



御佳控股有限公司

Royal Deluxe Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock code: 3789



2025

Interim Report

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Wang Kei Ming (*Chairman*)
Mr. Wang Yu Hin (*Chief Executive Officer,*
appointed on 23 October 2025)
Ms. Chao Lai Heng

Independent Non-executive Directors

Mr. Lai Ah Ming Leon
Mr. Kwong Ping Man
Mr. Sio Kam Seng

BOARD COMMITTEES

Audit Committee

Mr. Kwong Ping Man (*Chairman*)
Mr. Lai Ah Ming Leon
Mr. Sio Kam Seng

Remuneration Committee

Mr. Lai Ah Ming Leon (*Chairman*)
Mr. Kwong Ping Man
Mr. Sio Kam Seng
Mr. Wang Kei Ming

Nomination Committee

Mr. Sio Kam Seng (*Chairman*)
Mr. Lai Ah Ming Leon
Mr. Kwong Ping Man
Mr. Wang Kei Ming
Ms. Chao Lai Heng
(*Appointed on 7 August 2025*)

Environmental, Social and Governance Committee

Mr. Kwong Ping Man (*Chairman*)
Mr. Lai Ah Ming Leon
Mr. Sio Kam Seng
Mr. Wang Kei Ming
Mr. Wang Yu Hin

Risk Committee

Mr. Lai Ah Ming Leon (*Chairman*)
Mr. Wang Yu Hin
Mr. Sio Kam Seng
Mr. Kwong Ping Man

COMPANY SECRETARY

Ms. Yim Sau Ping (*FCPA*)

AUTHORISED REPRESENTATIVES

Mr. Wang Kei Ming
Ms. Yim Sau Ping (*FCPA*)

REGISTERED OFFICE IN THE CAYMAN ISLANDS

Windward 3, Regatta Office Park,
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COMPLIANCE ADVISER

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Wanchai, Hong Kong

LEGAL ADVISER AS TO HONG KONG LAWS

CFN Lawyers LLP
Units 4101-04, 41st Floor,
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Wanchai, Hong Kong

CORPORATE INFORMATION

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Kwun Tong, Kowloon,
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Ocorian Trust (Cayman) Limited
Windward 3, Regatta Office Park,
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Grand Cayman KY1-1108,
Cayman Islands

BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

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

PRINCIPAL BANKS

DBS Bank (Hong Kong) Limited
The Hong Kong and Shanghai Banking
Corporation Limited

STOCK CODE

3789

WEBSITE

www.royal-deluxe.com

HIGHLIGHTS

For the six months ended 30 September

	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)	Change %
Financial Highlights			
Revenue	347,344	335,631	3.5%
Gross profit	19,273	19,326	(0.3%)
Gross profit margin	5.5%	5.8%	(5.2%)
Profit/(loss) attributable to owners of the Company	3,684	(2,920)	N/A

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)	Change %
Financial Position			
Bank balances and cash	80,622	48,640	65.8%
Financial Ratios			
Current ratio	2.8	2.6	7.7%
Quick ratio	2.8	2.6	7.7%
Gearing ratio	0.1%	0.1%	–
Return on equity	2.3%	(2.0%)	N/A
Return on total assets	1.6%	(1.3%)	N/A

For the six months ended 30 September

	2025 HK cents (Unaudited)	2024 HK cents (Unaudited)	Change %
Financial Information per share			
Earnings/(loss) per share – Basic and diluted	0.31	(0.24)	N/A

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

		Six months ended 30 September	
	Notes	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Revenue	3	347,344	335,631
Direct costs		(328,071)	(316,305)
Gross profit		19,273	19,326
Other income, other gains and losses, net	4	10,551	8,654
Administration and other operating expenses		(25,533)	(29,308)
Provision for loss allowance on trade and other receivables and contract assets		(888)	(1,686)
Finance costs	5	(19)	(6)
Profit/(loss) before tax	6	3,384	(3,020)
Income tax credit	7	300	100
Profit/(loss) and total comprehensive income/(loss) for the period		3,684	(2,920)
		HK cents	HK cents
Earnings/(loss) per share attributable to owners of the Company			
– Basic and diluted	9	0.31	(0.24)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Notes	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Non-current assets			
Property, plant and equipment	10	18,795	22,157
Right-of-use assets		32,256	33,113
Club membership		1,188	1,188
Deferred tax assets		1,820	868
		54,059	57,326
Current assets			
Inventories		916	1,235
Trade and other receivables	11	76,321	121,873
Contract assets	12	248,032	234,924
Bank balances and cash		80,622	48,640
Current tax recoverable		4,197	3,240
		410,088	409,912
Current liabilities			
Trade and other payables	13	135,438	136,305
Contract liabilities		10,286	16,838
Lease liabilities		257	295
Current tax liabilities		2,767	2,023
		148,748	155,461
Net current assets		261,340	254,451
Total assets less current liabilities		315,399	311,777
Non-current liabilities			
Deferred tax liabilities		348	606
Lease liabilities		–	101
Net defined benefit retirement obligation		786	489
		1,134	1,196
Net assets		314,265	310,581
Capital and reserves			
Share capital	14	12,000	12,000
Reserves		302,265	298,581
		314,265	310,581

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2025

	Attributable to owners of the Company					Total equity
	Share capital	Share premium	Special reserve	Other reserves	Retained profits	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 31 March 2024 (audited)	12,000	94,956	1,020	(46)	208,697	316,627
Loss and total comprehensive loss for the period	–	–	–	–	(2,920)	(2,920)
Balance at 30 September 2024 (unaudited)	12,000	94,956	1,020	(46)	205,777	313,707
Balance at 31 March 2025 (audited)	12,000	94,956	1,020	(46)	202,651	310,581
Profit and total comprehensive income for the period	–	–	–	–	3,684	3,684
Balance at 30 September 2025 (unaudited)	12,000	94,956	1,020	(46)	206,335	314,265

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2025

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Cash flows from operating activities		
Cash generated from/(used in) operations	33,083	(16,135)
Interest received	180	493
Interest paid	(19)	(6)
Hong Kong Profits Tax paid	(1,123)	(110)
Net cash generated from/(used in) operating activities	32,121	(15,758)
Cash flows from investing activities		
Purchases of property, plant and equipment	–	(642)
Net cash used in investing activities	–	(642)
Cash flows from financing activities		
Repayment of lease liabilities	(139)	(103)
Net cash used in financing activities	(139)	(103)
Net increase/(decrease) in cash and cash equivalents	31,982	(16,503)
Cash and cash equivalents at the beginning of period	48,640	78,187
Cash and cash equivalents at the end of period	80,622	61,684

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2025

1. GENERAL INFORMATION AND BASIS OF PREPARATION

Royal Deluxe Holdings Limited (the “**Company**”) is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in the provision of formwork erection and related ancillary services in Hong Kong. The Company was incorporated in the Cayman Islands as an exempted company with limited liability under The Companies Act (as revised) of the Cayman Islands. The addresses of the registered office and the principal place of business of the Company are Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and Unit A, 22nd Floor, T G Place, 10 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong, respectively.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 8 February 2017 (the “**Listing**”). Its parent company and ultimate holding company is Wang K M Limited (“**Wang K M**”), a company incorporated in the British Virgin Islands and is owned to as 50% by Mr. Wang Kei Ming (“**Mr. Joseph Wang**”), an executive director of the Company (the “**Director(s)**”), and 50% by Ms. Chao Lai Heng (“**Ms. Chao**”), an executive Director and spouse of Mr. Joseph Wang.

These unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 September 2025 have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). These unaudited condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements of the Group for the year ended 31 March 2025 (the “**2025 Annual Financial Statements**”), which have been prepared in accordance with the HKFRS Accounting Standards.

The unaudited condensed consolidated interim financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company.

Other than changes in accounting policies resulting from application of new and amendments to HKFRS Accounting Standards, the accounting policies and methods of computation used in the unaudited condensed consolidated interim financial statements for the six months ended 30 September 2025 are the same as those followed in the preparation of the 2025 Annual Financial Statements.

These unaudited condensed consolidated interim financial statements have been approved for issue by the board of Directors (the “**Board**”) on 27 November 2025.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2025

2. CHANGE IN ACCOUNTING POLICIES

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2025 for the preparation of the Group's unaudited condensed consolidated interim financial statements:

Amendments to HKAS 21

Lack of Exchangeability

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

3. REVENUE AND SEGMENT INFORMATION

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

Disaggregation of revenue from contracts with customers

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Types of goods and services		
– Provision of formwork erection and related ancillary services	347,344	335,631
Timing of revenue recognition		
– Over time	347,344	335,631

Segment information

For the purpose of the Group's resources allocation and performance assessment, the chief operating decision maker (i.e. the Directors) reviews the overall results and financial position of the Group as a whole. Accordingly, the Group has only one single operating segment and no further analysis of this single segment is presented.

Geographical information

The Company is domiciled in the Cayman Islands with the Group's major operation located in Hong Kong. All of the Group's revenue from external customers are derived from Hong Kong, the place of domicile of the Group's operating subsidiaries. All the non-current assets of the Group are located in Hong Kong. Accordingly, no geographical information is presented.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2025

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Information about major customers

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

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Customer A	104,466	–
Customer B	102,487	–
Customer C	49,390	67,629
Customer D	N/A ¹	89,048
Customer E	–	80,992
Customer F	–	41,012

¹ The corresponding revenue did not contribute over 10% of the Group's total revenue.

4. OTHER INCOME, OTHER GAINS AND LOSSES, NET

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Other income		
Bank interest income	180	493
Income from sale of scrap materials	7,077	715
Sundry income	3,294	7,461
	10,551	8,669
Other gains and losses, net		
Loss on written off or disposal of property, plant and equipment	–	(15)
	–	(15)
	10,551	8,654

5. FINANCE COSTS

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Interest on lease liabilities	19	6

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2025

6. PROFIT/(LOSS) BEFORE TAX

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Profit/(loss) before tax has been arrived at after charging:		
Employee benefits expense (<i>Note (i)</i>):		
Salaries and other benefits in kind	60,458	40,617
Discretionary bonuses	1,320	1,950
Contributions to retirement benefit scheme	1,421	995
Total employee benefits expense, including Directors' emoluments	63,199	43,562
Depreciation of property, plant and equipment (<i>Note (ii)</i>)	3,362	4,895
Depreciation of right-of-use assets (<i>Note (iii)</i>)	857	857
Provision for loss allowance on trade and other receivables and contract assets	888	1,686
Short-term lease expenses in respect of:		
– Land and buildings	3,386	2,854
– Plant and equipment	12,268	15,545

Notes:

- (i) During the six months ended 30 September 2025 and 2024, total employee benefits expense amounting to approximately HK\$45,559,000 and HK\$23,872,000, respectively, was included in direct costs and amounting to approximately HK\$17,640,000 and HK\$19,690,000, respectively, was included in administration and other operating expenses.
- (ii) During the six months ended 30 September 2025 and 2024, depreciation of property, plant and equipment of approximately HK\$1,334,000 and HK\$3,100,000, respectively, was charged to direct costs and approximately HK\$2,028,000 and HK\$1,795,000, respectively, was charged to administration and other operating expenses.
- (iii) During the six months ended 30 September 2025 and 2024, depreciation of right-of-use assets of approximately HK\$857,000 and HK\$857,000, respectively, was charged to administration and other operating expenses.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2025

7. INCOME TAX CREDIT

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Current income tax:		
– Hong Kong Profits Tax	910	(47)
Deferred tax	(1,210)	(53)
Total income tax credit recognised in profit or loss	(300)	(100)

The Group has no income subject to taxation in Cayman Islands and British Virgin Islands.

The Company and its Hong Kong subsidiaries are subject to Hong Kong Profits Tax, which is calculated at tax rate of 16.5% on the estimated assessable profits arising in Hong Kong, except for one of the subsidiaries of the Company which is calculated at 8.25% on the first HK\$2,000,000 of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2,000,000 under the Two-tiered Profits Tax Rates Regime.

8. DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: Nil).

9. EARNINGS/(LOSS) PER SHARE

For the purpose of these unaudited condensed consolidated interim financial statements, the calculation of the basic and diluted earnings/(loss) per share attributable to owners of the Company is based on:

- (i) the profit/(loss) attributable to owners of the Company for the respective periods; and

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2025

9. EARNINGS/(LOSS) PER SHARE (CONTINUED)

- (ii) the weighted average number of ordinary shares issued during the six months ended 30 September 2025 and the six months ended 30 September 2024 respectively.

Six months ended 30 September		
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Earnings/(loss)		
Profit/(loss) for the period attributable to owners of the Company for the purpose of basic and diluted earnings/(loss) per share	3,684	(2,920)

Six months ended 30 September		
	2025 '000 (Unaudited)	2024 '000 (Unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings/(loss) per share	1,200,000	1,200,000

The diluted earnings/(loss) per share is equal to the basic earnings/(loss) per share as there is no dilutive potential ordinary share in issue during the respective periods.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2025, the Group did not acquire any items of property, plant and equipment (six months ended 30 September 2024: approximately HK\$642,000).

During the six months ended 30 September 2025, the Group did not dispose any property, plant and equipment (six months ended 30 September 2024: approximately HK\$15,000 and recognised a loss of approximately HK\$15,000).

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2025

11. TRADE AND OTHER RECEIVABLES

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Trade receivables	72,332	113,907
Less: loss allowance for trade receivables	(646)	(645)
	71,686	113,262
Deposits, other receivables and prepayments	4,745	8,729
Less: loss allowance for deposits and other receivables	(110)	(118)
	76,321	121,873

The Group allows a credit period ranging from 7 to 45 days (31 March 2025: 7 to 45 days) to its customers. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management.

The ageing analysis of trade receivables before loss allowance presented based on dates of progress certificates issued by customers, at the end of reporting period, are as follows:

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
0 – 30 days	40,828	74,574
31 – 60 days	12,589	27,685
91 – 180 days	11,095	3,828
Over 180 days	7,820	7,820
	72,332	113,907

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2025

12. CONTRACT ASSETS

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Analysed as current:		
Retention receivables of construction contracts (Note (a))	99,934	94,420
Unbilled revenue of construction contracts (Note (b))	152,437	143,948
Less: loss allowance for contract assets	(4,339)	(3,444)
	248,032	234,924

Notes:

- (a) Retention receivables included in contract assets represent the Group's right to receive consideration for work performed and 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. The due dates for retention receivables are usually 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 trade receivables when the rights become unconditional, which is typically at the time when the Group obtains the certification of the completed construction work from the customers.

The Group classifies these contract assets as current because the Group expects to realise them in its normal operating cycle.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2025

13. TRADE AND OTHER PAYABLES

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
Trade payables	53,351	68,636
Retention payables	20,710	16,334
Other payables and accruals	61,377	51,335
	135,438	136,305

The credit period on trade payables is generally 30 to 60 days (31 March 2025: 30 to 60 days).

As at 30 September 2025, included in trade payables was approximately HK\$3,464,000 (31 March 2025: approximately HK\$4,832,000) payable to a related company, Genuine Treasure Construction Material Limited. Mr. Joseph Wang's close family member is the substantial shareholder and director of Genuine Treasure Construction Material Limited.

As at 30 September 2025, included in trade payables was approximately HK\$4,028,000 (31 March 2025: approximately HK\$4,241,000) payable to a related company, Genuine Treasure Access and Scaffolding Limited. Mr. Joseph Wang's close family member is the substantial shareholder and director of Genuine Treasure Access and Scaffolding Limited.

The ageing analysis of trade payables, presented based on the invoice date, at the end of reporting period, are as follows:

	As at 30 September 2025 HK\$'000 (Unaudited)	As at 31 March 2025 HK\$'000 (Audited)
0 – 30 days	37,480	34,649
31 – 60 days	11,937	15,397
61 – 90 days	2,019	14,822
91 – 180 days	1,518	3,117
Over 180 days	397	651
	53,351	68,636

Except for retention payables of approximately HK\$7,651,000 as at 30 September 2025 (31 March 2025: approximately HK\$2,416,000) which are expected to be settled after one year, all of the remaining retention payables are expected to be settled within one year.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2025

14. SHARE CAPITAL

	As at 30 September 2025		As at 31 March 2025	
	Number of shares	HK\$'000 (Unaudited)	Number of shares	HK\$'000 (Audited)
Authorised:				
Ordinary shares of HK\$0.01 each	2,000,000,000	20,000	2,000,000,000	20,000
Issued and fully paid:				
Ordinary shares of HK\$0.01 each	1,200,000,000	12,000	1,200,000,000	12,000

15. RELATED PARTY TRANSACTIONS

(a) Outstanding balances with related parties

Details of outstanding balances with related parties are set out in Note 13 to the unaudited condensed consolidated interim financial statements.

(b) Material related party transactions

The Group entered into the following material related party transactions during the period:

		Six months ended 30 September	
		2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Name of related parties	Nature		
Genuine Treasure Construction Material Limited (<i>Note (iii)</i>)	Transportation, logistic and plant hiring charge	7,587	4,824
Genuine Treasure Access and Scaffolding Limited (<i>Note (ii)</i>)	Scaffolding & equipment rental charge	8,134	14,576

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2025

16. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Material related party transactions (Continued)

Notes:

- (i) Mr. Joseph Wang's close family member is the substantial shareholder and director of Genuine Treasure Access and Scaffolding Limited.
- (ii) Mr. Joseph Wang's close family member is the substantial shareholder and director of Genuine Treasure Construction Material Limited.
- (iii) The transactions were conducted on terms and conditions mutually agreed between the relevant parties. The Directors are of the opinion that these related party transactions were conducted in the ordinary course of business of the Group.

The related party transactions in respect of items (i) and (ii) above also constitute connected transactions and/or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

(c) Compensation of key management personnel

The remuneration of Directors and other members of key management of the Group during the six months ended 30 September 2025 and 2024 are as follows:

	Six months ended 30 September	
	2025 HK\$'000 (Unaudited)	2024 HK\$'000 (Unaudited)
Short-term employee benefits	10,764	10,746
Post-employment benefits	36	36
	10,800	10,782

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS AND FINANCIAL REVIEW

The Group is principally engaged in the provision of formwork works in Hong Kong. As a major subcontractors, the Group is specialised in providing in erecting formworks and related ancillary services and erection of concrete precast component and scaffolding works for construction works across the public-sector projects and private-sectors projects in Hong Kong. The history of Group can be traced back to 1994 and the Group is an established subcontractor with an operating history of over 30 years. The customers of the Group's public-sector projects were generally main contractors engaged by the Hong Kong Government (the **"Government"**), Housing Authority, Hospital Authority, the Mass Transit Railway Corporation Limited (the **"MTR"**). The project owners of the Group's private-sector projects were generally property developers, while the customers of the Group's private-sector projects were main-contractors engaged under such projects.

Two subsidiaries of the Group have been renewed registration as Group 2 Registered Specialist Trade Contractors (**"RSTC"**) under the categories of "S02-Concreting Formwork", "S05-Erection of Concrete Precast Component" and "S07-Scaffolding" with confirmed status. Both subsidiaries are qualified to tender for public works contracts/subcontracts of unlimited value in these designated trades, with the registration of one subsidiary effective from 18 January 2023, and the other from 2 June 2023. One of the subsidiaries has also been approved registration as the Group 2 RSTC under the category of "S01-Concreting" with confirmed status and which will be effective from 18 January 2026.

BUSINESS REVIEW

During the six months ended 30 September 2025, the Group secured four new contracts with total contract value of approximately HK\$46.9 million, all of these projects have been commenced during the six months ended 30 September 2025.

As at 30 September 2025, the Group has a total of twelve projects on hand with the estimated total outstanding value of approximately HK\$779.6 million, representing a decrease of approximately HK\$150.5 million or approximately 16.2% as compared with the estimated total outstanding value of approximately HK\$930.1 million as at 31 March 2025.

Subsequent to the six months ended 30 September 2025 and as at the date of this report, the Group further secured a new subcontract for building formwork works with contract value of approximately HK\$109.9 million. With the projects on hand, it is therefore expected the performance of the subcontract works will remain sustainable and stable in the coming years. These contracts are expected to be completed in around three years.

MANAGEMENT DISCUSSION AND ANALYSIS

Environmental Policies and Performance

The Group is committed to minimising the adverse impact to the environment caused by business operations. In order to comply with the applicable environmental protection laws and regulations, the Group established an environmental management policy to ensure proper management of environmental protection and compliance of environmental laws and regulations by both employees and workers of the subcontractors on, among others, air pollution, noise control and waste disposal. The Group will continue to reduce the impacts of its operation on the environment and continue to make efforts to pursue GREEN.

The Group has been certified by the World Institute of Sustainable Development Planners ("WISDP") and awarded membership as a Recognised Sustainable Development Corporation ("RSDC") for 2025-2026. In recognition of the Group's achievement in the promotion of sustainable construction technology in Hong Kong and its commitment to supporting the Sustainable Development Goals of the United Nations.

FINANCIAL REVIEW

Revenue

The Group's revenue increased by approximately HK\$11.7 million, or approximately 3.5%, from approximately HK\$335.6 million for the six months ended 30 September 2024 to approximately HK\$347.3 million for the six months ended 30 September 2025. The increase in revenue was attributable to the increase in revenue generated from new projects and existing projects to the Group for the six months ended 30 September 2025.

Direct costs

The Group's direct costs primarily includes cost of raw materials, labour costs, subcontracting fees, equipment and warehouse charges, depreciation and amortization, site expenses and other overhead costs.

During the six months ended 30 September 2025, the direct costs increased by approximately HK\$11.8 million, or 3.7%, from approximately HK\$316.3 million for the six months ended 30 September 2024 to approximately HK\$328.1 million for the six months ended 30 September 2025. The increase was mainly driven by the increase in construction work performed which is in line with the increase in revenue.

MANAGEMENT DISCUSSION AND ANALYSIS

Gross profit and gross profit margin

During the six months ended 30 September 2025, the Group's gross profit remained relatively stable at approximately HK\$19.3 million and approximately HK\$19.3 million for the six months ended 30 September 2024 and 2025, respectively. The Group also maintained a stable gross profit margin at approximately 5.8% and approximately 5.5% for the six months ended 30 September 2024 and 2025, respectively. Sustaining gross profit was mainly due to effectively increase the proportion of reusable materials to improve cost efficiency.

Other income, other gains and losses, net

Other income, other gains and losses, net mainly consisted of insurance claim proceeds, income from sales of scrap materials, interest income, table-form equipment rental income and other sundry income. The increase in other income, other gains and losses from approximately HK\$8.7 million for the six months ended 30 September 2024 to approximately HK\$10.6 million for the six months ended 30 September 2025 was mainly attributable to an increase of approximately HK\$6.4 million in sales of scrap metal and recyclable materials to recyclers.

Provision for loss allowance on trade and other receivables and contract assets

The provision for loss allowance on trade and other receivables and contract assets represents the expected credit losses on our trade receivables, deposits and other receivables and contract assets. The management of the Group conducted impairment analysis at the end of each reporting period using a provision matrix to measure expected credit losses.

The Group's provision of loss allowance on trade and other receivables and contract assets decreased from approximately HK\$1.7 million for the six months ended 30 September 2024 to approximately HK\$0.9 million for the six months ended 30 September 2025. This was primarily due to a decrease of approximately HK\$17.0 million in the account balances of high-credit risk customers as at 30 September 2024, and reassessment of expected recoverable values in light of current market conditions.

As at 30 September 2025, the gross amounts of trade and other receivables and contract assets amounted to approximately HK\$77.1 million (31 March 2025: approximately HK\$122.6 million) and approximately HK\$252.4 million (31 March 2025: approximately HK\$238.4 million).

MANAGEMENT DISCUSSION AND ANALYSIS

Up to the date of this report, approximately HK\$64.5 million and approximately HK\$10.5 million of the Group's trade receivables and contract assets as at 30 September 2025 have been subsequently settled, respectively. The management reviews the recoverable amount of each individual receivable at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In addition, the Group performs impairment assessment under ECL model upon application of HKFRS 9 on trade balances based on provision matrix. Having considered the repayment records, the credit profiles and on-going business relationship with the customers, the Directors assessed that there had not been a significant change in credit quality of trade receivables and contract assets as at 30 September 2025.

Administration and other operating expenses

The Group's administration and other operating expenses primarily comprise staff costs (including Directors' remuneration), depreciation, office expenses and professional charges. The Group's administration and other operating expenses decreased by approximately HK\$3.8 million from approximately HK\$29.3 million for the six months ended 30 September 2024 to approximately HK\$25.5 million for the six months ended 30 September 2025. The decrease was mainly attributable to decrease in staff salaries and benefit, including Directors' emoluments, of approximately HK\$ 2.1 million.

Finance costs

The Group's finance costs only consisted of interest on lease liabilities which increased from approximately HK\$6,000 for the six months ended 30 September 2024 to approximately HK\$19,000 for the six months ended 30 September 2025. Besides lease liabilities, the Group has no borrowing during the six months ended 30 September 2025.

Income tax credit

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax expenses in the Cayman Islands and the British Virgin Islands. Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 September 2024: 16.5%) on the estimated assessable profits arising in Hong Kong during the period, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2,000,000 of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The Group recorded an income tax credit of approximately HK\$0.1 million for the six months ended 30 September 2024 and an income tax credit of approximately HK\$0.3 million for the six months ended 30 September 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Profit/(loss) and total comprehensive income/(loss) for the period attributable to owners of the Company

As a result of the foregoing, profit attributable to owners of the Company increased by approximately HK\$6.6 million or 226.2%, from loss attributable to owners of the Company of approximately HK\$2.9 million for the six months ended 30 September 2024 to profit attributable to owners of the Company of approximately HK\$3.7 million for the six months ended 30 September 2025, such increase was attributable to the increase in revenue from new projects and existing projects and other income for the six months ended 30 September 2025.

Other payables and accruals

The following table sets forth the breakdown of the Group's other payables and accruals as at 30 September 2025 and 31 March 2025:

	As at 30 September 2025 HK\$'000	As at 31 March 2025 HK\$'000
Accrued construction costs	41,628	35,715
Accrued staff costs and benefits expenses	17,952	13,346
Accrued legal and professional fees	412	70
Other payables	1,385	2,204
	61,377	51,335

The Group's other payables and accruals increased from approximately HK\$51.3 million as at 31 March 2025 to approximately HK\$61.4 million as at 30 September 2025. Such increase was mainly due to the increase in accrued construction costs as a result of the increase in construction work performed.

MANAGEMENT DISCUSSION AND ANALYSIS

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group adopts a prudent approach to cash management. As at 30 September 2025, the Group did not have any outstanding debts. As at 30 September 2025, the Group has available banking facilities of approximately HK\$30.0 million (31 March 2025: approximately HK\$30.0 million), of which the unutilised and unrestricted banking facilities amounted to approximately Hk\$30.0 million (31 March 2025: approximately HK\$30.0 million).

As at 30 September 2025, the Group had total bank balances and cash of approximately HK\$80.6 million (31 March 2025: approximately HK\$48.6 million), all of which were denominated in Hong Kong dollars. The current ratio (defined as current assets divided by current liabilities) of the Group was approximately 2.8 (31 March 2025: approximately 2.6).

As at 30 September 2025, the Group had total assets of approximately HK\$464.1 million (31 March 2025: approximately HK\$467.2 million), which was financed by total liabilities of approximately HK\$149.9 million (31 March 2025: approximately HK\$156.7 million) and total equity of approximately HK\$314.3 million (31 March 2025: approximately HK\$310.6 million).

As at 30 September 2025, the indebtedness of the Group comprised lease liabilities of approximately HK\$0.3 million (31 March 2025: approximately HK\$0.4 million).

TREASURY POLICIES

The Group continues to follow a prudent policy in managing the Group's cash balances and maintaining a healthy liquidity position. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. Internally generated cash flow and interest-bearing bank borrowings are the general source of funds to finance the operations of the Group. To manage liquidity risk, the Directors closely monitor the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

GEARING RATIO

As at 30 September 2025, the gearing ratio, calculated based on the lease liabilities divided by total equity, was 0.1% (31 March 2025: approximately 0.1%).

MANAGEMENT DISCUSSION AND ANALYSIS

CAPITAL EXPENDITURES

The Group generally finances its capital expenditures with internal resources and bank borrowings. During the six months ended 30 September 2025, the Group did not invest any capital expenditure (31 March 2025: approximately HK\$0.7 million) in machinery and equipment, leasehold improvements, office equipment, furniture and fixtures.

CAPITAL COMMITMENTS

The Group had no significant capital commitments as at 30 September 2025 (31 March 2025: Nil).

PLEDGE OF ASSETS

As at 30 September 2025 and 31 March 2025, the Group had restricted time deposits of approximately HK\$10.0 million which were charged to bank to secure trade facilities and guarantee line granted to the Group.

As at 30 September 2025, the Group had charge over account with a bank for general banking facilities of approximately HK\$5.1 million (31 March 2025: approximately HK\$0.2 million).

FOREIGN CURRENCY EXPOSURE

The Group's time deposits and bank balances are principally denominated in HK\$.

The Group has no significant exposure to foreign currency risk because most of the Group's transactions are denominated in HK\$. Under the Linked Exchange Rate System in Hong Kong, HK\$ is pegged to United States dollars, the management considers that there is no significant foreign exchange risk with respect to HK\$. Therefore, the Group has not employed any financial instrument for hedging. The management monitors the exposure to foreign exchange risks and will consider hedging significant foreign currency exposure should and when appropriate.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES, AND PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

There were no significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies during the six months ended 30 September 2025. Save as disclosed herein, there was no other plan for material investments or capital assets as at 30 September 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

CONTINGENT LIABILITIES

Save as disclosed below, the Group had no material contingent liability as at 30 September 2025 (31 March 2025: Nil).

In the ordinary course of business activities in the construction industry, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or of the Group's contractors in accidents arising out of and in the course of their employment. As at 30 September 2025, the Directors were of the opinion that such claims are covered by insurance or otherwise, would not result in any material adverse impact on the financial position or results and operations of the Group.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2025 (six months ended 30 September 2024: Nil).

EVENTS AFTER THE REPORTING PERIOD

Mr. Wang Yu Hin, an executive Director, has been appointed as the chief executive officer (the "CEO") of the Company to replace the casual vacancy following Ms. Chao Lai Heng, an executive Director, resigned as the CEO of the Company on 23 October 2025. Details of the change of CEO were set out in the announcement of the Company dated 23 October 2025.

Save as disclosed in this report, there is no other important event affecting the Group since 30 September 2025 and up to the date of this report.

EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2025, the Group had 77 full-time employees (30 September 2024: 89 full-time employees). The Group offers a competitive remuneration package that is mainly based on industry practices and individual performance and experience. Remuneration package comprises of salary, a performance-based bonus and Mandatory Provident Fund contributions. Other forms of benefits such as staff medical and training programs are also provided. Employee bonus is distributed based on the performance of the respective employees concerned. Moreover, the Group also provides internal and external training programs which are complementary to certain job functions. The total staff cost included in administration and other operating expenses (including remuneration of Directors and Mandatory Provident Fund contributions) for the six months ended 30 September 2025 amounted to approximately HK\$17.6 million (six months ended 30 September 2024: approximately HK\$19.7 million).

MANAGEMENT DISCUSSION AND ANALYSIS

POST-EMPLOYMENT BENEFITS

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the **"MPF Scheme"**) for the employees in Hong Kong. In addition, the employees employed under the Hong Kong Employment Ordinance are also entitled to long service payment (the **"LSP"**) if the eligibility criteria are met. The LSP are defined benefit plans. The carrying amount of defined benefit plan obligations as at 30 September 2025 is approximately HK\$786,000 (31 March 2025: approximately HK\$489,000).

SEGMENT INFORMATION

Save as disclosed in note 3 to the unaudited condensed consolidated interim financial statements in this report, the Group's business was regarded as a single operating segment and the Group had no geographical segment information presented as at 30 September 2025 and for the six months ended 30 September 2025.

RISK MANAGEMENT

The Risk Committee is responsible for monitoring and overseeing the risk policies and strategies of the Group, and also support the Board in overseeing the management of climate risks and providing directions to address the impact of climate change and consider climate-related risks and opportunities in a holistic manner.

Hong Kong Construction industry remains a complex and challenging market, we still have to deal with various issues, including labour shortages in various industries in Hong Kong, soaring inflation and interest costs, geopolitical tensions, and ongoing threats such as cybersecurity risks. At the same time, recent serious accidents in the construction industry and climate change risks such as rising sea levels have also become the focus of our attention. Our risk committee will continue to strive to strengthen internal controls to manage the Group's strategic risks. We will also focus on strengthening communication, improving risk monitoring awareness and responsibility throughout the Group, and continuously improving risk management methods.

FUTURE PROSPECTS

During the six months ended 30 September 2025, Hong Kong's economy maintained robust growth, driven by solid export growth and a pickup in domestic demand. Despite the promising economic growth, the construction industry is facing an intense drop in its growth compared to the previous year. Nevertheless, the Group adopted a prudent yet proactive approach to capitalise on market opportunities.

MANAGEMENT DISCUSSION AND ANALYSIS

Meanwhile, the Chief Executive's 2025 Policy Address signals an escalated development of Hong Kong's construction industry. The Northern Metropolis will be accelerated with dedicated legislation, new development committee, and eased administrative procedures. Besides, the increase of housing supply is targeted for this decade by expediting Public Rental Housing construction, launching the Light Public Housing (LPH), targeting to construct 126,000 units of private housing, and redeveloping Ma Tau Wai and Sai Wan Estate. Overall, a total of 189,000 public housing units, inclusive of LPH, are slated for completion over the next five years. However, the core issue is the shrinking private section market. According to data from the Rating and Valuation Department, private building started in the first quarter of 2025 would only be 40% of the same period last year, a trend unlikely to reverse in the short term.

In the face of a complex and volatile operating landscape, the Group focused its efforts on expanding its capability in formworks design and build management across its projects and has put great emphasis on construction technological innovation, actively utilising its patent formwork system and Building Information Modeling ("**BIM**") technology to improve project management efficiency and site safety.

Looking ahead, the Group sees signs of recovery in the construction market especially in the public sector, while cost pressures is expected to rise with increasing construction volume. Standing at the critical point of industrial transformation, the Group will always focus on providing high quality and flexible formwork solutions for its customers. Through enhanced operations and technology innovation driven development, strategic resolve and execution resilience to navigate construction market volatility. At the same time, leveraging our experience in the construction industry in Hong Kong, the Group is keen to capture more business opportunities with an aim to attain profitability and sustainability so as to enhance value to the shareholders of the Group.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2025, the interests or short positions of each of the Directors and the chief executive of the Company (the "**Chief Executive**") in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "**SFO**")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "**Model Code**"), to be notified to the Company and the Stock Exchange, were as follows:

Long positions in shares and underlying shares of the Company

Name of director/ Chief Executive	Capacity/ Nature of interest	Number of underlying shares of the Company held	Approximate percentage of shareholding
Mr. Joseph Wang <i>(Note)</i>	Interested in controlled corporations/Interest of spouse	850,800,000	70.9%
Ms. Chao <i>(Note)</i>	Interested in controlled corporations/Interest of spouse	850,800,000	70.9%
Mr. Wang Yu Hin	Beneficial owner	9,880,000	0.8%

Notes:

Each of Mr. Joseph Wang and Ms. Chao holds 50% of the issued share capital of Wang K M, which directly holds 66.8% of the shares of the Company. Each of Mr. Joseph Wang and Ms. Chao also holds 50% of the issued share capital of K C Limited, which directly holds 4.1% of the shares of the Company. Ms. Chao is the spouse of Mr. Joseph Wang. Therefore, each of Mr. Joseph Wang and Ms. Chao is deemed, or taken to be, interested in the same number of shares of the Company in which Wang K M and K C Limited are interested for the purpose of the SFO. Mr. Joseph Wang is the sole director of each of Wang K M and K C Limited.

OTHER INFORMATION

Save as disclosed above, as at 30 September 2025, none of the Directors or Chief Executive had any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under provision of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

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

So far as known to the Directors or Chief Executive, as at 30 September 2025, the following persons/entities (other than the Directors or Chief Executive) had or were deemed to have an interest or a short position in the shares, the underlying shares and debentures of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meeting of the Company or any other member of the Group:

Long positions in shares and underlying shares of the Company

Name	Capacity/ Nature of interest	Number of underlying shares of the Company held	Approximate percentage of shareholding
Wang K M	Beneficial owner	801,600,000	66.8%
K C Limited	Beneficial owner	49,200,000	4.1%

Save as disclosed above, as at 30 September 2025, there was no person or corporation, other than the Directors and Chief Executive whose interests are set out in the section "Directors' and chief executive's interests and short positions in shares, underlying shares and debentures" above, had or were deemed to have an interest or a short position in the shares, the underlying shares and debentures of the Company which would be required to be disclosed to the Company and the Stock Exchange under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other member of the Group.

OTHER INFORMATION

CHANGES IN INFORMATION OF DIRECTORS AND SENIOR MANAGEMENT

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in particulars of Directors and senior management during the six months ended 30 September 2025 and up to the date of this report are set out below:

- (1) Ms. Chao Lai Heng resigned as the CEO with effect from 23 October 2025; and
- (2) Mr. Wang Yu Hin was appointed as the CEO with effect from 23 October 2025.

Save as disclosed above, there has been no change to the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including any sale of treasury shares as defined under the Listing Rules) during the six months ended 30 September 2025. As at 30 September 2025, there were no treasury shares held by the Company.

COMPETING BUSINESS

During the six months ended 30 September 2025, none of the Directors or the controlling shareholders of the Company (the "**Controlling Shareholders**") and their respective associates (as defined under the Listing Rules) had any interests in a business, apart from the business of the Group, which competes or may compete with the business of the Group or has any other conflict of interest with the Group which would be required to be disclosed under Rule 8.10 of the Listing Rules.

OTHER INFORMATION

NON-COMPETITION UNDERTAKING

In order to avoid any possible future competition between the Group and the Controlling Shareholders, Mr. Joseph Wang and Wang K M (each a **"Covenantor"** and collectively the **"Covenantors"**) have entered into the deed of non-competition (the **"Deed of Non-competition"**) with the Company (for itself and for the benefit of each other member of the Group) on 17 January 2017. Pursuant to the Deed of Non-competition, each of the Covenantors has irrevocably and unconditionally undertaken to the Company (for itself and as trustee for its subsidiaries) that, during the period that the Deed of Non-competition remains effective, he/it shall not, and shall procure that his/its close associates (other than any member of the Group) not to develop, acquire, invest in, participate in, carry on or be engaged, concerned or interested or otherwise be involved, whether directly or indirectly, in any business in competition with or likely to be in competition with the existing business activity of any member of the Group.

On 13 January 2021, Ms. Chao subscribed for 1 issued share capital of Wang K M, which currently represents 50% shareholdings in Wang K M. Accordingly, Wang K M is beneficially owned as to 50% by Mr. Joseph Wang and 50% by Ms. Chao. Ms. Chao became one of the Controlling Shareholders.

Each of the Covenantors further undertakes that if any of he/she/it or his/her/its close associates other than any member of the Group is offered or becomes aware of any business opportunity which may compete with the business of the Group, he/she/it shall (and he/she/it shall procure his/her/its close associates to) notify the Group in writing and the Group shall have a right of first refusal to take up such business opportunity. The Group shall, within 6 months after receipt of the written notice (or such longer period if the Group is required to complete any approval procedures as set out under the Listing Rules from time to time), notify the Covenantor(s) whether or not the Group will exercise the right of first refusal.

The Group shall only exercise the right of first refusal upon the approval of all the independent non-executive Directors (who do not have any interest in such opportunity). The relevant Covenantor(s) and the other conflicting Directors (if any) shall abstain from participating in and voting at and shall not be counted as quorum at all meetings of the Board where there is a conflict of interest or potential conflict of interest including but not limited to the relevant meeting of the independent non-executive Directors for considering whether or not to exercise the right of first refusal.

Each of the Covenantors also gave certain non-competition undertakings under the Deed of Non-competition as set out in the paragraph headed "Relationship with our controlling shareholders – Non-competition undertaking" in the prospectus of the Company dated 25 January 2017 (the **"Prospectus"**).

OTHER INFORMATION

During the six months ended 30 September 2025, the Company had not received any information in writing from any of the Controlling Shareholders in respect of any new business opportunity which competed or might compete with the existing and future business of the Group which were offered to or came to be the knowledge of the Controlling Shareholders of the Company or their associates (other than any member of the Group).

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by Directors. Having made specific enquiry, all Directors have fully complied with the required standards set out in the Model Code during the six months ended 30 September 2025.

SHARE SCHEMES

The Company conditionally adopted a share option scheme on 17 January 2017 (the **"2017 Share Option Scheme"**). The Company terminated the 2017 Share Option Scheme and adopted the new share option scheme (the **"2023 Share Option Scheme"**) and the share award scheme (the **"2023 Share Award Scheme"**) (together, the **"Share Schemes"**) pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 19 September 2023 (the **"Adoption Date"**). Unless otherwise altered or terminated, the Share Schemes will be valid and effective for a period of 10 years commencing on the Adoption Date.

The purpose of the 2023 Share Option Scheme is to recognise and acknowledge the contributions that eligible participants have made or may make to the Group, and to enable the Group to grant options to the eligible participants as incentives or rewards for their contributions with the view of achieving the principal objectives of (i) recruiting and retaining high-calibre personnel and key staff members that are valuable to the Group and whose contributions are important to the long-term growth and profitability of the Group; and (ii) motivate the eligible participants whose contributions are, will or expected to be beneficial to the Group. The eligible participant(s) under the 2023 Share Option Scheme include directors and employees of the Group and individuals or entities that provide services to the Group on a continuing or recurring basis in its ordinary and usual course of business (the **"Service Providers"**).

OTHER INFORMATION

The purpose of the 2023 Share Award Scheme is to recognise the contribution or future contribution of the eligible participants for their contribution to the Group by granting awards to them as incentives or rewards and to attract, retain and motivate high-calibre eligible participants in line with the performance goals of the Group. The 2023 Share Award Scheme is intended to strengthen the long-term relationships that the eligible participants may have with the Group. The eligible participant(s) under the 2023 Share Award Scheme include the directors and employees of the Group (including persons who are granted awards as inducement to enter into employment contracts with the Group).

Pursuant to the terms of the Share Schemes and in compliance with Chapter 17 of the Listing Rules, the total number of shares which may be issued upon exercise of all share options and awards to be granted under the Share Schemes and all other share schemes of the Company shall not exceed 10% of the total number of the Company's issued shares as at the Adoption Date of the Share Schemes (i.e. 120,000,000 Shares) (the **"Scheme Mandate Limit"**). The total number of shares which may be issued in respect of all options and awards to be granted to the Service Providers under the 2023 Share Option Scheme and any other share schemes of the Company shall not exceed 1% of the total number of shares in issue on the Adoption Date (i.e. 12,000,000 Shares) (the **"Service Provider Sublimit"**).

The principal terms of the Share Schemes are set out in the circular of the Company dated 24 August 2023. During the six months ended 30 September 2025, no share options or awards were granted, exercised, canceled or lapsed and there is no outstanding share option and award under the Share Schemes. As at the date of this report, the Share Schemes have a remaining life of approximately 8 years. As at 1 April 2025 and 30 September 2025, the number of options and awards available for grant under the Scheme Mandate Limit and the Service Provider Limit is 120,000,000 and 12,000,000, respectively. As at 30 September 2025, the total number of shares remaining available for issue under the Scheme Mandate Limit was 120,000,000 shares which represented 10% of the issued Shares as at the date of this report (31 March 2025: 120,000,000 shares). Further details of the Share Schemes are set out in note 24 to the consolidated financial statements of 2025 Annual Financial Statements.

CORPORATE GOVERNANCE PRACTICE

The Company and the Board are devoted to achieving and maintaining high standards of corporate governance, as the Board believes that good and effective corporate governance practices are fundamental to obtaining and maintaining the trust and safeguarding the interest of the shareholders and other stakeholders of the Company. The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the **"CG Code"**) as set out in Part 2 of Appendix C1 to the Listing Rules.

OTHER INFORMATION

To the best knowledge of the Board, the Company has complied with the code provisions in the CG Code during the six months ended 30 September 2025 and up to the date of this report.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) was established on 17 January 2017. The chairman of the Audit Committee is Mr. Kwong Ping Man, the independent non-executive Director, and other members include Mr. Lai Ah Ming Leon and Mr. Sio Kam Seng, the independent non-executive Directors. The written terms of reference of the Audit Committee are posted on the Stock Exchange’s website and on the Company’s website.

The primary duties of the Audit Committee are mainly to review the financial information and reporting process, oversee the financial controls, internal control procedures and risk management system, audit plan and relationship with external auditors and review arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Company has complied with Rule 3.21 of the Listing Rules in that at least one of the members of the Audit Committee (which must comprise a minimum of three members and must be chaired by an independent non-executive Director) is an independent non-executive Director who possesses appropriate professional qualifications or accounting related financial management expertise.

The Group’s unaudited condensed consolidated interim financial statements for the six months ended 30 September 2025 are unaudited, but have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 September 2025 comply with applicable accounting standards, the Listing Rules and that adequate disclosures have been made.

By order of the Board
Royal Deluxe Holdings Limited
Wang Kei Ming
Chairman and Executive Director

Hong Kong, 27 November 2025