts due from an associate and a shareholder and bank balances and deposits), and other item (contract assets) which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 "Financial Instruments" (Continued)

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

The Group always recognises lifetime ECL for trade receivables and contract assets. The ECL on these assets are assessed individually.

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

(i) Significant increase in credit risk

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

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- 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.

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 "Financial Instruments" (Continued)

(i) Significant increase in credit risk *(Continued)*

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

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

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

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

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;

(b) a breach of contract, such as a default or past due event; or

(c) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

(iv) Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 "Financial Instruments" (Continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

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

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

Financial liabilities (including trade and retention payables) are subsequently measured at amortised cost, using the effective interest method.

3. Basis of Preparation of Consolidated Financial Statements and Material Accounting Policy Information (Continued)

3.2 Material accounting policy information (Continued)

Financial instruments (Continued)

Derecognition

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

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

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. Key Sources of Estimation Uncertainty

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

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

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

Measurement of value of construction works

The management measures the value of completed construction work based on output method, which is to recognise revenue on the basis of direct measurement of the value of construction work transferred to the customer to date relative to the remaining construction works promised to be completed under the construction contract. Management estimates the contract sum and budgeted costs at the commencement of the construction contracts and regularly assesses the progress of construction works. The Group has the qualified surveyors to periodically measure the value of the construction work completed for each construction project and issue the internal construction progress reports. The construction works performed by the Group would also be certified by the independent quantity surveyors periodically according to the construction contracts. The Group regularly reviews and revises the estimation of contract revenue prepared for each construction contract as the contract progresses based on the internal construction progress reports and the certification issued by the independent quantity surveyors. As disclosed in notes 5 and 20, the revenue recognised from construction contracts was HK$1,275,230,000 (2024: HK$1,150,954,000) for the year, and the carrying amount of contract assets was HK$128,270,000 (2024: HK$77,044,000), respectively.

4. Key Sources of Estimation Uncertainty (Continued)

Provision of ECL for trade receivables and contract assets

Trade receivables and contract assets are assessed for ECL individually and the estimated loss rates are determined based on internal credit ratings, past due status and repayment history of respective trade receivables and contract assets taking into consideration forward-looking information that is reasonable and supportable available without undue cost or effort.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables and contract assets are disclosed in notes 30, 18 and 20 respectively.

5. Revenue

(i) Disaggregation of revenue from contracts with customers

	2025 ***HK$'000***	2024 *HK$'000*
Types of services		
Provision of building construction services	**546,125**	294,726
Provision of RMAA Services	**729,105**	856,228
Total	**1,275,230**	1,150,954
Timing of revenue recognition		
Over time	**1,275,230**	1,150,954

(ii) Performance obligations for contracts with customers

Construction services

The Group provides construction services, including building construction services and RMAA Services to customers. Such services are recognised as a performance obligation satisfied over time as the Group creates or enhances an asset that the customer controls as the Group performs. Revenue is recognised for these construction services based on the stage of completion of the contract using output method, which is to recognise revenue on the basis of direct measurements of the value of the services transferred to the customer to date relative to the remaining services promised under the contract, that best depict the Group's performance in transferring control of services.

A contract asset, net of contract liability related to the same contract, is recognised over the period in which the construction services are performed representing the Group's right to consideration for the services performed because the rights are conditioned on the Group's future performance in achieving specified milestones or the value of construction work as agreed with the customers. The contract assets are transferred to trade receivables when the rights become unconditional. The Group typically transfers the contract assets to trade receivables when the Group obtained the certification of the completed construction work from the customers.

5. Revenue (Continued)

(ii) Performance obligations for contracts with customers (Continued)

Construction services (Continued)

Retention receivables, prior to expiration of defect liability period, are classified as contract assets, which ranges from 3 months to 2 years (2024: 3 months to 2 years) from the date of the practical completion of the construction. The relevant amount of contract asset is reclassified to trade receivables when the defect liability period expires. The defect liability period serves as an assurance that the construction services performed comply with agreed upon specifications and such assurance cannot be purchased separately.

For contracts that contain variable consideration (variation order of construction work), the Group estimates the amount of consideration to which it will be entitled using the expected value method, which better predicts the amount of consideration to which the Group will be entitled.

The estimated amount of variable consideration is included in the transaction price only to the extent that it is highly probable that such an inclusion will not result in a significant revenue reversal in the future when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting period, the Group updates the estimated transaction price (including updating its assessment of whether an estimate of variable consideration is constrained) to represent faithfully the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period.

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

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) of building construction services and RMAA Services as at 31 March 2025 were HK$404,030,000 and HK$281,758,000 (2024: HK$439,376,000 and HK$1,060,194,000), respectively. Management expects that all the remaining performance obligations will be recognised as revenue over 1 to 3 years (2024: 1 to 3 years) from the end of the reporting period.

6. Segment Information

The Group focuses primarily on the provision of building construction services and RMAA Services in Hong Kong. The operation of the Group constitutes one single operating and reportable segment. The management of the Group, being the chief operating decision maker of the Group, reviews the revenue and operating results of the Group as a whole which is prepared based on the same accounting policies to make decisions about resource allocation and performance assessment and accordingly no separate segment information is prepared other than entity-wide disclosure.

The Group's revenue from external customers was derived solely from its operations in Hong Kong during both years, and the non-current assets of the Group were all located in Hong Kong as at 31 March 2025 and 2024.

Information about major customers

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

	2025 ***HK$'000***	2024 *HK$'000*
Customer A	**1,215,394**	921,605
Customer B	**N/A**	122,702

The corresponding revenues from customers are not disclosed as the revenue individually did not account for 10% or more of the Group's revenue for the year.

7. Other Income, Other Gains and Losses

	2025 ***HK$'000***	2024 *HK$'000*
Other income:		
Other interest income *(note)*	**–**	243
Handling income	**21**	23
Management fee income	**960**	950
Bank interest income	**3,483**	6,195
	4,464	7,411
Other gains and losses:		
Increase in fair value of financial assets at FVTPL	**4,940**	355
Gain on disposal of plant and equipment	**58**	574
Loss on disposal of equity shares in an associate	**(707)**	–
Others	**204**	464
	4,495	1,393
Total other income, other gains and losses	**8,959**	8,804

Note: The other interest income arises from the amount due from an associate which is interest bearing at 5% per annum, unsecured and repayable on demand.

8. Impairment Losses Under Expected Credit Loss Model, Net of Reversal

	2025	2024
	HK$'000	*HK$'000*
Impairment losses recognised on:		
Trade receivables	**660**	1,900
Contract assets	**3,262**	2,780
	3,922	4,680

Details of impairment assessment for the year ended 31 March 2025 are set out in note 30.

9. Finance Costs

	2025	2024
	HK$'000	*HK$'000*
Interest on lease liabilities	**9**	27

10. Income Tax Expense

	2025	2024
	HK$'000	*HK$'000*
The income tax expense comprises:		
Hong Kong Profits Tax:		
Current tax	**5,902**	6,076
Deferred tax *(note 25)*	**(508)**	(720)
	5,394	5,356

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

10. Income Tax Expense (Continued)

The income tax expense for the year can be reconciled to the profit before taxation in the consolidated statement of profit or loss and other comprehensive income as follows:

	2025 **HK$'000**	2024 HK$'000
Profit before taxation	**40,447**	37,416
Income tax expense at Hong Kong Profits Tax rate of 16.5% (2024: 16.5%)	**6,674**	6,174
Tax effect of income not taxable for tax purpose	**(1,586)**	(1,187)
Tax effect of expenses not deductible for tax purpose	**320**	381
Income tax at concessionary rate	**(165)**	(165)
Others	**151**	153
Income tax expense	**5,394**	5,356

11. Profit For The Year

	2025 **HK$'000**	2024 HK$'000
Profit for the year is arrived at after charging:		
Staff costs		
Total staff costs (including directors' emoluments *(note 13)*)	**73,051**	61,952
Auditor's remuneration – audit services	**1,198**	1,275
Depreciation of plant and equipment	**1,301**	1,608
Depreciation of right-of-use assets	**275**	275

12. Dividends

Dividends approved and paid during the year

	2024 *HK$'000*
Special dividend of HK$0.135 per share	50,220

Special dividend of HK$0.135 per share for the year ended 31 March 2024 to shareholders whose names appear on the register of members on 30 January 2024 was proposed by the directors on 17 January 2024 and subsequently paid through share premium on 6 February 2024.

13. Directors' and Chief Executive's Emoluments and Employees' Emoluments

(a) Directors' emoluments and chief executive's emoluments

Details of the emoluments paid or payable by the Group, disclosed pursuant to the applicable Listing Rules and the Hong Kong Companies Ordinance are as follows:

	Year ended 31 March 2025				
Name of director	**Fees** ***HK$'000***	**Salaries and other allowances** ***HK$'000***	**Discretionary bonus** ***HK$'000***	**Retirement benefit scheme contributions** ***HK$'000***	**Total** ***HK$'000***
Executive directors:					
Mr. Tsang Chiu Kwan *(note 1)*	–	4,833	10,000	18	14,851
Mr. Lau Ka Ho	–	540	–	18	558
Mr. Wong Howard *(note 2)*	–	167	–	–	167
Subtotal	–	5,540	10,000	36	15,576

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

13. Directors' and Chief Executive's Emoluments and Employees' Emoluments (Continued)

(a) Directors' emoluments and chief executive's emoluments (Continued)

Name of director	Fees HK$'000	Salaries and other allowances HK$'000	Discretionary bonus HK$'000	Retirement benefit scheme contributions HK$'000	Total HK$'000
	Year ended 31 March 2025				
Independent non-executive directors:					
Mr. So Chun Man	–	147	–	–	147
Mr. Chen Yeung Tak	–	147	–	–	147
Mr. Lai Ming Ho	–	147	–	–	147
Mr. Wang Daming *(note 3)*	–	16	–	–	16
Ms. Wu Liyan *(note 3)*	–	16	–	–	16
Mr. Yiu Chun Kong *(note 3)*	–	16	–	–	16
Subtotal	–	489	–	–	489
Total	–	6,029	10,000	36	16,065

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

Name of director	Fees HK$'000	Salaries and other allowances HK$'000	Discretionary bonus HK$'000	Retirement benefit scheme contributions HK$'000	Total HK$'000
	Year ended 31 March 2024				
Executive directors:					
Mr. Tsang Chiu Kwan *(note 1)*	–	3,144	15,080	18	18,242
Mr. Lau Ka Ho	–	540	–	18	558
Subtotal	–	3,684	15,080	36	18,800

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

13. Directors' and Chief Executive's Emoluments and Employees' Emoluments (Continued)

(a) Directors' emoluments and chief executive's emoluments (Continued)

	Year ended 31 March 2024				
Name of director	Fees *HK$'000*	Salaries and other allowances *HK$'000*	Discretionary bonus *HK$'000*	Retirement benefit scheme contributions *HK$'000*	Total *HK$'000*
Independent non-executive directors:					
Mr. So Chun Man	168	–	–	–	168
Mr. Chen Yeung Tak	168	–	–	–	168
Mr. Chung Dan *(note 4)*	3	–	–	–	3
Mr. Wong Max Aaron *(note 5)*	68	–	–	–	68
Mr. Lai Ming Ho *(note 6)*	82	–	–	–	82
Subtotal	489	–	–	–	489
Total	489	3,684	15,080	36	19,289

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

Notes:

1. Mr. Tsang Chiu Kwan was also the Chief Executive of the Company until 13 February 2025 and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

2. Mr. Wong Howard was appointed as executive director on 13 February 2025. Mr. Wong Howard was also the Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive for the period from 13 February 2025 to 31 March 2025.

3. Mr. Wang Daming, Ms. Wu Liyan and Mr. Yiu Chun Kong were appointed as independent non-executive directors on 13 February 2025.

4. Mr. Chung Dan was appointed as independent non-executive director on 13 January 2022 and deceased on 7 April 2023.

5. Mr. Wong Max Aaron was appointed as independent non-executive director on 12 May 2023 and resigned on 6 October 2023.

6. Mr. Lai Ming Ho was appointed as independent non-executive director on 6 October 2023.

The bonus was discretionary as determined with reference to performance of individuals and market trends.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

13. Directors' and Chief Executive's Emoluments and Employees' Emoluments (Continued)

(b) Employees' emoluments

The five highest paid individuals of the Group during the year ended 31 March 2025 include one (2024: one) director, details of whose emoluments are set out above. Details of the remaining four (2024: four) highest paid individuals for the year ended 31 March 2025 are as follows:

	2025 ***HK$'000***	2024 *HK$'000*
Salaries and other allowances	**2,096**	2,187
Discretionary bonus	**1,091**	1,510
Retirement benefit scheme contributions	**72**	72
	3,259	3,769

The emoluments of the highest paid employees who are not directors of the Company were within the following bands:

	2025 **No. of individuals**	2024 No. of individuals
Nil to HK$1,000,000	**4**	3
HK$1,000,001 to HK$1,500,000	**–**	1

During both years, no emoluments were paid by the Group to any of the directors or chief executive or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

14. Earnings Per Share

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

	2025 ***HK$'000***	2024 *HK$'000*
Profit for the year attributable to owners of the Company for the purpose of basic earnings per share	**31,052**	27,704

14. Earnings Per Share (Continued)

	2025	2024
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**372,000**	372,000

Diluted earnings per share are not presented as there were no potential ordinary shares in issue during both years.

15. Plant and Equipment

	Leasehold improvements ***HK$'000***	**Plant and machinery** ***HK$'000***	**Furniture, fixtures and equipment** ***HK$'000***	**Motor vehicles** ***HK$'000***	**Total** ***HK$'000***
COST					
At 1 April 2023	207	1,272	478	6,701	8,658
Additions	–	–	2	2,814	2,816
Disposals	–	–	–	(3,133)	(3,133)
At 31 March 2024	207	1,272	480	6,382	8,341
Disposals	–	–	–	(397)	(397)
At 31 March 2025	**207**	**1,272**	**480**	**5,985**	**7,944**
DEPRECIATION					
At 1 April 2023	205	1,208	155	4,455	6,023
Provided for the year	2	51	71	1,484	1,608
Eliminated on disposals	–	–	–	(1,921)	(1,921)
At 31 March 2024	207	1,259	226	4,018	5,710
Provided for the year	–	13	68	1,220	1,301
Eliminated on disposals	–	–	–	(357)	(357)
At 31 March 2025	**207**	**1,272**	**294**	**4,881**	**6,654**
CARRYING VALUES					
At 31 March 2025	**–**	**–**	**186**	**1,104**	**1,290**
At 31 March 2024	–	13	254	2,364	2,631

15. Plant and Equipment (Continued)

Depreciation is provided to write off the cost of items of plant and equipment over their estimated useful lives and after taking into account of their estimated residual values, using the straight-line method, at the following rates per annum:

Leasehold improvements	50% or the term of the lease, whichever is shorter
Plant and machinery	20%
Furniture, fixtures and equipment	20%
Motor vehicles	30%

16. Right-Of-Use Assets

	Leased property *HK$'000*
As at 31 March 2025	
Carrying amount	**1,681**
As at 31 March 2024	
Carrying amount	275
For the year ended 31 March 2025	
Depreciation charge	**275**
For the year ended 31 March 2024	
Depreciation charge	275

	2025 *HK$'000*	2024 *HK$'000*
Total cash outflow for leases	**293**	293
Additions to right-of-use assets	**1,681**	550

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

17. Interest in an Associate

	2025 HK$'000	2024 HK$'000
Cost of investment in an associate	–	3,000
Share of post-acquisition profit and other comprehensive income	–	3,057
	–	6,057

The Group's sole associate at the end of the prior reporting period was Skyway Construction Engineering Limited ("**Skyway Construction**"). Skyway Construction was accounted for using the equity method in these consolidated financial statements.

Details of the Group's associate as at 31 March 2025 are as follows:

Name of company	Place of incorporation	Registered capital	Percentage of ownership interests attributable to the Group as at 31 March		Principal activity
			2025	2024	
Skyway Construction	Hong Kong	HK$1,000,000	– (note)	30%	Provision of building construct services and RMAA services

Note: In March 2025, the Group disposed 14% equity interest in Skyway Construction at a consideration of HK$3,000,000. Given that the Group had no representative and voting rights in the board of directors of Skyway Construction, the Group ceased to have significant influence over Skyway Construction. Loss on disposal of equity interest in an associate was recognised in profit or loss during the year ended 31 March 2025.

As at 31 March 2025, 16% equity interest of Skyway Construction was held by the Group and recognised as financial asset at FVTPL. Details are set out in note 19.

Summarised financial information in respect of Skyway Construction is set out below for the year ended 31 March 2024. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with the accounting policies of the Group.

Skyway Construction

	Year ended 31 March 2024 HK$'000
Revenue	220,241
Profit and total comprehensive income for the year, attributable to the equity holders of the associate	10,569

17. Interest in an Associate (Continued)

Skyway Construction (Continued)

	As at 31 March 2024 HK$'000
Non-current assets	985
Current assets	29,985
Current liabilities	(19,725)
Net assets of the associate	11,245

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

Net assets of Skyway Construction	11,245
Proportion of the Group's interest in the associate	30%
Net assets attributable to the Group's interest in the associate	3,373
Goodwill	2,684
Carrying amount of the Group's interest in Skyway Construction	6,057

18. Trade and Other Receivables

	2025 ***HK$'000***	2024 *HK$'000*
Trade receivables	**103,156**	103,839
Less: Allowance for credit losses	**(3,003)**	(2,343)
	100,153	101,496
Prepayments to subcontractor	**17,259**	7,603
Other receivables and prepayments *(note)*	**13,688**	11,910
Total trade and other receivables	**131,100**	121,009

As at 1 April 2023, trade receivables from contracts with customers amounted to HK$58,187,000.

Note: As at 31 March 2025, other receivables and prepayments mainly represented the surety bond paid to a main contractor amounting to HK$10,100,000 (2024: HK$10,100,000).

18. Trade and Other Receivables (Continued)

Trade receivables

Trade receivables represent amounts receivable for works certified after deduction of retention money.

The Group allows a credit period of 30 days to its customers. The extension of credit period to customers may be granted on a discretionary basis by considering the credit worthiness, the customers' financial condition and payment history with the Group. The following is an aged analysis of trade receivables presented based on the date of works certified at the end of the reporting period, net of allowance for credit losses.

	2025 HK$'000	2024 HK$'000
Within 30 days	**78,095**	74,617
31 – 60 days	**13,785**	27,166
61 – 90 days	**24**	–
Over 90 days	**11,252**	2,056
	103,156	103,839
Less: Allowance for credit losses	**(3,003)**	(2,343)
	100,153	101,496

As at 31 March 2025, included in the Group's trade receivables balance, debtors with aggregate carrying amount of HK$21,550,000 (2024: HK$27,807,000) were past due as at the reporting date. Out of the past due balances, HK$8,671,000 (2024: HK$1,329,000) had been past due 90 days or more and was not considered as in default since the Group was still engaging with those corresponding debtors in active projects or the Group considered the good cooperation relationships with these debtors and their good repayment record. The Group did not hold any collateral over these balances.

Details of impairment assessment are set out in note 30.

19. Financial Assets at FVTPL

	2025 HK$'000	2024 HK$'000
Unlisted fund investments *(note a)*	**27,678**	14,998
Unlisted equity investment *(note b)*	**3,428**	–
	31,106	14,998

Notes:

(a) The unlisted fund investments are measured at fair value with reference to net asset values of it provided by the fund managers.

(b) The unlisted equity investment is the remaining 16% shareholding interest held by the Group in in the former associate stated in note 17.

20. Contract Assets

	2025 HK$'000	2024 HK$'000
Analysed as current:		
Retention receivables of construction contracts *(note a)*	**26,243**	23,868
Unbilled revenue of construction contracts *(note b)*	**113,214**	61,101
	139,457	84,969
Less: Allowance for credit losses	**(11,187)**	(7,925)
	128,270	77,044

As at 1 April 2023, contract assets amounted to HK$67,938,000.

Notes:

(a) Retention receivables included in contract assets represent the Group's right to receive consideration for work performed and not yet billed because the rights are conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the expiry date of the period for the provision of assurance by the Group on the service quality of the construction work performed by the Group. As at 31 March 2025, the due dates for retention receivables are one to two years (2024: one to two years) after the completion of construction work.

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

Contract assets, that are expected to be settled within the Group's normal operating cycle, are classified as current based on expected settlement dates.

Details of the impairment assessment are set out in note 30.

21. Amounts Due From an Associate/a Shareholder

The amount due from an associate was interest bearing at 5% per annum, unsecured and repayable on demand. The amount due from a shareholder was non-trade nature, unsecured, interest-free and repayable on demand.

22. Bank Balances and Deposits

As at 31 March 2025, bank balances and short-term bank deposit with an original maturity of three months or less carried interest at prevailing market interest rates which were ranging from 0.01% to 3.30% (2024: 0.01% to 5.24%) per annum.

23. Trade and Other Payables

Trade and other payables at the end of the reporting period comprise amounts outstanding for trade purposes and daily operating costs. The average credit period on trade purchase is 30 to 60 days.

	2025 HK$'000	2024 HK$'000
Trade payables	**99,996**	59,557
Retention payables	**3,683**	3,642
Accruals	**8,875**	5,762
Total trade and other payables	**112,554**	68,961

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

	2025 HK$'000	2024 HK$'000
Within 30 days	**68,827**	44,825
31 – 60 days	**7,740**	1,423
61 – 90 days	**5,654**	1,798
Over 90 days	**17,775**	11,511
	99,996	59,557

Retention payables represent the retention money withheld from the amounts payable for work performed by the subcontractors. 50% of the retention money is normally due upon completion of respective project and the remaining 50% portion is due upon the end of the defect liability period of individual contracts, ranging from 3 months to 2 years from the date of the completion of respective project. The amount is unsecured, interest-free and repayable at the end of the defective liability period of respective contract which is within the Group's normal operating cycle.

24. Contract Liabilities

	2025 HK$'000	2024 HK$'000
Advances from customers of construction contracts	**12,454**	12,454

As at 1 April 2023, contract liabilities amounted to HK$12,226,000.

Contract liabilities of the Group, which are expected to be settled within the Group's normal operating cycle, are classified as current.

24. Contract Liabilities (Continued)

No revenue from construction contracts was recognised during the years ended 31 March 2025 and 2024 that was included in the contract liabilities at the beginning of both years.

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

Construction contracts

When the Group receives advances from customers before the construction commences, this will give rise to contract liabilities, until the revenue recognised on the relevant contract exceeds the amount of the advances from customers. Advances from customers of construction contracts are net-off with the invoiced revenue amounts and normally recognised as revenue according to the schedules of construction contracts.

25. Deferred Taxation

For the purpose of presentation in the consolidated statement of financial position, deferred tax assets and liabilities have been offset. The followings are the deferred tax assets and liabilities recognised by the Group and movements thereon during each reporting period:

	Impairment on trade receivables and contract assets *HK$'000*	Accelerated tax depreciation *HK$'000*	Total *HK$'000*
At 1 April 2023	922	(108)	814
Credit (charge) to profit or loss *(note 10)*	772	(52)	720
At 31 March 2024	1,694	(160)	1,534
Credit (charge) to profit or loss *(note 10)*	647	(139)	508
At 31 March 2025	**2,341**	**(299)**	**2,042**

26. Lease Liabilities

	2025 **HK$'000**	2024 HK$'000
Lease liabilities payable:		
Within one year	**858**	280
Within a period of more than one year but not more than two years	**823**	4
	1,681	284
Less: Amount due for settlement with 12 months shown under current liabilities	**(858)**	(280)
Amount due for settlement after 12 months shown under non-current liability	**823**	4

The weighted average incremental borrowing rates applied to lease liabilities was 4.07% (2024: 6.75%) for the year ended 31 March 2025.

27. Share Capital

	Number of shares	**Amount** ***HK$'000***
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 April 2023 and 31 March 2024 and 2025	780,000,000	7,800
Issued and fully paid:		
At 1 April 2023 and 31 March 2024 and 2025	372,000,000	3,720

28. Retirement Benefit Plans

The Group participates in a Mandatory Provident Fund Scheme (the "**MPF Scheme**") for its employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group, in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the MPF Scheme at rates specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the MPF Scheme.

The retirement benefit scheme contributions arising from the MPF Scheme charged to profit or loss for the year ended 31 March 2025 was HK$1,757,000 (2024: HK$1,387,000), which represented contributions payable to the funds by the Group at rates specified in the rules of the scheme.

29. Capital Risk Management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to the shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes lease liabilities, net of cash and cash equivalents and equity comprising issued share capital and reserves.

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

30. Financial Instruments

Categories of financial instruments

	2025 ***HK$'000***	2024 *HK$'000*
Financial assets		
Amortised cost	**248,432**	239,188
FVTPL	**31,106**	14,998
Financial liabilities		
Amortised cost	**103,679**	63,199

Financial risk management objectives and policies

The Group's financial instruments include trade and other receivables, amounts due from an associate and a shareholder, financial assets at FVTPL, bank balances and deposits, trade and retention payables and lease liabilities. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

30. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Market risk

(i) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable rate bank balances *(note 22)*. The Group is also exposed to fair value interest rate risk in relation to fixed-rate amount due from an associate, fixed-rate short-term bank deposit *(note 22)* and fixed-rate lease liabilities *(note 26)*. The Group currently does not have an interest rate hedging policy. The directors of the Company considered the Group's exposure to interest rate risk is not significant.

(ii) Other price risk

The Group is exposed to equity price risk through its investments in financial assets at FVTPL.

Other price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the reporting date.

If the prices of the respective equity instruments had been 5% higher/lower while all other variables were held constant, the post-tax profit for the year ended 31 March 2025 would increase/decrease by HK$1,555,000 (2024: increase/decrease by HK$626,000) as a result of the changes in fair value of financial assets at FVTPL.

Credit risk and impairment assessment

At the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

Trade receivables and contract assets arising from contracts with customers

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. Before accepting any new customer, the Group uses an internal credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed twice a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In addition, the Group performs impairment assessment under ECL model on trade balances individually. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group is exposed to concentration of credit risk as at 31 March 2025 on trade receivables and contract assets (2024: trade receivables and contract assets) from the Group's three major customers amounting to HK$224,419,000 (2024: HK$158,303,000) and accounted for 98% (2024: 89%) of the Group's total trade receivables and contract assets. In the opinion of the management of the Group, the major customers of the Group are certain reputable organisations in the market with good settlement history. The management of the Group considers that the credit risk is limited in this regard.

Other receivables, amounts due from an associate and a shareholder

The management of the Group regularly reviews and assesses the credit quality of the counterparties. The Group uses 12m ECL to assess the loss allowance of other receivables, amounts due from an associate and a shareholder since these receivables are not past due and there has not been a significant increase in credit risk since initial recognition. In this regard, the directors of the Company consider that the Group's credit risk is not significant.

30. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

Bank balances

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

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

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

30. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The table below details the credit risk exposures of the Group's financial assets at amortised cost and contract assets, which are subject to ECL assessment:

	Notes	External credit rating	Internal credit rating	12m or lifetime ECL	Gross carrying amount	
					2025 **HK$'000**	2024 HK$'000
Financial assets at amortised cost						
Trade receivables	*18*	N/A	*(note)*	Lifetime ECL (not credit-impaired)	**100,884**	103,163
			(note)	Lifetime ECL (credit-impaired)	**2,272**	676
Other receivables	*18*	N/A	Low risk	12m ECL (not credit-impaired)	**13,501**	11,580
Amount due from an associate	*21*	N/A	Low risk	12m ECL (not credit-impaired)	**–**	978
Amount due from a shareholder	*21*	N/A	Low risk	12m ECL (not credit-impaired)	**–**	10
Bank balances	*22*	Aa3/A (2024: Aa3/A)	N/A	12m ECL (not credit-impaired)	**134,778**	125,124
Other item:						
Contract assets	*20*	N/A	*(note)*	Lifetime ECL (not credit-impaired)	**139,457**	84,969

Note: For trade receivables and contract assets, the Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. Trade receivables and contract assets are assessed individually based on internal credit rating.

30. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

As part of the Group's credit risk management, the Group applies internal credit rating for its customers. The following table provides information and exposure to credit risk for trade receivables and contract assets.

Internal credit rating	2025 Trade receivables HK$'000	2025 Contract assets HK$'000	2024 Trade receivables HK$'000	2024 Contract assets HK$'000
Low risk	**23,517**	**110,975**	15,912	11,146
Watch list	**37,062**	**20,820**	87,212	62,888
Doubtful	**40,305**	**7,662**	39	10,935
Loss	**2,272**	**–**	676	–
	103,156	**139,457**	103,839	84,969

The estimated loss rates are determined based on internal credit ratings, past due status and repayment history of respective trade receivables and contract assets taking into consideration forward-looking information that is reasonable and supportable available without undue cost or effort. Management performs review regularly to ensure relevant information about specific debtors is updated. During the year ended 31 March 2025, the expected credit loss rates for not credit-impaired trade receivables and contract assets are ranging from 0.49% to 21.58% (2024: 1.24% to 20.66%).

During the year ended 31 March 2025, the Group provided HK$660,000 (2024: provided HK$1,900,000) and provided HK$3,262,000 (2024: provided HK$2,780,000) impairment allowance for trade receivables and contract assets respectively.

The following table shows the movement in lifetime ECL that has been recognised for trade receivables and contract assets under the simplified approach.

	Trade receivables (not credit-impaired) HK$'000	Trade receivables (credit-impaired) HK$'000	Contract assets (not credit-impaired) HK$'000	Total HK$'000
At 1 April 2023	443	–	5,145	5,588
Impairment loss recognised	2,343	–	7,925	10,268
Impairment loss reversed	(443)	–	(5,145)	(5,588)
Transfer to credit-impaired	(676)	676	–	–
At 31 March 2024	1,667	676	7,925	10,268
Impairment loss recognised	2,342	–	11,187	13,529
Impairment loss reversed	(1,667)	(15)	(7,925)	(9,607)
Transfer to credit-impaired	(1,611)	1,611	–	–
At 31 March 2025	**731**	**2,272**	**11,187**	**14,190**

30. Financial Instruments (Continued)

Financial risk management objectives and policies (Continued)

Credit risk and impairment assessment (Continued)

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Liquidity risk

In the management of 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 management of the Group believes that the Group will have sufficient working capital for its future operational requirement.

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

The table includes both interests and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from contracted interest rate curve at the end of the reporting period.

	Weighted average interest rate %	On demand or less than 1 year HK$'000	More than 1 year but less than 5 years HK$'000	Total undiscounted cash flows HK$'000	Carrying amount HK$'000
At 31 March 2025					
Trade and retention payables	–	102,925	754	103,679	103,679
Lease liabilities	4.07	874	873	1,747	1,681
		103,799	1,627	105,426	105,360

	Weighted average interest rate %	On demand or less than 1 year HK$'000	More than 1 year but less than 5 years HK$'000	Total undiscounted cash flows HK$'000	Carrying amount HK$'000
At 31 March 2024					
Trade and retention payables	–	61,669	1,530	63,199	63,199
Lease liabilities	6.75	269	24	293	284
		61,938	1,554	63,492	63,483

30. Financial Instruments (Continued)

Fair value measurements of financial instruments

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

For financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used).

	Fair value as at			
	31 March 2025 ***HK$'000***	31 March 2024 *HK$'000*	**Fair value hierarchy**	**Valuation technique and key input**
Financial assets at FVTPL				
Unlisted fund investments	**27,678**	14,998	Level 3	Inputs obtained from broker quotes that are indicative and not corroborated with observable market data
Unlisted equity investment	**3,428**	–	Level 2	Recent transaction

In accounting for the fair value measurement of the unlisted fund investments, the management of the Group has determined that the reported net asset values of unlisted fund investments provided by the fund managers represent the fair value of the unlisted private equity funds.

The underlying investments were measured using a valuation technique with significant unobservable inputs and hence were classified as Level 3 of the fair value hierarchy. The higher the reported net asset values of the unlisted fund investments are, the higher the fair value of the unlisted fund investments is.

In accounting for the fair value measurement of the unlisted equity investment, the management of the Group has determined that the recent transaction price of the shares of equity investment represents the fair value of the unlisted equity investment.

30. Financial Instruments (Continued)

Fair value measurements of financial instruments (Continued)

b. Reconciliation of Level 3 fair value measurements of financial assets

	HK$'000
Unlisted fund investments	
At 1 April 2023	14,643
Total gain:	
– In profit or loss	355
At 31 March 2024	14,998
Additions	10,000
Total gain:	
– In profit or loss	2,680
At 31 March 2025	**27,678**

Note: The gain arising from the remeasurement are presented in the "other income, other gains and losses" line item in the consolidated statement of profit or loss and other comprehensive income.

The fair values of financial assets and financial liabilities recorded at amortised cost are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The management of the Group considers that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

31. Reconciliation of Liabilities Arising From Financing Activities

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

	Dividend payable *HK$'000*	**Lease liabilities** *HK$'000* *(note 26)*	**Total** *HK$'000*
At 1 April 2023	–	–	–
Dividend declared	50,220	–	50,220
Interest accrued	–	27	27
New lease entered	–	550	550
Financing cash flows	(50,220)	(293)	(50,513)
At 31 March 2024	–	284	284
Dividend declared	6,000	–	6,000
Interest accrued	–	9	9
New lease entered	–	1,681	1,681
Financing cash flows	(6,000)	(293)	(6,293)
At 31 March 2025	**–**	**1,681**	**1,681**

32. Related Party Transactions

Other than as disclosed elsewhere in the consolidated financial statements, the Group has the following transactions with related parties:

Compensation of key management personnel

The remuneration of key management personnel (including the directors of the Company) of the Group during the year is as follows:

	2025	2024
	HK$'000	*HK$'000*
Fee	**489**	489
Salaries and other allowances	**16,291**	19,813
Retirement benefit scheme contributions	**36**	39
	16,816	20,341

The remuneration of key management personnel is determined with regard to the performance of individuals and market trends.

33. Particular of Subsidiaries

As at 31 March 2025, the Company had direct and indirect equity interests in the following subsidiaries:

Name of subsidiaries	Place of incorporation/ operation	Kind of legal entity	Issued and fully paid capital	Equity interest attributable to the Company as at 31 March 2025	Equity interest attributable to the Company as at 31 March 2024	Principal activities
Directly held						
Brilliant Outstanding Investments Limited	British Virgin Islands ("**BVI**")	Limited liability company	United States dollar ("**US$**")1	**–** ***(note)***	100%	Dormant
Gain Large Limited	BVI	Limited liability company	US$1	**100%**	100%	Investment holding
Nation Max	BVI	Limited liability company	US$11,000	**100%**	100%	Investment holding
Indirectly held						
Auto Earning Limited	BVI	Limited liability company	US$10,000	**100%**	100%	Fund and securities investment
Double Gain	Hong Kong	Limited liability company	HK$20,010,000	**100%**	100%	Provision of building construction services and RMAA services
Hong Kong ZCloud Management Limited (formerly known as Hyper Data Asia Limited)	Hong Kong	Limited liability company	HK$1	**100%**	100%	Provision of management services
Double Gain Construction Limited ("**Double Gain Construction**")	Hong Kong	Limited liability company	HK$10,000	**51%**	51%	Provision of building construction services and RMAA services

Note: Brilliant Outstanding Investments Limited was deregistered on 27 August 2024.

33. Particular of Subsidiaries (Continued)

Details of non-wholly owned subsidiary that has material non-controlling interests

The table below shows details of non-wholly owned subsidiary of the Group that has material non-controlling interests:

Name of subsidiary	Place of establishment and principal place of operation	Proportion of ownership interests held by non-controlling interests		Profit allocated to non-controlling interests		Accumulated non-controlling interests	
		31/03/2025	31/03/2024	**31/03/2025**	31/03/2024	**31/03/2025**	31/03/2024
				HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Double Gain Construction	Hong Kong	**49%**	49%	**4,001**	4,356	**2,281**	4,280

Summarised financial information in respect of Double Gain Construction is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Double Gain Construction

	2025 ***HK$'000***	2024 *HK$'000*
Current assets	**48,025**	20,944
Non-current assets	**671**	1,067
Current liabilities	**(44,041)**	(13,275)
Total equity	**4,655**	8,736
Equity attributable to owners of the Company	**2,374**	4,456
Non-controlling interests of Double Gain Construction	**2,281**	4,280

	2025 ***HK$'000***	2024 *HK$'000*
Revenue	**276,091**	188,585
Expenses	**(267,926)**	(179,694)
Profit and total comprehensive income for the year	**8,165**	8,891
Profit and total comprehensive income attributable to owners of the Company	**4,164**	4,535
Profit and total comprehensive income attributable to non-controlling interests of Double Gain Construction	**4,001**	4,356
Net cash inflow from operating activities	**23,900**	231
Net cash outflow from investing activities	**–**	(499)
Net cash (outflow) inflow from financing activities	**(23,174)**	846
Net cash inflow	**726**	578

None of the subsidiaries had issued any debt securities at the end of the year.

34. Statement of Financial Position and Reserves of the Company

	2025 HK$'000	2024 HK$'000
Non-current asset		
Investments in subsidiaries	**68,972**	68,972
Current assets		
Prepayments	**222**	180
Amounts due from subsidiaries	**27,480**	15,467
Bank balances and deposits	**121,924**	27,131
	149,626	42,778
Current liabilities		
Amounts due to subsidiaries	**16,648**	28,458
Accruals	**730**	577
	17,378	29,035
Net current assets	**132,248**	13,743
Net assets	**201,220**	82,715
Capital and reserves		
Share capital	**3,720**	3,720
Reserves	**197,500**	78,995
Total equity	**201,220**	82,715

34. Statement of Financial Position and Reserves of the Company (Continued)

Movement of the reserves of the Company is as follows:

	Share premium *HK$'000*	(Accumulated losses)/ Retained earnings *HK$'000*	Total *HK$'000*
At 1 April 2023	132,532	(3,550)	128,982
Profit and total comprehensive income for the year	–	233	233
Special dividend declared and paid	(50,220)	–	(50,220)
At 31 March 2024	82,312	(3,317)	78,995
Profit and total comprehensive income for the year	–	118,505	118,505
At 31 March 2025	**82,312**	**115,188**	**197,500**

Financial Summary

Results

	For the year ended 31 March				
	2025	2024	2023	2022	2021
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	**1,275,230**	1,150,954	1,210,108	1,063,898	951,249
Profit for the year attributable to owners of the Company	**35,053**	32,060	56,686	13,322	34,072

Assets and Liabilities

	At 31 March				
	2025	2024	2023	2022	2021
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Total assets	**430,267**	351,674	368,235	323,966	293,972
Total liabilities	**(131,239)**	(81,699)	(80,100)	(92,513)	(75,841)
Total equity	**299,028**	269,975	288,135	231,453	218,131