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LUMINA GROUP LIMITED

瑩嵐集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1162)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2025

The board of directors (the “**Directors**”) of Lumina Group Limited (the “**Company**”) is pleased to announce the audited consolidated result of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2025 (the “**Year 2025**”) together with the comparative figures for the year ended 31 March 2024 (the “**Year 2024**”) are as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	<i>Notes</i>	2025 HK\$'000	2024 HK\$'000
Revenue	3	32,417	46,489
Direct costs		(25,732)	(42,477)
Gross profit		6,685	4,012
Other income	5	858	1,161
Other gains and losses	6	(6,809)	(1,698)
Reversal of (provision for) impairment losses under expected credit loss model, net		1,658	(2,413)
Change in fair value of financial assets at fair value through profit or loss (“ FVTPL ”)		105	(58)
Administrative expenses		(22,706)	(30,005)
Finance costs		(151)	(231)
Loss before tax	7	(20,360)	(29,232)
Income tax expense	8	–	(558)
Loss for the year		(20,360)	(29,790)

		2025	2024
	Note	HK\$'000	HK\$'000
Other comprehensive expense			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		<u>(14)</u>	<u>(144)</u>
Other comprehensive expense for the year		<u>(14)</u>	<u>(144)</u>
Total comprehensive expense for the year		<u>(20,374)</u>	<u>(29,934)</u>
Loss for the year attributable to:			
Owners of the Company		(13,628)	(29,790)
Non-controlling interests		<u>(6,732)</u>	<u>–</u>
		<u>(20,360)</u>	<u>(29,790)</u>
Total comprehensive expense for the year attributable to:			
Owners of the Company		(13,564)	(29,934)
Non-controlling interests		<u>(6,810)</u>	<u>–</u>
		<u>(20,374)</u>	<u>(29,934)</u>
Loss per share			
Basic (HK cents)	10	<u>(2.27)</u>	<u>(4.97)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

		2025	2024
	<i>Notes</i>	HK\$'000	HK\$'000
Non-current assets			
Property and equipment		397	584
Right-of-use assets		2,209	5,454
Video rights		–	2,866
Prepayment to a non-controlling shareholder		–	3,466
Prepayments for video production		–	452
Deposits and prepayments		312	972
Deferred tax assets		388	388
		3,306	14,182
Current assets			
Financial assets at FVTPL	<i>11</i>	2,676	2,571
Trade receivables	<i>12</i>	3,760	8,661
Deposits, other receivables and prepayments		575	353
Contract assets	<i>13</i>	32,210	38,019
Tax recoverable		4,409	3,746
Pledged bank deposits		5,171	4,904
Cash and cash equivalents		18,956	22,934
		67,757	81,188
Current liabilities			
Trade payables	<i>14</i>	3,027	3,555
Other payables and accrued charges		2,004	2,023
Contract liabilities		472	–
Lease liabilities		1,311	3,450
		6,814	9,028
Net current assets		60,943	72,160
Total assets less current liabilities		64,249	86,342

		2025	2024
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Non-current liabilities			
Lease liabilities		974	2,561
Other payables		16	148
		990	2,709
Net assets		63,259	83,633
Capital and reserves			
Share capital	15	6,000	6,000
Reserves		64,069	77,633
Equity attributable to owners of the Company		70,069	83,633
Non-controlling interests		(6,810)	–
Total equity		63,259	83,633

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 7 July 2016. Its shares were listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 25 October 2017 and were transferred from GEM to the Main Board of the Stock Exchange on 20 April 2020.

The Company’s immediate and ultimate holding company is Foxfire Limited, a private company incorporated in the British Virgin Islands (the “**BVI**”) and wholly owned by Mr. Fok Hau Fai.

The Company is an investment holding company and its subsidiaries are principally engaged in provision of fire safety services in Hong Kong and production of short videos and animation in the People’s Republic of China (the “**PRC**”).

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

Certain comparative figures have been re-presented to conform with current year’s presentation. These reclassifications have no effect on financial position, results for the year or cash flows of the Group.

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 or after 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.

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	Contracts 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 HKFRS Accounting Standard 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.

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 “Accounting Policies, Changes in Accounting Estimates and Errors” and HKFRS 7 “Financial Instruments: Disclosures”. 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 disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group’s consolidated financial statements.

3. REVENUE

(i) *Disaggregation of revenue from contracts with customers*

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Type of services		
– Fire safety system installation	23,970	36,349
– Fire safety system repair and maintenance (“Repair and Maintenance”)	7,936	10,140
Licensing income from production of short videos and animation	511	–
	<u>32,417</u>	<u>46,489</u>

(ii) *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) as at 31 March 2025 and 2024 and the expected timing of recognising revenue are as follows:

As at 31 March 2025

	Fire safety system installation services <i>HK\$'000</i>
Within one year	59,454
More than one year but not more than two years	22,297
More than two years	6,833
	<u>88,584</u>

As at 31 March 2024

	Fire safety system installation services <i>HK\$'000</i>
Within one year	39,693
More than one year but not more than two years	18,120
More than two years	13,230
	<u>71,043</u>

All revenue from Repair and Maintenance services and licensing income from production of short videos and animation are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

4. SEGMENT INFORMATION

Segment information

The Group determines its operating segments based on the reports reviewed by the executive directors of the Company who are also the chief operating decision maker (“CODM”) that are used to make strategic decisions, resources allocation and performance assessment. Information reported to the CODM is based on the business lines operating by the Group. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

During the year ended 31 March 2024, the Group had expanded its business to engage in the production of short videos and animation business in the PRC, and hence it represented a new reporting segment of the Group from the view of the CODM.

The Group’s operating and reporting segments are (i) Fire safety system installation services; (ii) Repair and Maintenance services; and (iii) Production of short videos and animation.

Segment results

Year ended 31 March 2025

	Fire safety system installation services HK\$'000	Repair and Maintenance services HK\$'000	Production of short videos and animation HK\$'000	Consolidated HK\$'000
Segment revenue	<u>23,970</u>	<u>7,936</u>	<u>511</u>	<u>32,417</u>
Segment profit (loss) excluding reversal of (provision for) impairment losses under expected credit loss model, net	5,310	3,760	(13,757)	(4,687)
Reversal of (provision for) impairment losses under expected credit loss model, net	<u>1,795</u>	<u>(137)</u>	<u>–</u>	<u>1,658</u>
Segment profit (loss)	<u>7,105</u>	<u>3,623</u>	<u>(13,757)</u>	<u>(3,029)</u>
Other income				858
Unallocated other gains and losses				(380)
Change in fair value of financial assets at FVTPL				105
Unallocated administrative expenses				(17,763)
Finance costs				<u>(151)</u>
Loss before tax				<u>(20,360)</u>

Year ended 31 March 2024

	Fire safety system installation services <i>HK\$'000</i>	Repair and Maintenance services <i>HK\$'000</i>	Production of short videos and animation <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Segment revenue	<u>36,349</u>	<u>10,140</u>	<u>–</u>	<u>46,489</u>
Segment (loss) profit excluding provision for impairment losses under expected credit loss model, net	(495)	4,507	(7,544)	(3,532)
Provision for impairment losses under expected credit loss model, net	<u>(1,653)</u>	<u>(760)</u>	<u>–</u>	<u>(2,413)</u>
Segment (loss) profit	<u>(2,148)</u>	<u>3,747</u>	<u>(7,544)</u>	<u>(5,945)</u>
Other income				1,161
Unallocated other gains and losses				110
Change in fair value of financial assets at FVTPL				(58)
Unallocated administrative expenses				(24,269)
Finance costs				<u>(231)</u>
Loss before tax				<u>(29,232)</u>

Segment (loss) profit represents the (loss incurred) profits earned by each segment without allocation of other income, certain other gains and losses, change in fair value of financial assets at FVTPL, certain administrative expenses and finance costs.

Furthermore, as the assets and liabilities for operating segments are not provided to the Company's CODM for the purposes of resources allocation and performance assessment, no segment assets and liabilities information is presented accordingly.

Geographical information

The Group's operations are located in Hong Kong and the PRC.

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

	Revenue from external customers		Non-current assets (note)	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000
Hong Kong	31,906	46,489	1,498	7,495
The PRC	511	–	1,420	6,299
Total	<u>32,417</u>	<u>46,489</u>	<u>2,918</u>	<u>13,794</u>

Note: Non-current assets excluded deferred tax assets.

Information about major customers

Revenue attributed from customers that accounted for 10% or more of the Group's total revenue during the year is as follows:

	2025 HK\$'000	2024 HK\$'000
Customer A (note 1)	3,895	N/A (note 2)
Customer B (note 1)	N/A (note 2)	10,812
Customer C (note 1)	<u>N/A (note 2)</u>	<u>4,979</u>

Notes:

- Revenue from fire safety system installation services segment.
- Revenue from relevant customer was less than 10% of the Group's total revenue for the respective year.

5. OTHER INCOME

	2025 HK\$'000	2024 HK\$'000
Bank interest income	735	963
Dividend income from financial assets at FVTPL	58	64
Government grants (<i>note</i>)	3	134
Others	62	–
	<u>858</u>	<u>1,161</u>

Note: During the year ended 31 March 2025, the Group recognised government grants of HK\$3,000 (2024: nil) in respect of training subsidies for employees staying on the job provided by the local government of the PRC. During the year ended 31 March 2024, the Group recognised government grants of HK\$134,000 (2025: nil) in respect of reimbursement of maternity leave pay scheme and Youth Employment and Training Programme provided by the Hong Kong government. In the opinion of the directors of the Company, the Group has fulfilled all conditions attached to the grants.

6. OTHER GAINS AND LOSSES

	2025 HK\$'000	2024 HK\$'000
Loss on lease modification	(110)	–
(Loss) gain on disposal of property and equipment, net	(270)	110
Impairment losses on		
– prepayment	(4,941)	–
– video rights	(1,488)	–
– property and equipment	–	(910)
– right-of-use assets	–	(898)
	<u>(6,809)</u>	<u>(1,698)</u>

7. LOSS BEFORE TAX

	2025 HK\$'000	2024 HK\$'000
Loss before tax has been arrived at after charging:		
Staff costs		
Directors' remuneration	1,768	8,959
Other staff costs		
Salaries and other benefits	10,364	11,558
Retirement benefit scheme contributions	478	530
Total staff costs	12,610	21,047
Auditor's remuneration	760	760
Depreciation of property and equipment	274	279
Depreciation of right-of-use assets	2,774	3,296
Amortisation of video rights (included in direct costs)	2,895	–
Legal and professional fees	2,932	3,262

8. INCOME TAX EXPENSE

	2025 HK\$'000	2024 HK\$'000
Hong Kong Profits Tax:		
Underprovision in prior years	–	558

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

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

No provision for taxation in Hong Kong and the PRC had been made as the entities of the Group in Hong Kong and the PRC did not have any assessable profits for the years ended 31 March 2025 and 2024.

9. DIVIDENDS

No dividend has been paid or declared for ordinary shareholders of the Company during both years, nor has any dividend been proposed since the end of the reporting period.

10. LOSS PER SHARE

	2025 HK\$'000	2024 HK\$'000
Loss:		
Loss for the purpose of calculating basic loss per share (loss for the year attributable to owners of the Company)	<u>(13,628)</u>	<u>(29,790)</u>
	'000	'000
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	<u>600,000</u>	<u>600,000</u>

No diluted loss per share was presented as there were no potential ordinary shares in issue for both years.

11. FINANCIAL ASSETS AT FVTPL

	2025 HK\$'000	2024 HK\$'000
Financial assets mandatorily measured at FVTPL:		
Equity securities listed in Hong Kong held for trading (<i>note</i>)	<u>2,676</u>	<u>2,571</u>

Note: The fair value was based on the quoted prices of the respective securities in active markets for identical assets.

As at 31 March 2025, no financial assets at FVTPL have been pledged as security (2024: nil).

12. TRADE RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables arising from fire safety system installation services and Repair and Maintenance services	8,203	15,026
Less: allowance for credit losses	<u>(4,443)</u>	<u>(6,365)</u>
Total trade receivables	<u>3,760</u>	<u>8,661</u>

As at 1 April 2023, trade receivables from contracts with customers amounted to HK\$8,516,000.

The Group grants credit terms of 0-30 days to its customers from the date of invoices on progress payments of contract works. The following is an ageing analysis of the trade receivables arising from fire safety system installation services and Repair and Maintenance services net of credit loss allowance presented based on the invoice date at the end of the reporting period.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0–30 days	489	1,159
31–60 days	305	913
61–90 days	632	2,386
91–180 days	650	564
181–365 days	170	1,092
Over 365 days	<u>1,514</u>	<u>2,547</u>
	<u>3,760</u>	<u>8,661</u>

13. CONTRACT ASSETS

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Contract assets from fire safety system installation services		
– Unbilled revenue	32,057	38,467
– Retention receivables	11,319	13,257
Contract assets from Repair and Maintenance services		
– Unbilled revenue	–	348
Less: allowance for credit losses	<u>(11,166)</u>	<u>(14,053)</u>
	<u>32,210</u>	<u>38,019</u>

As at 1 April 2023, contract assets amounted to HK\$49,443,000.

Contract assets arise when the Group has right to consideration for completion of fire safety system installation and Repair and Maintenance services and not yet billed under the relevant contracts because the rights are conditional upon the satisfaction by the customers on the services completed by the Group and the work is pending for the final accounts 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 final accounts of the completed contracts from the customers. Remaining rights and performance obligations in a particular contract are accounted for and presented on a net basis, as either a contract asset or a contract liability. If the progress payment exceeds the revenue recognised to date under the input method, the Group recognises a contract liability for the difference.

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

The Group's fire safety system installation services and Repair and Maintenance services contracts include payment schedules which require payments over the contract period once certain specified milestones are reached and upon completion of services. The Group requires certain customers to provide upfront deposits as part of its credit risk management policies. The Group typically transfers the contract assets to trade receivables based on billing.

Retention monies withheld by customers of contract works are unsecured, interest-free and recoverable after the completion of defect liability period of the relevant contracts or in accordance with the terms specified in the relevant contracts, ranging from one to two years from the date of completion of the fire safety system installation services performed comply with agreed-upon specifications. There were no past due for the retention monies. The Group's contract assets are expected to be settled within the Group's normal operating cycle and are therefore classified as current assets at the consolidated statement of financial position.

The unbilled retention receivables are to be settled, based on the expiry of the defects liability period, at each reporting period as follows:

	2025 HK\$'000	2024 HK\$'000
Within one year	5,791	6,577
After one year	5,528	6,680
	<u>11,319</u>	<u>13,257</u>

14. TRADE PAYABLES

The average credit period of trade payables granted by subcontractors and suppliers is from 30 to 60 days upon the issue of invoices or application of interim payment generally.

The following is an aging analysis of trade payables based on the invoice dates or the dates of application of interim payment, as appropriate.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 30 days	2,126	2,441
31 to 60 days	562	150
Over 60 days	339	964
	<u>3,027</u>	<u>3,555</u>

15. SHARE CAPITAL OF THE COMPANY

Ordinary shares of HK\$0.01 each	Number of shares	Amount <i>HK\$'000</i>
Authorised:		
At 1 April 2023, 31 March 2024 and 31 March 2025	<u>10,000,000,000</u>	<u>100,000</u>
Issued and fully paid:		
At 1 April 2023, 31 March 2024 and 31 March 2025	<u>600,000,000</u>	<u>6,000</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The Group is a well-known provider of fire safety services in Hong Kong, focusing on the installation and maintenance of fire safety systems. Our services include designing, supplying, and installing fire safety systems for both new and existing buildings in Hong Kong, including evacuation and electronic fire alarm systems, water and gas fire suppression systems, and portable fire equipment. We also offer maintenance and servicing of fire safety systems to ensure compliance with the Fire Services Department of Hong Kong. Additionally, we provide fire safety equipment to supplement our maintenance and servicing services. Apart from providing fire safety services, our Group has started exploring business opportunities within the Chinese culture and entertainment industry.

Geopolitical uncertainties have impacted the global economy, leading to a general decrease in local consumer demand and a cooling property market in Hong Kong. These factors have resulted in reduced customer pricing agreements and delays in the commencement and progress of certain projects. However, for the year ended 31 March 2025, the Group has experienced an increase in gross profit margin and a reduction of net loss when compared to that for the year ended 31 March 2024. The financial improvement is mainly due to the combined effect of (i) an increase in the gross profit margin due to the increase in the gross profit margin of projects from the fire safety system installation services; (ii) a net of reversal on impairment losses on trade receivables and contract assets; and (iii) a reduction of approximately HK\$7 million in administrative expenses due to cost savings in the Group's overall operational expenses; net off by (i) a decrease in the revenue recognised by the Group due to the fact that most of our projects are already in the final stages while several newly awarded large projects remain in the early stages; and (ii) a provision of impairment losses on prepayments and video rights related to the investment in short-video and animation production in the PRC during the year.

Looking forward, given that the HKSAR government has completed the amendment to the Fire Safety (Buildings) Ordinance, which is effective on 13 December 2024 and mandates fire safety improvements in old buildings, the Group is optimistic about the long-term impact on the local construction industry and the fire safety market. Recently, the Group has secured increasing tender opportunities in Hong Kong, with confidence that the tender amounts will be higher than in previous years. Due to intense market competition and economic uncertainties, the Group will continue to strengthen its market position, create greater value for customers, and enhance productivity and efficiency.

Positively, since the Group has successfully transitioned from the GEM board to the Main Board of the Stock Exchange on 20 April 2020, the Directors believe that listing on the Main Board not only demonstrates recognition of the Group's expertise and experience but also lays a solid foundation for the Group to receive more projects from large private and public sector institutions. As of 31 March 2025, the Group has maintained a stable liquidity position. Management will closely monitor the overall economic development in Hong Kong and actively respond to any potential adverse impacts on the Group's financial condition and operating results.

FINANCIAL REVIEW

Revenue

Revenue decreased from approximately HK\$46.5 million for the year ended 31 March 2024 to approximately HK\$32.4 million for the year ended 31 March 2025, representing a decrease of approximately 30.3%.

	2025	2024
	HK\$'000	HK\$'000
Type of services		
– Fire safety system installation	23,970	36,349
– Repair and Maintenance	7,936	10,140
Licensing income from production of short video and animation	<u>511</u>	<u>–</u>
	<u>32,417</u>	<u>46,489</u>

Direct Costs

Direct costs decreased from approximately HK\$42.5 million for the year ended 31 March 2024 to approximately HK\$25.7 million for the year ended 31 March 2025, representing a decrease of approximately 39.4%. Such decrease is in line with the decrease in revenue during the year ended 31 March 2025.

Gross Profit and Gross Profit Margin

Gross profit increased from approximately HK\$4.0 million for the year ended 31 March 2024 to approximately HK\$6.7 million for the year ended 31 March 2025, representing an increase of approximately 66.7%. The overall gross profit margin increased from approximately 8.6% for the year ended 31 March 2024 to approximately 20.6% for the year ended 31 March 2025. Such increase is mainly attributable to the increase in the gross profit margin of projects from fire safety system installation services.

Other Income

Other income decreased from approximately HK\$1.2 million for the year ended 31 March 2024 to approximately HK\$0.9 million for the year ended 31 March 2025. The decrease is mainly due to the combined effect of the decrease in bank interest income from time deposits and government grants during the year.

Reversal of (provision for) Impairment Loss Allowance of Trade Receivables and Contract Assets, Net

The Group's reversal of impairment loss allowance of trade receivables and contract assets, net, was approximately HK\$1.7 million for the year ended 31 March 2025 (2024: provision of HK\$2.4 million). Except for those trade receivables and contract assets that are credit-impaired or significant to the Group which will be assessed their expected credit loss (the "ECL") individually, we estimated the amount of lifetime ECL of the trade receivables and contract assets based on provision matrix through grouping of various debtors that had similar loss pattern, and after considering the internal credit ratings of trade debtors, aging, repayment history and/or past due status of respective trade receivables and contract assets.

Administrative Expenses

Administrative expenses decreased from approximately HK\$30.0 million for the year ended 31 March 2024 to approximately HK\$22.7 million for the year ended 31 March 2025, representing a decrease of approximately 24.3%. Such decrease is mainly attributable to the cost saving in office expenses including lease of office and staff quarters in the PRC during the year.

Finance Cost

Upon the adoption of the HKFRS 16 on 1 April 2019, the lease liability is initially measured at the present value of the lease payment that is not paid on that date. Subsequently, the lease liability is adjusted for interest and lease payment, as well as the impact of lease modifications, amongst others. As a result, an interest expense on lease liability of approximately HK\$151,000 was recognised for the year ended 31 March 2025 (2024: HK\$231,000).

Income Tax Expense

No provision for income tax expense (2024: HK\$558,000) have been made as the entities of the Group in Hong Kong and the PRC did not have any assessable profits for the year ended 31 March 2025.

Loss Attributable to Owners of the Company

Loss attributable to owners of the Company for the year ended 31 March 2025 was approximately HK\$13.6 million, a decrease of approximately 54.3% from a loss of approximately HK\$29.8 million for the year ended 31 March 2024. Such decrease is mainly attributable to the allocation of losses to the non-controlling interests, with the losses incurred and attributed to the non-controlling interests arising from the business of production of short videos and animation in the PRC.

FINAL DIVIDEND

The Board does not recommend the payment of any final dividend for the year ended 31 March 2025 (2024: Nil).

LIQUIDITY AND FINANCIAL RESOURCES

The Group maintained a sound financial position during the year ended 31 March 2025. As at 31 March 2025, the Group had cash and cash equivalents of approximately HK\$19.0 million (2024: HK\$22.9 million) and pledged bank balances of approximately HK\$5.2 million (2024: HK\$4.9 million).

The current ratio (divide the current assets by the current liabilities) as at 31 March 2025 is approximately 9.9 times (2024: 9.0 times).

GEARING RATIO

As at 31 March 2025, the Group has no interest-bearing bank and other borrowings (2024: Nil).

TREASURY POLICY

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the year ended 31 March 2025. The Group strives to reduce its exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

PLEDGE OF ASSETS

As at 31 March 2025, the Group has pledged to a bank its bank deposits of approximately HK\$5.2 million (2024: HK\$4.9 million) as collateral to secure bank facilities granted to the Group. Except for these pledging of deposits, the Group did not create any charges on its assets.

FOREIGN EXCHANGE EXPOSURE

Majority of the revenue-generating operations of the Group are transacted in Hong Kong Dollars which is the functional currency of most of the group entities. For the year ended 31 March 2025, there was no significant exposure to foreign exchange rate fluctuations and the Group had not maintained any hedging policy against foreign currency risk. The management will consider hedging significant currency exposure should the need arise.

CAPITAL STRUCTURE

The listing of the shares of the Company has successfully transferred from the GEM Board to the Main Board of the Stock Exchange on 20 April 2020. There has been no change in the capital structure of the Group since then. The share capital of the Group only comprises of ordinary shares. As at 31 March 2025, the Company's issued share capital was HK\$6,000,000 and the number of its issued ordinary shares was 600,000,000 of HK\$0.01 each.

CAPITAL COMMITMENT

	2025 HK\$'000	2024 HK\$'000
Capital expenditure contracted for but not provided in the consolidated financial statements		
– Intangible asset	–	80
The Group's share of the capital commitments made jointly with joint venture partners but not recognised at the end of the reporting date is as follow:		
– Commitments to capital contribution	–	4,296
	–	4,376

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group did not hold any significant investments in equity interest in any other companies and had no definite future plans for acquisition of material investments and capital assets as at the date of this results announcement.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

There were neither significant investments held as at 31 March 2025 nor acquisitions and disposals of subsidiaries during the year ended 31 March 2025.

EVENT AFTER THE REPORTING PERIOD

There is no significant event which has taken place subsequent to the end of the year ended 31 March 2025.

CONTINGENT LIABILITIES

As at 31 March 2025, performance guarantees of approximately HK\$5.2 million (2024: HK\$4.9 million) were given by a bank in favour of the Group's customers as security for the due performance and observance of our obligations under the contracts entered into between us and our customers. If we fail to provide satisfactory performance to our customers to whom performance guarantee have been given, the customers may demand the bank to pay to them a sum not more than the amount of the relevant performance guarantee. We will become liable to compensate the bank accordingly. The performance guarantee will be released upon completion of the contract works. Our Directors opined that it is unlikely that a claim will be made against the Group.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 March 2025, the Group employed a total of 46 employees (2024: 44 employees). The staff costs, including Directors' emoluments, of the Group were approximately HK\$12.6 million for the year ended 31 March 2025 (2024: HK\$21.0 million).

The Group recognises its employees as valuable assets of the Group. We promote individuals based on their performance and development potential in the positions held. In order to attract and retain high quality staff, competitive remuneration package (with reference to market norms and individual employee's performance, qualification and experience) is offered to the employees. On top of basic salaries, bonuses may be paid with reference to the Group's performance as well as individual's performance. Other staff benefits include provision of retirement benefits, medical benefits and sponsorship of training courses. Share options may also be granted to eligible employees by reference to the Group's performance as well as individual's contribution.

The Group has complied with the applicable labour laws and regulations. The Directors confirmed that the Group has neither experienced any significant problems with our employees or disruption to its operations due to labour disputes nor has experienced any difficulties in retaining experienced staff or skilled personnel for the year ended 31 March 2025. Thus, our Directors consider that the Group has maintained good relationship with its employees.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group's operations at work sites are subject to certain environmental requirements pursuant to the laws in Hong Kong, including primarily those in relation to air pollution control, noise control, water pollution control and waste disposal control. During the year ended 31 March 2025, the Group did not record any non-compliance with applicable environmental requirements that resulted in prosecution or penalty being brought against the Group.

COMPLIANCE WITH LAWS AND REGULATIONS

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Group has complied in material aspects with the relevant laws and regulations that have a significant impact on the business and operation of the Company and its subsidiaries during the year ended 31 March 2025.

RELATIONSHIP WITH CUSTOMERS, SUPPLIERS AND SUB-CONTRACTORS

Customers

The Group provides fire safety services to customers from both the public and the private sectors in Hong Kong. We have maintained a diversified customers' base comprising customers from both the private sector (non-public sector such as property owners and tenants, construction contractors and property managers) and the public sector (government-related organisations and non-governmental organisations).

The Group's fire safety service projects cover different types of buildings which include commercial (e.g. offices, hotels and shopping malls, etc), composite (a combination of any two or more of domestic, commercial or institutional usage), institutional (e.g. schools, hospitals and universities) and residential buildings.

During the year ended 31 March 2025, the Directors consider that the Group has not relied on any single customer. The Group has had business relationship with most of the top 5 customers ranging from 1 year to over 7 years and is being invited to tender or quote from time to time.

Suppliers and Sub-contractors

During the year ended 31 March 2025, the Group (i) purchased materials and equipment from suppliers and (ii) arranged sub-contractors to perform the construction works on a project basis.

The Group has adopted a policy on the management of suppliers and sub-contractors. We will conduct background checks on our suppliers and select our suppliers based on various factors, which include the price and quality of their products, the reliability of their on-time delivery, and their reputation in the industry. We will also carry out periodic reviews of our suppliers to ensure that the quality of their products meets our requirements.

The Group maintains an internal list of approved suppliers and sub-contractors for each categories of building works and materials and the list is updated on a continuous basis. The Group generally maintains multiple suppliers and sub-contractors for products and services to avoid over-reliance on a few suppliers and sub-contractors. We did not experience any material difficulties in sourcing materials from suppliers or assigning sub-contractors during the year ended 31 March 2025. The Group did not have any significant disputes with any of its top five suppliers and sub-contractors during the year ended 31 March 2025.

CORPORATE GOVERNANCE PRACTICE

The Directors and the management of the Group recognise the importance of sound corporate governance to the long-term success and continuous development of the Group. Therefore, the Board is committed to upholding good corporate standards and procedures, so as to improve the accountability system and transparency of the Group, protect the interests and create value for shareholders of the Company.

The Company's corporate governance practices are based on the principles and the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the "**CG Code**") as set out in Appendix C1 to the Main Board Listing Rules (the "**Listing Rules**"). The Board is of the view that for the year ended 31 March 2025, the Company has complied with all applicable code provisions set out in the CG Code except for the deviation from provision C.2.1 of the CG Code.

Pursuant to Code Provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Fok Hau Fai (“**Mr. Fok**”) is currently both the Chairman of the Board and the Chief Executive Officer of the Company, responsible for formulating the overall business strategies and overseeing the business and operation of the Group. Considering the fact that, Mr. Fok has been responsible for the overall management and operation of the Group since its inception in 2002, the Board believes that it is in the best interest of the Group to have Mr. Fok taking up both roles for effective management and business development. Besides, with three Independent Non-executive Directors out of a total of six Directors in the Board, there will be sufficient independent voice within the Board to protect the interests of the Company and the Shareholders as a whole. Therefore, the Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of Chairman of the Board and Chief Executive Officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules, as its code of conduct regarding Directors’ transactions in the securities of the Company. Specific enquiry has been made of all the Directors and all Directors confirmed that they had fully complied with the required standard of dealings and the code of conduct adopted by the Company and there was no event of non-compliance throughout the year ended 31 March 2025.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 March 2025.

REVIEW BY AUDIT COMMITTEE

The Audit Committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and has discussed auditing, internal control and financial reporting matters, which include the review of the audited consolidated financial statements of the Group for the Year 2025.

SCOPE OF WORK OF MOORE CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year 2025 as set out in the preliminary announcement have been agreed by the Group's Auditor, Moore CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the Year 2025. The work performed by Moore CPA Limited in this respect did not constitute an assurance engagement and consequently no assurance has been expressed by Moore CPA Limited on the preliminary announcement.

PUBLICATION OF ANNUAL REPORT

The annual report of the Company will be published on the websites of the Stock Exchange and the Company in accordance with the Listing Rules.

By order of the Board
Lumina Group Limited
Fok Hau Fai
Chairman and Chief Executive Officer

Hong Kong, 30 June 2025

As at the date of this announcement, the Board comprises (i) three Executive Directors, namely Mr. Fok Hau Fai, Mr. Sung Sing Yan and Ms. Wei Ju; and (ii) three Independent Non-executive Directors, namely Mr. Hung Kin Sang, Mr. Lee Yin Sing and Mr. Wan Chun Kwan.