



LUMINA GROUP LIMITED

螢嵐集團有限公司

(incorporated in the Cayman Islands with limited liability)
Stock Code: 1162

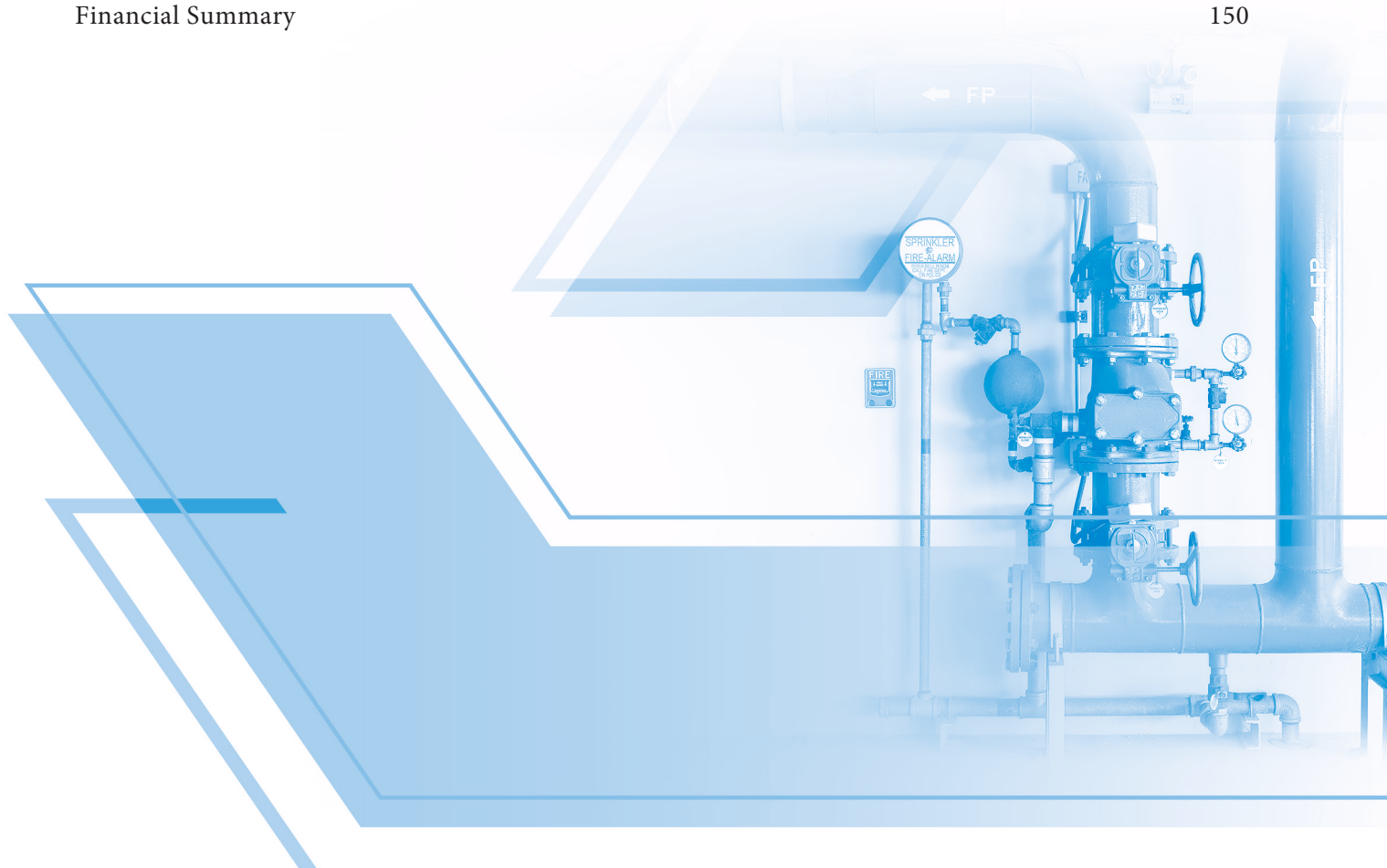
2026

ANNUAL REPORT



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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Fok Hau Fai
(Chairman and Chief Executive Officer)
Mr. Sung Sing Yan
Ms. Wei Ju

Independent Non-executive Directors

Mr. Hung Kin Sang
Mr. Lee Yin Sing
Mr. Wan Chun Kwan

COMPANY SECRETARY

Ms. Chan Sze Nga

COMPLIANCE OFFICER

Mr. Fok Hau Fai

AUTHORISED REPRESENTATIVES

Mr. Fok Hau Fai
Ms. Chan Sze Nga

AUDIT COMMITTEE

Mr. Lee Yin Sing (Chairman)
Mr. Hung Kin Sang
Mr. Wan Chun Kwan

REMUNERATION COMMITTEE

Mr. Hung Kin Sang (Chairman)
Mr. Sung Sing Yan
Mr. Wan Chun Kwan

NOMINATION COMMITTEE

Mr. Fok Hau Fai (Chairman)
Ms. Wei Ju (appointed on 18 July 2025)
Mr. Hung Kin Sang
Mr. Lee Yin Sing
Mr. Wan Chun Kwan (appointed on 18 July 2025)

RISK AND TECHNICAL COMMITTEE

Mr. Wan Chun Kwan (Chairman)
Mr. Sung Sing Yan
One member of the senior management

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Mr. Hung Kin Sang (Chairman)
Mr. Fok Hau Fai
One member of the senior management

AUDITOR

Moore CPA Limited
Registered Public Interest Entity Auditors

LEGAL ADVISOR

TC & Co., Solicitors

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

1/F, R&T Centre
No. 81-83 Larch Street
Tai Kok Tsui
Kowloon
Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

DBS Bank (Hong Kong) Limited
Nanyang Commercial Bank, Limited

WEBSITE ADDRESS

www.lumina.com.hk

STOCK CODE

1162

Chairman's Statement

To Shareholders:

On behalf of the Board of Directors of Lumina Group Limited (the “Company”) and its subsidiaries (the “Group”), I am pleased to present the consolidated annual results for the year ended 31 March 2026.

During the year under review, the economic environment in Hong Kong has demonstrated a robust rebound, with stable material supply and modest price inflation. Despite a contraction was experienced in the building and construction sector, the Group managed to regain its momentum by strategically focusing on the projects related to fire safety enhancement in old buildings and urban renewal.

For the year ended 31 March 2026, the Group's total revenue was approximately HK\$68.1 million, representing an increase of 110.0% from approximately HK\$32.4 million for the year ended 31 March 2025. Profit for the year ended 31 March 2026 amounted to HK\$1.3 million, while the Group recorded a net loss of HK\$20.4 million in previous year. The significant improvement in performance was primarily due to the net effect of (i) an increase in both revenue and gross profit margin in the fire safety installation services; (ii) an increase in fair value of financial assets at fair value through profit or loss (“FVTPL”); and (iii) a reduction in administrative expenses due to cost saving in the Group's overall operational expenses during the year.

Nevertheless, the Group's core business still faces challenges from fierce market competition and economic uncertainties. The Directors recognise the importance of continuously seeking new business opportunities. The Directors believe that the cultural and entertainment industry in the People's Republic of China (“PRC” or “Chinese Mainland”) has experienced increasing popularity and significant revenue growth in recent years. The Group has started exploring the potential opportunities in this sector and striving for diversified development in order to create new source of income and add variety to our business operations and hence maximise the interests of shareholders.

Outlook

Looking ahead, in response to raising concerns regarding fire safety in ageing urban buildings, the Hong Kong Special Administrative Region (“HKSAR”) Government has committed to introduce new measures to ensure public safety. Hence, the Group stays optimistic about the fire safety market in Hong Kong and expects to secure more bidding opportunities. Currently, the substantial contracts on hand include the Student Hostel at the Hong Kong Polytechnic University with a contract value exceeding HK\$34.2 million and the Yau Tong Ventilation Building Property Development with a contract value of approximately HK\$13.0 million. In the long term, with the government investments in infrastructure and housing, the industry still holds growth potential. The Group intends to seize these opportunities to expand its revenue base and achieve sustained long-term growth.

In addition, the Group will closely monitor the changes of business environment in the PRC and Hong Kong and seek potential opportunities to expand our revenue streams, including but not limited to the opportunities brought by the cultural and entertainment business. Apart from that, despite geopolitical uncertainties affecting the global economy, the Group notes the signs of gradual recovery in the global economy and the potential of global commodity trading, which may create a new source of income and a new business prospect to the Group.

Finally, on behalf of the Board of Directors, I would like to sincerely thank our shareholders, investors, and business partners for their ongoing trust and support, especially during this period marked by intense market competition and economic uncertainties up to 31 March 2026. I would also like to express my sincere appreciation for the dedication, contributions, and commitment of the Board, management team, and employees. Wishing everyone good health in the coming years.

Fok Hau Fai

Chairman and Chief Executive Officer

Hong Kong, 30 June 2026

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.

Although there was a downturn in the private building sector, the HKSAR government has taken initiatives to retrofit the fire safety systems in ageing buildings, leading to a significant increase in the demand for fire installation and maintenance services in Hong Kong. For the year ended 31 March 2026, the Group has experienced promising growth in both the revenue and the gross profit margin, which was mainly due to the successful implementation of our plan to seize the business opportunities created by the fire safety enhancement in old buildings and urban renewal.

The improvement in the financial performance was mainly attributable to the combined effect of (i) an increase in revenue recognised by certain newly awarded large projects with significant progress from the fire safety system installation services; (ii) an increase in the gross profit due to the increase in the gross profit margin of projects from the fire safety system installation services; (iii) an increase in fair value of financial assets at FVTPL due to the recovery of the stock market; and (iv) a reduction of approximately HK\$3.0 million in administrative expenses due to cost saving in the Group's overall operational expenses 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 2026, 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 increased from approximately HK\$32.4 million for the year ended 31 March 2025 to approximately HK\$68.1 million for the year ended 31 March 2026, representing an increase of approximately 110.0%.

	2026 HK\$'000	2025 HK\$'000
Type of services		
– Fire safety system installation	60,017	23,970
– Fire safety system repair and maintenance	8,024	7,936
Licensing income from production of short videos and animation	39	511
	68,080	32,417

Direct Costs

Direct costs increased from approximately HK\$25.7 million for the year ended 31 March 2025 to approximately HK\$47.0 million for the year ended 31 March 2026, representing an increase of approximately 82.7%. Such increase is in line with the increase in revenue during the year ended 31 March 2026.

Gross Profit and Gross Profit Margin

Gross profit increased from approximately HK\$6.7 million for the year ended 31 March 2025 to approximately HK\$21.1 million for the year ended 31 March 2026, representing an increase of approximately 215.3%. The overall gross profit margin increased from approximately 20.6% for the year ended 31 March 2025 to approximately 31.0% for the year ended 31 March 2026. 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\$0.9 million for the year ended 31 March 2025 to approximately HK\$0.4 million for the year ended 31 March 2026. 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.

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

The Group's provision for impairment loss allowance of trade receivables and contract assets, net, was approximately HK\$0.8 million for the year ended 31 March 2026 (2025: reversal of HK\$1.7 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, ageing, repayment history and/or past due status of respective trade receivables and contract assets.

Management Discussion and Analysis

Administrative Expenses

Administrative expenses decreased from approximately HK\$22.7 million for the year ended 31 March 2025 to approximately HK\$19.7 million for the year ended 31 March 2026, representing a decrease of approximately 13.1%. Such decrease is mainly attributable to the cost saving in the Group's overall operational expenses.

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\$104,000 was recognised for the year ended 31 March 2026 (2025: HK\$151,000).

Income Tax Expense

No provision for income tax expense (2025: Nil) has been made as there were tax losses available for offsetting the taxable profits in Hong Kong's entities and no assessable profits were generated by the PRC's entities for the year ended 31 March 2026.

Profit (Loss) Attributable to Owners of the Company

Profit attributable to owners of the Company for the year ended 31 March 2026 was approximately HK\$1.5 million, an increase of approximately 111.2% from a loss of approximately HK\$13.6 million for the year ended 31 March 2025. Such increase is mainly attributable to the (i) increase in the gross profit derived from the provision of fire safety system installation and repair and maintenance services in Hong Kong and (ii) better cost control in the Group's overall operational expenses.

FINAL DIVIDEND

The Board does not recommend the payment of any final dividend for the year ended 31 March 2026 (2025: Nil)

LIQUIDITY AND FINANCIAL RESOURCES

The Group maintained a sound financial position during the year ended 31 March 2026. As at 31 March 2026, the Group had cash and cash equivalents of approximately HK\$23.0 million (2025: HK\$19.0 million) and pledged bank balances of approximately HK\$5.2 million (2025: HK\$5.2 million).

The current ratio (divide the current assets by the current liabilities) as at 31 March 2026 is approximately 5.7 times (2025: 9.9 times).

GEARING RATIO

As at 31 March 2026, the Group has no interest-bearing bank and other borrowings (2025: 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 2026. 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 2026, the Group has pledged to certain banks its bank deposits of approximately HK\$5.2 million (2025: HK\$5.2 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 2026, 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 2026, 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.

Management Discussion and Analysis

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 annual report.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

There were neither significant investments held as at 31 March 2026 nor acquisitions and disposals of subsidiaries during the year ended 31 March 2026.

EVENT AFTER THE REPORTING PERIOD

There is no significant event which has taken place subsequent to the end of the year ended 31 March 2026.

CONTINGENT LIABILITIES

As at 31 March 2026, performance guarantees of approximately HK\$5.2 million (2025: HK\$5.2 million) were given by certain banks 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 banks to pay to them a sum not more than the amount of the relevant performance guarantee. We will become liable to compensate the banks 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 2026, the Group employed a total of 48 employees (2025: 46 employees). The staff costs, including Directors' emoluments, of the Group were approximately HK\$14.0 million for the year ended 31 March 2026 (2025: HK\$12.6 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 2026. Thus, our Directors consider that the Group has maintained good relationship with its employees.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group is susceptible to material risks associated with the Group's business, including but not limited to the following:

- i. the Group's revenue is mainly derived from projects which are not recurring in nature and a significant decrease in the number of its projects would affect its operations and financial results;
- ii. the Group's historical growth rate, revenue and profit margin may not be indicative of its future growth rate, revenue and profit margin;
- iii. the Group's cash flows may deteriorate due to potential difference in time between receipt of progress payments from its customers, and payments to its subcontractors and suppliers;
- iv. the Group may be exposed to delays and/or defaults of progress payments and/or retention monies by its customers;
- v. the Group may not be able to maintain or increase its success rate in obtaining projects tendered and quoted;
- vi. failure to retain suitably qualified staff may affect the Group's registration as a fire service installation contractor, and disrupt the Group's business;
- vii. the Group may be unable to attract and/or retain employees with the requisite skills, expertise and experience which may adversely affect its operations, business growth and financial results;
- viii. the Group relies on its subcontractors, who are independent third parties, to complete its contract works and there is no assurance that its subcontractors will always follow strictly all of the Group's instructions. Any delay or defects in their works may adversely affect the Group's operations and financial results;
- ix. the Group depends on its suppliers for fire equipment and related accessories, and any shortage or delay in supply, or deterioration in quality, of the same could materially and adversely affect its operations, and the Group may not be able to identify an alternative source of stable supply with acceptable quality and price in a timely manner; and
- x. the Group's customers may cancel certain contract works by variation orders resulting in the reduction of the total contract sum of that project.

For further details, please refer to the section headed "Risk Factors" of the prospectus of the Company dated 29 September 2017 (the "Prospectus").

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 2026, the Group did not record any non-compliance with applicable environmental requirements that resulted in prosecution or penalty being brought against the Group.

Management Discussion and Analysis

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 2026.

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 2026, 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 2 years to over 8 years and is being invited to tender or quote from time to time.

Suppliers and Sub-contractors

During the year ended 31 March 2026, 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 2026. The Group did not have any significant disputes with any of its top five suppliers and sub-contractors during the year ended 31 March 2026.

Corporate Governance Report

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 2026, 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.

CORPORATE CULTURES AND VALUES

A healthy corporate culture is important to good corporate governance which is crucial for achieving sustainable long-term success of the Group. In addition to promoting a strong ethical and integrity culture, the Group strives to pursue a service excellence and people-oriented inclusive culture.

The Board believes that the promotion of a corporate culture based on strong ethical and integrity values are essential to maximise shareholder value in the long run. The Group recognises the importance of promoting an ethical corporate culture, and to interact responsibly with all stakeholders and the communities in which the Group operates.

The Group strives to maintain high standards of business ethics and corporate governance across all our activities and operations. The Directors, management and staff are all required to act lawfully, ethically and responsibly, and the required standards and norms are explicitly set out in the Group's Staff Handbook (which includes therein the Group's Code of Conduct), the Anti-corruption Policy and the Whistleblowing Policy of the Group. Trainings are conducted from time to time to reinforce the required standards in respect of ethics and integrity.

Corporate Governance Report

The Group considers the provision of excellent services to our customers is the top priority. This is crucially important to our customers that we comply with all the safety requirements laid down by the Hong Kong Fire Services Department of the Hong Kong SAR Government, so as to safeguard lives and properties. Not only can this culture increase customer loyalty, it also enhances business growth and the longevity of the Group.

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 2026.

BOARD OF DIRECTORS

The Board is responsible for the overall management of the business of the Group, formulating the Group's overall strategic direction and maintaining appropriate levels of review, challenge and guidance in its relationship with the management. The management is delegated with the authority and responsibility by the Board for the day-to-day management and administration of the Group. The Board is provided with updates from management to give a balanced and understandable assessment of the performance, recent development and prospects of the Group on a regular basis.

The Board is the ultimate decision-making body for all matters material to the Group and discharges its responsibilities on corporate governance either by itself or the Board Committees set out in Code Provision A.2.1 of the CG Code which include the following:

1. to develop and review the policies and practice on corporate governance of the Group and make recommendations;
2. to review and monitor the training and continuous professional development of the Directors and senior management;
3. to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
4. to develop, review and monitor the code of conduct and compliance manual applicable to the Directors and employees; and
5. to review the Company's compliance with the CG Code and disclosure in the corporate governance report of the Company.

COMPOSITION OF THE BOARD

As at 31 March 2026, the Board comprises six Directors, including three Executive Directors and three Independent Non-executive Directors (the “INED”) as set out below:

Executive Directors

Mr. Fok Hau Fai (*Chairman and Chief Executive Officer*)

Mr. Sung Sing Yan

Ms. Wei Ju

Independent Non-executive Directors

Mr. Hung Kin Sang

Mr. Lee Yin Sing

Mr. Wan Chun Kwan

To the best knowledge of the Board, there are no other relationship (including financial, business, family, and other material/relevant relationships) among the members of the Board as of the date of this annual report.

Biographical details of the Directors are set out in “Biographical Details of Directors and Senior Management” of this annual report.

In compliance with Rule 3.10 of the Listing Rules, the Company has appointed three INEDs representing not less than one-third of the Board and at least one of whom has appropriate professional qualifications, or accounting or related financial management expertise. The Company has received from each INED an annual confirmation of his independence, and the Company considers all the INEDs to be independent in accordance with Rule 3.13 of the Listing Rules.

The Board considers that the balance of power and authority, accountability and independent decision-making under our present arrangement will not be impaired because of the diverse background and experience of our Independent Non-executive Directors. Furthermore, the Audit Committee of the Company (the “Audit Committee”) has free and direct access to the Company’s external auditor and independent professional advisers when it considers necessary.

BOARD DIVERSITY POLICY

The composition of the Board is well balanced with each Director having skills, experience and expertise relevant to the business operations and development of the Group and from a variety of backgrounds. There is diversity of educational background, functional expertise, age and experience. The Company has adopted a Board diversity policy (“Board Diversity Policy”) which sets out the approach to achieve diversity on the Board and the factors (including but not limited to gender, age, cultural and educational background, professional qualifications, skills, knowledge and industry and regional experience) to be considered in determining the composition of the Board so as to ensure that the Board has the appropriate balance of skills, experience and diversity of perspectives that are required to support the execution of its business strategy and to maximise the Board’s effectiveness.

Corporate Governance Report

Measurable Objectives and Selection

The Board will take opportunity to invite female members over time when selecting and making recommendation on suitable candidates for Board appointments. The Board will ensure that appropriate balance of gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices, with the ultimate goal of bringing the Board to gender parity. The Board also aspires to having an appropriate proportion of Directors who have direct experience in the Group's core markets, with different ethnic backgrounds, and reflecting the Group's strategy.

During the year ended 31 March 2026 and as at the date of this annual report, the Board comprises six Directors. The following tables illustrate the diversity of the Board Members as of the date of this annual report:

Name of Directors	Age Group			
	31 to 40	41 to 50	51 to 60	61 or above
Mr. Fok Hau Fai (<i>Chairman and Chief Executive Officer</i>)			√	
Mr. Sung Sing Yan				√
Ms. Wei Ju	√			
Mr. Hung Kin Sang			√	
Mr. Lee Yin Sing		√		
Mr. Wan Chun Kwan		√		

Name of Directors	Professional Experience			
	Industry Experience	Accounting and Finance	Sales and Marketing	Asset Management and Administration
Mr. Fok Hau Fai (<i>Chairman and Chief Executive Officer</i>)	√			
Mr. Sung Sing Yan	√			
Ms. Wei Ju				√
Mr. Hung Kin Sang			√	
Mr. Lee Yin Sing		√		
Mr. Wan Chun Kwan	√			

Implementation and Monitoring

The Nomination Committee will monitor the implementation of the Board Diversity Policy and report to the Board annually.

BOARD AND GENERAL MEETINGS

The Board is scheduled to meet four times a year at approximately quarterly intervals with notice given to the Directors at least 14 days in advance. For all other Board meetings, notice is given in a reasonable time in advance. All Directors will be provided with adequate information before the meetings. To enable the Directors to be properly briefed on issues arising at Board meetings and to make informed decisions, an agenda and the accompanying Board papers together with all appropriate and relevant information in relation to the matters of the meetings will be sent to all Directors at least three days before the intended date of each regular Board meeting. The Directors are allowed to include any other matters in the agenda that is required for discussion and resolution at the meeting. The Directors may participate in meetings either in person or through electronic means of communications. The Directors have separate and independent access to the Company Secretary and senior management from time to time.

During the year ended 31 March 2026, 4 Board meetings have been held. The annual general meeting (“AGM”) of the Company has been held on 12 September 2025. The attendance records of the Directors in attending board meetings and the 2025 AGM is set out below.

Name of Directors	Number of attendance/ number of meetings	Number of attendance/ number of the 2025 AGM
Executive Directors		
Mr. Fok Hau Fai	4/4	1/1
Mr. Sung Sing Yan	4/4	1/1
Ms. Wei Ju	4/4	1/1
Independent Non-executive Directors		
Mr. Hung Kin Sang	4/4	1/1
Mr. Lee Yin Sing	4/4	1/1
Mr. Wan Chun Kwan	4/4	1/1

APPOINTMENT AND RE-ELECTION OF DIRECTORS

All Directors are appointed for a specific term under their service contracts and every Director is subject to retirement by rotation and re-election at an AGM at least once every three years in accordance with the articles of association of the Company.

Under Article 112 of the articles of association of the Company, any Director appointed by the Board to fill a casual vacancy shall hold office only until the first AGM of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM of the Company and shall then be eligible for re-election.

Corporate Governance Report

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has signed with each of the Independent Non-executive Director a letter of appointment for a term of three years commencing from 22 September 2023, subject to retirement by rotation and re-election in accordance with the Articles of the Association and the termination provisions of the letter of appointment. The appointment shall be renewable automatically for successive terms of one year each commencing from the next day after the expiry of the then term of appointment.

DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT

The Group acknowledges the importance of continuous professional development for the Directors to extend and refresh their knowledge and skills. Every Director keeps abreast of responsibilities as a Director of the Company and of the conduct, business activities and development of the Company.

The Directors are fully aware of the requirement under the Code Provision C.1.4 of the CG Code regarding the professional development. During the year ended 31 March 2026, all Directors attended a training session regarding the updates of the Listing Rules concerning good corporate governance practices. The Company will, if necessary, provide timely and regular trainings to Directors to ensure that they are kept abreast with the current requirements under the Listing Rules.

DIRECTORS AND OFFICERS' INSURANCE

The Company has arranged appropriate insurance cover in respect of potential legal action against its Directors and officers.

BOARD COMMITTEES

The Board has established five Board committees. The Audit Committee, the Remuneration Committee, the Nomination Committee and the Risk and Technical Committee were established by resolutions of Directors passed on 22 September 2017. The Environmental, Social and Governance Committee had been established by resolutions of Directors passed on 30 March 2022. These Board committees are established for overseeing particular aspects of the Group's affairs with written terms of reference in compliance with the relevant code provisions of the CG Code, which are available at the website of the Stock Exchange (www.hkexnews.hk) and the Company's website (www.lumina.com.hk).

Audit Committee

The Company established the Audit Committee on 22 September 2017 with written terms of reference in compliance with Rules 3.21 to 3.23 of the Listing Rules and paragraph D.3 of the CG Code and Corporate Governance Report as set out in Appendix C1 to the Listing Rules.

The primary duties of the Audit Committee are mainly to make recommendations to the Board on the appointment and removal of the external auditors; review the financial statements and material advice in respect of financial reporting; and oversee the internal control and risk management procedures of the Group.

The Audit Committee comprises three INEDs, namely, Mr. Lee Yin Sing, Mr. Hung Kin Sang and Mr. Wan Chun Kwan. Mr. Lee Yin Sing is the chairman of the Audit Committee, who has appropriate professional qualifications and experience in accounting matters. None of the members of the Audit Committee is a former partner of the existing external auditor of the Company, Moore CPA Limited ("Moore").

For the year ended 31 March 2026, 2 meetings have been held by the Audit Committee. The attendance record of the member in attending Audit Committee Meetings is set out below:

Name of Directors	Number of attendance/ number of meetings
Mr. Lee Yin Sing	2/2
Mr. Hung Kin Sang	2/2
Mr. Wan Chun Kwan	2/2

There had been no disagreement between the Board and the Audit Committee for the year ended 31 March 2026.

At the Audit Committee Meetings held during the year ended 31 March 2026, all the members of the Audit Committee have reviewed the unaudited interim financial statements of the Group and the audited annual financial statements of the Group, including the accounting principles and practice adopted by the Group, the Company's compliance with the CG Code and disclosure in this Corporate Governance Report, the effectiveness of the Group's internal control and risk management systems and recommended to the Board for consideration the reappointment of Moore as the Company's external auditor at the 2025 AGM.

Remuneration Committee

The Company established the Remuneration Committee on 22 September 2017 with written terms of reference in compliance with Rules 3.25 to 3.27 of the Listing Rules and paragraph E.1 of the CG Code and Corporate Governance Report as set out in Appendix C1 to the Listing Rules. The primary duties of the Remuneration Committee are to make recommendations to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group; review performance-based remuneration; and ensure none of the Directors determine their own remuneration. The Remuneration Committee also reviews and/or approves matters relating to share schemes under Chapter 17 the Listing Rules.

The Remuneration Committee currently consists of three members: one Executive Director, being Mr. Sung Sing Yan, and two INEDs, being Mr. Hung Kin Sang and Mr. Wan Chun Kwan. Mr. Hung Kin Sang is the chairman of the Remuneration Committee.

The Remuneration Committee should meet at least once a year. For the year ended 31 March 2026, two meetings of the Remuneration Committee have been held and has, inter alia, reviewed the remuneration packages for the Directors and senior management and making recommendations to the Board.

Corporate Governance Report

The attendance records of the members of the Remuneration Committee in attending Remuneration Committee Meetings is set out below:

Name of Directors	Number of attendance/ number of meetings
Mr. Hung Kin Sang	2/2
Mr. Sung Sing Yan	2/2
Mr. Wan Chun Kwan	2/2

Nomination Committee

The Company established the Nomination Committee on 22 September 2017 with written terms of reference in compliance with paragraph B.3 of the CG Code and Corporate Governance Report as set out in Appendix C1 to the Listing Rules.

The primary duties of the Nomination Committee are to review the structure, size and composition of the Board on a regular basis; identify individuals suitably qualified to become Board members; assess the independence of Independent Non-executive Directors; and make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors. As at the date of this annual report, the Nomination Committee currently consists of five members: two Executive Directors, namely Mr. Fok Hau Fai and Ms. Wei Ju and three INEDs, namely Mr. Wan Chun Kwan, Mr. Hung Kin Sang and Mr. Lee Yin Sing. Mr. Fok Hau Fai is the chairman of the Nomination Committee.

The Nomination Committee should meet at least once a year. For the year ended 31 March 2026, one meeting of the Nomination Committee was held and has, inter alia, (i) reviewed the structure, size and composition of the Board; (ii) assessed the independence of the INEDs; and (iii) recommended to the Board for consideration the re-appointment of all the retiring Directors at the 2025 AGM.

The attendance records of the members of the Nomination Committee in attending Nomination Committee Meetings is set out below:

Name of Directors	Number of attendance/ number of meetings
Mr. Fok Hau Fai	1/1
Mr. Hung Kin Sang	1/1
Mr. Lee Yin Sing	1/1
Mr. Wan Chun Kwan (appointed on 18 July 2025)	0/1
Ms. Wei Ju (appointed on 18 July 2025)	0/1

BOARD NOMINATION POLICY

The Company has adopted a Board Nomination Policy for the Nomination Committee to consider and make recommendations to Shareholders for election as Directors at general meetings or appoint as Directors to fill casual vacancies.

Selection Criteria

The factors listed below would be used as reference by the Nomination Committee in assessing the suitability of a proposed candidate:

- (1) reputation for integrity;
- (2) accomplishment and experience in the business in which the Group is engaged in;
- (3) commitment in respect of available time and relevant interest;
- (4) diversity in all its aspects, including but not limited to race, gender, age (18 years or above), educational background, professional experience, skills and length of service;
- (5) qualifications which include professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- (6) the number of existing directorships and other commitments that may demand the attention of the candidate;
- (7) requirement for the Board to have Independent Non-executive Directors in accordance with the Listing Rules and whether the candidates would be considered independent with reference to the independence guidelines set out in Rules 3.13 of the Listing Rules;
- (8) Board Diversity Policy of the Company and any measurable objectives adopted by the Nomination Committee for achieving diversity on the Board; and
- (9) such other perspectives appropriate to the Company's business.

Director Nomination Procedure

Subject to the provisions in the Articles of Association of the Company and the Listing Rules, if the Board recognises the need for an additional Director or a member of the senior management, the following procedure will be followed:

- (1) The Nomination Committee and/or Board will identify potential candidates based on the criteria as set out in the selection criteria, possibly with assistance from external agencies and/or advisors;
- (2) The Nomination Committee and/or the Company Secretary of the Company will then provide the Board with the biographical details and details of the relationship between the candidate and the Company and/or Directors, directorships held, skills and experience, other positions which involve significant time commitment and any other particulars required by the Listing Rules, the Companies Act of the Cayman Islands and other regulatory requirements for any candidate for appointment to the Board;
- (3) The Nomination Committee would then make recommendation to the Board on the proposed candidate(s) and the terms and conditions of the appointment;
- (4) The Nomination Committee should ensure that the proposed candidate(s) will enhance the diversity of the Board, being particularly mindful of gender balance;

Corporate Governance Report

- (5) In the case of the appointment of an Independent Non-executive Director, the Nomination Committee and/or the Board should obtain all information in relation to the proposed Director to allow the Board to adequately assess the independence of the Director in accordance with the factors set out in Rule 3.13 of the Listing Rules, subject to any amendments as may be made by the Stock Exchange from time to time; and
- (6) The Board will then deliberate and decide on the appointment based upon the recommendation of the Nomination Committee.

Risk and Technical Committee

The Company established the Risk and Technical Committee on 22 September 2017. The primary duties of the Risk and Technical Committee are to review the Company's risk management policies and monitor the risk exposed to the Group during our course of provision of fire safety services to our customers and implementation of the related internal control procedures. The Risk and Technical Committee currently consists of three members: one Executive Director, being Mr. Sung Sing Yan, one INED, being Mr. Wan Chun Kwan and one representative of the senior management. The chairman of the Risk and Technical Committee is Mr. Wan Chun Kwan.

The Risk and Technical Committee should meet at least twice a year. For the year ended 31 March 2026, 2 meetings of the Risk and Technical Committee were held and have, inter alia, reviewed the risk management policies and the related internal control procedure and making recommendations to the Board.

The attendance records of the members of the Risk and Technical Committee in attending Risk and Technical Committee Meetings is set out below:

Name of Directors/senior management	Number of attendance/ number of meetings
Mr. Sung Sing Yan	2/2
Mr. Wan Chun Kwan	2/2
A representative of the senior management	2/2

Environmental, Social and Governance Committee

The Company established the Environmental, Social and Governance Committee on 30 March 2022. The primary duties of the Environmental, Social and Governance Committee are to review and monitor the Group's environmental, social and governance policies and practices. The Environmental, Social and Governance Committee currently consists of three members: one Executive Director, being Mr. Fok Hau Fai, one INED, being Mr. Hung Kin Sang and one representative of the senior management. The chairman of the Environmental, Social and Governance Committee is Mr. Hung Kin Sang.

The Environmental, Social and Governance Committee should meet at least twice a year. For the year ended 31 March 2026, 2 meetings of the Environmental, Social and Governance Committee have been held and members of the committee have, inter alia, reviewed the environmental, social and governance policies and the related internal control procedure and making recommendations to the Board.

The attendance records of the members of the Environmental, Social and Governance Committee in attending Environmental, Social and Governance Committee Meetings is set out below:

Name of Directors/senior management	Number of attendance/ number of meeting
Mr. Fok Hau Fai	2/2
Mr. Hung Kin Sang	2/2
A representative of the senior management	2/2

COMPANY SECRETARY

Ms. Chan Sze Nga has been appointed as Company Secretary of the Company on 13 December 2024. Ms. Chan has been informed of the requirements of the Rule 3.29 of the Listing Rules, and she has confirmed that she had attained no less than 15 hours of relevant professional training during the year ended 31 March 2026. Please refer to the section “Biographical Details of Directors and Senior Management” for her biographical information.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognises its responsibility in evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group’s strategic objectives, and in ensuring that the Group establishes and maintains appropriate review on the overall adequacy and effectiveness of the Group’s risk management and internal control systems, which cover financial, operational and compliance controls, to safeguard Shareholders’ investment and the Group’s assets. The Board oversees the overall risk management of the Group and endeavours to identify, and control impact of the identified risks and facilitate implementation of coordinated remedial measures. The principal risks and the relevant measures have been disclosed in the section headed “Principal Risks and Uncertainties” of this annual report. The Group’s systems of risk management and internal controls are designed to manage, but not eliminate, the risk of failure to achieve business objectives and can only provide reasonable but not absolute, assurance against the risk of material misstatement, fraud or loss.

The Group has implemented an effective internal control system. The Company has engaged an independent internal audit consultant (the “Independent Internal Audit Consultant”) who performed internal audit reviews for the Group. The Independent Internal Audit Consultant has recommended an internal audit plan to the management of the Company and the Board, and has assisted the Company to review the internal control system on certain selected processes for the year ended 31 March 2026. No significant control failings or weaknesses that were identified in the current reporting period, or that were previously reported but remain unresolved, and therefore the management of the Company agreed on the findings and adopted the recommendations accordingly.

The Board reviews the risk management and internal controls annually and has, through the Audit Committee and with the assistance of the management and external auditors, conducted a review of, and is satisfied with the effectiveness and adequacy of the risk management and internal control systems for the year ended 31 March 2026 as well as the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company’s accounting and financial reporting function.

Corporate Governance Report

WHISTLE-BLOWING POLICY

To achieve and maintain the highest standards of openness, probity and accountability, the Company has adopted a Whistle-blowing Policy which allows the employees or other stakeholders (such as clients, suppliers or sub-contractors) to raise concerns, in confidence, with the Audit Committee about possible improprieties in any matter related to the Company. The Audit Committee is responsible for ensuring that proper arrangements are in place for fair and independent investigation of any matters raised and appropriate follow-up actions are taken.

ANTI-CORRUPTION POLICY

The Company has adopted an Anti-corruption Policy. The Company is committed to conducting business honestly, ethically and with the highest integrity. The Anti-corruption policy sets out the responsibilities of all the employees of the Company to comply with the applicable anti-corruption laws, rules and regulations.

HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Company has established and maintained procedures and internal controls for the handling and dissemination inside information. The Company has adopted a code of conduct for dealing in securities of the Company by the Directors in accordance with the Model Code set out in Appendix C3 of the Listing Rules. Other employees of the Group who are likely to be in possession of inside information of the Company are also subject to dealing restrictions. Any inside information and any information which may potentially constitute inside information is promptly identified, assessed and escalated to the Board and for the Board to decide on the need for disclosure. Inside information and other information which is required to be disclosed pursuant to the Listing Rules and the Securities and Futures Ordinance will be announced on the respective websites of the Stock Exchange and the Company in due course.

DIVIDEND POLICY

The Company has adopted a Dividend Policy that aims to provide guidelines for the Board to determine whether dividends are to be declared and paid to the shareholders and the level of dividend to be paid. Under the Dividend Policy, in deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account, among others:

- (1) the Group's actual and expected financial performance;
- (2) the Group's expected working capital requirements, capital expenditure requirements and future expansion plans;
- (3) retained earnings and distributable reserves of the Company and each of the members of the Group;
- (4) the Group's liquidity position;
- (5) interest of shareholder;
- (6) taxation consideration;
- (7) potential effect on creditworthiness;
- (8) the general economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- (9) any other factors that the Board deems appropriate.

The declaration and payment of dividends by the Company shall remain to be determined at the sole discretion of the Board and is also subject to any restrictions under the Companies Act of the Cayman Islands, the Listing Rules, the laws of Hong Kong and the Company's Memorandum and Articles of Association and any other applicable laws and regulations. The Company does not have any pre-determined dividend distribution ratio. The Company's dividend distribution record in the past may not be used as a reference or basis to determine the level of dividends that may be declared or paid by the Company in the future.

The Company will continue to review the Dividend Policy and to reserve the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time, and the Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

DIRECTORS' AND EXTERNAL AUDITOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparation of the financial statements which give a true and fair of the state of affairs of the Group. In preparing the financial statements for the year ended 31 March 2026, the Directors have applied applicable accounting policies, adopted appropriate accounting standards and prepared the accounts on a going concern basis.

The Board is not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as going concern.

The statement of the external auditor about its reporting responsibilities on the consolidated financial statements is set out in the independent auditor's report on pages 76 to 82 of this annual report.

EXTERNAL AUDITOR

Moore has acted as the auditor of the Company for the past three years. Moore will retire and a resolution for their re-appointment as auditor of the Company will be proposed at the forthcoming AGM.

The Audit Committee is responsible for making recommendation to the Board on the appointment, re-appointment and removal of the external auditor, which is subject to the approval by the Board and at the general meetings of the Company by its shareholders. The fee paid or payable in respect of audit services amount to HK\$802,000 and non-audit services of tax filing of HK\$63,000, respectively, for the year ended 31 March 2026.

In order to maintain the independence and objectivity of Moore, the Group has been monitoring the use of the auditor for non-audit services and the balance of audit and non-audit fees paid. The Audit Committee has pre-approved the engagement of Moore to provide the non-audit services and any other non-audit services must be specifically pre-approved by the Audit Committee.

Corporate Governance Report

COMMUNICATION WITH SHAREHOLDERS AND INVESTORS

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Group also recognises the importance of transparency and timely disclosure of corporate information, which enables shareholders and investors to make appropriate investment decisions.

The members of the Board and Board Committees and the External Auditor will be present to answer shareholders' questions in AGMs of the Company. Circulars will be distributed to all shareholders before an AGM and a special general meeting in accordance with the timeline requirement as laid down in the Listing Rules and the articles of association of the Company. All the resolutions proposed to be approved at general meetings will be taken by poll and poll voting results will be published on the websites of the Stock Exchange and the Company after the relevant general meeting.

As a channel to promote effective communication, the Group maintains a website where information on the Company's announcements, financial information and other information are posted. Shareholders and investors may write directly to the Company at its principal place of business in Hong Kong with any enquires.

A revised Shareholders Communication Policy has been adopted on 7 June 2024 to incorporate amendments to the Listing Rules regarding the paperless listing regime. The revised Policy has been posted on the Company's website.

SHAREHOLDERS' RIGHTS

Procedures for shareholders to convene an extraordinary general meeting ("EGM")

Pursuant to Article 64 of the articles of association of the Company, an EGM shall be convened on the requisition of one or more shareholders holding, at the date of deposit of the requisition, not less than one tenth of the voting rights (on a one vote per share basis) in the capital of the Company. Such requisition shall be made in writing to the Board or the Company Secretary for the purpose of requiring an EGM to be called by the Board and adding resolutions to the agenda of the meeting for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Procedures for shareholders to send enquiries to the Board

Shareholders may raise questions, request for publicly available information and provide comments and suggestions to the Directors and management of the Company. Such questions, requests, comments and suggestions can be addressed to the Company by post to 1/F, R&T Centre, 81-83 Larch Street, Tai Kok Tsui, Kowloon Hong Kong or via telephone at +852 2116 5252.

Procedures for shareholders to put forward proposals at shareholders' meetings

There are no provisions allowing shareholders to move new resolutions at the general meetings under the Companies Act (Revised) of Cayman Islands. However, pursuant to Article 64 of the articles of association of the Company, shareholders who wish to move a resolution may by means of requisition convene an EGM following the procedures set out above.

CONSTITUTIONAL DOCUMENTS

In order to (i) bring the current articles of association of the Company in line with the latest regulatory requirements in relation to hybrid meetings and electronic voting requirements, and electronic dissemination of corporate communications by listed issuer; (ii) allow the Company to hold repurchased shares as treasury shares for future resale; and (iii) make some housekeeping amendments, The Fourth Amended and Restated Memorandum and Articles of Association were adopted by way of a special resolution passed by the shareholders at the 2025 AGM held on 12 September 2025.

A copy of the Company's The Fourth Amended and Restated Memorandum and Articles of Association is available on the websites of the Company and the Stock Exchange.

INVESTOR RELATIONS

In order to ensure timely, transparent and accurate communications between the Shareholders and the Company, in general, information is communicated to the Shareholders mainly through the Company's interim reports and annual reports, general meetings, as well as the corporate communications and publications published on the website of the Stock Exchange (www.hkexnews.hk) and on the Company's website (www.lumina.com.hk).

The annual general meetings and other general meetings of the Company are the primary communication forum between the Company and the Shareholders. Shareholders are encouraged to participate in general meetings in person or to appoint proxies to attend and vote at such meetings for and on their behalf if they are unable to attend.

Board members, in particular, the chairman of the Board Committees or their delegates, appropriate senior executives and external auditor will attend the general meetings to answer the Shareholders' questions.

The chairman of the general meetings will propose to vote the resolutions (except resolutions which relate purely to procedural or administrative matters) by poll in accordance with the Articles of Association of the Company. Scrutineer will be appointed for the vote-taking at the general meetings and the voting results will be published on the Stock Exchange's website (www.hkexnews.hk) and the Company's website (www.lumina.com.hk) subsequent to the close of the general meetings.

Environmental, Social and Governance Report

ABOUT THE REPORT

This Environmental, Social and Governance Report (the “ESG Report”) provides an overview of the initiatives, plans and performance of Lumina Group Limited (the “Company”, “Lumina”, the “Group” or “We”, together with its subsidiaries) in Environmental, Social and Governance (“ESG”) and demonstrates its commitment to sustainable development.

REPORTING PERIOD

This ESG Report describes the ESG activities, challenges and measures taken by the Group during the year ended 31 March 2026 (the “Reporting Period”, “Year”, “2026”).

REPORTING SCOPE

This ESG Report covers the ESG performance and commitments of the Group across its two distinct business operations:

1. **Hong Kong Operations** – Provision of fire safety systems installation services and repair and maintenance services for fire safety systems.
2. **Chinese Mainland Operations** – Production of short videos and animation content.

REPORTING FRAMEWORK

This ESG Report has been prepared in accordance with the Environmental, Social and Governance Reporting Code (the “ESG Reporting Code”) as set out in Appendix C2 to the Rules Governing the Listing of Securities on Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

REPORTING PRINCIPLES

During the preparation of the ESG Report, the Group has applied the following reporting principles, which are set out in the ESG Reporting Rules:

- **“Materiality”** – A materiality assessment was conducted to identify material issues during the Reporting Period, thereby adopting the confirmed material issues as the focus for preparing this ESG Report. The materiality of issues was reviewed and confirmed by the Board.
- **“Quantitative”** – Supplementary notes are added along with quantitative data disclosed in this ESG Report to explain any standards, methodologies, and sources of conversion factors used to calculate environmental key performance indicators (“KPIs”).
- **“Balance”** – This ESG Report aims to provide a holistic and fair view of the sustainability performance of the Group and has not omitted any information related to material ESG topics.
- **“Consistency”** – The approach adopted for preparing this ESG Report was substantially consistent with the previous year, and explanations were provided regarding data with changes in the scope of disclosure and calculation methodologies.

FORWARD-LOOKING STATEMENTS

This ESG Report contains forward-looking statements based on the Group’s current expectations, estimations, projections, beliefs, and assumptions about the business and the markets in which it operates. The forward-looking statements are not guarantees of future performance and are subject to market risks, uncertainties, and factors beyond the Group’s control. Therefore, actual outcomes may differ materially from the assumptions made and the statements contained in this ESG Report.

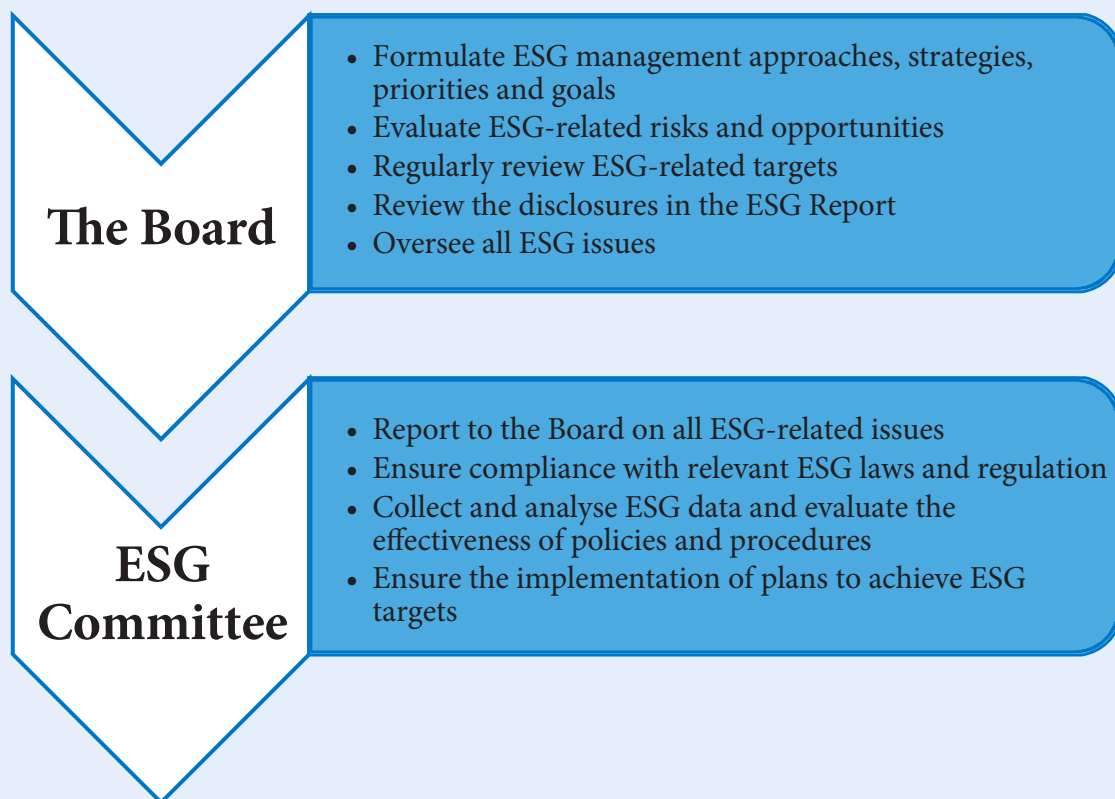
CONFIRMATION AND APPROVAL

This ESG Report was endorsed by the ESG Committee and approved by the Board in June 2026.

CONTACT US

Your feedback is valuable to our continuous improvement, and we welcome any comments and suggestions you may have on this ESG Report or our future ESG strategy in general. If you have any advice or suggestions, you are most welcome to contact us at +852 2116 5252.

BOARD STATEMENT & ESG GOVERNANCE STRUCTURE



Board Statement

The Board of Directors (the “Board”) holds the ultimate responsibility for monitoring the Group’s ESG issues, which include the ESG management approach, strategy, and policies. To better manage the Group’s ESG performance and identify potential risks, the Board conducts materiality assessments where necessary, with the assistance of the ESG Committee to evaluate and prioritise material ESG related issues with reference to the opinions of our stakeholders. The Board is responsible for setting up a general direction for the Group’s ESG strategies, ensuring the effectiveness in the control of ESG risks and internal control mechanisms.

ESG Committee

The Group has established an ESG Committee (the “Committee”). This Committee comprises core members from the Group and is responsible for collecting relevant information for preparing ESG Reports. This Committee reports to the Board and assists in identifying and evaluating the Group’s ESG risks and the effectiveness of the internal control mechanisms. This Committee also examines and evaluates our performances in different ESG-related goals and targets such as environment, health and safety, labour standards and product responsibilities. Following the directions set by the Board, the Committee ensures the execution of various ESG-related strategies and policies.

Environmental, Social and Governance Report

STAKEHOLDER ENGAGEMENT

Lumina is committed to integrating sustainability into its ESG strategies, focusing on improving environmental protection and social responsibility. Recognising the importance of stakeholder input, the Group actively engages in close communication to understand and address their key concerns. To ensure effective dialogue and incorporate stakeholder feedback into sustainable management and ESG strategy development, the Group has established diverse communication channels.

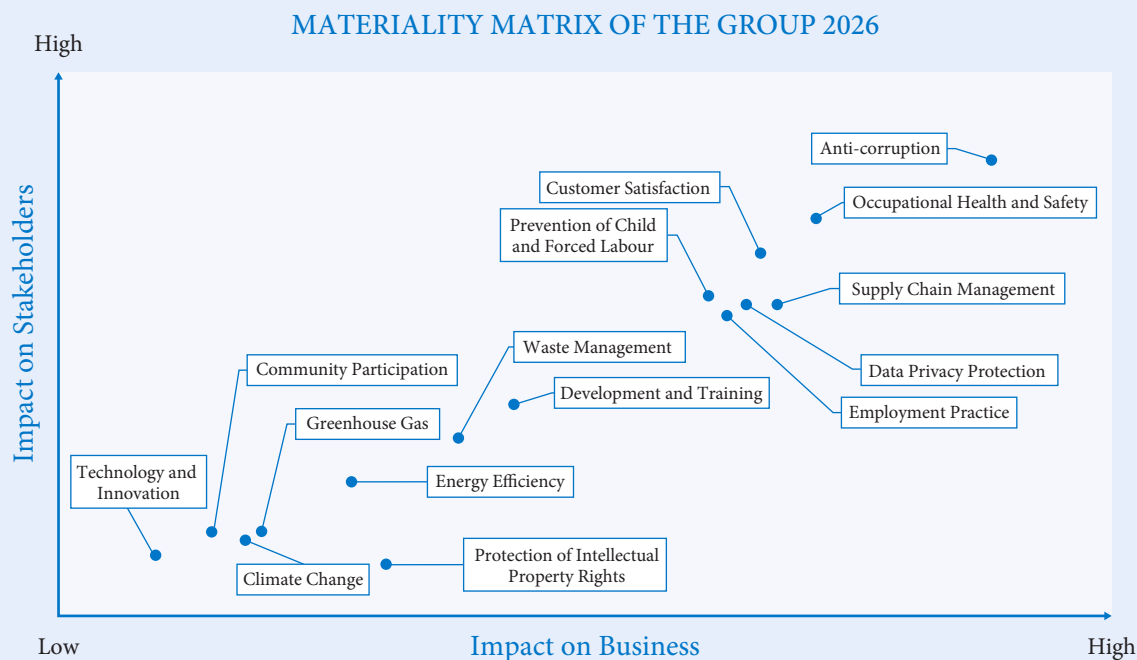
When formulating operational and ESG strategies, the Group considers stakeholders' expectations through diverse engagement methods and communication channels. These methods and channels are outlined below:

Stakeholders	Communication Channels	Expectations
The Boards	• Board meetings • Committee meetings • Annual general meetings and extraordinary general meetings • Emails	• Corporate governance • Regulatory compliance • Financial performance • Strategic development
Investors and Stakeholder	• Financial reports • Announcements and circulars • Annual general meetings and extraordinary general meetings • Company website	• Corporate governance • Return on investment • Business compliance
Customers	• Hotline for after sale service • Customer satisfaction survey	• High quality products and services • Protect customers' right
Employees	• Assessment of work performance • Means for employees to express opinions (e.g. opinion form and suggestion box) • Regular meetings and management communication (e.g. email and telephone) • Intranet • Site visits	• Employees' compensation and benefits • Health and safety work environment • Career development
Suppliers	• Regular assessment of suppliers' performance • Supplier management meetings and events	• Sustainable supply chain • Fair and open tendering • Stable business relationship
Community and the Public	• Community investment plans • ESG reports • Media	• Involvement in communities • Business compliance • Environmental protection awareness
Regulatory Bodies and Government Authorities	• Company Secretary • Compliance Manager • On-site inspections • IT Audit Manager • Project Manager of regulatory bodies • Regulatory newsletters	• Compliance with laws and regulations • Support economic development • Environmental protection • Contribution to society

MATERIALITY ASSESSMENT

Material issues in this ESG Report refer to what may have a significant impact on the Group's business operations or have an actual impact on stakeholders. To identify and prioritise these issues, the Group conducts a materiality assessment survey every year, presenting the findings in the form of a materiality matrix.

The following matrix is a summary of the Group's material ESG issues:



The Group reviewed the results of the materiality assessment and considered that the said result is applicable to the Group. The Group will continue to monitor the Group's business operations and its ESG performance.

Environmental, Social and Governance Report

CLIMATE-RELATED DISCLOSURES

Governance

The Board's oversight responsibilities for climate-related risks and opportunities are formally documented in its Terms of Reference, which define its authority, roles and accountabilities in relation to ESG and climate governance.

The Board considers a broad spectrum of climate-related risks and opportunities in setting the Group's strategic direction, and ensures these factors are fully integrated into its oversight of strategy, major transactions, and policies. ESG considerations and stakeholder expectations are fully embedded in decision making by regularly assessing whether proposed transactions, and controls and mitigation measures align with the Group's climate commitments. The Board balances short-term financial implications with long-term resilience to support informed, forward-looking decisions that enable sustainable performance.

The ESG Committee reports to the Board at least annually on climate-related risks and opportunities. In addition to the annual formal report, the Board receives ad-hoc updates on material climate-related events, regulatory changes and emergency risks as they arise, and holds dedicated climate strategy sessions at least semi-annually. The Board further oversees the development of climate-related targets, ensuring they are grounded in credible data, aligned with strategic priorities, and supported by clear execution plans. It reviews progress against these targets on a regular basis and raises queries where gaps or delays arise. Although climate-related performance indicators have not yet been incorporated into remuneration policies, the Group's commitment to achieving its climate objectives remains fully intact.

The day-to-day management of climate-related risks and opportunities is delegated to the ESG Committee, which is comprised of representatives from diverse backgrounds. The ESG Committee reports directly to the Board, and its performance in delivering climate objectives is reviewed annually by the Board.

Internal controls and review mechanisms are integrated into the operations of business units. These include periodic climate-related risks assessments, as well as cross-functional reviews of regulatory and market developments.

To support the implementation of the Group's climate-related strategies, the skills and competencies of the Board and members in the ESG Committee are regularly assessed against market standards to ensure that they remain sufficient and up-to-date over time. All the Directors and members in the ESG Committee have received sustainability training. The Board is kept informed of emerging ESG developments, including energy policies, regulatory updates and evolving market best practices. ESG training is embedded in the ongoing development of Directors and senior management.

Strategy

We have established clear timeframes to guide the effective implementation of our strategy and track progress throughout. Each stage is a well-planned phase of action, enabling us to build momentum in an institutionalized and quantifiable manner. By defining objectives for each phase, we ensure that all efforts remain focused, coordinated, and aligned with our overall goals. Our ESG strategy focuses on:

- Short-term (1-5 years): Improving operational efficiency, ensuring full compliance, and establishing a solid data and governance foundation;
- Medium-term (6-10 years): Achieving measurable progress toward ESG targets and integrating sustainable practices throughout all operational processes; and
- Long-term (Over 10 years): Achieving transformative outcomes to advance climate action, facilitate the transition to a circular economy, and shape a sustainable future.

Addressing Climate-related Risks and Opportunities

Climate change presents both risks and opportunities. We adopt a balanced strategy that weighs potential positive and negative impacts, thereby maximizing value creation while minimizing adverse effects on our business.

Physical Risks

The increased frequency and severity of extreme weather events such as typhoons, storms, heavy rains, and extreme cold or heat bring acute and chronic physical risks to the Group's business. The Group's productivity will be reduced under extreme weather events as the safety of our employees is threatened and the power grid or communication infrastructures might be damaged, which will expose the Group to risks associated with non-performance and delayed performance, leading to a direct negative impact on the Group's revenue.

To minimise the potential risks and hazards, the Group has established mitigation plans, which include flexible work arrangements and precautionary measures during bad or extreme weather conditions. The Group will keep explore emergency plans to further reduce the vulnerability of our installations to extreme weather events to enhance business stability.

Environmental, Social and Governance Report

Transition Risks

To achieve the global vision of carbon neutrality, the Group expects the evolution of the regulatory, technological and market landscape due to climate change, including the tightening of national policies, the emergence of environmentally related taxes, and the shifting of customer preference to an eco-friendly business operation. In response to the policy and legal risks as well as the reputation risks, the Group constantly monitors any changes in laws or regulations and global trends on climate change to avoid cost increments, non-compliance fines or reputational risks due to delayed responses. The Group will closely monitor and ensure our operations fully comply with the new regulations. Climate change is expected to further aggravate fire risk, especially in the summer. We noticed that there is an increase in the length of the fire season and larger, more intense, and more frequent fires. The Group will continue to monitor the various negative impacts of climate change closely.

Opportunities

Transitioning to a low-carbon business model may present opportunities for us. Consumers' growing awareness of ESG is shaping the market, and their preferences are shifting towards more responsible companies. Efforts to improve energy efficiency and reduce waste not only reduce operating costs in the short term but also help businesses streamline and optimize their operations in the medium term. Emerging low-carbon markets are expected to mature within the next three to ten years, creating new opportunities for growth and innovation. By actively disclosing ESG performance and taking practical action, we can enhance our reputation and attract new capital and customers.

The Group does not currently have a formal climate-related transition plan or a dedicated budget specifically for climate-related risks and opportunities. Nevertheless, we manage environmental initiatives through our existing operational framework. Resources for energy-saving upgrades and sustainability training are allocated from general operating and capital expenditure budgets on a case-by-case basis. We will continue to monitor the necessity of a formal transition plan and adjust our resource allocation as regulatory requirements and our operational needs evolve.

Effects on Business Model and Value Chain

The ESG Reporting Code's implementation reliefs have been applied in this section:

	Reasonable Information Relief	Commercial Sensitivity Relief	Financial Effects Relief
Current financial effects			Yes
Anticipated financial effects	Yes	Yes	Yes
Metrics in cross-industry categories	Yes		

The Group has identified the following risks and opportunities on its business model and value chain:

Risk Type	Description	Effects on Business Model	Effects on Value Chain	Qualitative Financial Impact
Physical Risks				
Acute Risk Time Horizon: Short to long term	Increased severity of extreme weather • Extreme heat • Rainfall/flooding • Tropical cyclones	• Damages property and assets in areas affected by extreme weather • Increases in need for air-conditioning and energy use	• Interrupts supply chains • Reduces availability of insurance on assets in risks exposed areas • Lowers sales/output due to business disruption	Financial Impact: Asset value The impact is low considering our location of operation.
Chronic Risk Time Horizon: Mid-to-long term	Variability in climate and precipitation patterns • Changing climate patterns	• Affects employee health and safety • Disrupts utilities supply • Increases maintenance costs and insurance premiums • Reduces short-term revenue • Impact asset values	• Disrupt cloud services • Affect the costs and supply stability of public utilities	Financial Impact: Revenue The impact is low considering our location of operation.
Transition Risks				
Regulatory Risks Time Horizon: Mid-to-long term	• Increased carbon pricing • Mandatory reporting obligations • Regulation of existing products and services • Exposure to litigation	• Increases regulatory requirements on carbon pricing • Retires existing assets early due to policy changes • Changes in energy efficiency standards • Increases costs on adopting new processes for compliance	• Induces structural changes in compliance throughout the value chain • Increases risks from non-compliance of suppliers or partners • Reduces demand for high-emissions products and services	Financial Impact: Operating cost The impact is low to medium considering our industry. The cost of compliance may grow with time.
Market Risks Time Horizon: Mid-to-long term	• Changing consumer behaviour • Unpredictable market demand • Changes in competitive landscape	• Changes input prices (e.g legal and compliance expenses) • Increases output requirements (e.g. on waste treatment and emission control)	• Disrupts existing upstream and downstream partnerships as procurement shifts toward greener alternatives	Financial Impact: Revenue The impact is low to medium considering our industry. The cost of compliance may grow with time.

Environmental, Social and Governance Report

Risk Type	Description	Effects on Business Model	Effects on Value Chain	Qualitative Financial Impact
Reputational Risks Time Horizon: Mid-to-long term	- Criticism of industry sector - Negative stakeholder feedback	- Increases the difficulty of talent retention and workforce planning - Lowers ability to attract capital	Reduces demand of goods and services throughout the value chain	Financial Impact: Operating cost The impact is low considering our industry.

Current and Anticipated Financial Effect

The Group has not disclosed the quantified current and anticipated financial effects of climate-related risks and opportunities and internal carbon prices are currently not applied in our scenario analysis or decision-making. Given its scale, both current and anticipated financial effects of climate-related risks and opportunities are not considered material to the Group's overall financial position. Furthermore, where effects may exist, the level of measurement uncertainty is high and isolating specific impacts is difficult. The Group is also developing internal capabilities for preparing disclosures on current and anticipated financial effects. Accordingly, the Group has applied the financial effects relief and the capabilities relief (where applicable) as provided under the ESG Reporting Code for disclosure requirements about the current and anticipated financial effects of climate-related risks and opportunities. The Group has also assessed and determined that the combined financial effects of climate-related risks and opportunities would not be useful at this stage.

Climate Resilience and Scenario Analysis

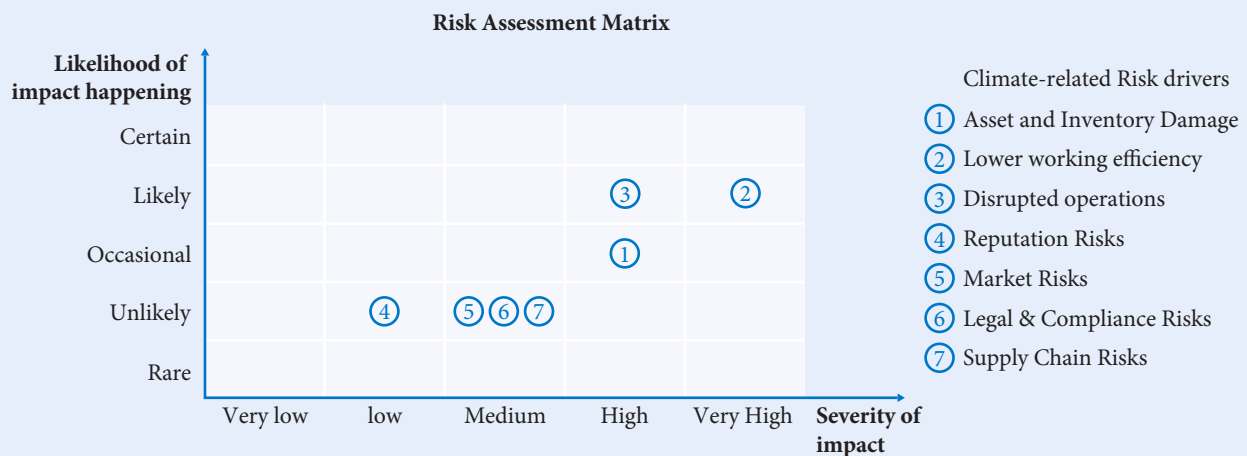
The Group has not conducted a formal climate-related scenario analysis and, accordingly, has not provided a detailed assessment of its climate resilience at this stage. As a small-to-medium enterprise with focused operations, the Group currently lacks the specialised internal skills, technical capabilities, and localised data required to perform meaningful quantitative scenario modeling without incurring undue cost or effort. Instead, we manage climate resilience through our existing risk management framework and disaster recovery protocols, particularly regarding physical risks such as extreme weather. The Group will periodically review its capacity and the availability of simplified industry tools to determine when a proportionate scenario analysis can be effectively integrated into our reporting.

Risk management

The Group has implemented a comprehensive risk management system and established a management framework comprising governance, strategy, and execution levels. The Board and management adopt a top-down approach to identify, evaluate, and monitor risks. Simultaneously, personnel at the execution level employ a bottom-up approach to report risks that may arise from the Group's internal systems and procedures, thereby forming an effective risk management and control mechanism.

The Group rates identified risks based on their impact and likelihood. For high-risk items, management conducts in-depth analysis and formulates response strategies, strengthening control through risk avoidance and mitigation measures. When necessary, internal control activities are implemented across organisational structure, business operations, financial reporting, and information systems. All identified risks are recorded in a risk register, with designated personnel providing continuous monitoring and regular reviews of the effectiveness of response measures to ensure dynamic adjustments in response to environmental changes. Low-risk items are also included in the risk register to ensure a rapid response should any triggers emerge. The status of risk management implementation is regularly reported to the Board and the Audit Committee to ensure transparent and efficient governance oversight.

To evaluate the impact of climate-related factors on the Group's business, we prioritise the identification of key climate-related drivers, including transition risks and physical risks, and map these factors to the relevant risk categories within the Group's risk taxonomy. Based on the likelihood of these climate-related drivers occurring and their potential impact on the Group (as illustrated in the Risk Assessment Matrix), the assessment results indicate that, within the Group's risk taxonomy, risks of lower working efficiency arising from operational disruptions are particularly significant. The interactions between these risks and climate-related drivers, are further detailed as below:



Identified climate-related risks are monitored quarterly by the ESG Committee, which tracks the effectiveness of mitigation measures and updates risk assessments as new information becomes available. Material changes in risk profiles are reported to the Board immediately. There were no material changes to the Group's climate-related risk identification, assessment, prioritisation and monitoring processes during the reporting period compared to the previous year. Climate-related opportunities are identified through annual strategic planning reviews and stakeholder engagement processes. Scenario analysis will be used to assess long-term opportunities once the framework is developed.

Environmental, Social and Governance Report

In addition to adopting rigorous risk management methodologies, the Group continuously strengthens communication with employees on various issues, such as the implementation of controls and policies. The Group also provides additional training for employees as needed, covering new laws, rules and regulations, industry standards, and data security.

The Group does not currently incorporate climate-related scenario analysis into its risk identification process. At present, climate-related risks are identified and assessed through qualitative risk management methodologies, leveraging internal operational experience and historical weather data. The Group will continue to monitor the availability of simplified tools and industry data to evaluate the feasibility of integrating scenario analysis into its risk identification framework in the future.

Metrics and Targets

We are setting long-term climate-related targets across our operations and value chain supported by short-, medium-, and long-term milestones, all measured against a 2026 base year to ensure consistent comparison over time. These targets have taken reference from Hong Kong's long-term decarbonisation pathway and its goal of achieving carbon neutrality, as well as the Paris Agreement, ensuring that our efforts contribute meaningfully to the city's broader climate ambitions.

All quantitative targets are intensity targets, which are appropriate for the Group's service-based business model. The Group develops and regularly reviews its target internally based on its strategic planning and did not apply the Science Based Targets initiative's Sectoral Decarbonisation Approach. The use of carbon credits to achieve any net targets is currently not considered. Below sets forth the phased targets over our time horizon:

Targets

Energy consumption Intensity	• Short-term target: unchanged or reduced compared to 2026 • Medium-term target: 2% reduction compared to 2026 • In the long run: a decrease of more than 2% compared to 2026
Non-hazardous waste Intensity	• Short-term target: unchanged or reduced compared to 2026 • Medium-term target: 2% reduction compared to 2026 • In the long run: a decrease of more than 2% compared to 2026
Greenhouse Gas ("GHG") Emission Intensity (Scope 1 & 2)	• Short-term target: unchanged or reduced compared to 2026 • Medium-term target: 2% reduction compared to 2026 • In the long term: 2% or more reduction compared to 2026

The Group's GHG emission targets currently cover Scope 1 and Scope 2 emissions. Scope 3 targets will be developed by 2027 as the Group improves its Scope 3 data collection capabilities.

* The GHG emission target is a gross target.

The Group's climate-related targets and the methodologies used for their setting have not been verified by an independent third party. At present, these targets are reviewed and monitored through the Group's internal management and reporting processes to ensure data consistency and accuracy. The Group will periodically evaluate the necessity of seeking external assurance for its sustainability disclosures as its reporting framework matures. The targets are reviewed annually by the ESG Committee and approved by the Board. Any material revisions to the targets require Board approval. Target progress is monitored annually using the indicators specified above. There have been no revisions to the Group's climate-related targets during the Reporting Period.

During the Reporting Period, the Group's environmental performance maintained a positive trend with continuous reductions in various intensity indicators. All key metrics, including GHG emission intensity, non-hazardous and hazardous waste intensity, wastewater discharge intensity, as well as electricity and water consumption intensity, showed a year-on-year downwards trend in 2026 from 2025. The Group will strengthen ongoing monitoring of environmental indicators to sustain progress toward its climate goals.

The use of carbon credits to achieve any net targets is currently not considered. Internal carbon price are currently not applied in our scenario analysis. The Group has not allocated capital expenditure, financing or investment towards climate-related risks and opportunities. By applying reasonable information relief of the ESG Reporting Code, the Group does not disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks, transition risks and aligned with climate-related opportunities.

A. ENVIRONMENTAL

Emissions

The Group is committed to good environmental management and strives to protect the environment as part of its corporate social responsibility. To this end, we have established a "Green and Sustainability Plan", which outlines methods and proposals to implement effective and efficient environmentally friendly measures while ensuring proper management to minimise construction waste generated during operations.

In addition, to minimise the adverse impact caused by our operations, the Group has formulated an "Environment and Waste Management Plan" which governs the Group's procedures relating to environmental management. We have also established an environmental management system in accordance with ISO 14001 to ensure environmental friendliness for the design and construction of building works in the following manner:

- Protect the environment as an obligation to society;
- Include measures in pollution control within our scope of works, conservation of resource and waste reduction by recovery and recycling of used materials as far as practicable;
- Commit to comply with environmental legislation and regulations and other relevant requirements;
- Set out environmental objectives and targets, and review these objectives and targets on a regular basis to strive for continuous improvement;

Environmental, Social and Governance Report

A. ENVIRONMENTAL (continued)

Emissions (continued)

- Provide training to staff to enhance environmental awareness for continuous improvement; and
- Ensure our environmental policy is made available to the public and clearly communicated to all people working for or on behalf of the Group.

The Group has a designated department to coordinate and implement environmental protection measures and objectives, as well as to address environmental issues. We have adopted emission reduction actions and continuously optimised environmental protection plans to ensure that all business activities comply with legal and regulatory requirements.

The Group strictly complies with the relevant laws and regulations in Hong Kong, including but not limited to the Air Pollution Control Ordinance and the Noise Control Ordinance. During the Reporting Period, the Group is not aware of any material non-compliance of environmental laws and regulations relating to air and greenhouse gas (“GHG”) emissions, discharges into water and land, and the generation of hazardous and non-hazardous waste that would have a significant adverse impact on the environment.

Air Emissions

The main source of emission is generated from the Group’s automobile exhaust gas, which contains nitrogen oxides (“NOx”), sulphur oxides (“SOx”) and particulate matter (“PM”). The Group has formulated relevant policies and implemented the following emission reduction measures with the aim to reduce emissions from the source:

- Reduce in-person meetings by advocating for the utilisation of electronic online meetings;
- Take public transport during business trips under normal circumstances;
- Conduct regular vehicle inspections and maintenance to enhance vehicle efficiency;
- Educate the employees to turn off engines for idling vehicles; and
- Choose local suppliers and contractors to reduce exhaust gas and GHG emissions resulting from transportation.

The Group’s exhaust gas emissions performance was as follows:

Types of Air Pollutants	Unit	2026	2025
Nitrogen Oxides (NOx)	kg	9.88	13.00
Sulphur Oxides (SOx)	kg	0.05	0.05
Particular Matter (PM)	kg	0.91	1.21

A. ENVIRONMENTAL (continued)

Emissions (continued)

GHG Emissions

The Group's greenhouse gas (GHG) emissions primarily sources from electricity consumption in office operations and the use of petrol and diesel to power its vehicle fleet.

The Group's GHG emissions performance for the Reporting Period was as follows:

Indicators	Units	2026	2025*
Direct GHG emissions (Scope 1)	tCO ₂ e	9.64	9.39
• Petrol and diesel consumption			
Energy Indirect GHG emissions (Scope 2)	tCO ₂ e	30.14	31.62
• Electricity Consumption (Location-based ²)			
Other Indirect GHG (Scope 3)	tCO ₂ e	7.58	6.81
• Category 1: Purchased goods and services	tCO ₂ e	0.43	–
• Category 5: Waste Generated in Operations	tCO ₂ e	6.44	6.81
• Category 6: Business Travel	tCO ₂ e	0.71	–
Total GHG Emissions	tCO ₂ e	47.36	47.82
Intensity ³	tCO ₂ e/employee	0.99	1.04

* FY2025 GHG Scope 3 emission data has been restated

Notes:

- The Group's GHG inventory includes carbon dioxide, methane and nitrous oxide. GHG emissions data is presented in carbon dioxide equivalent and was calculated based on the reporting requirements including but not limited to the "GHG Protocol Corporate Accounting and Reporting Standard" issued by the World Resources Institute and the World Business Council for Sustainable Development (GHG Protocol), the "How to prepare an ESG Report – Appendix II: Reporting Guidance on Environmental KPIs" issued by HKEX, the 2024 Sustainability Report issued by CLP Holdings Limited and national emission factors issued by the Ministry of Ecology and Environment of PRC. There were no changes to the Group's GHG emission measurement methodologies, input data or assumptions during the reporting period compared to the previous year.
- GHG Scope 2 emissions are calculated using a location-based approach, which considers the average emission intensity of the local electricity grid where the energy is consumed.
- As of 31 March 2026, the Group had a total of 48 full-time employees (2025: 46 full-time employees). The data is also used for calculating other intensity data.
- GHG Scope 3 Category 1 emissions: The Group utilises a spend-based method, using the emission factors from the US Environmental Protection Agency (EPA), Environmentally-Extended Input-Output (USEEIO) Model.
- GHG Scope 3 Category 5 emissions: The Group uses waste-specific data multiplied by applicable emission factors from "Guidelines to Account for and Report on Greenhouse Gas Emissions" issued by Hong Kong Environmental Protection Department (EPD).
- GHG Scope 3 Category 6 emissions: The Group uses International Civil Aviation Organisation ("ICAO") calculator for air travel GHG calculation.

Environmental, Social and Governance Report

A. ENVIRONMENTAL (continued)

Emissions (continued)

GHG Emissions (continued)

To ensure the effectiveness of a reduction of the total GHG emission, The Group has set a target to reduce total greenhouse gas (GHG) emission intensity by 2026, using the Reporting Period as the baseline. In order to achieve this target, the Group has adopted the following measures to mitigate the amount of direct GHG emissions from petrol and diesel consumption in our operations:

- Optimise operational procedure to increase the loading rate and reduce the idling rate of vehicles;
- Perform vehicle and equipment maintenance on a regular basis to prevent inefficient fuel consumption or abnormal operations; and
- Gradually eliminate substandard vehicles, ensure the use of standard diesel and gasoline, and conduct annual inspections to comply with relevant emission standards.

By taking the above measures, employees' awareness of GHG emissions has been improved. Consumption of electricity is accounted as the major source of energy indirect GHG emissions (Scope 2). The Group has implemented measures as described under "Energy Management" part to reduce energy consumption, thereby minimising our carbon footprint.

Sewage Discharge

Due to the Group's business nature, we do not consume a significant amount of water in our business activities, and therefore our business activities did not generate a material portion of discharges into water. The majority of the water supply and discharge facilities are provided and managed by the property management company.

Waste Management

The Group adheres to waste management principles and strives to properly manage and dispose of waste produced by our business activities. The Group has formulated an "Environment and Waste Management plan". This plan helps to minimise potential adverse impacts associated with solid waste, chemical waste, general refuse and wastewater arising from the operation of the Group.

The various waste management options can be categorised in terms of preference from an environmental viewpoint as follows:

- Improve processes to avoid and minimise waste generation;
- Reuse materials to reduce waste, minimising disposal with only limited reprocessing when necessary; and
- Treatment and disposal should comply with relevant laws, guidelines, and best practices.

Our waste management practice has complied with the relevant laws and regulations relating to environmental protection.

A. ENVIRONMENTAL (continued)

Emissions (continued)

Non-hazardous waste

The non-hazardous waste generated by the Group's operations mainly consists of paper.

Indicators	Units	2026	2025*
Non-hazardous waste	Tonnes	1.34	1.42
• Paper Disposal Intensity	Tonnes/employee	0.028	0.027

* FY2025 data has been restated

During our business operations, paper consumption is necessary for drawing, printing monitoring reports with photos, and preparing tender documents. Recognising the inevitability of paper usage, we actively monitor consumption levels and encourage our staff to assess the necessity of printing before proceeding.

To promote sustainability, the Group has set up appropriate facilities and encourages employees to sort waste and recycle, aiming to reduce waste, reuse materials, and enhance recycling efforts. We uphold high standards in waste reduction, educate employees on the importance of sustainable development, and provide them with the necessary resources to enhance their knowledge and skills in sustainability.

- Promote green information and electronic communication, such as e-mail and electronic workflows;
- Implement the enterprise resource planning ("ERP") system and encourage a paperless work environment;
- Place "Green Message" reminders on office equipment;
- Utilise used envelopes and double-sided printing. Paper for single-side printing will only be adopted when handling official documents and confidential documents; and
- Recommend the use of recycled paper.

Moreover, the procurement and disposal of office stationery serve as another focus of our operational sustainability efforts. The office stationery has great hidden adverse environmental and social impacts arising from its production, use and disposal. We have launched the following measures to reduce its negative impacts:

- Maximise every stationery lifespan (such as plastic binding ring, paper clip, etc.) by searching for opportunities to reuse and refurbish internally whenever feasible;
- Purchase reusable stationery whenever possible, such as refillable rollerball pens and correction tape; and
- Avoid single-use disposable items.

Environmental, Social and Governance Report

A. ENVIRONMENTAL (continued)

Emissions (continued)

Hazardous Waste

As the Group primarily provides installation, repair, and maintenance services for fire protection systems, it does not directly produce hazardous waste (such as chemical waste) during its operations. The Group has established guidelines under the “Environment and Waste Management Plan”, which outline the procedures for managing and disposing of hazardous waste.

Due to the nature of its business in the Chinese Mainland, of the Company did not generate any hazardous waste. If hazardous waste is produced, the Group engages government-approved waste collectors to handle the disposal, ensuring compliance with relevant environmental laws and regulations.

During the Reporting Period, the Group did not generate any significant amount of hazardous waste.

Use of Resources

The Group continues to introduce resource efficiency and eco-friendly measures to the Group’s operations and is committed to optimising the use of resources in all of our business operations. During our operations, fuel and electricity are consumed. The Group has established relevant policies and procedures governing the efficient use of resources to achieve higher energy efficiency and reduce the unnecessary use of resources.

Energy Consumption

Due to the business nature of the Group, our energy consumption is considered relatively low. As mentioned in “Emissions” part, the Group has formulated policies and procedures relating to environmental management which includes energy management. Electricity consumption and fuel consumption account for a substantial part of the carbon emission for the Group.

The Group’s energy consumption performance is as follows:

Indicators	Unit	2026	2025
Direct Energy Consumption			
• Petrol	kWh	24,304	18,659
• Diesel	kWh	11,539	16,627
Indirect Energy Consumption			
• Purchased electricity	kWh	75,566	74,397
Total Energy Consumption	kWh	111,409	109,683
Intensity	kWh/employee	2,321	2,384

The total energy consumption intensity has decreased driven by the Group’s effective energy conservation and emission reduction measures, we successfully managed our energy footprint.

A. ENVIRONMENTAL (continued)

Use of Resources (continued)

Energy Consumption (continued)

To ensure the reduction of energy consumption, the Group has set a target of reducing the total energy consumption intensity.

On top of the diesel and petrol saving measures disclosed in aspect A1, the Group has also conducted the following measures to improve the energy efficiency performance, which include but not limited to:

- Encourage employees to turn off idle equipment, computers and lighting, when not in use or after work hours;
- Monitor energy usage monthly, along with investigating significant variance;
- Utilise natural light whenever possible;
- Adopt power-saving features for office equipment and computers; and
- Support the Energy Saving Charter in 2018 imposed by the Environment Bureau and the Electrical and Mechanical Services Department of The Government of Hong Kong Special Administrative Region, including taking the following measures:
 - Maintain an average indoor temperature between 24-26°C during the summer period;
 - Switch off electrical appliances when not in use; and
 - Procure energy-efficient appliances only upon replacement of old appliances or due to new business needs.

By adopting different energy conservation measures, the Group believes it has set a role model for corporate social responsibility. More importantly, the Group strives to reduce costs by reducing electricity consumption in the workplace in the long run.

Water Consumption

The Group does not consume a significant amount of water in its business activities due to its business nature. At the same time, since the water consumption of the Group's offices is included in the property management fee, it is therefore not included in this ESG Report. Regardless of limited water consumption, we still promote behavioural changes at the office and encourage water conservation. Pantry and toilets are posted with environmental messages to remind the employees of water conservation, which enhances our employees' awareness of water conservation.

Use of Packaging Materials

Due to the Group's business nature, it does not consume a significant amount of packaging materials, and thus the use of packaging materials is immaterial.

Environmental, Social and Governance Report

A. ENVIRONMENTAL (continued)

The Environment and Natural Resources

The Group pursues the best practices in environment protection and focuses on the negative impact of the Group's businesses on the environment and natural resources. In addition to complying with the relevant environmental laws and regulations as well as preserving the natural environment, the Group has integrated the concept of environmental protection into its internal management and daily operations, with the aim of achieving environmental sustainability.

The Group strives to promote environmental protection and makes effective use of resources. It will carry out continuous monitoring for business operations which may incur adverse impacts on the environment and will take action to minimise these adverse impacts. We promote having a green office by adopting four basic principles, which comprise of reduce, reuse, recycle and replacement. Where applicable, we will adopt green purchasing strategies and the most practical technologies to protect our natural resources.

Environmental Impact of Projects

To control and mitigate the adverse environmental impacts of the projects in our operations, we have formulated a series of procedures to assess the environmental risks of these projects in accordance with the standard of the ISO 14001 environmental management system. Moreover, regular internal audits on the effectiveness and level of environmental management systems compliance are carried out. The potential environmental risks of the projects include, but are not limited to noise pollution and hazardous waste discharge. Relevant measures to mitigate the corresponding environmental risks of projects have been carried out in accordance with the relevant assessment procedures.

Indoor Air Quality

Indoor air quality in our workplace is regularly monitored and measured. By conducting regular cleaning of the air conditioning system, we managed to maintain good indoor air quality and filter out pollutants, contaminants and dust particles.

B. SOCIAL

Employment

Employees are the Group's most valuable asset, and excellence in human resources is a key competitive advantage. We have established comprehensive policies to uphold our vision of people-oriented management, fostering an environment where employees can realise their full potential.

Our human resources management procedures are formally documented in the Employee Handbook, covering key aspects such as resource planning, performance evaluation, training, recruitment, resignation, transfers, remuneration, and employee welfare. These procedures ensure standardised labor management while safeguarding the legitimate rights and interests of every employee.

Additionally, the Group prioritises the occupational health and safety of its workforce, strictly adhering to all relevant laws and regulations in Hong Kong, including but not limited to the Employment Ordinance. During the Reporting Period, the Group was not aware of any material non-compliance with employment and labor-related regulations that could have a significant adverse impact on its operations.

Recruitment, Promotion and Remuneration

The Group follows an open recruitment approach, ensuring standardised hiring procedures and principles that emphasise morality, knowledge, ability, experience, and suitability for each role. Upholding fairness, transparency, and equality, the Group continuously attracts, employs, and nurtures talent through a consistent yet flexible personnel policy.

Employees are remunerated competitively, with rewards based on performance and experience. The remuneration package includes holidays, annual leave, a medical scheme, a mandatory provident fund, and a discretionary bonus.

Employee promotions undergo an annual review process supported by objective performance indicators. Supervisors engage in structured discussions with employees to assess their performance, fostering effective two-way communication for professional growth. Based on evaluation results, the Group provides rewards to encourage continuous improvement and excellence in the workforce.

Equal Opportunity and Anti-discrimination

The Group is committed to providing equal opportunities in all aspects of employment while maintaining a workplace free from discrimination and harassment. We strictly prohibit physical or verbal harassment against any individual based on race, religion, color, gender, physical or mental disability, age, place of origin, marital status, or sexual orientation.

Our Staff Handbook clearly defines the terms and conditions of employment, expected standards of conduct and behavior, as well as employees' rights and benefits. To foster a harmonious and respectful work environment, the Group has implemented comprehensive policies that reinforce inclusive and fairness.

Upholding a zero-tolerance stance, the Group strictly prohibits sexual harassment or any form of workplace abuse, ensuring fair and equal protection for all employees.

Environmental, Social and Governance Report

B. SOCIAL (continued)

Employment (continued)

Compensation and Dismissal

The Group actively recruits and attracts talents and provides fair and competitive compensation. Employees' salaries and year-end bonuses are determined based on factors such as qualifications, work performance, performance appraisal results and market trends. In addition, the Group is committed to providing different career development pathways for its employees.

The Group has zero tolerance for unfair dismissals and makes sure the dismissal procedure is fair and open. The Group has formulated and stated the procedures and conditions of dismissal and contract termination in the Employee Handbook. There is also a list of handover tasks to ensure the seamless transition of job duties of departing employees.

The Group's employee size breakdown was as below:

	2026	2025
Total Number of Employees	48	46
By Gender		
Male	36	34
Female	12	12
By Age		
Below 30	15	15
30 – 50	23	22
Above 50	10	9
By Geographic Area		
Hong Kong	45	42
Chinese Mainland	3	4
By Employment Type		
Full-time	48	46
Part-time	–	–

B. SOCIAL (continued)
Employment (continued)

Compensation and Dismissal (continued)

During the Reporting Period, the Group recorded a turnover rate of 50.00%. The table below shows the employee turnover rate breakdown by gender, age group and geographical region:

Employee Turnover Rate

	2026	2025
By Gender		
Male	36%	24%
Female	92%	83%
By Age Group		
Below 30	60%	87%
30 – 50	52%	18%
Above 50	30%	11%
By Geographical Region		
Hong Kong	42%	24%
Chinese Mainland	167%	200%

Note:

- Employee turnover rate is calculated by employees in the specific category leaving employment during the Reporting Period/ number of employees in the specific category at the end of the Reporting Period x 100%.

Health and Safety

As the core business of the Group concerns the installation of fire safety systems, providing a safe, effective and pleasant work environment for our employees is the Group's foremost concern. To maintain a safe work environment, the Group has established safety policies and relevant procedures for the prevention and remediation of safety accidents in projects. Our occupational health and safety management system has been implemented in compliance with the requirements of ISO 45001 international standards. The Group follows the occupational health and safety guidelines recommended by the Labour Department of the Hong Kong SAR Government and regularly encourages the employees to attend relevant workshops or training courses. The Human Resources Department also takes responsibility for occupational health and safety and relevant promotions and monitoring. The Group strictly complies with the relevant laws and regulations in Hong Kong, which include, but are not limited to the Occupational Safety and Health Ordinance.

Environmental, Social and Governance Report

B. SOCIAL (continued)

Health and Safety (continued)

During the Reporting Period, the Group is not aware of any material non-compliance with health and safety-related laws and regulations that would have a significant adverse impact on the Group. No work-related fatalities happened during the past 3 consecutive years.

	Unit	2026	2025	2024
Fatalities due to work	Cases	0	0	0

	Unit	2026
Work injury cases	Case(s)	0
Lost days due to work injury	Days	0
Work injury rate	%	0

Note:

- Work injury rate is calculated by number of work-related injury cases recorded/number of Employees x 100%

Safety Risks of Projects

For controlling and mitigating the safety risks of the projects in our operations, we have formulated a series of procedures to assess the environmental risks of the projects in accordance with the standard of ISO 45001 occupational health and safety management system. Moreover, regular internal audits on the effectiveness and the level of compliance of occupational health and safety management system are carried out. The potential safety risks of the projects include, but are not limited to aloft work, etc. Relevant measures to mitigate the corresponding environmental risks of these projects have been carried out in accordance with the relevant assessment procedures. For example, different types of protective equipment are provided in accordance with the conditions of the projects.

Safety Training

Employees must attend the training courses organised by the Group on occupational safety and environmental control. Emergency and evacuation procedures have been established for the employees to respond to major safety accidents timely and orderly. Employees are also free to provide feedback on improving workplace safety.

B. SOCIAL (continued)

Development and Training

The Group regards its staff as the most important asset and resource. The Group recognises the valuable contribution its talents have made to the continuing success of the Group. The Group is committed to inspiring its human resources towards delivering excellence. To facilitate the Group's staff in meeting the demands of new buildings and Fire service Installation (FSI) works in existing buildings and premises, our staff have participated in a series of technical seminars entitled "FSD Connects with the Construction Industry". Our staff has studied the procedures, implementation, and has shared knowledge on the FSI Acceptance inspection by Fire Service Department (FSD). This promotes our service quality and keeps our employees in pace with the latest industry trends. It is important for our staff to keep themselves abreast of emerging technologies and new equipment in fire services installation and engineering. The Group encouraged the senior management to attend the "Seminar on the Latest Regulatory Updates for Quality Corporate Governance for Registered Subcontractors" held by the Construction Industry Council during the Reporting Period. This seminar allowed our staff to exchange the latest ideas and technologies updates in the market.

On-the-job Training Provided by External Consultant Engineer

The Group has hired an external consultant engineer with over 32 years of experience and membership in the Society of Fire Protection Engineers to support our technical development. This expert conducts weekly training sessions focused on fire services knowledge and theory, helping our in-house staff enhance their professional skills and stay updated on the latest technologies in fire services installation.

In addition to training, the consultant reviews project design drawings and provides technical support for on-site installation work. With this guidance, we have successfully developed a team of skilled and professional engineers, enabling us to deliver higher-quality service to our customers.

Environmental, Social and Governance Report

B. SOCIAL (continued)

Development and Training (continued)

Subsidy on Continuous Learning

Continuous learning is essential for our staff, as their enriched knowledge is a valuable asset to the Group. Therefore, we encourage employees to pursue job-related and industry-related courses to support their ongoing development. We support them by providing them with tuition fee subsidies and allowing flexible working hours to facilitate learning. During the Reporting Period, the Group achieved a 100% overall training rate and a total training period of 70 hours. The table below shows the employee training data by gender and employee category:

	2026		2025	
	Percentage of employees trained (%)	Average training hours (hours)	Percentage of employees trained (%)	Average training hours (hours)
By Gender				
Male	100	1.79	100	1.12
Female	100	0.46	100	2.63
By Employee Category				
Senior Management	100	6.00	100	1.00
Supervisor	100	1.00	100	3.75
General Staff	100	0.92	100	1.20

Note:

- Employee training rate is calculated by the number of employees trained during the Reporting Year/number of employees as of 31 March 2026. The number of employees trained included employees who left the Company during the Reporting Year.

B. SOCIAL (continued)

Labour Standards

Prevention of Child and Forced Labour

The Group has zero tolerance and strictly prohibits the use of child labour, forced labour and hiring of illegal immigrants in our operations. Below measures have been taken to avoid these illegal employment practices.

Prevention of child labour	During the recruitment process, the human resources department will verify the applicant's identity documents and ensure that they have reached the minimum age for employment.
Prohibition of forced labour	Overtime compensation provisions are outlined in the Employee Handbook. To ensure that employees work voluntarily and maintain flexibility, working hours and schedules are closely monitored.

In case of any illegal labour practice is discovered, the Group will stop their employment immediately. An investigation will be carried out subsequently and report the case to the relevant authorities.

During the Reporting Period, the Group was not aware of any material non-compliance with child and forced labour-related laws and regulations, that would have a significant impact on the Group including but not limited to the Employment Ordinance, the Employment of Children Regulations, the Regulations on Prohibition of Child Labor of the People's Republic of China, the Labour Contract Law of the People's Republic of China and Labour Law of the People's Republic of China.

Supply Chain Management

Supply Chain and Subcontractor Management

To ensure that suppliers and subcontractors meet both customer expectations and the Group's standards for quality, service, environmental responsibility, and safety, we have established a standardised and rigorous selection process.

Supplier and subcontractor performance serves as a key criterion in determining long-term partnerships. Our project directors maintain an approved list, with annual assessments conducted by project directors and the managing director. Evaluations consider overall project efficiency and compliance levels.

The Group regularly monitors purchased materials and subcontractor work to ensure adherence to requirements. Records of violations and non-compliance are maintained for future assessments. Suppliers and subcontractors failing to meet our standards may face suspension or removal from the approved list. Additionally, supplier relationships may be terminated in cases of significant environmental or labor law violations.

Environmental, Social and Governance Report

B. SOCIAL (continued)

Supply Chain Management (continued)

Fair and Open Tendering

We have also formulated procedures to ensure that the suppliers and subcontractors participate in competition in an open and fair way. The Group does not give biased or discriminated treatment to the suppliers and subcontractors. We strictly monitor and prevent all kinds of business bribery. The Group treats all suppliers on an equal footing and ensures that the contract specifications laid down will not create unnecessary obstacles to tenderers. Besides, the Group ensures that all potential tenderers are given the same information for them to prepare their bids. If there is any potential conflict of interest among our employees, they should report to management immediately.

Green Sourcing

The Group is committed to responsible sourcing and actively engages suppliers who uphold sound environmental and social practices. With a focus on green procurement, we strive to select environmentally friendly products that offer competitive pricing and high quality, ensuring the health and safety of end-users, preventing pollution, and promoting the efficient use of natural resources.

To support sustainability, the Group requires all departments to consider environmental factors when sourcing materials, prioritising products with higher recycled content, greater durability, and improved water and energy efficiency.

During the procurement process, the Group prioritises local suppliers and environmentally sustainable products and services. By emphasising local procurement, we aim to reduce our carbon footprint while contributing to economic development and job creation within local communities. Given this commitment, the majority of the Group's suppliers are based in Hong Kong.

Beyond environmental considerations, the Group closely monitors suppliers and contractors to ensure compliance with relevant environmental and social laws and regulations. Additionally, strict measures are in place to uphold standards in health, safety, and labor practices, including the prevention of forced labor and child labor.

Location	No. of Suppliers in 2026	No. of Suppliers in 2025
Hong Kong	96	98
Chinese Mainland	6	9
Total	102	107

B. SOCIAL (continued)

Product Responsibility

Achieving and maintaining high-quality standards for projects are of utmost importance for the sustainable growth of enterprises. The Group closely monitors our work to ensure we deliver high-quality services to our customers with good satisfaction levels. We welcome our customers' feedback as it is important for us to improve and excel. During the Reporting Period, the Group is not aware of any incidents of non-compliance with related laws and regulations which regulate health and safety, advertising, labelling and privacy matters.

Quality Assurance

The Group has formulated a comprehensive Quality Assurance Policy that aligns with our organisational goals and meets the expectations and needs of our customers. To support the achievement of these goals, we have established a robust quality management system in accordance with the requirements of ISO 9001, ISO 45001, and ISO 14001. This system fosters a sustainable, performance-oriented culture committed to continuous improvement in quality.

As part of our quality framework, the Group has developed an ISO Quality Manual, which includes detailed process control procedures to ensure our work complies with contractual specifications as well as environmental, health, and safety requirements. Our quality management system is reviewed by management at least annually to identify opportunities for continual enhancement.

To ensure compliance with the required standards, we typically assign a full-time project coordinator to each project site. This individual is responsible for monitoring the quality of work performed by our frontline staff. Additionally, the project team conducts daily site visits to oversee the quality and progress of work, ensuring that all tasks are completed on schedule and in accordance with specifications.

For our short video and animation operations in the PRC, we maintain a strong focus on quality assurance at every stage of production. Our dedicated team ensures that all content undergoes thorough review and approval, verifying alignment with creative briefs, script accuracy, and visual consistency.

We follow clear technical standards such as video resolution, aspect ratio, frame rate, audio quality, and color grading to ensure our content works well across different platforms and devices. Our animation processes emphasise detail, including smooth motion, character design consistency, facial expressions, and the integration of visual effects.

During post-production, we perform meticulous editing, color correction, audio synchronisation, and seamless transitions to deliver a polished final product. Comprehensive quality assurance testing involves reviewing content across multiple devices and platforms to identify and resolve any technical issues.

We highly value client feedback and revisions, which are thoughtfully incorporated to deliver final products that exceed expectations.

During the Reporting Period, the Group is not aware of any cases where products sold or shipped are subject to recalls for safety and health reasons, and no major complaints about products and services have been received.

Environmental, Social and Governance Report

B. SOCIAL (continued)

Product Responsibility (continued)

Complaint and Accident Handling

The Group has established a Complaint and Accident Handling Procedure in accordance with ISO 9001, ISO 45001, and ISO 14001 standards to ensure that all complaints and comments received are handled effectively and professionally. Designated personnel are responsible for managing the procedure and addressing any complaints or accidents that may arise.

Upon receiving a complaint, the Group will first communicate with the complainant to gather relevant information and evidence. An investigation will be initiated promptly, and a time frame for response will be set. Once the investigation is complete, the Group will inform the complainant of the findings and implement corrective actions if any issues are identified.

For our short video and animation production operations in the PRC, handling complaints and accidents with care and professionalism is especially important. When a complaint is received or an accident is identified, the Group promptly acknowledges the issue and begins an investigation. All relevant details, including the nature of the incident and the parties involved, are thoroughly collected.

Throughout the process, the Group maintains open communication with affected parties, providing updates and support as needed. Based on the outcome of the investigation, appropriate corrective actions are taken. Such as revising procedures, enhancing safety protocols, or providing additional training. If the complaint is found to be valid, the Group strives to resolve the matter promptly and may offer compensation when necessary.

Transparency is a key principle, and affected parties are kept informed throughout. All incidents are properly documented for future reference and compliance purposes.

Furthermore, no significant complaints were reported during the Reporting Period.

Privacy Protection

Out of respect for customer personal data and confidential documents, the Group handles them strictly following the guidance of the Office of the Privacy Commissioner for Personal Data of Hong Kong. During the Reporting Period, the Group did not receive any significant complaints regarding the breach of customers' privacy.

Protection of Intellectual Property Rights

Ensuring strong Intellectual Property protection is not just about legal compliance, it's about fostering an environment where creativity thrives and innovation flourishes. Beyond safeguarding original content, proactive measures such as educating creators about IP rights, collaborating with industry partners to set best practices, and leveraging advanced digital tracking tools can further strengthen IP protection. By embracing technology like blockchain for content verification or AI-driven detection systems for infringement monitoring, businesses can enhance their defense against unauthorised use while reinforcing trust with their audience. A forward-thinking approach to IP protection empowers creators to push creative boundaries with confidence, knowing that their hard work remains secure and valued.

B. SOCIAL (continued)

Product Responsibility (continued)

Advertising and Labelling

The Group encourages the use of good promotion practices, and prohibits our advertisements from publishing descriptions, claims or illustrations that are untrue. In accordance with the relevant legislation and code of practices, the Group has organised sales and promotion campaigns that are truthful, fair and reasonable, and free of misleading elements for the protection of the consumers' interests.

Anti-corruption

The Group strives to achieve high standards of ethics in our business operations. Fraudulent events such as corruption, bribery and collusion are strictly prohibited. Employees should comply with the rules stated in the Staff Handbook in performing business activities, and they should report to the management if they suspect any professional misconduct.

The Group has zero tolerance for corruption. The Group has set up strict internal control systems governing anti-corruption. Regulations have been formulated and all our employees must comply with it, including but not limited to:

- All Directors and employees should avoid conflicts between personal interests and their professional functions;
- Employees shall declare any conflicts of interest to the Group's Human Resources Department;
- Neither the Directors nor the employees shall personally obtain benefits from or provide benefits to the customers, contractors, suppliers or persons with business relations with the Group; and
- Employees are strictly prohibited from using their powers to influence the Group's decisions and actions or accessing the Group's assets and information for private or personal benefits.

During the Reporting Period, the Group is not aware of any material non-compliance with the relevant laws and regulations which regulate bribery, extortion, fraud and money laundering, including but not limited to the Prevention of Bribery Ordinance of Hong Kong. There are no concluded legal cases regarding corrupt practices brought against the Group or its employees during the Reporting Period.

Whistle-blowing Mechanism

The Group has adopted a Whistle-blowing Policy and procedures for all levels and operations. Staff can raise concerns, in confidence, about possible improprieties such as misconduct and malpractice in any matter related to the Group. These Policy and procedures can be found in the Staff Handbook. Reports and complaints received will be handled in a prompt and fair manner. Such Policy also aims at protecting whistle-blowers from unfair dismissal, victimisation and unwarranted disciplinary actions.

Anti-corruption Training

Anti-corruption-related training is conducted annually. During FY2026, the Group's 6 Directors and 37 employees received a total of 6 hours and 37 hours of anti-corruption training respectively. The awareness of anti-corruption within the Group has been enhanced.

Environmental, Social and Governance Report

B. SOCIAL (continued)

Community Investment

While pursuing business development, Lumina will spare no effort to contribute to society as a demonstration of corporate citizenship. We are committed to fulfilling the Group's corporate social responsibility by promoting community building and supporting the underprivileged. The Group also hopes to cultivate employees' sense of social responsibility, so it has always encouraged employees to participate in social welfare activities during their work and private time to make greater contributions to society. We are focused on contributing to the needs of our communities.

Empowering Youth through Educational Support

On May 15, 2025, the Group demonstrated its steadfast commitment to nurturing future generations by partnering with the Clubs Association for an educational community activity. We provided a cash sponsorship totaling HK\$48,000 to support children's development and educational resources. This meaningful investment highlights our ongoing dedication to promoting inclusive and equitable quality education, paving the way for long-term community growth and social mobility.

Preserving Cultural Heritage and Community Connection

Recognizing the vital role of cultural traditions in fostering community cohesion, the Group actively participated in a cultural initiative on May 21, 2025. In collaboration with our partner organisation, we contributed a product donation of traditional rice dumplings valued at HK\$6,302. This initiative not only celebrated and preserved cherished local cultural customs but also extended festive warmth and care to community members, reinforcing social bonds.

CONTENT INDEX OF THE STOCK EXCHANGE ESG REPORTING GUIDE

Mandatory Disclosure Requirements	Section/Declaration
Governance Structure	Board Statement & ESG Governance Structure
Reporting Principles	Reporting Framework
Reporting Boundary	Reporting Scope

Subject Areas, Aspects, General Disclosures and KPIs		
Indicators	Description	Section and Remarks
A. Environmental		
Aspect A1: Emissions	General Disclosure	Emissions
	Information on: (a) The policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	
	KPI A1.1 The types of emissions and respective emissions data.	Emissions – Air Emissions
	KPI A1.2 Superseded by climate-related disclosures.	Please refer to Part D for details
	KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions – Waste Management
	KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Emissions – Waste Management
	KPI A1.5 Description of emission target(s) set and steps taken to achieve them.	Climate-related Disclosures - Metrics and Targets
	KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Emissions – Waste Management

Environmental, Social and Governance Report

Subject Areas, Aspects, General Disclosures and KPIs		
Indicators	Description	Section and Remarks
Aspect A2: Use of Resources	General Disclosure	Use of Resources
	Policies on the efficient use of resources, including energy, waste and other raw materials.	
	Note: Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	
	KPI A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Use of Resources – Energy Consumption
	KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Use of Resources – Water Consumption
	KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Use of Resources – Energy Consumption
Aspect A3: The Environment and Natural Resources	KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Use of Resources – Water Consumption
	KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Use of Resources – Use of Packaging Materials
	General Disclosure	The Environment and Natural Resources
Aspect A4: Climate Change	Policies on minimising the issuer's significant impacts on the environment and natural resources.	
	KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	The Environment and Natural Resources – Environmental Impact of Projects
Aspect A4: Climate Change	Superseded by climate-related disclosures	Please refer to Part D for details

Subject Areas, Aspects, General Disclosures and KPIs		
Indicators	Description	Section and Remarks
B. Social		
Employment and Labour Practices		
Aspect B1: Employment	General Disclosure	Employment
	Information on: (a) The policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest Periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	
	KPI B1.1 Total workforce by gender, employment type (for example, full- or part-time), age Group and geographical region.	Employment
	KPI B1.2 Employee turnover rate by gender, age Group and geographical region.	Employment
Aspect B2: Health and Safety	General Disclosure	Health and Safety
	Information on: (a) The policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	
	KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the Reporting year.	Health and Safety
	KPI B2.2 Lost days due to work injury.	Health and Safety
	KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Health and Safety – Safety Risks of Projects

Environmental, Social and Governance Report

Subject Areas, Aspects, General Disclosures and KPIs		
Indicators	Description	Section and Remarks
Aspect B3: Development and Training	General Disclosure	Development and Training
	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	
	Note: Training refers to vocational training. It may include internal and external courses paid by the employer.	
	KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Development and Training
	KPI B3.2 The average training hours completed per employee by gender and employee category.	Development and Training
Aspect B4: Labour Standards	General Disclosure	Labour Standards – Prevention of Child and Forced Labour
	Information on (a) The policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	
	KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	Labour Standards – Prevention of Child and Forced Labour
	KPI B4.2 Description of steps taken to eliminate such practices when discovered.	Labour Standards – Prevention of Child and Forced Labour
Operating Practices		
Aspect B5: Supply Chain Management	General Disclosure	Supply Chain Management
	Policies on managing environmental and social risks of the supply chain.	
	KPI B5.1 Number of suppliers by geographical region.	Supply Chain Management
	KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management – Fair and Open Tendering

Subject Areas, Aspects, General Disclosures and KPIs		
Indicators	Description	Section and Remarks
	KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Supply Chain Management – Green Sourcing
	KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Supply Chain Management – Green Sourcing
Aspect B6: Product Responsibility	General Disclosure Information on: (a) The policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provides and methods of redress.	Product Responsibility
	KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Product Responsibility
	KPI B6.2 Number of products and service related complaints received and how they are dealt with.	Product Responsibility – Complaint and Accident Handling
	KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	Product Responsibility – Protection of Intellectual Property Rights
	KPI B6.4 Description of quality assurance process and recall procedures.	Product Responsibility
	KPI B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Product Responsibility – Privacy Protection

Environmental, Social and Governance Report

Subject Areas, Aspects, General Disclosures and KPIs		
Indicators	Description	Section and Remarks
Aspect B7: Anti-corruption	General Disclosure	Anti-corruption
	Information on: (a) The policies; and (b) Compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	
	KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases.	Anti-corruption
	KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Anti-corruption – Whistle-blowing Mechanism
	KPI B7.3 Description of anti-corruption training provided to directors and staff.	Anti-corruption – Anti-corruption Training
Community		
Aspect B8: Community Investment	General Disclosure	Community Investment
	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities interests.	
	KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Community Investment
	KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	Community Investment

PART D: CLIMATE-RELATED DISCLOSURES

Subject Areas, Aspects, General Disclosures, and KPIs

Subject Areas, Aspects, General Disclosures, and KPIs	Description	Section/Declaration
Governance	Governance	Governance Structure and Board Statement Climate-related Disclosures – Governance
Strategy	Strategy	Climate-related Disclosures – Strategy
Risk management	Risk management	Climate-related Disclosures – Risk management
Metrics and Targets	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where applicable, intensity (e.g. per unit of production volume, per facility).	KPI A1.2: Emissions – Greenhouse Gas Emissions
	Cross-industry metrics – climate-related physical risks, transition risks and opportunities	Climate-related Disclosures – Strategy – Identify climate-related risks and opportunities
	Cross-industry metrics – Capital Deployment	The Group has adopted the relief and provided disclosures/ explanations.
	Internal Carbon Pricing	The Group has adopted the relief and provided disclosures/ explanations.
	Remuneration	The Group has adopted the relief and provided disclosures/ explanations.
	Industry-Based Metrics	The Group has not applied industry-based metrics under the IFRS S2 industry guidance.
	Climate-Related Targets	Climate-related Disclosures – Strategy – Identify climate-related risks and opportunities

Biographical Details of Directors and Senior Management

DIRECTORS

Executive Directors

Mr. FOK Hau Fai (霍厚輝), aged 55, was appointed as our Director on 7 July 2016 and was redesignated as an Executive Director and appointed as the Chairman, Chief Executive Officer and Compliance Officer of our Company on 3 September 2016. He is the Chairman of the Nomination Committee and a member of the ESG Committee.

Mr. Fok has over 30 years of experience in the fire safety service industry and is the founder of our Group. He is responsible for our overall strategic planning, business development and operational management.

Mr. Fok obtained a Diploma in Mechanical Engineering (Computer-aided Engineering) from the Vocational Training Council in August 1992. He subsequently obtained a Higher Certificate in Building Services Engineering and a Bachelor's Degree in Building Services Engineering (Fire Engineering) from The Hong Kong Polytechnic University in November 1996 and November 2001 respectively.

Mr. SUNG Sing Yan (宋聖恩), aged 65, was appointed as our Executive Director on 3 September 2016. He is a member of both the Remuneration Committee and the Risk and Technical Committee.

Mr. Sung has over 30 years of experience in the fire safety service industry and has been the general manager of Kin Ying Contracting Limited since August 2005. He is in charge of the Repairs and Maintenance Department of the Group where he is responsible for its daily operational management.

Ms. WEI Ju (韋菊), aged 32, was appointed as our Executive Director on 2 August 2024. She is a member of the Nomination Committee.

Ms. Wei has over 5 years of experience in asset management and administrative work and she was an Executive Director of Jimu Group Limited (積木集團有限公司), a company listed on the GEM of the Hong Kong Stock Exchange (Stock Code: 8187) from 14 November 2021 to 12 May 2023.

Ms. Wei obtained a Bachelor's Degree in Administrative Management from the Guangdong Ocean University* (廣東海洋大學) in June 2015.

Independent Non-executive Directors

Mr. HUNG Kin Sang (熊健生), aged 54, was appointed as our Independent Non-executive Director on 22 September 2017. He is the Chairman of both the Remuneration Committee and the ESG Committee; and also a member of both of the Audit Committee and the Nomination Committee.

Mr. Hung has over 25 years of sales and marketing experience and is currently a sales and marketing director of the Hong Kong subsidiary of a Swiss-based company specialising in the manufacture and sales of watch movements.

Mr. Hung obtained a Bachelor's Degree in Business Studies from the City Polytechnic of Hong Kong (currently known as the City University of Hong Kong) in November 1993.

* for identification only

Mr. LEE Yin Sing (李彥昇), aged 46, was appointed as our Independent Non-executive Director on 22 September 2017. He is the Chairman of the Audit Committee and a member of the Nomination Committee.

Mr. Lee has over 15 years of experience in financial control, accounting and corporate governance practices and procedures in Hong Kong and is currently the chief financial officer and company secretary of Greatime International Holdings Limited, a company listed on the Main Board of the Stock Exchange (stock code: 844).

Mr. Lee obtained a Bachelor's Degree in Accountancy from the City University of Hong Kong in November 2002. He has been a member of the Hong Kong Institute of Certified Public Accountants since April 2008.

Mr. WAN Chun Kwan (溫雋軍), aged 50, was appointed as our Independent Non-executive Director on 22 September 2017. He is the Chairman of the Risk and Technical Committee and a member of the Audit Committee, the Remuneration Committee and the Nomination Committee.

Mr. Wan has over 25 years of experience in the engineering industry. Mr. Wan obtained a Bachelor's Degree in Building Services Engineering (Fire Engineering) and a Master's Degree in Project Management from The Hong Kong Polytechnic University in November 2001 and November 2010 respectively. Mr. Wan is currently a member of the Hong Kong Institution of Engineers.

Biographical Details of Directors and Senior Management

SENIOR MANAGEMENT

The following are the senior management team of the Group:

Mr. CHEUNG Tsz Wing (張子榮), aged 49, joined our Group in April 2008 and is our project manager.

Mr. Cheung has over 18 years of experience in the engineering industry and is responsible for assisting our Directors on the daily operation of our Repair and Maintenance Department, he is responsible for liaising with customers for work schedule, materials procurement and engagement with subcontractors. He also oversees the safety measure and quality control of our fire safety system installation services.

Mr. Cheung obtained (i) a Diploma in Mechanical Engineering (Computer-aided Engineering) from the Vocational Training Council in July 1997; (ii) a Higher Certificate in Mechanical Engineering from the Hong Kong Technical Colleges in July 2000; and (iii) a Higher Diploma in Management of Building Services Engineering from the Vocational Training Council in July 2007.

Mr. CHIANG Hsien Kuo (姜先國), aged 49, joined our Group in June 2009 and is our project manager.

Mr. Chiang had over 18 years of experience in the engineering industry and is responsible for assisting our project director on the daily operation of the Group, including preparation of tenders, managing and supervision of our fire safety system installation services.

Mr. Chiang obtained a Higher Diploma in Mechanical Engineering from the Vocational Training Council in July 2002 and a Bachelor of Engineering Degree in Mechanical Engineering from The Hong Kong Polytechnic University in December 2007.

Ms. CHAN Sze Nga (陳思雅), aged 31, has been appointed as the Company Secretary of our Group since 13 December 2024.

Ms. Chan graduated from The Hong Kong University of Science and Technology in November 2016 with a Bachelor's Degree of Business Administration in Professional Accounting and Information Systems. She has been a certified public accountant of the CPA Australia since June 2023. She has extensive experience in the fields of auditing, finance, accounting and corporate governance practices.

Report of Directors

The Directors are pleased to present their annual report and audited consolidated financial statements for the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2026.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The Group is principally engaged in the provision of fire safety services in Hong Kong and production of short videos and animation in the PRC. A list of the subsidiaries of the Company and details of their principal activities are set out in note 35 to the consolidated financial statements of this annual report. There were no significant changes to the Group’s principal activities during the year ended 31 March 2026.

For discussion and analysis of our principal activities as required by Schedule 5 to the Hong Kong Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “Companies Ordinance”), including a fair review of business, discussion of the principal risks and uncertainties facing by the Group, its key relationship with employees, customers, suppliers and subcontractors, an indication of likely future developments in the Group’s business and an analysis of the Group’s performance during the year using financial key performance indicators, can be found in sections headed “Management Discussion and Analysis” of this annual report and the discussion of its environmental policies and performance, can be found in section headed “Environmental, Social and Governance Report” of this annual report.

COMPLIANCE WITH APPLICABLE LAWS AND REGULATIONS

For the year ended 31 March 2026, the Group’s operations are carried out in Hong Kong and the PRC. Hence, the Group must comply with relevant laws and regulations in Hong Kong, the PRC and the respective places of incorporation of the Company and its subsidiaries. During the year ended 31 March 2026 and up to the date of this annual report, the Board is not aware of any non-compliance with relevant laws and regulations that have a significant impact on the business and operations of the Group.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2026 are set out in the consolidated statement of profit or loss and other comprehensive income on page 83 of this annual report.

The Board did not recommend the payment of final dividend of the Company for the year ended 31 March 2026 to the Shareholders.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five years, as extracted from the consolidated financial statements, is set out on page 150 of this annual report. This summary does not form part of the audited consolidated financial statements.

PROPERTY AND EQUIPMENT

Details of the movements during the year ended 31 March 2026 in the property and equipment of the Group are set out in note 13 to the consolidated financial statements of this annual report.

SHARE CAPITAL

Details of movements during the year ended 31 March 2026 in the share capital of the Company are set out in note 25 to the consolidated financial statements of this annual report.

Report of Directors

SHARE OPTION SCHEME

The Company adopted a share option scheme (the “Share Option Scheme”) on 22 September 2017. The purpose of the Share Option Scheme is to enable the Group to grant options to the Eligible Persons (as defined in the Prospectus of the Company) as rewards or incentives for their contribution to the Group.

The Board may, at its absolute discretion, offer an option to the Eligible Persons to subscribe for the shares of the Company at an exercise price and subject to the other terms of the Share Option Scheme. The total number of shares of the Company which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Company shall not in aggregate exceed 60,000,000 shares of the Company, being 10% of the total number of shares in issue at the time dealings in the shares first commence on the Stock Exchange and there was no change in the total number of shares of the Company available for issue under the Share Option Scheme and the percentage of the issued share capital that it represented as at the date of this annual report.

The total number of shares of the Company issued and to be issued upon exercise of the options granted to or to be granted to each Participant (as defined in the Prospectus of the Company) under the Share Option Scheme and any other schemes of the Company or any of its subsidiaries (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the shares in issue. The Share Option Scheme will remain in force for a period of 10 years. Under the Share Option Scheme, each option has a 10-year exercise period unless otherwise determined by the Board.

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

Since the date of the adoption of the Share Option Scheme on 22 September 2017, no share option has been granted, exercised, expired, cancelled or lapsed and there is no outstanding share option under the Share Option Scheme. Therefore the weighted average closing price of the shares immediately before the dates on which the options were exercised or vested pursuant to Rule 17.07(1) (d) of the Listing Rules is not available.

Pursuant to Rule 17.07(2) of the Listing Rules, the total number of share options available for grant under the Share Option Scheme as at 1 April 2025 and 31 March 2026 were 60,000,000 and 60,000,000 respectively.

Pursuant to Rule 17.09(3) of the Listing Rules, the total number of share options available for grant under the Share Option Scheme as at 31 March 2026 was 60,000,000 shares, representing approximately 10% of the ordinary shares of the Company at issue on the Listing Date (i.e. 25 October 2017).

Pursuant to Rule 17.09(9) of the Listing Rules, as at 31 March 2026, the remaining life of the Share Option Scheme is 1 years and 6 months.

RESERVES

Details of the movements in the reserves of the Company and the Group during the Year are set out in note 36 to the consolidated financial statements and the consolidated statement of changes in equity on page 85 of this annual report, respectively.

As at 31 March 2026, the Company's reserve available for distribution to the shareholders, calculated in accordance with the Companies Act of the Cayman Islands amounted to approximately HK\$44,028,000.

EQUITY LINKED AGREEMENT

Save and except for the Share Option Scheme as disclosed in the paragraph headed "SHARE OPTION SCHEME" above, no equity-linked agreement that (i) will or may result in the Company issuing shares or (ii) requires the Company enter into any agreement that will or may result in the Company issuing shares, was entered into by the Company during the year ended 31 March 2026 or subsisted at the end of the Year.

MAJOR CUSTOMERS, SUPPLIERS AND SUB-CONTRACTORS

In the year under review, the Group's five largest customers accounted for approximately 42.3% (2025: 36.7%) of the Group's total revenue. The Group's largest customer accounted for approximately 15.8% (2025: 12.0%) of the Group's total revenue.

In the year under review, the Group's five largest suppliers accounted for approximately 20.5% (2025: 13.7%) of the Group's total direct costs. The Group's largest supplier accounted for approximately 8.9% (2025: 6.5%) of the Group's total direct costs.

In the year under review, the Group's five largest sub-contractors accounted for approximately 36.6% (2025: 38.4%) of the Group's total direct costs. The Group's largest sub-contractor accounted for approximately 14.6% (2025: 11.3%) of the Group's total direct costs.

None of the Directors or any of their close associates (as defined under the Listing Rules) or any shareholders (which, to the best knowledge of the Directors, owns more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers, five largest suppliers or five largest sub-contractors during the year ended 31 March 2026.

RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group during the year ended 31 March 2026 are set out in note 26 to the consolidated financial statements of this annual report. Such related party transactions do not fall under the definition of connected transactions or continuing connected transaction under Chapter 14A of the Listing Rules.

Report of Directors

CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION

During the Year, the Group has not entered into any connected transactions or continuing connected transactions that are not exempted under the Listing Rules.

DIRECTORS

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

Executive Directors

Mr. Fok Hau Fai (*Chairman and Chief Executive Officer*)

Mr. Sung Sing Yan

Ms. Wei Ju

Independent Non-executive Directors

Mr. Hung Kin Sang

Mr. Lee Yin Sing

Mr. Wan Chun Kwan

Information regarding Directors' emoluments is set out in note 7 to the consolidated financial statements of this annual report.

In accordance with Articles 108(a) of the Company's Articles of Association, at each AGM, one-third of the Directors shall retire from office by rotation. A retiring Director shall be eligible for the re-election, the Directors will retire by rotation and be eligible to offer themselves for re-election at an AGM at least once every three years.

An annual confirmation of independence pursuant to the requirements under Rule 3.13 the Listing Rules has been received from each of the INEDs.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of the Directors and senior management are set out on pages 64 to 66 of this annual report.

DIRECTORS' SERVICES CONTRACTS

Each of Mr. Fok Hau Fai and Mr. Sung Sing Yan, being the Executive Directors, has entered into a service agreement with Company for a term of three years commencing from 22 September 2023. Ms. Wei Ju, being an Executive Director, has entered into a service agreement with the Company for a term of three years commencing from 2 August 2024. Each of their service agreement will continue thereafter unless and until (i) the service agreement is terminated by the Company or by the Director or (ii) the Director has not been re-elected as a Director of the Company or (iii) the Director has been removed by shareholders of the Company at any of its general meeting or (iv) the Director is disqualified from acting as a Director of the Company in accordance with the articles of association of the Company. Every INED was appointed under a letter of appointment for a fixed term of three years commencing from 22 September 2023 unless terminated by the Company or the Director in accordance with the terms as set out in the letter of appointment.

Save as disclosed above, none of the Directors proposed for re-election at the 2026 AGM has or is proposed to have a service contracts with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment compensation, other than the statutory compensation.

DISCLOSURE OF INTERESTS

A. Directors' and Chief Executives' Interests and Short Positions in the Shares, Underlying Shares or Debentures

As at 31 March 2026, the interests and short positions of the Directors and chief executives of the Company in the Shares, the 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 the interest or short positions which any such Director or chief executive was taken or deemed to have under such provision of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

(i) Long position in the shares

Name of Director	Nature of Interest	Number of the Shares held/ interested in	Percentage of Shareholding
Mr. Fok (Note)	Interest in a controlled corporation	398,500,000	66.42%

Note: These shares are registered in the name of Foxfire Limited ("Foxfire"), a Company which is wholly owned by Mr. Fok. Under the SFO, Mr. Fok is deemed to be interested in all the shares registered in the name of Foxfire.

(ii) Long position in the ordinary shares of associated corporations

Name of Director	Name of associated corporation	Nature of Interest	Number of the Shares held/ interested in	Percentage of Shareholding
Mr. Fok	Foxfire	Beneficial owner	1	100%

Save as disclosed above, as at 31 March 2026, none of the Directors nor chief executives of the Company has registered any interests and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix C3 of the Listing Rules.

Report of Directors

B. Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures

So far as the Directors are aware, as at 31 March 2026, the following persons (other than the Directors or chief executives of the Company) or companies interested in 5% or more of the issued share capital of the Company which were recorded in the register of interests required to be kept by the Company under Section 336 of the SFO, or to be disclosed under the provisions of Division 2 and 3 of Part XV of the SFO and the Listing Rules:

Name of Shareholder	Nature of Interest	Number of the Shares held/ interested in	Long/short position	Percentage of Shareholding
Foxfire (Note)	Beneficial owner	398,500,000	Long position	66.42%

Note: These Shares are in duplicate the interest held by Mr. Fok as set out above.

Save as disclosed above, as at 31 March 2026, the Directors were not aware of any other persons or companies who had any interest or short position in the Shares, underlying Shares or debenture of the Company that was required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Other than the share option scheme adopted on 22 September 2017, during the year ended 31 March 2026, the Company or any of its subsidiaries was not a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

As at 31 March 2026, none of the Directors or chief executives of the Company held any share options of the company.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS, CONTRACTS OF SIGNIFICANCE

Save as disclosed in the prospectus of the Company dated 29 September 2017 and elsewhere in this annual report, there was no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which the Director or an entity connected with the Director had a material interest, whether directly or indirectly, subsisted at any time during the year ended 31 March 2026.

CONTROLLING SHAREHOLDERS' INTERESTS

Save as disclosed in this annual report, there were no contract of significance between the Company or any of its subsidiaries and any controlling Shareholder or any of its subsidiaries or any contracts of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder or any of its subsidiaries.

EMOLUMENTS OF THE DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of Directors and the five highest paid individuals of the Group are set out in note 7 to the consolidated financial statements in this annual report.

EMOLUMENT POLICY

The Remuneration Committee is set up for reviewing the Group's emolument policy and structure for making recommendation to the Board on the overall remuneration policy and structure relating to all Directors and senior management of the Group. The remunerations of the Directors are determined by reference to the Group's operating results, comparable market statistics, the responsibilities and duties assumed by each Director as well as their individual performance.

COMPETING INTERESTS

The Directors are not aware of any business or interest of Directors nor the controlling shareholder of the Company nor any of their respective close associates (as defined in the Listing Rules) that compete or may compete with the business of the Group and any conflicts of interests which any such person has or may have with the Group during the year ended 31 March 2026.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

For the year ended 31 March 2026 and up to date of this annual report, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

PERMITTED INDEMNITY PROVISIONS

Every Director shall be entitled under the Company's Articles to be indemnified out of the assets of the Company against all losses or liabilities incurred or sustained by him or her as a Director in defending any proceedings, whether civil or criminal, in which judgment is given in his or her favour, or in which he or she is acquitted. Such provision was in force since the adoption of the Articles on 25 October 2017 (the "Listing Date") and remains in force as at the date of this annual report.

The Company has taken out insurance against the liability and costs associated with defending any proceedings which may be brought against the Directors.

SUFFICIENCY OF PUBLIC FLOAT

To the best knowledge of the Directors and based on the information that is publicly available to the Company, not less than 25% of the Company's issued capital are held by public as at the date of this annual report.

EXTERNAL AUDITORS

The consolidated financial statements for the year ended 31 March 2026 have been audited by Moore. Moore shall retire in the 2026 AGM and, being eligible, offer themselves for re-appointment. The re-appointment of Moore has been recommended by the Audit Committee. A resolution for the re-appointment of Moore as Auditor of the Company will be proposed at the 2026 AGM. There has been no change of the auditor of the Company in the past three years.

The Audit Committee has reviewed the audited results of the Group for the year ended 31 March 2026.

Report of Directors

CORPORATE GOVERNANCE

Details of the corporate governance of the Company are set out in the section headed “Corporate Governance Report” of this annual report.

PRE-EMPTIVE RIGHTS

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

MANAGEMENT CONTRACTS

No contracts concerning management and administration of the whole or any substantial part of the business of the Group were entered into or in existence during the year ended 31 March 2026.

NON-COMPETITION UNDERTAKINGS

In order to avoid any future competition among our Group with Mr. Fok Hau Fai and Foxfire Limited (collectively, the “Controlling Shareholders”), the Controlling Shareholders as covenantors (each of them, a “Covenantor” and collectively, the “Covenantors”) have executed a Deed of Non-competition dated 22 September 2017 in favour of our Company (for itself and as trustee for and on behalf of its subsidiaries) (the “Deed of Non-Competition”).

In accordance with the Deed of Non-competition, each Covenantor undertakes that, from the Listing Date (i.e. 25 October 2017) and ending on the occurrence of the earliest of (i) the date on which the shares of the Company cease to be listed on the Stock Exchange; or (ii) the date on which that Covenantor and his/its close associates (individually or taken as a whole) cease to be a Controlling Shareholder:

1. Non-competition

Each Covenantor jointly and severally and irrevocably undertakes and covenants to our Company that each of them will not, and will procure that its/his close associates (except any member of our Group) will not, either on his/its own account or in conjunction with or on behalf of any person, firm or company, directly or indirectly, among other things, carry on, participate or be interested or engaged in or acquire or hold any right or interest (in each case whether as an investor, a shareholder, principal, partner, director, employee, consultant, agent or otherwise and whether for profit, reward, interest or otherwise), or otherwise be involved in any business which is or may be in competition, whether directly or indirectly, with the business carried on (including but not limited to (i) the design, supply and installation of fire safety systems (including evacuation and electrical fire alarm systems, water and gas suppression systems and portable fire equipment); and (ii) the provision of repair and maintenance services on fire safety systems to satisfy the Fire Services Department’s requirements) or contemplated to be carried on by any member of our Group in anywhere or place where our Group has conducted business as at the date of the Deed of Non-Competition or may conduct business from time to time in the future (“Restricted Business”)

2. New business opportunity

Each of the Covenantors hereby represents and warrants that neither it/he nor any of its/his close associates currently carries out, participates in or is interested or engaging in, invests in, acquires or holds, directly or indirectly (in each case whether as a shareholder, director, partner, agent or otherwise and whether for profit, reward, interest or otherwise) or otherwise is involved in the Restricted Business other than through our Group.

Each of the Covenantors further undertakes to refer to our Company within 10 days any and all new opportunities in connection with the Restricted Business (“New Business Opportunity”) which are identified by or made available to any of them.

Details of the Deed of Non-competition have been disclosed in the prospectus dated 29 September 2017 published by the Company.

The Company has received from each of the Controlling Shareholders an annual declaration declaring that he/it has complied with the terms of the Deed of Non-competition during the year ended 31 March 2026 for disclosure in this annual report (the “Annual Declaration”). The Independent Non-executive Directors have reviewed the Annual Declaration and the implementation of the Deed of Non-Competition during the year ended 31 March 2026 and confirmed that they are not aware of any non-compliance of the Deed of Non-competition by the Controlling Shareholders during the year ended 31 March 2026. The Independent Non-executive Directors had not been called to make any decisions in relation to any Restricted Business during the year ended 31 March 2026 and up to the date of the Annual Declaration.

CHARITABLE DONATIONS

During the year ended 31 March 2026, charitable donations of approximately HK\$54,000 were made by the Group (2025: HK\$246,000).

TAX RELIEF AND EXEMPTION OF HOLDERS OF LISTED SECURITIES

The Company is not aware of any tax relief or exemption available to the shareholders of the Company by reason of their holding of the Company’s securities.

EVENT AFTER THE REPORTING PERIOD

There are no significant events which have taken place subsequent to the end of the year ended 31 March 2026.

CLOSURE OF REGISTER OF MEMBERS

In order to ascertain the entitlements to attend and vote at the 2026 AGM, the register of members of the Company will be closed from Monday, 24 August 2026 to Friday, 28 August 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. Shareholders of the Company are reminded to ensure all properly executed transfer forms accompanied by the relevant share certificates must be lodged with Tricor Investor Services Limited, the Company’s branch share registrar in Hong Kong, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 21 August 2026. The record date, for the purpose of determining the eligibility of the shareholders to attend, speak and vote at the 2026 AGM is Friday, 28 August, 2026.

On behalf of the Board
Lumina Group Limited
Fok Hau Fai
Chairman and Chief Executive Officer

Hong Kong, 30 June 2026

Independent Auditor's Report



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TO THE SHAREHOLDERS OF LUMINA GROUP LIMITED

(Incorporated in the Cayman Islands as an exempted company with limited liability)

OPINION

We have audited the consolidated financial statements of Lumina Group Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 83 to 149, which comprise the consolidated statement of financial position as at 31 March 2026, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

KEY AUDIT MATTERS (continued)

Key audit matter

How our audit addressed the key audit matter

Revenue recognition for fire safety system installation services contracts

We identified recognition of revenue from fire safety system installation services contracts as a key audit matter due to significant management judgment involved in estimating contract revenue.

The Group recognised contract revenue using the input method, which was to recognise revenue based on the proportion of actual costs incurred relative to the estimated total costs in fulfilling the relevant performance obligations.

As set out in notes 3 and 4 to the consolidated financial statements, management is required to exercise significant judgment and estimates in their assessment of the completeness and accuracy of the total budgeted costs and the progress towards complete satisfaction of the performance obligation on individual contract. The Group estimated total budgeted costs, which mainly comprised estimated subcontracting charges, cost of materials and cost of direct labour. These costs were based on contracts/quotations from time to time provided by the major subcontractors/suppliers/vendors and the experience of management of the Group, which involved management's best estimates and judgments. The actual outcome of the contract in terms of its total revenue may be different from the estimates and this would affect the revenue and profit to be recognised.

During the year ended 31 March 2026, the Group recognised revenue of HK\$60,017,000 from provision of fire safety system installation services.

Our procedures in relation to revenue recognition for fire safety system installation services contracts included:

- (a) Evaluating the Group's estimation of revenue recognised from the provision of fire safety system installation services, on a sample basis, by:
 - obtaining and comparing the contract sum and budgeted costs to respective signed contracts and approved budgets;
 - obtaining an understanding from management and project managers about how the approved budgets were prepared and the progress towards complete satisfaction of the performance obligation was determined with reference to the status of completion of each contract at the end of the reporting period;
 - discussing with project managers for the progress of construction contracts and to evaluate the reasonableness of the estimated total contract costs and inspect the budget of significant projects with reference to the supporting evidence such as latest cost quotations and/or contracts/agreements provided by subcontractors/suppliers/vendors, if applicable, on a selection of samples;
 - assessing the reasonableness of the estimated total contract costs of significant projects with reference to the supporting evidence such as contracts/agreements or other correspondences provided by subcontractors/suppliers/vendors, if applicable, on a selection of samples;

Independent Auditor's Report

KEY AUDIT MATTERS (continued)

Key audit matter

How our audit addressed the key audit matter

Revenue recognition for fire safety system installation services contracts (continued)

- evaluating the reasonableness of the estimated profit margins of significant projects, on a sample basis, taking into account of the complexity and duration of the projects and margins of similar completed projects;
 - examining the accuracy of costs incurred to date and stage of completion by checking the certificates or invoices issued by the subcontractors or suppliers, on a sample basis;
 - checking the existence and valuation of variations to correspondences with customers; and
 - testing the calculations of contract revenue based on the proportion of actual costs incurred.
- (b) assessing the reliability of the approved budgets by comparing the actual outcome against management's estimation of completed contracts on a sample basis; and
- (c) assessing the appropriateness of the Group's revenue recognition policy under the requirements of HKFRS 15 by inspecting a sample of representative contracts with customers.

KEY AUDIT MATTERS (continued)

Key audit matter

How our audit addressed the key audit matter

Impairment assessment of trade receivables and contract assets arising from fire safety system installation services and repair and maintenance services

We identified impairment assessment of trade receivables and contract assets arising from fire safety system installation services and repair and maintenance services as a key audit matter due to the significance of trade receivables and contract assets to the Group's consolidated financial position and the involvement of subjective judgment and management estimates as set out in note 4 to the consolidated financial statements in evaluating the expected credit losses ("ECL") of the Group's trade receivables and contract assets at the end of the reporting period.

As at 31 March 2026, the Group's net trade receivables and contract assets arising from fire safety system installation services and repair and maintenance services amounting to HK\$4,431,000 and HK\$34,237,000 respectively. As disclosed in note 29 to the consolidated financial statements, the Group's lifetime ECL on trade receivables and contract assets amounted to HK\$6,280,000 and HK\$10,120,000 respectively, as at 31 March 2026.

Our procedures in relation to impairment assessment of trade receivables and contract assets arising from fire safety system installation services and repair and maintenance services included:

- obtaining an understanding of how management estimates the loss allowance for trade receivables and contract assets;
- testing the integrity of information used by management to develop the ECL assessment, including ageing analysis of trade receivables as at 31 March 2026, on a sample basis, by comparing individual items in the analysis with the relevant sales invoices;
- evaluating the competence, capabilities and objectivity of the external valuation specialists appointed by management of the Group;
- involving our internal valuation specialists to review the valuation methodology and parameters in the ECL assessment; and
- challenging management's basis and judgment in determining loss allowance on trade receivables and contract assets as at 31 March 2026, including their identification of credit-impaired trade receivables and contract assets and the basis of estimated loss rates applied (with reference to historical default rates and forward-looking information).

Independent Auditor's Report

OTHER INFORMATION

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

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

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

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

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

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

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

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

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

As part of an audit in accordance with HKSA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Independent Auditor's Report

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

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

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

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

Moore CPA Limited

Certified Public Accountants

Registered Public Interest Entity Auditors

Lai Hung Wai

Practising Certificate Number: P06995

Hong Kong, 30 June 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
Revenue	5	68,080	32,417
Direct costs		(47,005)	(25,732)
Gross profit		21,075	6,685
Other income	6(a)	407	858
Other gains and losses	6(b)	–	(6,809)
(Provision for) reversal of impairment losses under expected credit loss model, net		(791)	1,658
Change in fair value of financial assets at fair value through profit or loss (“FVTPL”)		386	105
Administrative expenses		(19,722)	(22,706)
Finance costs	8	(104)	(151)
Profit (loss) before tax	9	1,251	(20,360)
Income tax expense	10	–	–
Profit (loss) for the year		1,251	(20,360)
Other comprehensive income (expense)			
<i>Item that may be reclassified subsequently to profit or loss:</i>			
Exchange differences arising on translation of foreign operations		29	(14)
Other comprehensive income (expense) for the year		29	(14)
Total comprehensive income (expense) for the year		1,280	(20,374)
Profit (loss) for the year attributable to:			
Owners of the Company		1,520	(13,628)
Non-controlling interests		(269)	(6,732)
		1,251	(20,360)
Total comprehensive income (expense) for the year attributable to:			
Owners of the Company		1,539	(13,564)
Non-controlling interests		(259)	(6,810)
		1,280	(20,374)
Earnings (loss) per share	12		
Basic (HK cents)		0.25	(2.27)

Consolidated Statement of Financial Position

As at 31 March 2026

	Notes	2026 HK\$'000	2025 HK\$'000
Non-current assets			
Property and equipment	13	239	397
Right-of-use assets	14	2,125	2,209
Video rights	15	–	–
Prepayment to a non-controlling shareholder	18	–	–
Prepayments for video production	18	–	–
Deposits	18	499	312
Deferred tax assets	19	388	388
		3,251	3,306
Current assets			
Financial assets at FVTPL	16	3,062	2,676
Trade receivables	17	4,431	3,760
Deposits, other receivables and prepayments	18	1,173	1,238
Contract assets	20	34,237	32,210
Tax recoverable		3,746	3,746
Pledged bank deposits	21	5,175	5,171
Cash and cash equivalents	21	23,049	18,956
		74,873	67,757
Current liabilities			
Trade payables	22	9,519	3,027
Other payables and accrued charges	23(a)	1,739	2,004
Contract liabilities	23(b)	–	472
Lease liabilities	24	1,898	1,311
		13,156	6,814
Net current assets		61,717	60,943
Total assets less current liabilities		64,968	64,249
Non-current liabilities			
Lease liabilities	24	392	974
Other payables	23(a)	37	16
		429	990
Net assets		64,539	63,259
Capital and reserves			
Share capital	25	6,000	6,000
Reserves		65,608	64,069
Equity attributable to owners of the Company		71,608	70,069
Non-controlling interests		(7,069)	(6,810)
Total equity		64,539	63,259

The consolidated financial statements on pages 83 to 149 were approved and authorised for issue by the Board of Directors on 30 June 2026 and are signed on its behalf by:

Fok Hau Fai
DIRECTOR

Sung Sing Yan
DIRECTOR

Consolidated Statement of Changes in Equity

For the year ended 31 March 2026

	Attributable to owners of the Company						Non-	Total
	Share capital HK\$'000	Share premium HK\$'000	Other reserve HK\$'000 (Note)	Exchange reserve HK\$'000	Retained profits HK\$'000	Subtotal HK\$'000	controlling interests HK\$'000	
At 1 April 2024	6,000	53,663	921	(144)	23,193	83,633	–	83,633
Loss for the year	–	–	–	–	(13,628)	(13,628)	(6,732)	(20,360)
Other comprehensive income (expense) for the year	–	–	–	64	–	64	(78)	(14)
Total comprehensive income (expense) for the year	–	–	–	64	(13,628)	(13,564)	(6,810)	(20,374)
At 31 March 2025	6,000	53,663	921	(80)	9,565	70,069	(6,810)	63,259
Profit (loss) for the year	–	–	–	–	1,520	1,520	(269)	1,251
Other comprehensive income (expense) for the year	–	–	–	19	–	19	10	29
Total comprehensive income (expense) for the year	–	–	–	19	1,520	1,539	(259)	1,280
At 31 March 2026	6,000	53,663	921	(61)	11,085	71,608	(7,069)	64,539

Note: The other reserve represents (a) the difference between the share capital of Kin Ying Contracting Limited (“KY Contracting”) and Kin Ying F.S. Engineering Limited (“KY Engineering”) and the shares of Golden Second Limited (“Golden Second”) issued; and (b) difference between the carrying amount of the net assets of Golden Second upon transfer in ownership interest from Mr. Fok Hau Fai (“Mr. Fok”) and Team Vantage Limited, an independent third party to the Company, in consideration of the allotment and issuance of 94 shares of the Company to Foxfire Limited (“Foxfire”) (at the direction of Mr. Fok), the immediate holding company, pursuant to a group reorganisation in preparation for the listing of the Company’s shares.

Consolidated Statement of Cash Flows

For the year ended 31 March 2026

	2026 HK\$'000	2025 HK\$'000
OPERATING ACTIVITIES		
Profit (loss) before tax	1,251	(20,360)
Adjustments for:		
Depreciation of property and equipment	170	274
Depreciation of right-of-use assets	1,831	2,774
Amortisation of video rights	–	2,895
Provision for (reversal of) impairment losses under expected credit loss model, net	791	(1,658)
Impairment loss on prepayments	–	4,941
Impairment loss on video rights	–	1,488
Change in fair value of financial assets at FVTPL	(386)	(105)
Bank interest income	(281)	(735)
Loss on disposal of property and equipment	–	270
Loss on lease modification	–	110
Finance costs	104	151
Operating cash flows before movements in working capital	3,480	(9,955)
(Increase) decrease in trade receivables	(2,508)	3,672
Decrease (increase) in deposits, other receivables and prepayments	65	(2,213)
(Increase) decrease in contract assets	(981)	8,696
Increase (decrease) in trade payables	6,492	(528)
Decrease in other payables and accrued charges	(244)	(540)
(Decrease) increase in contract liabilities	(472)	472
Cash generated from (used in) operations	5,832	(396)
Income tax paid	–	–
NET CASH FROM (USED IN) OPERATING ACTIVITIES	5,832	(396)
INVESTING ACTIVITIES		
Bank interest received	281	735
Withdrawal of pledged bank deposits	25	1,058
Placement of pledged bank deposits	(29)	(1,325)
Purchases of property and equipment	(11)	(295)
Payments for rental deposits	(187)	–
Payments for video rights under production	–	(1,066)
Prepayment for acquisition of property and equipment	–	(49)
NET CASH FROM (USED IN) INVESTING ACTIVITIES	79	(942)
FINANCING ACTIVITIES		
Repayments of lease liabilities	(1,748)	(2,476)
Payment of interest expenses	(104)	(151)
NET CASH USED IN FINANCING ACTIVITIES	(1,852)	(2,627)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,059	(3,965)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	18,956	22,934
Effect of foreign exchange rate changes	34	(13)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	23,049	18,956

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

1. GENERAL INFORMATION

Lumina Group Limited (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 addresses of the Company’s registered office and the principal place of business are disclosed in the “Corporate Information” section of the annual report.

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

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 Company and its subsidiaries are hereinafter referred to as the Group (the “Group”).

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 an HKFRS Accounting Standard that are mandatorily effective for the current year](#)

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard 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 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21

Lack of Exchangeability

The application of the amendments to an HKFRS Accounting Standard 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.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (continued)

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

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity ²
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 ²
Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³
HKFRS 18	Presentation and Disclosure in Financial Statements ³

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 2026.

³ 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” (the title of which will be changed to “Basis of Preparation of Financial Statements” upon effective of HKFRS 18) 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 not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION

3.1 Basis of preparation of consolidated financial statements

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

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

3.2 Material accounting policy information

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

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

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

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

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Revenue from contracts with customers

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

Fire safety system installation services

Input method

Revenue from fire safety system installation service is recognised over time during the course of construction by reference to the progress towards complete satisfaction at the end of the reporting period. The progress towards complete satisfaction of a performance obligation is measured based on input method, which is to recognise revenue on the basis of the Group's efforts or inputs to the satisfaction of a performance obligation (i.e. contract costs incurred for work performed to date) relative to the total expected inputs to the satisfaction of that performance obligation (i.e. total estimated contract costs), that best depict the Group's performance in transferring control of goods or services. A performance obligation represents a good or service that is distinct or a series of distinct goods or services that are substantially the same.

Variable consideration

For contracts that contain variable consideration, the Group estimates the amount of consideration to which it will be entitled using the most likely amount, which better predicts the amount of consideration to which the Group will be entitled.

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

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Revenue from contracts with customers (continued)

Repair and maintenance services

Revenue from the provision of repair and maintenance services is recognised over time when the repair and maintenance services are rendered, which are generally completed within a short period of time.

Licensing income from production of short videos and animation

Revenue from production of short videos and animation is recognised at the point in time when the short videos and animation are delivered to the licensees and the Group's right to receive payment has been established.

Property and equipment

Property and equipment are tangible assets that are held for use in production or supply of goods or services, or for administrative purposes and are stated at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

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

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

Video rights classified as intangible assets

Video rights under production

Video rights under production are carried at cost, less accumulated impairment loss, if any. Cost includes all direct costs associated with the production of video rights.

Completed video rights

Completed video rights are carried at cost, less accumulated amortisation and accumulated impairment losses, if any. The cost is expensed on a straight-line basis over the shorter of estimated useful lives or the underlying license periods. The estimated useful lives and amortisation are subject to management's review at the end of each reporting period, with the effect of any changes in estimation being accounted for on a prospective basis.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Video rights classified as intangible assets (continued)

Derecognition

Video rights are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of video rights are recognised in profit or loss when the asset is derecognised.

Impairment assessment of video rights

For video rights under production and completed video rights, management has performed impairment assessment when impairment indicator exists using the value in use method, which is calculated based on the present value of future cash flows directly generated by the relevant video rights.

When estimating the future cash flows to be generated by the relevant video rights, management considers inputs including but not limited to revenue streams from different distribution channels such as internet release, the expected timing of various revenue streams, and production and distribution costs.

Leases

The Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception of the contract. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group applies practical expedient not to separate non-lease components from lease component, and instead account for the lease component and any associated non-lease components as a single lease component.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Leases (continued)

The Group as a lessee (continued)

Right-of-use assets

The cost of right-of-use assets include:

- the amounts of the initial measurement of the lease liabilities;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

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

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Leases (continued)

The Group as a lessee (continued)

Lease liabilities (continued)

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise the option; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising an option to terminate the lease.

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

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

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability, less any lease incentives receivable, based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset. When the modified contract contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the modified contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Impairment on property and equipment and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its property and equipment and right-of-use assets to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount of property and equipment and right-of-use assets are estimated individually. When it is not possible to estimate the recoverable amount individually, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

In testing a cash-generating unit for impairment, corporate assets are allocated to the relevant cash-generating unit when a reasonable and consistent basis of allocation can be established, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be established. The recoverable amount is determined for the cash-generating unit or group of cash-generating units to which the corporate asset belongs, and is compared with the carrying amount of the relevant cash-generating unit or group of cash-generating units.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a cash-generating unit) for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. For corporate assets or portion of corporate assets which cannot be allocated on a reasonable and consistent basis to a cash-generating unit, the Group compares the carrying amount of a group of cash-generating units, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of cash-generating units, with the recoverable amount of the group of cash-generating units. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit or the group of cash-generating units. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit or the group of cash-generating units. An impairment loss is recognised immediately in profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Impairment on property and equipment and right-of-use assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit or a group of cash-generating units) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit or a group of cash-generating units) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Provisions

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the net cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

When assessing whether a contract is onerous or loss-making, the Group includes costs that relate directly to the contract, consisting of both the incremental costs (e.g. direct labour and materials) and an allocation of other costs (to specify, e.g. an allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling that contract) that relate directly to fulfilling contracts.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

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

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Classification and subsequent measurement of financial assets

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

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is designated and effective as a hedging instrument.

(i) Amortised cost and interest income

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised costs or fair value through other comprehensive income (“FVTOCI”) or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the change in fair value of financial assets at FVTPL line item.

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

The Group performs impairment assessment under expected credit loss (“ECL”) model on financial assets (including trade receivables, deposits, other receivables, pledged bank deposits and cash and cash equivalents) and contract assets which are subject to impairment assessment under HKFRS 9. The amount of ECL is updated at the end of each reporting period to reflect changes in credit risk since initial recognition.

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

The Group always recognises lifetime ECL for trade receivables and contract assets. Trade receivables and contract assets are assessed collectively using a provision matrix with appropriate groupings, except for those trade receivables and contract assets that are credit-impaired or significant to the Group would be assessed their ECL individually.

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(i) Significant increase in credit risk

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

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

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk. e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

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

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(ii) Definition of default

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

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

(iii) Credit-impaired financial assets

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

- (a) Significant financial difficulty of the issuer or the borrower;
- (b) A breach of contract, such as a default or past due event;
- (c) The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- (d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

(iv) Write-off policy

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

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

(v) Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data and forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights. The Group uses a practical expedient in estimating ECL on trade receivables using a provision matrix taking into consideration historical credit loss experience, adjusted for forward looking information that is available without undue cost or effort.

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

Lifetime ECL for trade receivables and contract assets are considered on a collective basis taking into consideration past due information and relevant credit information such as forward looking macroeconomic information.

For collective assessment, the Group takes into consideration the following characteristics when formulating the grouping:

- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by the management of the Group to ensure the constituents of each group continue to share similar credit risk characteristics.

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

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Financial instruments (continued)

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities

The Group's financial liabilities including trade payables and other payables are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial assets and financial liabilities

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

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

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

Cash and cash equivalents

Cash and cash equivalents presented on the consolidated statement of financial position include:

- (a) cash, which comprises of cash on hand and demand deposits and monies placed in securities brokers which are unrestricted and withdrawable on demand, excluding bank balances that are subject to regulatory restrictions that result in such balances no longer meeting the definition of cash; and
- (b) cash equivalents, which comprises of short-term (generally with original maturity of three months or less), highly liquid investments that are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value. Cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Cash and cash equivalents (continued)

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Bank balances for which use by the Group is subject to third party contractual restrictions are included as part of cash unless the restrictions result in a bank balance no longer meeting the definition of cash. Contractual restrictions affecting use of bank balances are disclosed in note 31.

Investments in subsidiaries

Investments in subsidiaries are stated in the statement of financial position of the Company at cost less any accumulated impairment loss.

Employee benefits

Retirement benefits costs

Payments to the Mandatory Provident Fund (“MPF”) Scheme (“MPF Scheme”) and the state-managed retirement benefit schemes in the PRC as defined contribution plan are recognised as an expense when employees have rendered services entitling them to the contributions.

For Long Service Payment (“LSP”) obligation, the Group accounts for the employer MPF contributions expected to be offset as a deemed employee contribution towards the LSP obligation in terms of HKAS 19.93(a) and it is measured on a net basis. The estimated amount of future benefit is determined after deducting the negative service cost arising from the accrued benefits derived from the Group’s MPF contributions that have been vested with employees, which are deemed to be contributions from the relevant employees.

Short-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS Accounting Standard requires or permits the inclusion of the benefit in the cost of an asset.

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

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve (attributed to non-controlling interests as appropriate).

Borrowing costs

All borrowing costs that are not attributable to the acquisition, construction or production of qualifying assets are recognised in profit or loss in the period in which they are incurred.

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Government grants related to income that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Such grants are presented under "other income".

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Taxation

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

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

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

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

For the purpose of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.2 Material accounting policy information (continued)

Taxation (continued)

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 requirements to the lease liabilities and the related assets separately. The Group recognises a deferred tax asset related to lease liabilities to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised and a deferred tax liability for all taxable temporary differences.

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

Current and deferred tax are recognised in profit or loss.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Current and deferred income taxes

Critical judgment is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such difference will impact the income tax and deferred tax provision in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences, impairment loss and tax losses are recognised as management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will affect the recognition of deferred income tax assets and taxation in the periods in which such estimate is changed. Deferred income tax assets and liabilities are determined using tax rates that are expected to apply when the related deferred income tax assets are realised or the deferred income tax liabilities are settled.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Critical judgments in applying accounting policies (continued)

Current and deferred income taxes (continued)

The Group received certain letters from the Hong Kong Inland Revenue Department (the “HKIRD”) during the year ended 31 March 2026 seeking information relating to the Hong Kong Profits Tax of a subsidiary of the Company. The enquiries might lead to additional tax being charged on the assessable profits, as certain expenses might be considered not deductible. As at 31 March 2026, the Group had purchased tax reserve certificates amounting to HK\$663,000 (2025: HK\$663,000), and, subsequent to the year end, purchased additional tax reserve certificates of HK\$724,000, all of which are included in deposits, other receivables and prepayments, and had a tax recoverable of approximately HK\$3,746,000 (2025: HK\$3,746,000), being provisional tax paid to the HKIRD in previous years, which might be used to set off against the additional tax to be levied should an unfavourable tax outcome arise. Based on professional advice obtained from the tax representative of the Group, the directors of the Company are of the opinion that sufficient provision for taxation has been made in the consolidated financial statements.

Key sources of estimation uncertainty

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

Fire safety system installation services contracts

The Group reviews and revises the estimates of contract revenue and contract costs prepared for fire safety system installation services contracts of the Group as the contracts progress. Progress towards complete satisfaction of performance obligations of construction contracts is measured according to the input method of individual contract, which is measured based on the proportion of actual costs incurred relative to the estimated total costs in fulfilling the relevant performance obligations. Contract assets or liabilities are determined based on contract costs incurred, progress billings, any foreseeable losses and recognised profit which is also dependent on estimation of contract costs. The recognition of contract revenue and contract assets or liabilities requires significant management judgment and involves estimation uncertainty. Estimated contract costs of individual contract are supported by contract budget which was prepared by the management of the Group on the basis of estimated subcontracting charges, cost of materials and cost of direct labour based on quotations provided by subcontractors, suppliers or vendors as well as the experience of the management. In order to ensure that the total estimated contract costs are accurate and up-to-date such that contract revenue can be estimated reliably, management reviews the contract budget, costs incurred to date and costs to completion regularly.

For the purpose of updating the contract budget, management may request for updated quotations from the subcontractors, suppliers or vendors. Recognition of variations and claims also requires estimation and judgment by management. Notwithstanding that management regularly reviews and revises the estimates of contract costs for the construction contracts as the contracts progress, the actual contract costs and gross profit margin may be higher or lower than the estimations and that will affect the revenue and gross profit recognised.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Fire safety system installation services contracts (continued)

The contract revenue generated from fire safety system installation services contracts amounted to HK\$60,017,000 (2025: HK\$23,970,000) was recognised in the profit or loss during the year ended 31 March 2026. The carrying amounts of contract assets from fire safety system installation services, before allowance for credit losses, and contract liabilities were HK\$44,357,000 (2025: HK\$43,376,000) and nil (2025: HK\$472,000), as at 31 March 2026, respectively.

Impairment assessment under ECL model on trade receivables and contract assets arising from fire safety system installation services and repair and maintenance services

Management of the Group estimates the amount of lifetime ECL of the trade receivables and contract assets arising from fire safety system installation services and repair and maintenance services based on provision matrix, with the assistance of an external professional valuer not connected with the Group, through grouping of various debtors that have similar loss patterns, after considering internal credit ratings of trade debtors, ageing, repayment history and/or past due status of respective trade receivables and contract assets, except for those trade receivables and contract assets that are credit-impaired or significant to the Group would be assessed their ECL individually.

The contract assets relate to unbilled revenue and retention receivables, which have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

In calculating the expected credit loss rates, the Group considers historical observed default rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product and the unemployment rate in Hong Kong in which it sells goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group, or a debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier. The Group considers a financial asset as default if the counterparty fails to make contractual payments within 90 days when they past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered.

The assessment of credit risk of trade receivables and contract assets involves high degree of estimation uncertainty and the provision of ECL is sensitive to changes in estimates. The information about the Group's trade receivables, contract assets and their ECL provision are disclosed in notes 17, 20 and 29, respectively.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty (continued)

Impairment assessment under ECL model on trade receivables and contract assets arising from fire safety system installation services and repair and maintenance services(continued)

The carrying amounts of trade receivables and contract assets arising from fire safety system installation services and repair and maintenance services were HK\$4,431,000 (2025: HK\$3,760,000), net of ECL of HK\$6,280,000 (2025: HK\$4,443,000), and HK\$34,237,000 (2025: HK\$32,210,000), net of ECL of HK\$10,120,000 (2025: HK\$11,166,000), respectively, as at 31 March 2026.

Estimated impairment of property and equipment and right-of-use assets

Property and equipment and right-of-use assets are stated at costs less accumulated depreciation and impairment, if any. In determining whether an asset is impaired, the Group has to exercise judgment and make estimation, particularly in assessing whether an event has occurred or any indicators that may affect the recoverable amount of the assets. In estimating the value in use, the net present value of future cash flows are estimated based upon the continued use of the asset as key assumptions applied in cash flow projections and use of appropriate discount rate. When it is not possible to estimate the recoverable amount of an individual asset (including right-of-use assets), the Group estimates the recoverable amount of the cash generating unit to which the assets belong, including allocation of corporate assets when a reasonable and consistent basis of allocation can be established, otherwise recoverable amount is determined at the smallest group of cash generating units, for which the relevant corporate assets have been allocated. Changing the assumptions and estimates, including the discount rates or the growth rate in the cash flow projections, could materially affect the recoverable amounts.

As at 31 March 2026, the carrying amounts of property and equipment and right-of-use assets subject to impairment assessment were HK\$239,000 and HK\$2,125,000 (2025: HK\$397,000 and HK\$2,209,000) respectively, no impairment loss on property and equipment and right-of-use assets were recognised for the year ended 31 March 2026 and 2025.

Measurement of video rights classified as intangible assets

At the end of each reporting period, management of the Group assessed the amortisation policy and estimated useful lives of the video rights classified as intangible assets. The determination of amortisation policy and estimated useful lives requires management of the Group's significant judgment.

Other than the amortisation, management of the Group also assessed impairment for video rights under production and completed video rights and provided impairment up to its recoverable amount in accordance with the respective impairment assessment.

In determining the recoverable amount, the Group takes into consideration both internal and external market information, for example, the expected revenue, the estimated production cost, the estimated selling and distribution expenses, the discounted rates and the general economic condition of the relevant markets.

As at 31 March 2025, the carrying amount of video rights subject to impairment assessment was HK\$1,488,000, impairment loss of HK\$1,488,000 on video rights under production was recognised for the year ended 31 March 2025.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

5. REVENUE AND SEGMENT INFORMATION

Revenue

Revenue represents the fair value of amounts received and receivable from the provision of fire safety system installation and fire safety system repair and maintenance (“Repair and Maintenance”) services by the Group to external customers in Hong Kong and production of short videos and animation by the Group to the external customers in the PRC. The fire safety system installation services and Repair and Maintenance services are recognised as a performance obligation satisfied over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced, or the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs. Revenue is recognised for these services based on the proportion of actual costs incurred relative to the estimated total costs in fulfilling the relevant performance obligations using input method.

The Group’s fire safety system installation services and Repair and Maintenance services include payment schedules which require payments over the contract period once certain specified milestones are reached and upon completion of services. The Group requires new customers to provide upfront deposits, when the Group receives a deposit before contract commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the specific contract exceeds the amount of the deposit.

A contract asset, net of contract liability related to the same contract, if any, is recognised over the period in which the fire safety system installation services and Repair and Maintenance services are performed representing the Group’s right to consideration for the services performed because the rights are conditioned on the Group’s future performance in achieving specified milestones for fire safety system installation or completion of services for Repair and Maintenance services. The contract assets are transferred to trade receivables when the rights become unconditional. The Group typically transfers the contract assets to trade receivables based on billing. The Group grants credit terms of 0-30 days to its customers from the date of invoices on progress billings of contract.

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.

Revenue from production of short videos and animation is recognised at point in time.

(i) Disaggregation of revenue from contracts with customers

	2026 HK\$’000	2025 HK\$’000
Type of services		
– Fire safety system installation	60,017	23,970
– Repair and Maintenance	8,024	7,936
Licensing income from production of short videos and animation	39	511
	68,080	32,417

5. REVENUE AND SEGMENT INFORMATION (continued)

Revenue (continued)

- (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 2026 and 2025 and the expected timing of recognising revenue are as follows:

As at 31 March 2026

	Fire safety system installation services HK\$'000
Within one year	39,952
More than one year but not more than two years	17,131
More than two years	8,519
	65,602

As at 31 March 2025

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

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.

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For the year ended 31 March 2026

5. REVENUE AND SEGMENT INFORMATION (continued)

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 makers (“CODMs”) that are used to make strategic decisions, resources allocation and performance assessment. Information reported to the CODMs is based on the business lines operated by the Group. No operating segments identified by the CODMs have been aggregated in arriving at the reportable segments of the Group.

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 2026

	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	60,017	8,024	39	68,080
Segment profit (loss) excluding provision for impairment losses under expected credit loss model, net	17,574	3,462	(527)	20,509
Provision for impairment losses under expected credit loss model, net	(659)	(132)	–	(791)
Segment profit (loss)	16,915	3,330	(527)	19,718
Other income				407
Change in fair value of financial assets at FVTPL				386
Unallocated administrative expenses				(19,156)
Finance costs				(104)
Profit before tax				1,251

5. REVENUE AND SEGMENT INFORMATION (continued)

Segment information (continued)

Segment results (continued)

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	23,970	7,936	511	32,417
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	1,795	(137)	–	1,658
Segment profit (loss)	7,105	3,623	(13,757)	(3,029)
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				(151)
Loss before tax				(20,360)

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5. REVENUE AND SEGMENT INFORMATION (continued)

Segment information (continued)

Segment results (continued)

The accounting policies of the operating and reportable segments are the same as the Group's accounting policies described in note 3. Segment profit (loss) represents the profits earned (loss incurred) 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 CODMs for the purposes of resources allocation and performance assessment, no segment assets and liabilities information is presented accordingly.

Other segment information

Year ended 31 March 2026

	Fire safety system installation services HK\$'000	Repair and Maintenance services HK\$'000	Production of short videos and animation HK\$'000	Segment total HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Amounts included in the measure of segment profit (loss):						
Depreciation of property and equipment	-	-	116	116	54	170
Depreciation of right-of-use assets	-	-	-	-	1,831	1,831
Provision for impairment losses under expected credit loss model, net	659	132	-	791	-	791

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	Segment total HK\$'000	Unallocated HK\$'000	Consolidated HK\$'000
Amounts included in the measure of segment profit (loss):						
Amortisation of video rights	-	-	2,895	2,895	-	2,895
Depreciation of property and equipment	-	-	114	114	160	274
Depreciation of right-of-use assets	-	-	1,530	1,530	1,244	2,774
(Reversal of) provision for impairment losses under expected credit loss model, net	(1,795)	137	-	(1,658)	-	(1,658)
Loss on disposal of property and equipment	-	-	-	-	270	270
Impairment loss on prepayments	-	-	4,941	4,941	-	4,941
Impairment loss on video rights	-	-	1,488	1,488	-	1,488

5. REVENUE AND SEGMENT INFORMATION (continued)

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)	
	2026 HK\$'000	2025 HK\$'000	2026 HK\$'000	2025 HK\$'000
Hong Kong	68,041	31,906	1,616	1,186
The PRC	39	511	748	1,420
Total	68,080	32,417	2,364	2,606

Note: Non-current assets excluded financial instruments and 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:

	2026 HK\$'000	2025 HK\$'000
Customer A (note 1)	10,730	N/A ^(note 2)
Customer B (note 1)	N/A ^(note 2)	3,895

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.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

6. OTHER INCOME AND OTHER GAINS AND LOSSES

(a) Other income

	2026 HK\$'000	2025 HK\$'000
Bank interest income	281	735
Dividend income from financial assets at FVTPL	125	58
Government grants (note)	–	3
Others	1	62
	407	858

Note: During the year ended 31 March 2025, the Group recognised government grants of HK\$3,000 (2026: nil) in respect of training subsidies for employees staying on the job provided by the local government of the PRC. In the opinion of the directors of the Company, the Group has fulfilled all conditions attached to the grants.

(b) Other gains and losses

	2026 HK\$'000	2025 HK\$'000
Loss on lease modification	–	(110)
Loss on disposal of property and equipment, net	–	(270)
Impairment losses on:		
– prepayments (note 18 (iii))	–	(4,941)
– video rights (note 15)	–	(1,488)
	–	(6,809)

7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

(a) Directors' and chief executive's emoluments

Mr. Fok and Mr. Sung Sing Yan ("Mr. Sung") were appointed as executive directors of the Company on 3 September 2016. Ms. Wei Ju ("Ms. Wei") was appointed as executive director of the Company on 2 August 2024. Mr. Hung Kin Sang ("Mr. Hung"), Mr. Lee Yin Sing ("Mr. Lee") and Mr. Wan Chun Kwan ("Mr. Wan") were appointed as the independent non-executive directors of the Company on 22 September 2017. The emoluments paid or payable to the directors and chief executive of the Company are as follows:

	Executive directors			Independent non-executive directors			Total
	Mr. Fok HK\$'000 (note (i))	Mr. Sung HK\$'000	Ms. Wei HK\$'000	Mr. Hung HK\$'000	Mr. Lee HK\$'000	Mr. Wan HK\$'000	
Year ended 31 March 2026							
Fees	-	-	120	120	120	120	480
Other emoluments							
Salaries and other benefits	440	489	-	-	-	-	929
Discretionary bonus (note (ii))	-	-	-	-	-	-	-
Retirement benefit scheme contributions	14	14	-	-	-	-	28
Total emoluments	454	503	120	120	120	120	1,437
Year ended 31 March 2025							
Fees	-	-	80	120	120	120	440
Other emoluments							
Salaries and other benefits	120	612	-	-	-	-	732
Discretionary bonus (note (ii))	520	51	-	-	-	-	571
Retirement benefit scheme contributions	7	18	-	-	-	-	25
Total emoluments	647	681	80	120	120	120	1,768

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

7. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (continued)

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

Notes:

- (i) Mr. Fok acts as the chief executive of the Company.
- (ii) The discretionary bonus is determined by reference to the duties and responsibilities of the relevant individual within the Group and the Group's performance.
- (iii) The emoluments of executive directors shown above were for their services in connection with management of the affairs of the Group and the Company. The emoluments of independent non-executive directors shown above were for their services as a director of the Company. Remuneration committee has approved the increment of salaries and discretionary bonus for the years ended 31 March 2026 and 2025.

During both years, no remuneration was paid by the Group to the directors of the Company as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors of the Company waived any remuneration during both years.

(b) Employees' emoluments

The five highest paid individuals included Mr. Sung (2025: Mr. Fok and Mr. Sung) whose emolument is included in the disclosures in note 7(a) above. The emoluments of the remaining four (2025: three) individuals were as follows:

	2026 HK\$'000	2025 HK\$'000
Salaries and other benefits	2,431	1,936
Discretionary bonus (note)	–	161
Retirement benefit scheme contributions	72	54
	2,503	2,151

Note: The bonus was determined on a discretionary basis with reference to the individual's performance.

Their emoluments were within the following bands:

	2026 Number of employees	2025 Number of employees
Nil to HK\$1,000,000	4	3

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

8. FINANCE COSTS

	2026 HK\$'000	2025 HK\$'000
Interest on lease liabilities	104	151

9. PROFIT (LOSS) BEFORE TAX

	2026 HK\$'000	2025 HK\$'000
Profit (loss) before tax has been arrived at after charging:		
Staff costs		
Directors' remuneration (note 7)	1,437	1,768
Other staff costs		
Salaries and other benefits	12,057	10,364
Retirement benefit scheme contributions	492	478
Total staff costs	13,986	12,610
Auditor's remuneration	802	760
Depreciation of property and equipment	170	274
Depreciation of right-of-use assets	1,831	2,774
Amortisation of video rights (included in direct costs)	–	2,895
Legal and professional fees	3,256	2,932

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For the year ended 31 March 2026

10. INCOME TAX EXPENSE

	2026 HK\$'000	2025 HK\$'000
Hong Kong Profits Tax	–	–

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 assessable profits after utilisation of tax losses brought forward for the years ended 31 March 2026 and 2025.

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

	2026 HK\$'000	2025 HK\$'000
Profit (loss) before tax	1,251	(20,360)
Tax at Hong Kong Profits Tax rate of 16.5% (2025: 16.5%)	206	(3,359)
Tax effect of expenses not deductible for tax purpose	501	2,367
Tax effect of income not taxable for tax purpose	(130)	(148)
Tax effect of tax losses not recognised	–	1,396
Tax effect of temporary difference not recognised	131	–
Utilisation of tax losses previously not recognised	(708)	–
Utilisation of deductible temporary differences previously not recognised	–	(256)
Income tax expense for the year	–	–

11. 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.

12. EARNINGS (LOSS) PER SHARE

	2026 HK\$'000	2025 HK\$'000
Earnings (loss):		
Earnings (loss) for the purpose of calculating basic earnings (loss) per share (profit (loss) for the year attributable to owners of the Company)	1,520	(13,628)
	'000	'000
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic earnings (loss) per share	600,000	600,000

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

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For the year ended 31 March 2026

13. PROPERTY AND EQUIPMENT

	Leasehold improvements HK\$'000	Furniture, fixtures and equipment HK\$'000	Motor vehicles HK\$'000	Total HK\$'000
COST				
At 1 April 2024	1,732	1,908	942	4,582
Additions	270	87	–	357
Disposals/written-off	(1,169)	–	–	(1,169)
Exchange adjustments	(11)	(1)	–	(12)
At 31 March 2025	822	1,994	942	3,758
Additions	–	11	–	11
Exchange adjustments	–	13	–	13
At 31 March 2026	822	2,018	942	3,782
ACCUMULATED DEPRECIATION AND IMPAIRMENT				
At 1 April 2024	1,732	1,430	836	3,998
Provided for the year	–	168	106	274
Eliminated on disposals/written-off	(899)	–	–	(899)
Exchange adjustments	(11)	(1)	–	(12)
At 31 March 2025	822	1,597	942	3,361
Provided for the year	–	170	–	170
Exchange adjustments	–	12	–	12
At 31 March 2026	822	1,779	942	3,543
CARRYING AMOUNTS				
At 31 March 2026	–	239	–	239
At 31 March 2025	–	397	–	397

The above items of property and equipment, taking into account the residual values, are depreciated on a straight-line basis over the following terms or at the following rates per annum:

Leasehold improvements	Over lease terms or useful lives of 5 years, whichever is shorter
Furniture, fixtures and equipment	20%
Motor vehicles	20%

14. RIGHT-OF-USE ASSETS

	Office equipment HK\$'000	Office premises HK\$'000	Staff quarters HK\$'000	Total HK\$'000
At 31 March 2026 Carrying amounts	253	1,872	–	2,125
At 31 March 2025 Carrying amounts	319	1,890	–	2,209
Depreciation charge for the year ended 31 March 2026	66	1,765	–	1,831
Depreciation charge for the year ended 31 March 2025	131	2,559	84	2,774
		Year ended 31 March 2026 HK\$'000	Year ended 31 March 2025 HK\$'000	
Total cash outflow for leases		1,852	2,627	
Additions to right-of-use assets		1,702	3,831	

For the year ended 31 March 2026, the Group leases office premises and certain office equipment (2025: office premises, staff quarters and certain office equipment) for its operations. The lease terms are ranging from one to five years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

Details of the lease maturity analysis of lease liabilities are set out in note 24.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

15. VIDEO RIGHTS

	Video rights under production HK\$'000	Completed video rights HK\$'000	Total HK\$'000
Cost:			
At 1 April 2024	2,866	–	2,866
Additions	1,066	–	1,066
Transfer from prepayment (note 18(ii))	451	–	451
Transfer	(2,895)	2,895	–
Exchange realignment	–	(16)	(16)
At 31 March 2025 and 31 March 2026	1,488	2,879	4,367
Accumulated amortisation and impairment:			
At 1 April 2024	–	–	–
Amortisation provided during the year	–	2,895	2,895
Impairment (note)	1,488	–	1,488
Exchange realignment	–	(16)	(16)
At 31 March 2025 and 31 March 2026	1,488	2,879	4,367
Net carrying amount:			
At 31 March 2026	–	–	–
At 31 March 2025	–	–	–

Note:

For the year ended 31 March 2025, management assessed for whether CGUs have any impairment indicator by considering whether it recorded operating loss in recent reporting period and whether budget was met in current period. The management has reviewed the recoverability of the relevant carrying amounts of the above video rights under production and completed video rights. The recoverable amounts of the video rights under production and completed video are determined as the higher of value-in-use or the fair value less cost of disposal.

For the purpose of impairment assessment, the management of the Group estimated the respective recoverable amounts that are based on their value-in-use calculations. The directors of the Company have consequently determined impairment of video rights directly related to video rights under production amounting HK\$1,488,000. The impairment losses have been recognised in the profit or loss.

16. FINANCIAL ASSETS AT FVTPL

	2026 HK\$'000	2025 HK\$'000
Financial assets mandatorily measured at FVTPL: Equity securities listed in Hong Kong held for trading (note)	3,062	2,676

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

As at 31 March 2026, no financial assets at FVTPL have been pledged as security (2025: nil).

17. TRADE RECEIVABLES

	2026 HK\$'000	2025 HK\$'000
Trade receivables arising from fire safety system installation services and Repair and Maintenance services	10,711	8,203
Less: allowance for credit losses	(6,280)	(4,443)
Total trade receivables	4,431	3,760

As at 1 April 2024, trade receivables from contracts with customers amounted to HK\$8,661,000.

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.

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17. TRADE RECEIVABLES (continued)

	2026 HK\$'000	2025 HK\$'000
0–30 days	1,580	489
31–60 days	586	305
61–90 days	259	632
91–180 days	629	650
181–365 days	332	170
Over 365 days	1,045	1,514
	4,431	3,760

As at 31 March 2026, included in the Group's trade receivables balance are debtors with aggregate carrying amount of HK\$2,851,000 (2025: HK\$3,271,000) which are past due as at the reporting date. Out of the past due balances, HK\$1,757,000 (2025: HK\$1,828,000) has been past due 90 days or more and is not considered as in default since the Group is still engaging with those corresponding debtors in active projects or the Group considers good cooperation relationships with these debtors exist and with good repayment record. The Group does not hold any collateral over these balances.

Details of impairment assessment of trade receivables are set out in note 29.

18. DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS

	2026 HK\$'000	2025 HK\$'000
Rental deposits	484	297
Other deposits	101	101
Receivables from production of short videos and animations	–	103
Tax reserve certificate recoverable	663	663
Subtotal of deposits and other receivables	1,248	1,164
Prepayment to a non-controlling shareholder (note (i))	3,466	3,466
Prepayments for video production (note (ii))	1,475	1,475
Prepayments for property and equipment	32	49
Other prepayments	392	337
	5,365	5,327
Less: provision for impairment (note (iii))	(4,941)	(4,941)
Subtotal of prepayments (net of impairment allowance)	424	386
Total	1,672	1,550
Presented as non-current assets	499	312
Presented as current assets	1,173	1,238
Total	1,672	1,550

18. DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS (continued)

Notes:

- (i) During the year ended 31 March 2023, the Group entered into a joint venture agreement with a non-controlling shareholder, Shanghai Ruqiong Network Technology Co., Ltd. (上海儒瓊網絡科技有限公司) (“Shanghai Ruqiong”), a company established in the PRC with limited liability, to establish a company to engage in videos production business. The Group has made a payment of Renminbi (“RMB”) 3,000,000 (equivalent to approximately HK\$3,466,000) to Shanghai Ruqiong for fulfilling its first portion of the capital contribution. Details of which are set out in the Company’s announcement dated 9 January 2023. On 7 April 2023, Shanghai Haidan Ruqiong Culture Co., Ltd. (上海海膽儒瓊文化有限公司), an indirect non-wholly-owned subsidiary of the Group, was incorporated pursuant to a joint venture agreement.

During the year ended 31 March 2025, the Group had made an arbitration application against Shanghai Ruqiong in relation to the joint venture agreement. Consequently, the prepayment to a joint venture partner amounted to RMB3,000,000 (equivalent to HK\$3,466,000) was unlikely to be recovered and such balance was fully impaired during the year ended 31 March 2025. For the year ended 31 March 2026, the arbitration is still in progress, and such balance remained fully impaired.

- (ii) During the year ended 31 March 2023, the Group entered into another joint venture agreement with another non-controlling shareholder, Fujian Yuanwang Culture and Technology Co. Ltd. (福建元王文化科技有限公司) (“Fujian Yuanwang”), a company established in the PRC with limited liability, pursuant to which the parties had agreed to form another company in the PRC to engage in a project to produce and distribute an animation series adapted from the novel “Ode to the Gallantry (俠客行)” as well as projects involving other novels of Jin Yong (金庸). Details of which are set out in the Company’s announcement dated 1 February 2023 and the Company’s circular dated 8 March 2023. For the purpose of soliciting investors to participate in the production of the project, the parties determined to produce a teaser video and its production cost was estimated to be RMB1,200,000 (equivalent to approximately HK\$1,400,000). The Group has prepaid RMB550,000 (equivalent to approximately HK\$641,000) to Uni Power Limited, a company incorporated in Hong Kong, for the partial production cost of the teaser video. On 19 June 2023, Shanghai Haidan Yuanwang Culture Development Co., Ltd. (上海海膽元王文化發展有限公司), an indirect non-wholly-owned subsidiary of the Group, was incorporated pursuant to another joint venture agreement. During the year ended 31 March 2024, the prepayment of RMB550,000 (equivalent to HK\$641,000) had been transferred to video rights under production (note 15).

During the year ended 31 March 2025, the Group made payments amounting to HK\$1,475,000 to Uni Power Limited, the non-controlling shareholder of Cool Studio Limited (an indirect non-wholly-owned subsidiary of the Company) to produce the animation video of “Ode to the Gallantry”. Subsequently, the Group had disputes with Fujian Yuanwang and thus the Group had made an arbitration application against Fujian Yuanwang in relation to the joint venture agreement. Consequently, the prepayment in relation to the production cost of Ode to the Gallantry was fully impaired during the year ended 31 March 2025. For the year ended 31 March 2026, the arbitration is still in progress, and such balance remained fully impaired.

As at 31 March 2024, the Group had prepaid RMB419,000 (equivalent to approximately HK\$452,000) for the production cost of short videos. During the year ended 31 March 2025, the prepayment of RMB419,000 (equivalent to approximately HK\$451,000) (2026: nil) had transferred to video rights under production (note 15).

- (iii) Movement of impairment allowance on prepayments:

	2026 HK\$'000	2025 HK\$'000
Beginning balance	4,941	–
Loss allowance recognised	–	4,941
Closing balance	4,941	4,941

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For the year ended 31 March 2026

19. DEFERRED TAX ASSETS (LIABILITIES)

The following is the analysis of the deferred tax balances for financial reporting purposes:

	2026 HK\$'000	2025 HK\$'000
Deferred tax assets	388	388
Deferred tax liabilities	–	–
	388	388

The following are the deferred tax assets (liabilities) recognised and movements thereon during the current and prior years:

	Deferred tax assets		Deferred tax liabilities	
	ECL provision HK\$'000	Lease liabilities HK\$'000	Right-of-use assets HK\$'000	Total HK\$'000
At 1 April 2024	388	1,194	(1,194)	388
(Charge) credit to profit or loss	–	(732)	732	–
Exchange alignment	–	(2)	2	–
At 31 March 2025	388	460	(460)	388
(Charge) credit to profit or loss	–	(75)	75	–
Exchange alignment	–	11	(11)	–
At 31 March 2026	388	396	(396)	388

At 31 March 2026, the Group has unused tax losses of approximately HK\$39,752,000 (2025: HK\$44,044,000) available for offset against future profits. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams. Tax losses of HK\$39,752,000 (2025: HK\$44,044,000) may be carried forward indefinitely.

At 31 March 2026, the Group has deductible temporary differences for ECL provision of approximately HK\$13,528,000 (2025: HK\$12,737,000). At 31 March 2026, no deferred tax asset has been recognised in relation to such deductible temporary differences of HK\$11,176,000 (2025: HK\$10,385,000) as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

20. CONTRACT ASSETS

	2026 HK\$'000	2025 HK\$'000
Contract assets from fire safety system installation services and Repair and Maintenance services		
– Unbilled revenue	32,621	32,057
– Retention receivables	11,736	11,319
Less: allowance for credit losses	(10,120)	(11,166)
	34,237	32,210

Movement in contract assets (net of loss allowance):

	2026 HK\$'000	2025 HK\$'000
At the beginning of the year	32,210	38,019
Revenue recognised during the year	68,041	31,906
Progress billing during the year	(67,060)	(40,602)
Reversal of impairment losses of contract assets	1,046	2,887
At the end of the year	34,237	32,210

As at 1 April 2024, contract assets amounted to HK\$38,019,000.

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.

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For the year ended 31 March 2026

20. CONTRACT ASSETS (continued)

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 that comply with agreed-upon specifications. There were no retention monies past due. 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:

	2026 HK\$'000	2025 HK\$'000
Within one year	5,612	5,791
After one year	6,124	5,528
	11,736	11,319

Details of the impairment assessment on contract assets are set out in note 29.

21. PLEDGED BANK DEPOSITS/CASH AND CASH EQUIVALENTS

Pledged bank deposits represent deposits pledged to banks to secure the bank facilities (representing performance guarantees as disclosed in note 31) granted to the Group, and carried with prevailing market interest rate ranging from 0.01% to 3.1% (2025: 0.08% to 3.49%) per annum.

Cash and cash equivalents comprise deposits with an original maturity of three months or less and carrying interest at prevailing market rate from 0.01% to 3.1% (2025: 0.08% to 3.49%) per annum.

As at 31 March 2025, cash and cash equivalents include deposits of HK\$184,000 (2026: nil) that were placed with the securities brokers for trading securities in Hong Kong. The amounts were unrestricted and withdrawable on demand.

22. 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 ageing analysis of trade payables based on the invoice dates or the dates of application of interim payment, as appropriate.

	2026 HK\$'000	2025 HK\$'000
0 to 30 days	6,792	2,126
31 to 60 days	1,225	562
Over 60 days	1,502	339
	9,519	3,027

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23. OTHER PAYABLES AND ACCRUED CHARGES AND CONTRACT LIABILITIES

(a) Other payables and accrued charges

	2026 HK\$'000	2025 HK\$'000
Other payables	13	776
Accrued charges	1,426	928
Provision for long service payments (note)	37	16
Provision for rectification of defects	300	300
Total	1,776	2,020
Presented as non-current liabilities	37	16
Presented as current liabilities	1,739	2,004
Total	1,776	2,020

Note: Movement of provision for long service payment

	2026 HK\$'000	2025 HK\$'000
Beginning balance	16	148
Additional(reversal of) provision in the year	21	(132)
Closing balance	37	16

(b) Contract liabilities

	2026 HK\$'000	2025 HK\$'000
Fire safety system installation, presented as current liabilities	–	472

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

When the Group receives a deposit before the production activity commences, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on relevant contract exceeds the amount of the deposit received.

The contract liabilities balance at the beginning of the reporting period of HK\$472,000 (2025: nil) is recognised as revenue in profit or loss during the year ended 31 March 2026.

There is no contract liabilities from fire safety system installation as at 1 April 2024.

24. LEASE LIABILITIES

	2026 HK\$'000	2025 HK\$'000
Lease liabilities payable:		
Within one year	1,898	1,311
Within a period of more than one year but not more than two years	263	779
Within a period of more than two years but not more than five years	129	195
	2,290	2,285
Less: amount due for settlement within 12 months shown under current liabilities	(1,898)	(1,311)
Amount due for settlement after 12 months shown under non-current liabilities	392	974

The weighted average incremental borrowing rate applied to lease liabilities is 5.28% (2025: 3.87%) per annum.

25. SHARE CAPITAL OF THE COMPANY

Ordinary shares of HK\$0.01 each	Number of shares	Amount HK\$'000
Authorised:		
At 1 April 2024, 31 March 2025 and 31 March 2026	10,000,000,000	100,000
Issued and fully paid:		
At 1 April 2024, 31 March 2025 and 31 March 2026	600,000,000	6,000

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For the year ended 31 March 2026

26. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

The remuneration of directors of the Company and other members of key management during the year is as follows:

	2026 HK\$'000	2025 HK\$'000
Fees	480	440
Salaries and other benefits	3,206	3,604
Discretionary bonus	–	732
Retirement benefit scheme contributions	94	103
	3,780	4,879

27. SHARE OPTION SCHEME

The Company's share option scheme (the "Scheme") was adopted, pursuant to a resolution passed on 22 September 2017 which became effective and unconditional upon the listing of the Company's shares on the GEM of the Stock Exchange on 25 October 2017, for the purpose of providing incentives to any full-time or part-time employee of the Company or any member of the Group, including any executive, non-executive directors and independent non-executive directors, advisors, consultants of the Group for their contribution to the Group. Unless otherwise terminated or amended, the Scheme will remain in force for 10 years.

Pursuant to the Scheme, the aggregate number of shares which may be issued upon exercise of all options to be granted under the Scheme, and other schemes offered by the Company, as from the date of adoption of the Scheme, shall not exceed 60,000,000 shares, being 10% of the shares in issue on the Listing Date. The overall limit on the number of shares which shall be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme, and other schemes offered by the Company, shall not exceed 30% of the issued share capital of the Company from time to time. The total number of shares issued, and to be issued, upon exercise of options granted in accordance with the Scheme to each eligible participant in any 12-month period shall not exceed 1% of the issued share capital of the Company. The option shall remain open for acceptance by the eligible participant for a period of not less than 5 business days. HK\$1 shall be payable by the participants on acceptance of the offer of the Scheme.

27. SHARE OPTION SCHEME (continued)

The exercisable period of the share options granted is determinable by the board of directors, but no later than 10 years from the date of grant of the options. The subscription price for the shares in respect of which options are granted is determinable by board of directors, but shall be no less than the highest of (i) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the options, which must be a trading day; (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five trading days immediately preceding the date of grant of the options; and (iii) the nominal value of one share of the Company.

No share option has been granted, exercised, expired, cancelled or lapsed under Scheme since its adoption by the Company and up to 31 March 2026 (2025: none).

28. CAPITAL RISK MANAGEMENT

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

The capital structure of the Group consists of equity attributable to owners of the Company, comprising issued share capital disclosed in note 25 and reserves as disclosed in consolidated statement of changes in equity.

The directors of the Company review the capital structure regularly taking into account the cost of capital and the risk associated with the capital. The Group will balance its overall capital structure through issuance of new shares and the raise of borrowings.

29. FINANCIAL INSTRUMENTS

Categories of financial instruments

	2026 HK\$'000	2025 HK\$'000
Financial assets		
Mandatorily measured at FVTPL		
–Held for trading	3,062	2,676
Amortised cost	33,240	28,388
	36,302	31,064
Financial liabilities		
Amortised cost	9,532	3,803

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29. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies

The Group's major financial instruments include financial assets at FVTPL, trade receivables, deposits, other receivables, pledged bank deposits, cash and cash equivalents, trade payables and other payables. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management of the Group manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risks

Currency risk

The Group has limited currency exposure as both the sales and direct costs were denominated in the functional currency of the respective group entities. Accordingly, management of the Group considers that the Group's exposure to foreign currency risk is minimal.

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to lease liabilities.

The Group's cash flow interest rate risk primarily relates to the pledged bank deposits and cash and cash equivalents (as disclosed in note 21) as at 31 March 2026 and 2025.

The Group has not used any interest rate swaps to mitigate its exposure associated with interest rate risk. However, management of the Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

In the opinion of management of the Group, the expected change in interest rate will not have significant impact on the interest income on pledged bank deposits and cash and cash equivalents and hence sensitivity analysis is not presented.

Equity price risk

The Group is exposed to equity price risk through its investments in equity securities measured at FVTPL. For equity securities measured at FVTPL quoted in the Stock Exchange, management of the Group manages this exposure by maintaining a portfolio of investments with different risks. Decisions to buy and sell equity securities measured at FVTPL are based on daily monitoring of the performance of individual securities compared to that of the index and other industry indicators, as well as the Group's liquidity needs. Management of the Group monitors the equity price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analyses have been determined based on the exposure to equity price risk at the reporting date. For sensitivity analysis of equity securities with fair value measurement categorised within Level 1, the sensitivity rate is increased to 10% in current year as a result of the volatile financial market.

If the prices of the respective equity instruments had been 10% higher/lower, the post-tax profit for the year ended 31 March 2026 would increase/decrease by HK\$256,000 (2025: post-tax loss would decrease/increase by HK\$223,000) as a result of the changes in value of financial assets at FVTPL.

29. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment

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

Management of the Group adopted a policy on providing credit facilities to new customers. A credit investigation, including assess to financial information, advice from business partners in relation to potential customers and credit search, would be required to be launched. The level of credit granted must not exceed a predetermined level set by the management of the Group. Credit evaluation is performed on a regular basis.

Trade receivables and contract assets arising from fire safety system installation services and Repair and Maintenance services

In order to minimise the credit risk on trade receivables and contract assets, management of the Group has delegated a team responsible for monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group applies simplified approach on trade receivables and contract assets to provide for ECL prescribed by HKFRS 9. The contract assets relate to unbilled revenue and retention receivables, which have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The management of the Group estimates the amount of lifetime ECL of the trade receivables and contract assets based on provision matrix, with the assistance of an external professional valuer not connected with the Group, through grouping of various debtors that have similar loss patterns, after considering internal credit ratings of trade debtors, ageing, repayment history and/or past due status of respective trade receivables and contract assets, except for those trade receivables and contract assets that are credit-impaired or significant to the Group would be assessed their ECL individually.

In calculating the expected credit loss rates, the Group considers historical observed default rates for each category of customers and adjusts to reflect current and forward-looking macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the gross domestic product and the unemployment rate in Hong Kong in which it sells goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group, or a debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

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For the year ended 31 March 2026

29. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Trade receivables and contract assets arising from fire safety system installation services and Repair and Maintenance services (continued)

The Group considers a financial asset as default if the counterparty fails to make contractual payments within 90 days when they past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

In this regard, management of the Group considers that the credit risk on trade receivables and contract assets is significantly reduced.

The Group has concentration of credit risks with exposure limited to certain customers. For trade receivables arising from fire safety system installation services and Repair and Maintenance services, the Group's largest debtor contributed approximately 19.2% (2025: 14.1%) of the Group's trade receivables and the Group's five largest debtors contributed approximately 47.7% (2025: 52.4%) of the Group's trade receivables. For contract assets arising from fire safety system installation services and Repair and Maintenance services, the Group's largest customer contributed approximately 20.9% (2025: 17.0%) of the Group's contract assets and the Group's five largest customers contributed approximately 54.6% (2025: 52.6%) of the Group's contract assets as at 31 March 2026.

Deposits and other receivables

For deposits and other receivables, management of the Group makes periodic collective assessment as well as individual assessment on the recoverability of deposits based on past experience, and also available reasonable and supportive forward-looking information. Management of the Group believes that there is no material credit risk inherent in the Group's deposits and other receivables at the end of the reporting period.

Pledged bank deposits and cash and cash equivalents

The credit risk on pledged bank deposits and cash and cash equivalents of the Group is limited because the counterparties with good reputation and no history of default in the past and no loss allowance provision for pledged bank deposits and cash and cash equivalents was recognised as at 31 March 2026 and 2025. The Group has concentration of credit risks with exposure limited to certain financial institutions. The Group's largest banker contributed approximately 95.6% (2025: 92.5%) of the Group's cash and cash equivalents as at 31 March 2026.

29. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Pledged bank deposits and cash and cash equivalents (continued)

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

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

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29. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

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

	Notes	External credit rating	Internal credit rating	12m or lifetime ECL	Gross carrying amounts	
					2026 HK\$'000	2025 HK\$'000
Financial assets at amortised cost						
Trade receivables arising from fire safety system installation services and Repair and Maintenance services	17	N/A	Note a	Lifetime ECL (significant balances, not credit-impaired)	2,729	4,217
	17	N/A	Note a	Lifetime ECL (provision matrix, not credit-impaired)	2,042	1,052
	17	N/A	Note a	Lifetime ECL (credit-impaired)	5,940	2,934
					10,711	8,203
Deposits and other receivables	18	N/A	Note b	12m ECL	585	501
Pledged bank deposits	21	A1	N/A	12m ECL	5,175	5,171
Cash and cash equivalents						
– Financial institutions	21	A1-Baa2	N/A	12m ECL	23,049	18,772
– Brokerage companies	21	Baa3-N/A	N/A	12m ECL	–	184
Other items						
Contract assets arising from fire safety system installation services and Repair and Maintenance services	20	N/A	Note a	Lifetime ECL (significant balances, not credit-impaired)	24,429	29,662
	20	N/A	Note a	Lifetime ECL (provision matrix, not credit-impaired)	10,532	10,011
	20	N/A	Note a	Lifetime ECL (credit-impaired)	9,396	3,703
					44,357	43,376

Notes:

- a For trade receivables and contract assets arising from fire safety system installation services and Repair and Maintenance services, the Group has applied the simplified approach in HKFRS 9 to measure the credit loss allowance at lifetime ECL. Except for trade receivables and contract assets that are credit-impaired or significant to the Group, the Group determines the ECL on these items by using a provision matrix, grouped by shared credit risk characteristics and days past due.
- b For the purposes of internal credit risk management, the Group uses past due information to assess whether credit risk has increased significantly since initial recognition. All of these balances are not past due at 31 March 2026 and 2025.

29. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The following table provides information about the exposure to credit risk for trade receivables and contract assets arising from fire safety system installation services and Repair and Maintenance services which are assessed based on provision matrix as at 31 March 2026 and 2025 within lifetime ECL.

As at 31 March 2026

Internal credit rating	Average loss rate	Gross carrying amount		ECL	
		Trade receivables HK\$'000	Contract assets HK\$'000	Trade receivables HK\$'000	Contract assets HK\$'000
Low risk	1.5%	1,021	9,219	9	143
Watch list	7.1%	595	829	52	49
Doubtful	47.0%	426	484	200	228
		2,042	10,532	261	420

As at 31 March 2025

Internal credit rating	Average loss rate	Gross carrying amount		ECL	
		Trade receivables HK\$'000	Contract assets HK\$'000	Trade receivables HK\$'000	Contract assets HK\$'000
Low risk	1.6%	527	5,739	11	88
Watch list	6.8%	331	1,222	29	76
Doubtful	49.9%	194	3,050	97	1,522
		1,052	10,011	137	1,686

Note:

	Description
Low risk	Listed company or government authority with invoices not yet due.
Watch list	Debtors with invoices overdue for 90 days or more but frequently repay after due dates and usually settle in full.
Doubtful	Debtors with invoices overdue 90 days or more with slow repayment pattern.

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29. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated. The contract assets have substantially the same risk characteristics as the trade receivables for the same type of contracts. The Group has therefore concluded that the loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. Due to greater financial uncertainty, the Group has increased the expected loss rates for debtors with internal credit ratings of “watch list” in the current year as there is higher risk that the economic sentiment in Hong Kong could lead to increased credit default rates.

Movement of impairment allowance

The following table shows the movement in lifetime ECL that has been recognised for trade receivables and contract assets arising from fire safety system installation services and Repair and Maintenance services under the simplified approach.

	Lifetime ECL (not credit-impaired) Trade receivables HK\$'000	Lifetime ECL (credit-impaired) Trade receivables HK\$'000	Total HK\$'000
As at 1 April 2024	1,072	5,293	6,365
Changes due to financial instruments recognised as at 1 April 2024:			
– Transfer to credit-impaired	(542)	542	–
– Impairment losses recognised	934	2,229	3,163
– Impairment losses reversed	(538)	(1,979)	(2,517)
– Write-offs	–	(3,151)	(3,151)
New financial assets originated	583	–	583
As at 31 March 2025	1,509	2,934	4,443
Changes due to financial instruments recognised as at 1 April 2025:			
– Transfer to credit-impaired	(1,383)	1,383	–
– Impairment losses recognised	1,082	1,771	2,853
– Impairment losses reversed	(1,400)	(148)	(1,548)
New financial assets originated	532	–	532
As at 31 March 2026	340	5,940	6,280

29. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Credit risk and impairment assessment (continued)

Movement of impairment allowance (continued)

	Lifetime ECL (not credit-impaired) Contract assets HK\$'000	Lifetime ECL (credit-impaired) Contract assets HK\$'000	Total HK\$'000
As at 1 April 2024	4,572	9,481	14,053
Changes due to financial instruments recognised as at 1 April 2024:			
– Transfer to credit impaired	(114)	114	–
– Impairment losses recognised	4,450	457	4,907
– Impairment losses reversed	(3,435)	(6,349)	(9,784)
New financial assets originated	1,990	–	1,990
As at 31 March 2025	7,463	3,703	11,166
Changes due to financial instruments recognised as at 1 April 2025:			
– Transfer to credit impaired	(25)	25	–
– Impairment losses recognised	227	5,839	6,066
– Impairment losses reversed	(7,059)	(171)	(7,230)
New financial assets originated	118	–	118
As at 31 March 2026	724	9,396	10,120

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over two years past due, whichever occurs earlier.

Liquidity risk

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

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29. FINANCIAL INSTRUMENTS (continued)

Financial risk management objectives and policies (continued)

Liquidity risk (continued)

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

	Weighted average effective interest rate %	On demand or within 1 year HK\$'000	More than 1 year but within 2 years HK\$'000	More than 2 years but within 5 years HK\$'000	Total undiscounted cash flows HK\$'000	Total carrying amounts HK\$'000
At 31 March 2026						
Trade payables	N/A	9,519	-	-	9,519	9,519
Other payables	N/A	13	-	-	13	13
Lease liabilities	5.28	1,972	271	134	2,377	2,290
		11,504	271	134	11,909	11,822
At 31 March 2025						
Trade payables	N/A	3,027	-	-	3,027	3,027
Other payables	N/A	776	-	-	776	776
Lease liabilities	3.87	1,386	806	207	2,399	2,285
		5,189	806	207	6,202	6,088

Fair value measurements of financial instruments

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

30. RETIREMENT BENEFIT PLAN

The MPF Scheme is registered with the Mandatory Provident Fund Schemes Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the MPF Scheme, the employer and its employees are each required to make contributions to the MPF Scheme at rates specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions. Except for voluntary contribution, no forfeited contribution under the MPF Scheme is available to reduce the contribution payable in future years. The cap of contribution amount was HK\$1,500 per employee per month.

30. RETIREMENT BENEFIT PLAN (continued)

For the Group's subsidiaries operating in Hong Kong, pursuant to the Employment Ordinance, Chapter 57, the Group has the obligation to pay LSP to qualifying employees in Hong Kong under certain circumstances (e.g. dismissal by employers or upon retirement), subject to a minimum of 5 years employment period, based on the following formula:

Last monthly wages (before termination of employment) $\times$ 2/3 $\times$ Years of service

Last monthly wages are capped at HK\$22,500 while the amount of long service payment shall not exceed HK\$390,000. This obligation is accounted for as a post-employment defined benefit plan.

Furthermore, the Mandatory Provident Fund Schemes Ordinance passed in 1995 permits the Group to utilise the Group's mandatory MPF contributions, plus/minus any positive/negative returns thereof, for the purpose of offsetting LSP payable to an employee (the "Offsetting Arrangement").

The Amendment Ordinance was gazetted on 17 June 2022, which abolishes the use of the accrued benefits derived from employers' mandatory MPF contributions to offset the LSP. The Abolition took effect on the Transition Date (i.e., 1 May 2025). Separately, the Government of the HKSAR is also expected to introduce a subsidy scheme to assist employers for a period of 25 years after the Transition Date on the LSP payable by employers up to a certain amount per employee per year.

Under the Amendment Ordinance, the Group's mandatory MPF contributions, plus/minus any positive/negative returns, after the Transition Date can continue to be applied to offset the pre- Transition Date LSP obligation but are not eligible to offset the post- Transition Date LSP obligation. On the other hand, the accrued benefits derived from the Group's voluntary contributions made pre-, on or post-transition can continue to be used to offset pre- and post-transition LSP. Furthermore, the LSP obligation before the Transition Date will be grandfathered and calculated based on the Last monthly wages immediately preceding the Transition Date and the years of service up to that date. The Amendment Ordinance has impact on the Group's LSP liability with respect to employees that participate in MPF Scheme and the Group has accounted for the offsetting mechanism and its abolition.

At the end of the reporting period, there were no forfeited contributions which arose upon employees leaving the schemes prior to their interests in the Group's contributions becoming fully vested and which are available to reduce the contributions payable by the Group in future years.

The retirement benefit scheme contributions arising from the MPF Scheme charged to the consolidated statement of profit or loss and other comprehensive income represent contributions paid or payable to the funds by the Group at rates specified in the rules of the schemes.

The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefit scheme operated by the government of the PRC. The subsidiaries in the PRC are required to contribute certain percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions. No forfeited contribution is available to reduce the contribution payable in future years.

The contributions paid and payable to the scheme by the Group to directors of the Company and staff employees and the movement of provision of long service payment are disclosed in notes 7, 9 and 23, respectively.

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

31. PERFORMANCE GUARANTEES

As at 31 March 2026, performance guarantees of approximately HK\$5,175,000 (2025: HK\$5,171,000) were given by banks in favour of the Group's customers as security for the due performance and observance of the Group's obligations under the contracts entered into between the Group and their customers. If the Group fails to provide satisfactory performance to their customers to whom performance guarantees have been given, such customers may demand the banks to pay to them the sum or sum stipulated in such demand. The Group will become liable to compensate such banks accordingly. The performance guarantees will be released upon completion of the contract works. The performance guarantees were secured by the pledged bank deposits as disclosed in note 21.

At the end of each reporting period, the directors of the Company do not consider it is probable that a claim will be made against the Group.

32. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	Lease liabilities HK\$'000
At 1 April 2024	6,011
Financing cash flows (note)	(2,627)
Interest expense	151
New lease entered	3,831
Lease modification	(1,941)
Reduction upon early termination of lease	(3,133)
Effect of changes in exchange rate	(7)
At 31 March 2025	2,285
Financing cash flows (note)	(1,852)
Interest expense	104
New lease entered	1,702
Effect of changes in exchange rate	51
At 31 March 2026	2,290

Note: The financing cash flows include the payment of lease liabilities and related interests paid.

33. MAJOR NON-CASH TRANSACTIONS

During the year ended 31 March 2026, the Group entered into new lease agreements for the use of certain office premises and office equipment for two to five years. On the lease commencement date, the Group recognised HK\$1,702,000 (2025: HK\$3,831,000) of right-of-use assets and HK\$1,702,000 (2025: HK\$3,831,000) of lease liabilities.

34. EVENTS AFTER THE REPORTING PERIOD

Other than as disclosed elsewhere in these consolidated financial statements, the Group has no material subsequent events after the reporting period.

35. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of the Company's principal subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Place of incorporation	Place of operation	Issued and full paid share capital	Proportion of ownership interest held by the Company		Proportion of voting power held by the Company		Principal activities
				as at 31 March		as at 31 March		
				2026	2025	2026	2025	
Directly held								
Golden Second	BVI	Hong Kong	USD1,000	100%	100%	100%	100%	Investment holding and trading of equity securities listed in Hong Kong
Indirectly held								
KY Contracting	Hong Kong	Hong Kong	HK\$5,490,000 (2025: HK\$920,000)	100%	100%	100%	100%	Provision of fire safety services
KY Engineering	Hong Kong	Hong Kong	HK\$10,000	100%	100%	100%	100%	Provision of fire safety services
Cool Studio Limited (note)	Hong Kong	Hong Kong	HK\$100	51%	51%	51%	51%	Investment holding
上海海瞻力量多媒體有限公司 (note)	The PRC	The PRC	RMB11,320,000 (2025: RMB11,280,000)	51%	51%	51%	51%	Investment holding and production of short videos and animation
上海海瞻力量文化有限公司 (note)	The PRC	The PRC	RMB7,994,390 (2025: RMB7,980,390)	51%	51%	51%	51%	Investment holding and production of short videos and animation

Notes to the Consolidated Financial Statements

For the year ended 31 March 2026

35. PARTICULARS OF PRINCIPAL SUBSIDIARIES (continued)

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length. Additionally, the directors of the Company believed that no non-controlling interests were material to the Group, and therefore, the non-controlling interests were not disclosed.

None of the subsidiaries had issued any debt securities at the end of the reporting period or at any time during both years.

Note: The Group holds effective equity interests of 51% on Cool Studio Limited, 上海海膽力量多媒體有限公司 and 上海海膽力量文化有限公司, respectively. The non-controlling shareholder of Cool Studio Limited has yet to make the proportionate shareholder loan as the working capital for its business development as at 31 March 2025, 31 March 2026 and the date when these consolidated financial statements are authorised for issue, and hence the paid up capital of 上海海膽力量多媒體有限公司 and 上海海膽力量文化有限公司 were solely contributed by the Group.

36. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

	Note	2026 HK\$'000	2025 HK\$'000
Non-current asset			
Investments in subsidiaries		49,277	49,277
Current assets			
Prepayments		213	214
Amounts due from subsidiaries		806	3,111
Cash and cash equivalents		2	24
		1,021	3,349
Current liabilities			
Other payables and accrued charges		270	475
Net current assets		751	2,874
Total assets less current liabilities		50,028	52,151
Capital and reserves			
Share capital	25	6,000	6,000
Reserves		44,028	46,151
		50,028	52,151

36. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)
Movement in the Company's reserves

	Share premium HK\$'000	Other reserve HK\$'000 (Note)	Accumulated losses HK\$'000	Total HK\$'000
At 1 April 2024	53,663	12,977	(1,202)	65,438
Loss and total comprehensive expense for the year	–	–	(19,287)	(19,287)
At 31 March 2025	53,663	12,977	(20,489)	46,151
Loss and total comprehensive expense for the year	–	–	(2,123)	(2,123)
At 31 March 2026	53,663	12,977	(22,612)	44,028

Note: The amount of other reserve represents the difference between the investment cost in Golden Second and the nominal value of shares of the Company issued for the acquisition of the entire issued share capital of Golden Second during group reorganisation.

Financial Summary

RESULTS

For the year ended 31 March					
	2026	2025	2024	2023	2022
Consolidated results	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue	68,080	32,417	46,489	78,448	78,260
Gross profit	21,075	6,685	4,012	10,447	22,974
(Loss) profit before tax	1,251	(20,360)	(29,232)	(24,341)	862
(Loss) profit for the year	1,251	(20,360)	(29,790)	(24,419)	604

ASSETS AND LIABILITIES

As at 31 March					
	2026	2025	2024	2023	2022
Consolidated assets and liabilities	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Total assets	78,124	71,063	95,370	124,683	147,832
Total liabilities	13,585	7,804	11,737	11,116	9,846
Net assets	64,539	63,259	83,633	113,567	137,986