Great Harvest Maeta Holdings Limited
榮豐億控股有限公司

(incorporated in the Cayman Islands with limited liability)
Stock code: 3683

Annual Report
2025

CONTENTS

GLOSSARY

"2011 Share Option Scheme"	the share option scheme of the Company approved and adopted by an ordinary resolution of the shareholders at the annual general meeting of the Company held on 19 August 2011 and expired on 18 August 2021
"2021 Share Option Scheme"	the share option scheme of the Company approved and adopted by an ordinary resolution of the shareholders at the annual general meeting of the Company held on 18 August 2021
"Ablaze Rich"	Ablaze Rich Investments Limited (耀豐投資有限公司), a company incorporated in the BVI on 1 July 2008 and was owned as to 51% by Mr. Yan and 49% by Ms. Lam, and is the controlling shareholder of the Company (as defined under the Listing Rules)
"AGM"	the forthcoming annual general meeting of the Company
"All Ages"	All Ages Holdings Limited (萬年控股有限公司), a company incorporated in the BVI on 1 November 2011 and was owned as to 50% by Ms. Lam and as to 50% by Mr. Yan Yui Ham, the son of Mr. Yan and Ms. Lam
"Articles"	the articles of association of the Company
"Audit Committee"	the audit committee of the Board
"Baltic Dry Index" or "BDI"	an index of the daily average of international shipping prices of various dry bulk cargoes made up of 20 key dry bulk routes published by the Baltic Exchange in London
"Baltic Panamax Index" or "BPI"	an index of the shipping prices of panamax vessels made up of four daily panamax vessel assessments of time charter rates published by the Baltic Exchange in London
"Board"	the board of Directors
"BVI"	the British Virgin Islands
"CG Code"	Corporate Governance Code contained in Part 2 of Appendix C1 to the Listing Rules
"Company"	Great Harvest Maeta Holdings Limited (榮豐億控股有限公司), an exempted company incorporated in the Cayman Islands on 21 April 2010 under the Companies Act, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands with limited liability
"Director(s)"	director(s) of the Company
"dwt"	an acronym for deadweight tonnage, a measure expressed in metric tons or long tons of a ship's carrying capacity, including cargoes, bunker, fresh water, crew and provisions

GLOSSARY

"EBITDA"	earnings before interest, tax, depreciation and amortisation, computed to exclude impairment loss on property, plant and equipment or reversal of impairment losses on property, plant and equipment
"Group"	the Company and its subsidiaries
"Hainan Land"	two parcels of land located at Meidian Slope, Hongqi Town, Qiongshan District, Haikou, Hainan Province, the PRC
"HK$" and "HK cents"	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
"Main Board"	the stock market operated by the Stock Exchange, which excludes the GEM of the Stock Exchange and the options market
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"Mr. Yan"	Mr. YAN Kim Po（殷劍波先生）
"Ms. Lam"	Ms. LAM Kwan（林群女士）, the chairperson of the Board, the chief executive officer of the Company, an executive Director
"Nomination Committee"	the nomination committee of the Board
"PRC" or "China"	the People's Republic of China which, for the purposes of this report only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Remuneration Committee"	the remuneration committee of the Board
"RMB"	Renminbi, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
"Sfund"	Sfund International Investment Fund Management Limited（廣州基金國際股權投資基金管理有限公司）, a company incorporated in Hong Kong on 11 August 2015, which is the holder of the Top Build Convertible Bonds

GLOSSARY

"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Top Build"	Top Build Group Ltd. (高建集團有限公司), a company incorporated in the BVI on 24 October 2014 and a wholly-owned subsidiary of the Company
"Top Build Convertible Bonds"	the convertible bonds in the total original principal amount of US$54,000,000 due on 10 May 2021 issued by the Company initially to Mr. Yan, Ms. Lam and Mr. Yin Hai and subsequently transferred to Sfund
"treasury shares"	has the meaning as defined under the Listing Rules
"United States" and "US"	United States of America
"US$" and "US cents"	United States dollars and cents, respectively, the lawful currency of the United States

CORPORATE INFORMATION

Board of Directors

Executive Directors

Ms. LAM Kwan (林群)
(Chairperson and Chief Executive Officer)
Mr. PAN Zhongshan (潘忠善)

Independent non-executive Directors

Mr. CHEUNG Kwan Hung (張鈞鴻)
Ms. WONG Tsui Yue Lucy (黃翠瑜)
Mr. LIU Yongshun (劉永順) (appointed on 18 March 2025)
Dr. CHAN Chung Bun Bunny (陳振彬)
(retired on 30 August 2024)

Audit Committee

Mr. CHEUNG Kwan Hung (張鈞鴻)
(Chairperson of Audit Committee)
Ms. WONG Tsui Yue Lucy (黃翠瑜)
Mr. LIU Yongshun (劉永順) (appointed on 18 March 2025)
Dr. CHAN Chung Bun Bunny (陳振彬)
(retired on 30 August 2024)

Remuneration Committee

Mr. LIU Yongshun (劉永順) (appointed on 18 March 2025)
(Chairperson of Remuneration Committee)
Ms. LAM Kwan (林群)
Mr. CHEUNG Kwan Hung (張鈞鴻)
Dr. CHAN Chung Bun Bunny (陳振彬)
(retired on 30 August 2024)

Nomination Committee

Ms. LAM Kwan (林群)
(Chairperson of Nomination Committee)
Ms. WONG Tsui Yue Lucy (黃翠瑜)
Mr. LIU Yongshun (劉永順) (appointed on 18 March 2025)
Dr. CHAN Chung Bun Bunny (陳振彬)
(retired on 30 August 2024)

Company secretary

Mr. SZE Wing Kin Pierre (施永健)

Authorised representatives

Ms. LAM Kwan (林群)
Mr. SZE Wing Kin Pierre (施永健)

Registered office

Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Headquarters and principal place of business in Hong Kong

12th Floor
200 Gloucester Road
Wanchai
Hong Kong

Principal share registrar and transfer office in the Cayman Islands

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Hong Kong share registrar and transfer office

Union Registrars Limited
Suites 3301-04, 33/F
Two Chinachem Exchange Square
338 King's Road
North Point, Hong Kong

Independent auditor

Rongcheng (Hong Kong) CPA Limited
(formerly known as CL Partners CPA Limited)
Certified Public Accountants
Registered Public Interest Entity Auditor

Legal adviser as to Hong Kong law

Chiu & Partners

Principal bankers

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

Stock code

3683

Website address

www.greatharvestmg.com

The English and Chinese version of this report can be downloaded from the Company's website and can be obtained from the Hong Kong share registrar, Union Registrars Limited. In the event of any difference, the English version prevails.

FIVE-YEAR FINANCIAL SUMMARY

	2025 US$'000	2024 US$'000	2023 US$'000	2022 US$'000	2021 US$'000
Revenue	**14,038**	13,452	18,233	21,562	12,454
Gross (loss)/profit	**(1,096)**	510	2,046	10,574	1,147
(Loss)/profit attributable to owners of the Company	**(10,375)**	(7,126)	(17,093)	24,722	(3,258)
EBITDA	**7,912**	3,118	8,775	12,314	4,529
(Loss)/earnings per share attributable to owners of the Company					
– Basic	**(US1.09 cents)**	(US0.75 cents)	(US1.79 cents)	US2.60 cents	(US0.34 cents)
– Diluted	**(US1.09 cents)**	(US0.75 cents)	(US1.79 cents)	US1.92 cents	(US0.34 cents)
Assets and liabilities					
Total assets	**92,739**	115,213	132,992	153,731	131,030
Total liabilities	**(81,922)**	(92,745)	(102,255)	(101,995)	(105,730)
Net assets	**10,817**	22,468	30,737	51,736	25,300

CHAIRPERSON'S STATEMENT

Dear Shareholders,

In 2024, the global economy maintained its moderate growth, yet at a slower pace, the geopolitical environment remained complex and volatile and the monetary policies of major economies showed a divergent trend. Against this backdrop, the international dry bulk shipping market saw "steady demand growth, optimized supply structure and fluctuating freight rates". In 2024, the global dry bulk shipping volume reached 5.687 billion tons in total, representing a 3.4% increase as compared to 2023, which maintained its growth trend. There were 13,892 dry bulk shipping vessels globally, with a total shipping capacity of 1.035 billion dwt, representing a year-on-year growth of 3.2% in capacity.

During the reporting period, the average age of the Group's fleet, with a total shipping capacity of 150,187 dwt, was 19 years. Under a volatile market environment, the Group adhered to its proactive and prudent operating strategies, effectively maintaining a fleet occupancy rate of approximately 95%. Average daily charter rate of the fleet reached approximately US$9,245, while the recovery rate of charter hire remained consistently high at nearly 100%.

Looking forward to 2025, the global economy will continue to maintain growth, with a projected growth rate ranging from 2.5% to 3.0%. The volume of global trade is expected to grow by 3%, continuing the positive trend. Under a macro environment featuring slow global economic recovery, it is expected that shipping demand will continue to grow steadily. Based on current market analysis, the international dry bulk market is poised to outperform its 2024 levels in 2025, and supported by a relatively tight supply-demand balance, the market outlook will remain generally optimistic.

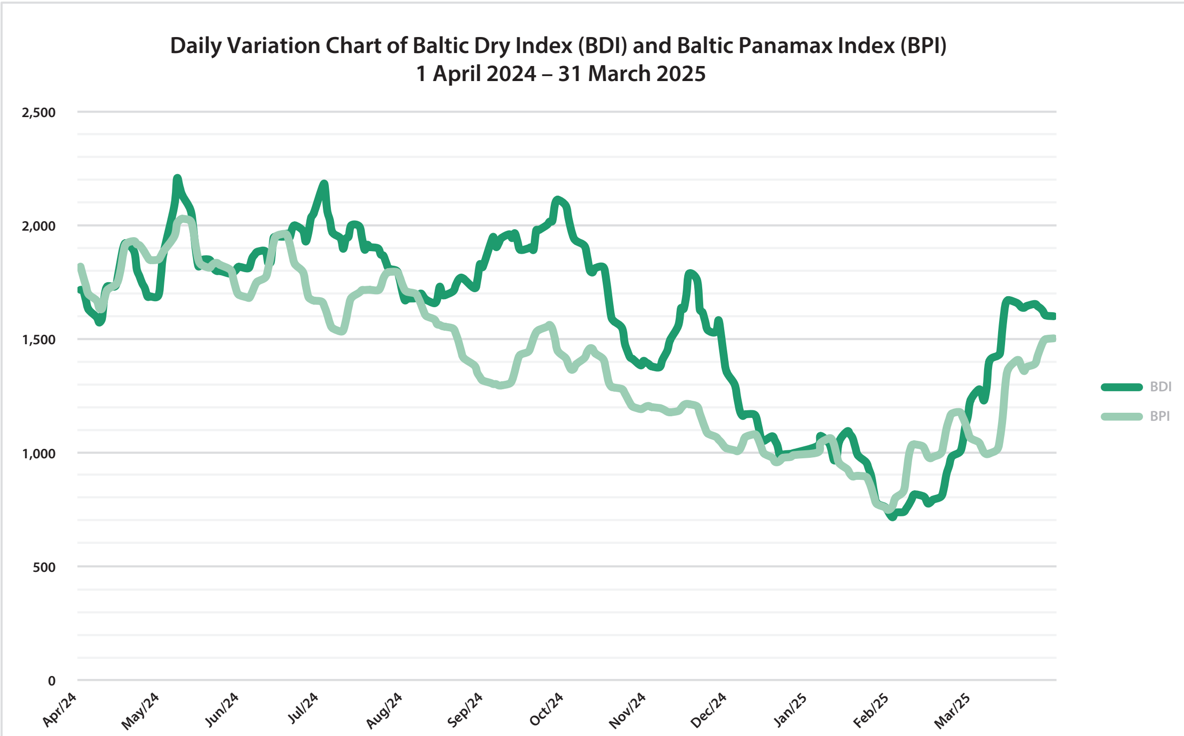
Given the current market condition and operating environment, the Group will continue to uphold its prudent operating strategies, strengthen the daily management of vessels, and constantly improve service quality to provide superior transportation services to its customers. Meanwhile, the Group will strictly control its operating costs and remain committed to improving its overall business performance, thereby creating greater value for shareholders.

LAM Kwan
Chairperson

26 June 2025

MANAGEMENT DISCUSSION AND ANALYSIS

Market Review



I. Market Overview

In 2024, the international dry bulk shipping market showed a volatile trend of gradual decline from initially high levels, culminating in an average annual BDI of 1,754.7 points, representing a year-on-year increase of 27.3%. However, the BDI index continuously dropped to 1,445 points in December from the high points of 2,084 in September, due to the easing of the Red Sea crisis, the reopening of the Panama Canal and the expectation of weakening global trades in the fourth quarter. The Baltic Capesize Index (BCI) marked the most significant increase of 37.85%, which was primarily attributable to the demand for the transportation of iron ores; while the Baltic Panamax Index (BPI) showed weak performance with an increase of 9.69%, reflecting a slower growth rate of the coal trade. In the first quarter of 2025, the market continued its sluggish trend, with the average BDI dropping to 1,373 points, marking a historic low since 2023, highlighting fundamental weakness in both supply and demand.

The sluggish global economic recovery was a key factor driving market fluctuations. In 2024, the global economy's growth rate decreased to 3.2%, while conspicuous consumption divergence emerged between iron, steel and coal sectors across major demand markets including China and India. The production of crude steel recorded a slight year-on-year decrease in China due to a sluggish real estate market, while the steel used in manufacturing became the key support (for example, an increase of 12.3% recorded in automotive, shipping, wind power and other industries, and a breakthrough of 100 million tons recorded in steel exports, representing a year-on-year increase of 22.7%). The demand for steel in India remained at a high growth rate of 8%, with coal imports achieving 250 million tons, representing a year-on-year increase of 19.1%. This made India the fifth largest coal-importing economy, surpassing the EU.

II. Analysis of Capacity Supply and Demand

Supply side: In 2024, the growth rate of global dry bulk vessel capacity remained at low levels of 3%. The capacity of newly delivered dry bulk vessels was 33.84 million dwt with a year-on-year decrease of 4.19%, and the volume of disassembled decreased to 3.75 million dwt with a year-on-year decrease of 30.3%. The fleet aging issue has intensified, with an average dismantling age of 28.54 years. According to environmental regulations, such as the Energy Efficiency Existing Ship Index (EEXI) and Carbon Intensity Indicator (CII), speed reduction operation of old vessels has been promoted with a reduction in actual available capacity of approximately 5%, and the growth rate of small and medium-sized handymax and handysize capacities was 4.3% and 4.1%, respectively. Supply and demand mismatch resulted in the differentiation of vessel types and freight rates. In 2025, the orders for new vessels recorded a year-on-year decrease of 16.4%, and the expected growth rate of vessel capacity remained at 2.8% to 3.0%, coupled with production limitations at shipyards.

Demand side: The growth rate of global dry bulk shipping volume declined to 3.3% from 3.6% in 2023, with the tonne-mile demand growing by 5.2%.

Growth rates for various cargo types:

- **Iron ores:** The global shipping volume amounted to 1.59 billion tons, growing by 1.54%, and China's imports amounted to 1.237 billion tons, growing by 4.9%.

- **Coal:** The shipping volume amounted to 1.37 billion tons, growing by 2.4%, and China's imports amounted to 427 million tons, growing by 15.9%.

- **Food and minor bulks:** The shipping volume of soybean and corn increased by 3.6% due to a large harvest in South America, and China's imports of bauxite increased by 12% to 159 million tons. Transportation risk in Guinea increased due to the political turmoil.

III. Regional Market Performance

China: As the world's largest dry bulk importer, the import volume of iron ores and coal reached record highs in 2024. However, the real estate is dragging down domestic demand for iron and steel, and the manufacturing exports, such as automobile, shipbuilding and other industries, will be crucial variables.

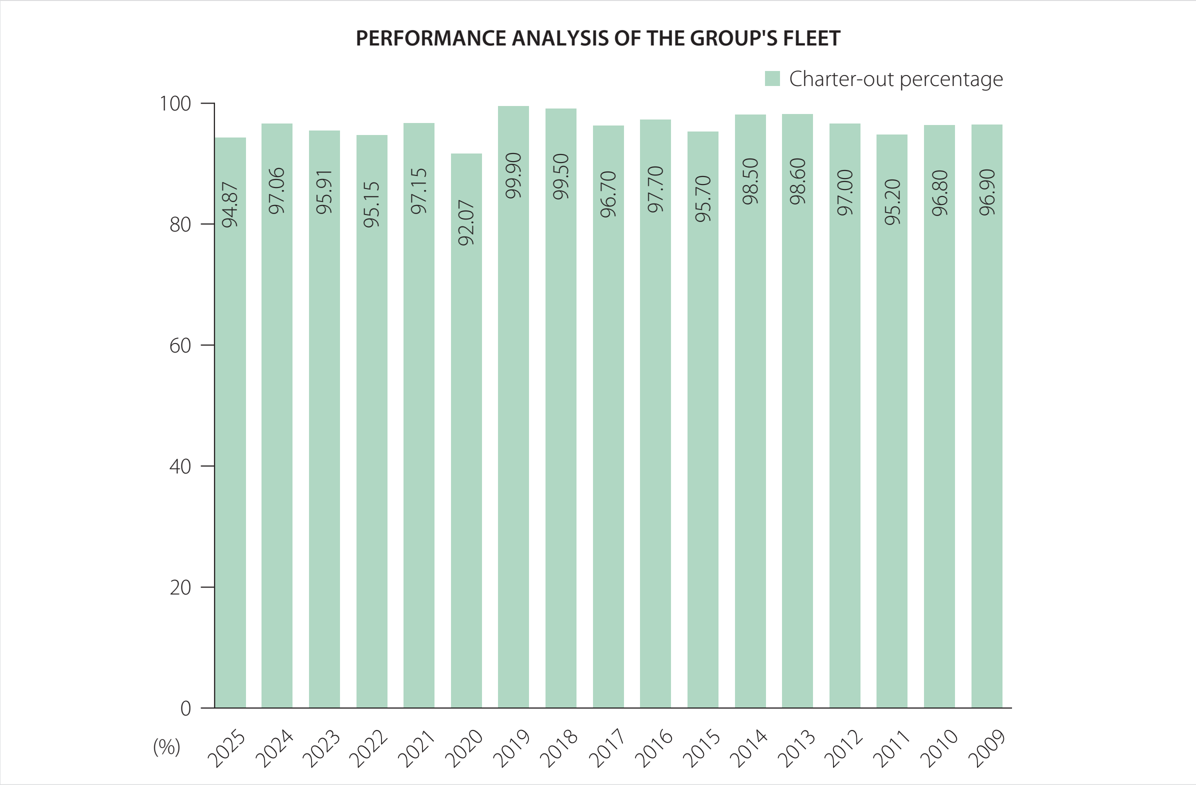
India: The iron and steel production capacity expansion drove the iron ore import to grow by 8.5%, with the coal import dependence rising to 70%. The higher regional freight rates was pushed by the normalized port congestion on the east coast.

Europe: The volume of coal imports decreased by 27.2% to 63.5 million tons as a result of the accelerating energy transition.

Red Sea and Panama Canal: The Red Sea crisis in the first half of 2024 led to detours around the Cape of Good Hope, with a 30% increase in voyage distances on the Asia-Europe routes, pushing up Capesize vessel freight rates. While canal water levels recovered in the fourth quarter, which depressed freight rates with a rebound in the supply of shipping capacity.

From 2024 to 2025, the market is at the stage of "grinding at the bottom", with short-term volatility intensifying, but in the long term, supported by green transformation and emerging market demand, the industry will gradually enter a structural recovery cycle. Shipowners are required to optimize their vessel fleet structure and strengthen their regional market deployment to cope with the challenges of uncertainty.

Business Review



MANAGEMENT DISCUSSION AND ANALYSIS

The Group's vessels were in sound operation from 1 April 2024 to 31 March 2025. Currently, the fleet has a size of 150,187 dwt and an average age of 19 years, and maintained a relatively high operating rate with an average vessel charter-out percentage of 95% for the year ended 31 March 2025. The international dry bulk shipping market showed a volatile trend of gradual decline from initially high levels as the world economic recovery continued to slow down, and geopolitical conflicts, interest rate hikes in Europe and the U.S. and other factors frequently disturbed the market. As such, the average daily charter hire income of each vessel in the fleet was US$9,245 per day, which is US$1,024 or 10% lower as compared to last year.

In view of a good track record of safe operation with no adverse incident and limited downtime, the fleet managed to maintain a relatively high operating rate during the year. Meanwhile, plans and arrangements for dock repair have been duly made to minimise repair time. Two vessels were under dock repair in shipyards for 21 days during the year. The Company had made its efforts to minimise the actual loss during the year. All freight rates and charter hires were received in full without any huge amounts of account receivables. The Group was able to exert stringent control over costs and expenses in the management of its fleet and strived to minimise voyage expenses. Thus, the management expenses of its vessels were within budget. The Group repaid certain outstanding indebtedness after the disposal of a vessel named "GH Power" in July 2024, which further reduced its finance costs.

In order to reduce operational risks and improve operational performance, the Group will continue to uphold its proactive and prudent operating strategies and seek to charter out its vessels to reputable charterers while endeavouring to offer them the best services, so as to maintain a favourable market image for the fleet.

Market Outlook

I. Market fundamentals: weak demand recovery coexists with tight supply constraints

In 2025, the international dry bulk shipping market will be shaped by moderate demand recovery and structural supply contraction. The growth of global economy is expected to recover to 3.3%, while heightened trade protectionism and geopolitical conflicts continue to weigh on actual demand resilience.

The market sees opposing forces in supply side – a surge in new vessel deliveries battling against faster retirement of older ships. In 2025, it is projected that 38.33 million dwt of new vessels will be delivered, marking a record high since 2016, but environmental regulations EEXI and CII may trigger disassembling of high-energy-consuming vessels by shipowners, with an annual scrapping volume of approximately 8 million dwt, representing a 113% year-on-year increase. The growth rate of actual available capacity may be below 2.5%. The intensified fleet aging issue and the CII rating pressures have led some shipowners to slow down their operations, further reducing the effective capacity.

II. Regional market: geopolitical conflicts reshape trading flows

The Red Sea and the Suez Canal: Resumed Houthi attacks caused a 70% year-on-year decline in Suez Canal traffic, forcing Asia-Europe routes to divert to the Cape of Good Hope, with an increasing voyage distance by 30%, which boosted Capesize ton-mile demand by approximately 15%. If U.S. military intervention fails to effectively suppress the attacks, sustained detours may continue through the second half of 2025, supporting Capesize freight rates at high levels.

China and India: China's coastal inter-provincial dry bulk fleet capacity decreased by 2.8%, with the proportion of aging vessels rising to 12.3%, indicating structural adjustments in the domestic market. The persistent congestion at East Indian ports resulted in the increase of iron ore import cost by 10%, but the capacity expansion has driven shipping demand to grow by 8.5%, resulting in freight rate volatility significantly exceeding global average.

Europe and Southeast Asia: The accelerated replacement of European renewable energy has reduced coal imports by 8.6% to 58 million tons, while the coal freight rates in Baltic Sea experienced intensified volatility due to winter demand fluctuations. The minor bulk shipments such as bauxite and fertilisers recorded 12% growth in Southeast Asia, and coal imports in Vietnam increased by 9.7% to 62 million tons, emerging as a new growth driver.

III. Policies and Technologies: dual forces driving the green transition and trade barriers

Environmental Policy: The full implementation of EEXI and CII is driving fleet renewal. In 2025, new vessel orders powered by green methanol and ammonia increased to 25% of total orders. It is expected that around 46% of ships will need to develop corrective plans due to substandard CII ratings, leading to a 5% to 8% increase in operating costs for shipowners.

Trade Policy: The U.S. government's imposition of tariffs on imported goods is indirectly reshaping the flow of iron ore and grain trade through the restructuring of global supply chains.

IV. Challenges and Risks

1. **Supply-Demand Imbalance Risk:** In 2025, demand is expected to grow by 2.5%, while capacity is projected to increase by 3%. The market may enter a phase of "tight balance", leading to increased freight rate volatility.

2. **Geopolitical Black Swan:** The volatile situation in the Red Sea, political instability in Guinea, and the U.S. trade protectionism constituted major sources of uncertainty.

3. **Rising Cost Pressures:** Fuel price volatility, the implementation of carbon taxes, and the costs of green vessel retrofitting are squeezing shipowners' profits. Cash flow risks are intensifying for the shipowners of small and medium-sized vessels.

In 2024, low order volumes led to a 16.4% year-on-year decrease in new vessel orders, and the implementation of EEXI and CII is expected to constrain supply expansion. The actual growth of available shipping capacity may fall below 2%. If the Red Sea situation continues to stabilize, freight rates may experience a moderate rebound in the second half of 2025 amid a rebalancing of supply and demand. However, caution is warranted regarding the risk of trade contraction triggered by the implementation of U.S. tariff policies.

In light of the volatile spot freight market, the Group will maintain a prudent operational strategy, focusing on daily vessel management and striving to provide high-quality transportation services to the users. We aim to charter our vessels at favorable rates to reputable and reliable charterers, thereby enhancing a better operating income for the Company. At the same time, we will exercise strict control over operating expenses and minimize all unnecessary expenditures.

Financial Review

Revenue

Revenue of the Group increased from US$13.5 million for the year ended 31 March 2024 to US$14.0 million for the year ended 31 March 2025, representing an increase of approximately US$0.5 million, or 4.4%.

Following the disposal of vessels GH Harmony and GH Power in January 2024 and July 2024 respectively, the Group's remaining fleet has 2 vessels as at 31 March 2025. Also, the average daily charter hire income of the Group's fleet decreased from US$10,269 for the year ended 31 March 2024 to US$9,245 for the year ended 31 March 2025.

On the other hand, besides chartering out owned vessels, the Group has also expanded into vessel sub-leasing business starting from April 2024 and 7 freights have been completed for the year ended 31 March 2025, generating over US$6.6 million freight revenue.

Cost of services

Cost of services of the Group increased from US$12.9 million for the year ended 31 March 2024 to US$15.1 million for the year ended 31 March 2025, representing an increase of approximately US$2.2 million, or 16.9%.

Following the disposal of vessels GH Harmony and GH Power in January 2024 and July 2024 respectively, the Group's remaining fleet has 2 vessels as at 31 March 2025, which led to the drop in the Group's cost of ship operation, including but not limited to vessel depreciation, crew expenses and other management costs.

On the other hand, the freight cost in relation to the new vessel sub-leasing business starting from April 2024 amounted to US$6.5 million for the year ended 31 March 2025.

Gross (loss)/profit

The Group recorded a gross profit drop from a gross profit of about US$0.5 million for the year ended 31 March 2024 to a gross loss of about US$1.1 million for the year ended 31 March 2025. This drop in gross profit was due to larger increase in cost of services of 16.9% as compared to the increase in revenue of only 4.4% for the year ended 31 March 2025.

General and administrative expenses

General and administrative expenses of the Group decreased from US$2.7 million for the year ended 31 March 2024 to US$2.4 million for the year ended 31 March 2025, representing a decrease of approximately US$0.3 million or 10.4%. The decrease was mainly due to the reduction in staff headcount and staff cost under the Group's continued stringent expenditure control for the year ended 31 March 2025.

(Provision for)/Reversal of impairment losses on property, plant and equipment

The Group principally engages in chartering of dry bulk vessels and the Group's fleet has 2 vessels with carrying capacity of 150,187 dwt and an average age of 19 years as at 31 March 2025. The Group maintained a fleet occupancy rate of 94.9% for the year ended 31 March 2025.

The Group's management regards each individual vessel as a separate identifiable cash-generating unit ("CGU").

As at 31 March 2025, the Group reviewed the carrying amounts of its property, plant and equipment (including the 2 vessels) to determine whether there is any indication that those assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased. The Group estimated the recoverable value, representing the greater of the vessels' fair value less cost to disposal ("FVLCTD") or its value in use ("VIU") and internal and external sources of information are considered in the estimation assessment.

Impairment Assessment:

VIU: The VIU of the vessels is assessed based on management's assumptions and estimates of vessels' future earnings and appropriate pre-tax discount rates to derive the present value of those earnings. The Group usually enters charter hire contracts for periods of 3 to 6 months in the spot market. The discount rates used for the VIU calculation on owned vessels was 8.6% (31 March 2024: 11.0%), which are based on the industry sector risk premium relevant to the CGUs and the applicable gearing ratio of the CGUs.

FVLCTD: As at 31 March 2025, the aggregate FVLCTD of the vessels amounted to US$19.2 million. The fair value is based on valuations performed by a leading international company specialised in vessels valuation.

The fair value of the vessels was an estimate of fair market price based on the price the valuer estimates as its opinion in good faith that the vessels would obtain in a hypothetical transaction between a willing buyer and a willing seller on the basis of prompt charter free delivery at an acceptable worldwide delivery port, for cash payment on standard sale terms.

The fair value of the vessels was primarily determined based on the direct comparison method with reference to recent sales of comparable vessels. In particular, the vessel's market value is estimated using five factors:

– Type: Each vessel type is modelled independently.

– Features: Relative scores are assigned to all features recorded in the vessel database.

– Age and Cargo Capacity: The nonlinear dependences of value on age and cargo capacity are modelled using mathematical functions with adjustable parameters which allow them to assume a variety of shapes. Constraints are imposed on these parameters by application of economic principles and broking expertise.

– Freight Earnings: Time charters, spot freight rates and forward freight agreements are used to create indicators of freight market sentiment for each vessel type. Signal processing techniques are applied to these indicators to maximise their correlation with vessel values.

The market approach was consistently adopted for the year ended 31 March 2025 and 2024. The market approach was adopted as the Company considered it to be the most suitable valuation method as it is universally considered as the most accepted valuation approach for valuing a vessel because it is based on publicly available data on comparable transactions. In the marketplace, buyers and sellers often have different perceptions of the value of the asset in disposal. The market approach, which valuation is based on and with reference to actual transaction prices by direct comparison to recent actual sales of comparable vessels, needs fewer subjective assumptions as compared to the other alternative approaches and provides a concrete method that eliminates ambiguity or uncertainty for determining the value of the vessel's worth. There were no subsequent changes in the valuation method used.

As at 31 March 2025, the aggregate recoverable amounts of vessels amounted to US$19.2 million, which were determined by FVLCTD. Since the recoverable amounts of each of the 2 vessels were lower than their respective carrying amounts, the carrying amount of the vessels is reduced to its recoverable amount, and impairment losses of US$6.9 million was recognised in the consolidated statement of profit or loss and other comprehensive income of the Group for the year ended 31 March 2025. Such impairment loss is non-cash in nature and does not have impact on the operating cash flows of the Group.

Finance costs

Net finance costs of the Group decreased from US$5.0 million for the year ended 31 March 2024 to US$4.0 million for the year ended 31 March 2025, representing a decrease of US$1.0 million or 20.5%. The decrease in net finance costs was mainly due to the repayment of borrowings and loans, in particular the term loan for the principal amount of US$14.75 million for refinancing the Group's bank borrowings in relation to GH Glory and GH Harmony has been fully repaid after the disposal of vessel GH Harmony in January 2024.

Loss for the year

The Group incurred a loss of US$6.8 million for the year ended 31 March 2024 and a loss of US$10.4 million for the year ended 31 March 2025, representing an increase of approximately US$3.6 million or 52.6%.

The significant increase in loss for the year ended 31 March 2025 was mainly attributable to the following factors:

(i) the Group recorded a gross profit drop from a gross profit of about US$0.5 million for the year ended 31 March 2024 to a gross loss of about US$1.1 million for the year ended 31 March 2025;

(ii) provision for impairment losses on property, plant and equipment of approximately US$6.9 million was recognised for the year ended 31 March 2025, which resulted from the decrease in fair value of vessels owned by the Group as at 31 March 2025 as compared to the recognition of reversal of impairment losses on property, plant and equipment of approximately US$0.9 million for the year ended 31 March 2024; and

(iii) recognition of gain on modification of convertible bonds of US$3.2 million and reversal of expected penalty interest for convertible bonds of US$4.0 million for the year ended 31 March 2025 given the Second Supplemental Settlement Agreement was entered into by the Company and the Bondholder on 21 January 2025.

EBITDA

The Group's EBITDA has increased from US$3.1 million for the year ended 31 March 2024 to US$7.9 million for the year ended 31 March 2025. It was mainly due to recognition of gain on modification of convertible bonds of US$3.2 million and reversal of expected penalty interest for convertible bonds of US$4.0 million for the year ended 31 March 2025 which was offset by a gross profit drop from a gross profit of about US$0.5 million for the year ended 31 March 2024 to a gross loss of about US$1.1 million for the year ended 31 March 2025.

Liquidity, financial resources, capital structure and gearing ratio

As at 31 March 2025, the Group's cash and cash equivalents amounted to US$0.2 million (31 March 2024: US$1.1 million), of which 95.5% were denominated in US$, 4.4% were denominated in HK$ and 0.1% were denominated in RMB. Outstanding bank borrowings amounted to US$0.4 million (31 March 2024: US$0.5 million) and other loans (including convertible bonds) amounted to US$56.6 million (31 March 2024: US$62.2 million), of which 99.3% were denominated in US$ and 0.7% were denominated in HK$.

As at 31 March 2025 and 31 March 2024, the Group had a gearing ratio (being bank borrowings and other borrowings (including convertible bonds) of the Group divided by the total assets of the Group) of 61.5% and 54.5% respectively. The increase in gearing ratio as at 31 March 2025 was mainly due to the decrease in assets arising from (i) the disposal of vessel GH Power in July 2024; and (ii) the impairment loss of vessels recognised as at 31 March 2025.

The Group recorded net current liabilities of about US$8.6 million as at 31 March 2025 and approximately US$64.2 million as at 31 March 2024. The significant decrease was mainly due to (i) the reclassification of the Top Build Convertible Bonds of US$53.1 million as at 31 March 2025 as non-current liabilities; and (ii) accrual of interest for Top Build Convertible Bonds offset by the repayment of the principal of US$1.0 million during the year ended 31 March 2025.

The Group monitors the current and expected liquidity requirements regularly to mitigate the effects of fluctuations in cash flows. The Company has entered into six loan facility agreements with Ablaze Rich, a controlling shareholder of the Company (as defined in the Listing Rules), on 19 January 2017, 12 April 2017, 15 January 2018, 17 April 2019, 28 February 2020 and 23 June 2020 for six loan facilities (collectively, the "Facilities") in the amounts of US$3.0 million (the "First Facility"), US$3.0 million (the "Second Facility"), US$1.5 million (the "Third Facility"), US$2.0 million (the "Fourth Facility"), US$2.0 million (the "Fifth Facility") and US$3.0 million (the "Sixth Facility") respectively. The First Facility, the Second Facility and the Sixth Facility were extended on 30 March 2023.

The full loan amount had been drawn down by the Company under the First Facility, the Second Facility, the Third Facility, the Fourth Facility and the Fifth Facility. As at 31 March 2025, US$2.0 million of the loan amount had been drawn down by the Company under the Sixth Facility.

The First Facility will be repayable on an extended repayment date which is on or before 30 June 2026, the Second Facility will be repayable on an extended repayment date which is on or before 30 June 2026 and the Sixth Facility will be repayable on or before 30 June 2026. These loan facilities are unsecured and carry an interest of 4% per annum. As at the date of this report, the drawn amount under the Second Facility, the Third Facility, the Fourth Facility, the Fifth Facility and the Sixth Facility have been repaid in full and US$2,279,450 of the First Facility has been repaid. The disinterested members of the Board (including the independent non-executive Directors) consider that as each of the facilities is on normal commercial terms or better and is not secured by assets of the Group, the receipt of financial assistance by the Group thereunder are fully exempt under Rule 14A.90 of the Listing Rules.

On 30 September 2024, the Company entered into a deed of funding undertakings. Ablaze Rich, Mr. Yan and Ms. Lam have undertaken to provide funding to the Group when funding notice shall be issued by the Company within twenty four months of the date of the deed. The undertakings shall cease to have effect after twenty four months from the date of the deed or upon the Company or any member of the Group having obtained long-term external bank borrowings or other sources of long-term financing with a principal amount of not less than US$30 million, whichever is the earlier. The deed of funding undertakings entered on 30 September 2023 was superseded by this deed, and had ceased to be effective from 30 September 2024. As at the date of this report, no loan was obtained under the terms of the deed.

The Directors are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations.

The Group's liquidity requirements will be satisfied by a combination of cash flow generated from working capital arising from operating activities, bank loans and other financing means which the Company may from time to time consider appropriate.

Convertible Bonds

As announced by the Company on 10 May 2016, completion of the acquisition of the entire issued share capital of Top Build Group Ltd. took place on 10 May 2016 and a convertible bond with principal amount of US$54,000,000 ("Top Build Convertible Bonds") was issued in May 2016.

As announced by the Company on 14 May 2021, 24 June 2021, 24 November 2021, 31 December 2021 and 25 February 2022, the Top Build Convertible Bonds matured on 10 May 2021 and the Company defaulted in the redemption of the Top Build Convertible Bonds in full in accordance with the terms and conditions thereof (the "Default"). On 24 November 2021, the Company and the Bondholder, among others, entered into a settlement agreement (the "Settlement Agreement"), pursuant to which the Bondholder has agreed to withhold taking any further litigation or claims against the Company in respect of the Default provided that the Company settled the outstanding redemption amount in the Top Build Convertible Bonds by, among others, repaying the Bondholder US$25 million in cash within two months from the date of the Settlement Agreement (i.e. 24 January 2022). On 31 December 2021, the Company entered into a subscription agreement with an independent investor in Hong Kong, pursuant to which the Company has agreed to issue, and the investor has agreed to subscribe for, corporate bond in the principal amount of US$50 million, but the completion of such subscription did not take place. As a result, the Company did not pay in full the US$25 million which was due and payable on 24 January 2022 pursuant to the terms of the Settlement Agreement. On 24 February 2022, the Bondholder filed a winding-up petition (the "Petition") with the Court of First Instance of the High Court of the Hong Kong Special Administrative Region (the "High Court of Hong Kong") for the winding-up of the Company in relation to the outstanding redemption amount in the Top Build Convertible Bonds, which amounted to US$51,230,000 as at the date of the Petition.

On 29 June 2022, the Company and the Bondholder, among others, entered into a supplemental agreement to the Settlement Agreement (the "Supplemental Settlement Agreement"), pursuant to which the Bondholder has agreed, among others, to conditionally withdraw the Petition and withhold taking any further litigation or claims against the Company in respect of the Default. Pursuant to the Supplemental Settlement Agreement, the Company will settle the outstanding redemption amount of the Top Build Convertible Bonds (which amounted to US$51,230,000 as at the date of the Supplemental Settlement Agreement) by repaying the Bondholder (i) US$5,000,000 in cash in 10 quarterly instalments of US$500,000 with the first instalment to be paid within 7 business days from the date the High Court of Hong Kong grant an order for the withdrawal of the Petition; and (ii) the remaining balance of US$46,230,000 and all accumulated interest (calculated at an interest rate of 8% per annum), both to be paid in cash in one lump sum on 31 December 2024. The withdrawal of the Petition is further conditional upon, among others, the Company having delivered security documents for the pledge/mortgage over certain assets of the Group in favour of the Bondholder as security for the Company's performance of its repayment obligations under the Settlement Agreement (as supplemented by the Supplemental Settlement Agreement). Please refer to the announcement of the Company dated 29 June 2022 for further details.

As disclosed in the announcement of the Company dated 15 July 2022, pursuant to the Supplemental Settlement Agreement, the Petitioner and the Company have executed and filed a consent summons to the High Court of Hong Kong for the withdrawal of the Petition. On 15 July 2022, the Company received the order of the High Court of Hong Kong dated 14 July 2022 which ordered, among other things, that the Petition be withdrawn.

As disclosed in the insider information announcement dated 31 March 2023, the Company has not repaid to the Bondholder the fourth quarterly instalment of US$500,000 due on 31 March 2023. The Company and the Bondholder have made further arrangements in relation to the settlement of the unpaid instalment and the US$500,000 was fully repaid in 3 instalments on or before 15 June 2023.

On 30 June 2023, the Company has made repayment of US$100,000 to the Bondholder for partial payment of the fifth quarterly instalment due on 30 June 2023.

On 22 November 2023, the Bondholder confirmed to the Company that the Company shall repay (i) the remaining balance of US$400,000 of the fifth quarterly instalment due on 30 June 2023; and (ii) the sixth quarterly instalment of US$500,000 (due on 30 September 2023) on or before 31 December 2023.

On 7 February 2024, the Company has made repayment of US$200,000 to the Bondholder for partial payment of the fifth quarterly instalment.

On 7 May 2024, the Bondholder confirmed to the Company that the Company shall repay (i) the remaining balance of US$200,000 of the fifth quarterly instalment; (ii) the sixth quarterly instalment of US$500,000; (iii) the seventh quarterly instalment of US$500,000 (due on 31 December 2023); (iv) the eighth quarterly instalment of US$500,000 (due on 31 March 2024); and (v) the ninth quarterly instalment of US$500,000 (due on 30 June 2024) on or before 31 December 2024.

On 13 September 2024, the Company has made repayment to the Bondholder for (i) the remaining balance of US$200,000 of the fifth quarterly instalment; (ii) the sixth quarterly instalment of US$500,000; and (iii) partial payment of US$300,000 of the seventh quarterly instalment.

On 21 January 2025, the Company, Mr. Yan, Ms. Lam, Ablaze Rich (Ablaze Rich, collectively with Mr. Yan and Ms. Lam (the "Guarantors")) and the Bondholder, entered into the Second Supplemental Settlement Agreement, in which the Bondholder has agreed, among others, to adjust the repayment schedule of the outstanding redemption amount of the Top Build Convertible Bonds and the interests accrued therefrom.

Pursuant to the Second Supplemental Settlement Agreement, the Company will settle:

(i) the outstanding principal of the redemption amount of the Top Build Convertible Bonds (which amounted to US$47,930,000 as at the date of the Second Supplemental Settlement Agreement) by repaying the Bondholder in cash of (a) not less than US$300,000 within each of the second and third quarter of 2025; (b) not less than US$1,400,000 within the fourth quarter of 2025; (c) not less than US$500,000 within each of the first, second and third quarter of 2026; and (d) the remaining balance within the fourth quarter of 2026 and on or before 31 December 2026;

(ii) the outstanding accrued interest on the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 July 2022 and 31 December 2024 of US$9,893,162 in cash on or before 31 December 2026;

(iii) interest over the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 January 2025 and 31 December 2026, calculated at an interest rate of 8% per annum, in cash on or before 31 December 2026; and

(iv) liquidated damages in respect of the default of US$87,405 in cash on or before 31 December 2026.

Under the Second Supplemental Settlement Agreement, the Company will provide or procure to be provided the following pledge/mortgage over the Group's assets in favour of the Bondholder as additional security (the "Additional Security") for the Company's performance of its repayment obligations under the Settlement Agreement (as supplemented by the Supplemental Settlement Agreement and the Second Supplemental Settlement Agreement):

(i) the mortgage over the land use right of a parcel of land of approximately 103.4 mu located at Haikou, Hainan Province, the PRC held by the PRC Subsidiary; and

(ii) the pledge over 41% of the equity interests in the PRC Subsidiary held by the Hong Kong Subsidiary.

All existing security documents as provided under the Supplemental Settlement Agreement remained as security for the Settlement Agreement. Pursuant to the Second Supplemental Settlement Agreement, the Bondholder agrees to release the existing mortgage over a vessel (the "Subject Vessel") owned by the Group upon completion of the requisite registration procedures in respect of the Additional Security. Pursuant to the Second Supplemental Settlement Agreement, the Group has undertaken to the Bondholder that, after the release of the existing mortgage over the Subject Vessel, if the Group disposes of the Subject Vessel, 50% of such sale proceeds shall be applied towards settlement of the amount due under the Supplemental Agreement (as supplemented) and shall be paid to the Bondholder within 15 days after receipt by the Group of the sale proceeds.

The Group is planning to raise funds through the capital market, such as placement or issue of corporate bonds and/or other sources, to finance the settlement of the outstanding redemption amount of the Top Build Convertible Bonds, negotiation with potential investor(s) on which is ongoing as at the date of this report. Further announcement(s) in relation to, inter alia, any other material developments in connection with the redemption arrangement of the Top Build Convertible Bonds will be made as and when appropriate.

Exposure to fluctuations in exchange rate risk and related hedges

The Group's transactions and monetary assets were primarily denominated in US$. Operating expenses of the Group's Hong Kong subsidiaries were primarily denominated in HK$ and that of the Group's PRC subsidiary was primarily denominated in RMB and the borrowings and loans of the Group were denominated in US$ and HK$. As the Group does not have significant foreign currency transactions or balances, the Directors consider that the level of foreign currency exposure for the Group is relatively minimal.

The Group has not entered into any arrangements to hedge for the future fluctuations of Hong Kong Dollars Best Lending Rate or cost of fund arising from the Group's variable-rate borrowings.

Charges on assets

As at 31 March 2025, the Group had pledged the following assets to the Bondholder as securities against the convertible bonds to the Group:

	31 March 2025 US$'000	31 March 2024 US$'000
Investment properties	71,629	35,356
Property, plant and equipment	–	8,722
	71,629	44,078

Contingent liabilities

There were no material contingent liabilities for the Group as at 31 March 2025.

Employees' remuneration and retirement scheme arrangements

As at 31 March 2025, the Group had a total of 54 employees (as at 31 March 2024: 79 employees). For the year ended 31 March 2025, the total salaries and related costs (including Directors' fees) amounted to approximately US$3.6 million (2024: US$5.6 million). It is the Group's policy to remunerate its employees with reference to the relevant market situation, and accordingly the remuneration level of the Group's employees remains at a competitive level and is adjusted in accordance with the employees' performance. Other benefits offered by the Group include mandatory provident fund scheme and medical insurance.

The Group operates defined contribution plans by paying contributions to pension insurance plans. The Group's contributions to such defined contribution plans vest fully and immediately with the employees. Accordingly, there are no forfeited contributions under such plans which may be used by the Group as employer to reduce its existing level of contributions for the year ended 31 March 2025.

Material acquisitions and disposals

Except for the disposal of vessel GH Power in July 2024, the Group had no other material acquisitions or disposals during the year ended 31 March 2025.

Significant investment

The Group did not have any significant investment which accounted for more than 5% of the Group's total assets as at 31 March 2025.

Investment properties

Particulars of property interests held by the Group as at 31 March 2025 are as follows:

Location	Existing use	Tenure	Attributable interest of the Group
Investment properties			
Two parcels of land located at Meidian Slope, Hongqi Town, Qiongshan District, Haikou, Hainan Province, the PRC	Vacant	Medium	91%

Future plans for material investments or capital assets

The Group did not have any future plans for material investments or capital assets as at the date of this report.

Prospects

In view of the ongoing uncertainty of the Red Sea situation and regional conflicts, as well as the accelerated structural adjustment of the industry due to environmental regulations, the fundamentals of market supply and demand have shown weak demand growth and structural contraction on the supply side. It is expected that the international dry bulk shipping market will present a complex pattern of "weak demand and shrinking supply" in 2025. The overall market tends to be stable, but structural differentiation will become more pronounced.

The Company will closely monitor market changes, continuously and prudently exploring any potential investment or business opportunities to diversify its revenue streams. Additionally, we will enhance safety management, reduce carbon emissions, and lower operating costs. The Company will keep the shareholders of the Company updated of any business development as and when appropriate.

Disclaimer of Opinion

Rongcheng (Hong Kong) CPA Limited (formerly known as CL Partners CPA Limited), the auditor ("Auditor") of the Company has issued a disclaimer of audit opinion (the "Disclaimer of Opinion") on the Company's consolidated financial statements for the year ended 31 March 2025. For details of the Disclaimer of Opinion, please refer to the Independent Auditor's Report on pages 103 to 105 of this annual report.

Management's View on the Disclaimer of Opinion

The fundamental reason for the Disclaimer of Opinion made by the Auditor for the year ended 31 March 2025 is due to the fact that the Group reported a net loss of approximately US$10,383,000 for the year ended 31 March 2025. As at 31 March 2025, the Group's current liabilities exceeded its current assets by approximately US$8,586,000, which included borrowings and loans of approximately US$109,000 and convertible bonds of approximately US$2,500,000, that are repayable within one year, while the Group's cash and cash equivalents balances was approximately US$167,000. In addition, the Group has entered into agreements which will involve capital commitments of approximately US$243,000 in respect of investment properties project as at 31 March 2025.

On 21 January 2025, the Company, the Guarantors and the Bondholder entered into the Second Supplemental Settlement Agreement, in which the Bondholder has agreed, among others, to adjust the repayment schedule of the outstanding redemption amount of the Top Build Convertible Bonds and the interests accrued therefrom. Please refer to the section headed "Management Discussion and Analysis – Convertible Bonds" in this annual report for further details of the Second Supplemental Settlement Agreement and the settlement terms contained therein.

In view of the above circumstances, the Directors have prepared a cash flow forecast of the Group which takes into account certain plans and measures covering a period of not less than twelve months from 31 March 2025. The validity of the going concern assumption is dependent on the successful and favourable outcomes of these plans and measures, as mentioned in Note 2.1.1 to the consolidated financial statements of the Group, being undertaken by the management of the Group (the "Management"). The appropriateness of the preparation of the consolidated financial statements of the Group on the going concern basis depends on whether the plans and measures, as mentioned in Note 2.1.1 to the consolidated financial statements of the Group, taken into account by the Directors in the going concern assessment are achievable.

The management also highlights the Group's net equity position and the Group's investment properties, being commercial properties in the Hainan province, the PRC, are presently vacant which current fair value exceeds the amount of convertible bonds. As such, the Management believes the Group has adequate available assets to discharge its redemption obligation should the Bondholder call for it, either by way of asset realization or asset offer in lieu of payment to finance the settlement of the outstanding redemption amount of the Top Build Convertible Bonds, all accumulated interest and liquidated damages, without causing too much disruption to the Group's current business activities and operations.

As set out in the Independent Auditor's Report, the Auditor has not been able to obtain sufficient appropriate audit evidence to satisfy themselves that the events or conditions (including the plans and measures) underpinning the cash flow forecast of the Group for going concern assessment are reasonable and supportable because of the lack of sufficient appropriate audit evidence from the Management on its success and feasibility. Furthermore, there were no other satisfactory audit procedures that the Auditor could adopt to conclude whether it is appropriate to use the going concern assumption to prepare the consolidated financial statements of the Group for the year ended 31 March 2025. Therefore, the Auditor was unable to form an audit opinion on the consolidated financial statements of the Group for the year ended 31 March 2025 and expressed the Disclaimer of Opinion. Please refer to the Independent Auditor's Report for details.

Audit Committee's View on the Disclaimer of Opinion

The Audit Committee has reviewed the Disclaimer of Opinion for the year ended 31 March 2025, and understood the Management position and basis as set out in the section headed "Management's View on the Disclaimer of Opinion" above. Having considered the circumstances and plans and measures of the Group, the Audit Committee agrees with the Management's position and basis.

Furthermore, as disclosed in the announcement of the Company dated 19 June 2025, a member of the Group entered into a memorandum of agreement in respect of the disposal of the Group's vessel named "GH Fortune". The Group intends to use the net sale proceeds from such disposal for repayment of certain outstanding indebtedness and replenishing the general working capital of the Group. As such, the Audit Committee is of the view that the Management should continue its efforts in implementing the plans and measures described in Note 2.1.1 to the consolidated financial statements of the Group with the intention of addressing the Disclaimer of Opinion.

The plans and measures of the Group to address the Disclaimer of Opinion, as at the date of this annual report, are set out in Note 2.1.1 to the consolidated financial statements of the Group.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The updated biographies of the Directors and senior management of the Company are set out as below:

Board of Directors

Executive Directors

Ms. LAM Kwan (林群), aged 57, is the chairperson of the Board, the Chief Executive Officer and an executive Director of the Company. She is one of the co-founders of the Group and has been serving as an executive Director since April 2010. Ms. Lam is also one of the controlling shareholders of the Company (as defined under the Listing Rules). Ms. Lam is responsible for the overall strategic planning, business development strategizing, daily operational management, as well as financial and administrative affairs of the Group. She is also a director of each of the subsidiaries of the Company. Ms. Lam has extensive experience in the marine transportation industry. Ms. Lam is currently a director of Adex Mining Inc. (TSXV stock code: ADE), a company listed on the TSX Venture Exchange in Canada. She has been appointed as chairman of Pok Oi Hospital from April 2022 to March 2023 and she has been appointed as permanent adviser of Pok Oi Hospital since 1 April 2023. She is currently a director of the Hong Kong Energy, Mining and Commodities Association, an honorary director of Hong Kong Baptist University Foundation, and a fellow of the Hong Kong Institute of Directors. She graduated from Dongbei University of Finance & Economics in 1990 with a bachelor's degree in English for Finance in the Department of Foreign Language for Finance. Ms. Lam is currently a director of Ablaze Rich and All Ages, which along with Ms. Lam herself has an interest in such number of Shares under Part XV of the SFO as disclosed in the section headed "Directors' Report – Directors' and Chief Executive interests and short position in Shares, underlying Shares and debentures of the Company and its associated corporation" of this annual report.

Mr. PAN Zhongshan (潘忠善), aged 60, has been serving as an executive Director of the Company since 28 April 2023. Mr. PAN joined as the general manager of Union Apex Mega Shipping Limited, a direct wholly-owned subsidiary of the Company and is responsible for the operation management of the Group's shipping business since January 2022. Mr. PAN has 38 years of experience in the maritime industry. Mr. PAN graduated from Dalian Maritime University* (大連海事大學) with a bachelor degree of ocean-going ship navigation* (航海系遠洋船舶駕駛專業). Before joining the Group, he had worked for China COSCO Shipping Corporation Limited in Qingdao Branch as third mate, second mate, chief mate and a captain of ocean-going vessels from 1986 to 2002. Mr. PAN had joined the Hong Kong Lihai International Shipping Limited as deputy general manager since 2002 and he had been appointed as managing director from 2006 to 2019. Mr. PAN has an interest in such number of Shares under Part XV of the SFO as disclosed in the section headed "Directors' Report – Directors' and Chief Executive interests and short position in Shares, underlying Shares and debentures of the Company and its associated corporation" of this annual report.

* For identification purposes only

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Independent non-executive Directors

Mr. CHEUNG Kwan Hung (張鈞鴻), aged 73, has been serving as an independent non-executive Director of the Company since September 2010. Mr. CHEUNG graduated from Hong Kong Polytechnic with a Higher Diploma in Accountancy in 1978 and is a member of the Hong Kong Institute of Certified Public Accountants. Mr. CHEUNG has extensive experience in accounting, finance, corporate management and investment banking, specialising in equity/debt fund raising, mergers and acquisitions and corporate and debt restructuring, as well as private financial consultancy work. Mr. CHEUNG has an interest in such number of Shares under Part XV of the SFO as disclosed in the section headed "Directors' Report – Directors' and Chief Executive interests and short position in Shares, underlying Shares and debentures of the Company and its associated corporation" of this annual report.

Ms. WONG Tsui Yue, Lucy (黃翠瑜), aged 64, has been serving as an independent non-executive Director of the Company since 30 September 2022. Ms. WONG has extensive experience in commerce and accounting. Ms. WONG graduated with a Bachelor of Commerce and Administration from Victoria University of Wellington in New Zealand in May 1984 and further obtained a Master of Arts in Anthropology from the Chinese University of Hong Kong in November 2013. Ms. WONG has been a director of Advance Caterers Limited (formerly known as Hong Kong Catering Management Ltd.) since November 2009 and has been appointed as an independent non-executive director of Classified Group (Holdings) Limited, a company listed on GEM of the Stock Exchange (stock code: 8232), on 23 December 2024. She is a fellow member of the Hong Kong Institute of Certified Public Accountants and was formerly an associate member of the Institute of Chartered Accountants in Australia. Ms. WONG has over 20 years' experience working with companies listed on the Main Board of the Stock Exchange, including over 15 years as company secretary and over 10 years as finance director. Ms. WONG has also dedicated her time on women empowerment through her voluntary work for Zonta since 2003. Ms. WONG is not interested in any Shares within the meaning of Part XV of the SFO as at the date of this annual report.

Mr. LIU Yongshun (劉永順), aged 64, has been serving as an independent non-executive Director of the Company since 18 March 2025. Mr. LIU graduated from Anhui University of Technology (formerly known as Maanshan Institute of Iron Steel and East China University of Metallurgy) with a bachelor's degree in iron making in 1983. He subsequently obtained an Executive Master of Business Administration degree from China Europe International Business School in 2005. Mr. LIU has extensive experience in raw material supply management for iron and steel making, mineral resource development and raw material trading. He was the president of the Mineral Business Division, Shanghai Baosteel Group International Economic and Trading Co., Ltd. from November 2001 to May 2005. He was appointed as the deputy general manager of the Purchase Centre of Baosteel Corporation from May 2005 to April 2006. He acted as the deputy general manager of Baosteel Trading Co., Ltd. from May 2006 to April 2007. In May 2007, Mr. LIU was appointed as a non-executive director of APAC Resources Limited ("APAC Resources"), a company listed on the Main Board of the Stock Exchange (stock code: 1104), and was re-designated as an executive director and chief executive officer of APAC Resources in July 2007. Mr. LIU resigned as a chief executive officer of APAC Resources in December 2009 and has been re-designated as a non-executive director of APAC Resources from April 2010 until he resigned in March 2012.

Mr. LIU was appointed as a non-executive director of Up Energy Development Group Limited, a company which was previously listed on the Main Board of the Stock Exchange (stock code: 307) and was delisted on 5 January 2022, on 18 December 2015 and was re-designated as an independent non-executive director from 20 April 2016 to 5 January 2022. Mr. LIU was appointed as an executive director of Prosperity International Holdings (H.K.) Ltd, a company which was previously listed on the Main Board of the Stock Exchange (stock code: 803) and was delisted on 9 February 2023, on 19 September 2011 and was re-designated as an non-executive director from 1 February 2014 to 8 July 2019.

Senior management

Mr. SZE Wing Kin Pierre (施永健), aged 48, has been the chief financial officer and company secretary of the Company since 30 December 2022. Mr. SZE is responsible for the corporate finance, investor relations, financial management and company secretarial matters of the company. Mr. SZE graduated from The Hong Kong University of Science and Technology with a Bachelor of Business Administration (Hons) in Professional Accounting in 1998. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. SZE has extensive experience in corporate finance, investor relations, company secretarial, financial management, auditing, accounting, taxation, internal control, treasury and business advisory in Hong Kong and the PRC.

Prior to joining the Company, Mr. SZE has been the group Chief Financial Officer of Great Harvest (Holdings) Limited, a conglomerate with investments in mining and steel industry, minerals trading, real estate development and big health industry since February 2022. Mr. SZE has also been appointed as a director of Adex Mining Inc. (TSXV stock code: ADE), a company listed on the TSX Venture Exchange in Canada since December 2022. Before then, Mr. SZE was the chief financial officer of a leading woodworking machinery manufacturer in the PRC from April 2019 to January 2022. Mr. SZE had also served as the corporate finance and investor relations director as well as company secretary and authorised representative of DreamEast Group Limited (stock code: 593), a company listed on the Main Board of the Stock Exchange from January 2016 to January 2019. Mr. SZE had been the chief financial officer, board secretary and company secretary of a pure play integrated gold company in the PRC focusing on exploration, mining, processing and smelting of gold from September 2011 to August 2015. Mr. SZE was the chief financial officer, qualified accountant and company secretary of SSY Group Limited (stock code: 2005), a company listed on the Main Board of the Stock Exchange from June 2008 to August 2011. Mr. SZE had worked for several international and local audit firms including KPMG, PricewaterhouseCoopers and Deloitte Touche Tohmatsu from September 1998 to June 2008.

CORPORATE GOVERNANCE REPORT

The Board and the management of the Company are committed to a high standard of corporate governance. The Company considers that such commitment is essential for effective management, healthy corporate culture, successful business growth, balance of business risk and enhancement of Shareholders' value.

The CG Code

The Company has adopted the principles and code provisions set out in the CG Code contained in Part 2 of Appendix C1 to the Listing Rules as the Company's code on corporate governance practices throughout the year ended 31 March 2025 except for the deviations as stated below.

Code provision C.2.1 of the CG Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Ms. Lam is the chairperson and Chief Executive Officer of the Company. In view of Ms. Lam is one of the co-founders of the Company and has been operating and managing the Group since 2010, the Board considered that the roles of chairperson and Chief Executive Officer being performed by Ms. Lam enables more effective overall business planning and implementation by the Group. In order to maintain good corporate governance and fully comply with the provisions of the CG Code, the Board will regularly review the need to appoint different individuals to perform the roles of chairperson and Chief Executive Officer separately.

Save as disclosed above, the Company had complied with all the other code provisions set out in the CG Code during the year ended 31 March 2025.

Non-Compliance and Recompliance with the Listing Rules

Following the retirement of Dr. CHAN Chung Bun, Bunny as an independent non-executive Director on 30 August 2024, the Company fails to meet the following requirements of the Listing Rules:

1. the Board does not comprise of at least three independent non-executive Directors as required under Rule 3.10(1) of the Listing Rules;

2. the Audit Committee does not comprise of a minimum of three members as required under Rule 3.21 of the Listing Rules;

3. the Remuneration Committee is not chaired by an independent non-executive Director and does not comprise of a majority of independent non-executive Directors as required under Rule 3.25 of the Listing Rules; and

4. the Nomination Committee does not comprise of a majority of independent non-executive Directors as required under Rule 3.27A of the Listing Rules.

On 18 March 2025, Mr. LIU Yongshun has been appointed as an independent non-executive Director and a member of each of the Audit Committee and Nomination Committee, and a member and the chairperson of the Remuneration Committee. The Company has re-complied with (i) Rule 3.10(1) of the Listing Rules that the Board must comprise of at least three independent non-executive Directors; (ii) Rule 3.21 of the Listing Rules that the Audit Committee must comprise of a minimum of three members; (iii) Rule 3.25 of the Listing Rules that the Remuneration Committee must be chaired by an independent non-executive Director and must comprise of a majority of independent non-executive Directors; and (iv) Rule 3.27A of the Listing Rules that the Nomination Committee must comprise of a majority of independent non-executive Directors.

Pursuant to Rule 3.09D of the Listing Rules, every director of a listed issuer must obtain legal advice from a firm of solicitors qualified to advise on Hong Kong law as regards the requirements under the Listing Rules that are applicable to him as a director of a listed issuer and the possible consequences of making a false declaration or giving false information to the Stock Exchange.

Mr. LIU Yongshun has obtained the legal advice on 11 March 2025 pursuant to Rule 3.09D of the Listing Rules and has confirmed that he understood his obligations as a Director of the Company. Mr. LIU Yongshun has also confirmed that he meets the independence criteria as set out in Rule 3.13 of the Listing Rules, that he does not have any past or present financial or other interest in the business of the Company or its subsidiaries or any connection with any core connected person of the Company, and that there are no other factors that may affect his independence as an independent non-executive Director at the time of his appointment.

The Board

The Board assumes responsibility for leadership and control of the Company, and is responsible and has general powers for management and conduct of the business of the Company. The Directors, individually and collectively, are committed to acting in good faith in the best interests of the Company and its shareholders. To assist in the discharge of their duties, the Directors have free and direct access to the Company's external auditors and procedures are in place to allow the Directors to obtain independent professional advice at the Company's expense.

Board composition

As at the date of this annual report, the Board comprised two executive Directors and three independent non-executive Directors:

Executive Directors

Ms. LAM Kwan (林群) *(Chairperson and Chief Executive Officer)*
Mr. PAN Zhongshan (潘忠善)

Independent non-executive Directors

Mr. CHEUNG Kwan Hung (張鈞鴻)
Ms. WONG Tsui Yue Lucy (黃翠瑜)
Mr. LIU Yongshun (劉永順)

The biographies of the Directors are set out under the section headed "Board of Directors and Senior Management" of this annual report.

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

Roles and responsibilities of the Board

Members of the Board are individually and collectively responsible for the leadership and control, the promotion of success of the Group and the creation of value for Shareholders by discharging their duties in a dedicated, diligent and prudent manner on the principle of good faith. The Board has reserved for its decision or consideration matters covering mainly the Group's overall strategy, investment plans, annual and interim results, recommendations on Directors' appointment or reappointment, material contracts and transactions as well as other significant policies and financial matters. The Board has delegated the execution of business strategies and directions, and the day-to-day responsibilities and operations to the senior management under the supervision of the Board.

The experience and views of our independent non-executive Directors are held in high regard and contribute to the effective direction of the Group.

Appointment and election of Directors

The Board is empowered under the Articles to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. The Board has delegated to the Nomination Committee the duty to identify and recommend individuals suitably qualified to become Board members when necessary. The Nomination Committee is also responsible for reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and to assess the independence of the independent non-executive Directors, having regard to the requirements under the Listing Rules.

Each of the executive Directors has entered into a service contract with the Company for a term of three years. Also, each of the independent non-executive Directors has entered into a letter of appointment for a term of three years. Each of the Directors is subject to retirement by rotation in accordance with the Articles.

According to Articles 83(3), the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director so appointed shall hold office until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election. Since Mr. LIU Yongshun was appointed on 18 March 2025 as an addition to the existing Board by the Directors, Mr. LIU Yongshun will retire as Director and, being eligible, offer himself for re-election as Director at the AGM.

According to Article 84, not less than one-third of the Directors shall retire from office by rotation at each annual general meeting of the Company provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Any Director who retires under this article shall then be eligible for re-election as Director.

In addition, pursuant to code provision B.2.3 of the CG Code, if an independent non-executive director has served more than nine years, his further appointment should be subject to a separate resolution to be approved by shareholders of the listed issuer. The papers to shareholders accompanying that resolution should state why the board (or the nomination committee) believes that the director is still independent and should be re-elected, including the factors considered, the process and the discussion of the board (or the nomination committee) in arriving at such determination.

Accordingly, Ms. Lam and Mr. PAN Zhongshan will retire as Directors at the AGM. Ms. Lam and Mr. PAN Zhongshan, being eligible, offer themselves for re-election as Directors at the AGM.

Corporate Culture

The Board has established the Group's purpose, values and strategy and ensures that aligned with the Group's culture. The Group is committed to adopt its proactive and prudent operating strategies and seek to charter out its vessels to stable charterers and offer them the best services. Also, the Group will continuously adopt a cautious approach for exploring any potential investment or business opportunities in order to delivering attractive and sustainable returns to the shareholders. The Group places strong emphasis on employee relations and the culture of ethical conduct and integrity. The Group has established the anti-corruption and bribery policy (the "Anti-Corruption Policy") and the whistleblowing policy (the "Whistleblowing Policy") on handling employee reporting on any suspected fraud, malpractice and irregularity and upholding high standards of business integrity and transparency in all its business dealings at all times. A healthy corporate culture is important to good corporate governance which is crucial for achieving sustainable long-term success of the Group.

Anti-Corruption Policy

The Company is committed to observing and upholding high standards of business integrity, honesty, fairness, impartiality and transparency in all its business dealings at all times.

With such commitment in mind, the Company has established and adopted the Anti-Corruption Policy to strengthen the standards of conduct of its employees and ensure that our employees are in line with our high standard of business ethics and comply with the applicable laws in Hong Kong. The overall Anti-Corruption Policy framework is jointly supervised by the Board, its designated board committees and the senior management. The Company conducts regular anti-bribery and corruption risk assessment to evaluate the effectiveness of the framework and ensure it is properly and adequately managed and implemented.

Whistleblowing Policy

The Company has adopted the Whistleblowing Policy to facilitate the achieving of high possible standards of openness, probity and accountability. The Whistleblowing Policy is in place to create a system for an employee or a third party such as customers, suppliers, subcontractors and who deal with the Group decides to report a serious concern about any suspected fraud, malpractice, misconduct or irregularity. Any employee or third party who has legitimate concern can report to the Company by mail or email. The Group will endeavour to protect the whistleblower from detriment and all reports will be kept in confidence and anonymity.

During the year under review, no incident of fraud or misconduct was reported from employees and other third party that has material effect on the Group's financial statements and overall operations. The Company would regularly review the Whistleblowing Policy to ensure its effectiveness.

Dividend Policy

The Board has adopted a dividend policy which sets out the principles and guidelines of the Company in relation to the distribution of dividend to its Shareholders. Under the dividend policy, the declaration and payment of dividends shall be in accordance with the applicable laws and the relevant provisions of the Articles effective from time to time.

The Board's dividend policy sets out that, in recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth of the Company.

The Board shall consider the following factors before declaring or recommending dividends:–

- the Group's actual and expected financial conditions;
- the Group's working capital requirement, business plan, future operations and earnings;
- the interest of Shareholders; and
- any restrictions on payment of dividends that may be imposed by the Group's lenders, the general market sentiment and circumstances and any other factors the Board deems appropriate.

The dividend payout ratio will vary from year to year. There is no assurance that dividends will be paid in any particular amount for any given period.

Communication with Shareholders and Investor Relations

The Company has adopted a shareholders' communication policy in order to maintain effective communications with Shareholders and investors to ensure that the Group's information is disseminated to the Shareholders and potential investors in a timely manner and enable them to have a clear assessment of the enterprise performance.

The Company has established several channels to communicate with its Shareholders as follows:

(i) Corporate communications such as annual reports, interim reports and circulars are issued in printed form and are available on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.greatharvestmg.com.

(ii) The Company will communicate with Shareholders from time to time by way of other communications including but not limited to announcement, circular and other notices.

(iii) The annual general meeting and various general meetings are valuable forums for the Board to communicate directly with the Shareholders.

(iv) The Shareholders may direct their enquiries to the Hong Kong branch share registrar and transfer office and/or by post to the Company's principal place of business in Hong Kong.

The Company has reviewed the implementation and effectiveness of the shareholders' communication policy and is satisfied that it is effective for the Company to understand the views and opinion of the shareholders through the available channels. Enquiries to the Board or the Company may be sent by post to the Company's principal place of business in Hong Kong.

Board Diversity Policy

The Board has adopted a board diversity policy since August 2013. The policy sets out the approach to achieve and maintain diversity on the Board in order to enhance the effectiveness of the Board. The Company considered that diversity of board members can be achieved through consideration of a number of aspects, including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service.

Based on the business needs of the Group, the Nomination Committee has recommended and the Board has adopted the following measurable objectives:

(i) a prescribed proportion of Board members shall be non-executive Directors or independent non-executive Directors;

(ii) a prescribed proportion of Board members shall have obtained accounting or other professional qualifications; and

(iii) a prescribed proportion of Board members shall have more than seven years of experience in the industry he is specialised in.

The Nomination Committee shall monitor the implementation and effectiveness of the board diversity policy on an annual basis, and review the progress of its measurable objectives from time to time. Based on its review, the Nomination Committee considers that the current Board is well-balanced and of a diverse mix appropriate for the business development of the Company.

Gender diversity

In terms of Board gender diversity, there have already been two female Directors on the Board as at 31 March 2025, being 40% of the Board. As for gender ratio in the workforce of the Group, including senior management of the Group, please refer to the section headed "Environmental, Social and Governance Report – Performance Data Summary – Employee Profile" on page 92 of this annual report. Given the current composition of the Board and the workforce of the Group, the Board is of the view that gender diversity is achieved and shall focus primarily on maintaining the gender balance. The Board will periodically monitor the gender composition of the Board and workforce and set targets if and as needed based on the Group's business needs and development plans.

Director Nomination Policy

The Company has adopted a director nomination policy (the "Director Nomination Policy") since December 2018 which sets out the selection criteria and process and the Board succession planning considerations in relation to nomination and appointment of Directors and aims to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the Company and the continuity of the Board and appropriate leadership at Board level.

The Director Nomination Policy sets out the factors for assessing the suitability and the potential contribution to the Board of a proposed candidate, including but not limited to the following:

- character and integrity;
- qualifications including professional qualifications, skills, knowledge and experience that are relevant to the Company's business and corporate strategy;
- diversity in all aspects, including but not limited to gender, age (18 years or above), cultural and educational, background, ethnicity, professional experience, skills, knowledge and length of service;
- requirements of independent non-executive Directors on the Board and independence of the proposed independent non-executive Directors in accordance with the Listing Rules; and
- commitment in respect of available time and relevant interest to discharge duties as a member of the Board and/or Board committee(s) of the Company.

The Director Nomination Policy also sets out the procedures and process for the selection and appointment of new Directors and re-election of Directors at general meetings. During the year ended 31 March 2025, the Nomination Committee adhered to the following nomination procedures and the process set out in the Director Nomination Policy to select and recommend candidates for directorship:

(a) Appointment of new Director

i. Upon receipt of the proposal on appointment of new Director and the biographical information (or relevant details) of the candidate, the Nomination Committee should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

ii. If the process yields one or more desirable candidates, the Nomination Committee should rank them by order of preference based on the needs of the Company and reference check of each candidate (where applicable).

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

iv. For any person that is nominated by a Shareholder for election as a Director at the general meeting of the Company, the Nomination Committee should evaluate such candidate based on the criteria as set out above to determine whether such candidate is qualified for directorship.

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

(b) Re-election of Director at General Meeting

i. The Nomination Committee should review the overall contribution and service to the Company of the retiring Director and the level of participation and performance on the Board.

ii. The Nomination Committee should also review and determine whether the retiring Director continues to meet the criteria as set out above.

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

The Nomination Committee will review the Director Nomination Policy, as appropriate, to ensure its effectiveness.

Independent views and input to the Board

To ensure independent views and input are made available to the Board, the Board (or through its Board committees) ensures the following mechanisms are in place and reviews the implementation and effectiveness of such mechanisms annually:

(i) all Directors should have the required character, integrity, perspectives, skills, expertise and experience to fulfill their roles and are encouraged to express their independent views through Board meetings;

(ii) all Directors are required to declare conflicts of interest (if any) in their roles as Directors and Directors who have material interests shall not vote or be counted in the quorum for the relevant Board resolutions;

(iii) the chairperson of the Board meets with independent non-executive Directors annually without the presence of other Directors; and

(iv) all independent non-executive Directors are required to confirm in writing on an annual basis their compliance of independence requirements pursuant to Rule 3.13 of the Listing Rules.

Independent non-executive Directors

In compliance with Rule 3.10(1) of the Listing Rules, there are three independent non-executive Directors on the Board. Among the three independent non-executive Directors, Mr. CHEUNG Kwan Hung and Ms. WONG Tsui Yue Lucy have appropriate professional qualification in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules. The Company has received annual confirmations of independence from its independent non-executive Directors with reference to Rule 3.13 of the Listing Rules. The Company, based on such confirmation, considers all three independent non-executive Directors, namely Mr. CHEUNG Kwan Hung, Ms. WONG Tsui Yue Lucy and Mr. LIU Yongshun to be independent.

According to code provision C.2.7 of the CG Code, the chairperson should at least annually hold meetings with the independent non-executive directors without the presence of other directors. During the year ended 31 March 2025, the chairperson had met the independent non-executive Directors collectively and individually without the presence of other Directors.

Induction, development and training of Directors

Every Board member has received a director's handbook upon joining the Group, which lays down the guidelines on conduct for the Board and Board committee members and other key governance issues, including but not limited to Board procedures and all applicable laws, rules and regulations that they are required to observe during their service in the Board. The director's handbook will be updated from time to time as and when appropriate.

A formal and tailored induction programme will be arranged for each new Director, which includes a briefing on the Group's structure, businesses and governance practices by the senior management. To seek continuous improvement, the Directors are encouraged to attend relevant training sessions, particularly on corporate ethics and integrity matters, risk management, and relevant new laws and regulations, from time to time.

To ensure the Directors' contribution to the Board remains informed and relevant and in compliance with code provision C.1.4 of the CG Code, the Company shall arrange and fund suitable training for Directors to develop and refresh their knowledge and skills. During the year ended 31 March 2025, the Directors participated in the kinds of training as follows:

Name of Director	**Kind of Training**
Executive Directors	
Ms. Lam	A, B
Mr. PAN Zhongshan	A, B
Independent non-executive Directors	
Mr. CHEUNG Kwan Hung	A, B
Ms. WONG Tsui Yue Lucy	A, B
Mr. LIU Yongshun (appointed on 18 March 2025)	A, B
Dr. CHAN Chung Bun, Bunny (retired on 30 August 2024)	A, B

A: Reading materials on legal and regulatory updates

B: Attending seminar, training and/or conference relevant to the Group's business or Directors' duties

Corporate governance functions

The Board is responsible for performing the corporate governance duties and has adopted a written guideline on corporate governance functions in compliance with the CG Code.

The duties of the Board in respect of corporate governance functions are summarised as follows:

(i) to develop and review the Company's policies and practices on corporate governance;

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

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

(iv) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and

(v) to review the Company's compliance with the code provisions as set out in the CG Code and its disclosure requirements in the Corporate Governance Report.

During the year ended 31 March 2025, the Board reviewed and monitored the training of the Directors, and the Company's policies and practices on compliance with legal and regulatory requirements.

Board committees

The Board has established the following Board committees with defined terms of reference, which are on no less exacting terms than those set out in the CG Code:

- Audit Committee
- Nomination Committee
- Remuneration Committee

Each committee has authority to engage outside consultants or experts as it considers necessary to discharge the committee's responsibilities. The Board and each Director also have separate and independent access to the management whenever necessary. The company secretary of the Company is responsible to take and keep minutes of all Board and Board committee meetings. Minutes of all Board and Board committee meetings are circulated to all Board members. The Board committees' member list is set out in the section headed "Corporate Information" of this annual report.

Audit Committee

The Audit Committee was established to review the Group's financial and other reporting, risk management, internal control systems, external and internal audits and such other matters as the Board determines and as required by the Listing Rules as amended from time to time. The Audit Committee shall assist the Board in fulfilling its responsibilities by providing independent review and supervision of financial reporting, and by satisfying themselves as to the effectiveness of the risk management and internal control systems of the Group. The written terms of reference of the Audit Committee were adopted by the Board on 13 September 2010 and revised on 30 March 2016, 31 December 2018 and 23 September 2024 and have been posted on the websites of the Stock Exchange and the Company.

The Audit Committee currently consists of three independent non-executive Directors, namely Mr. CHEUNG Kwan Hung, Ms. WONG Tsui Yue Lucy and Mr. LIU Yongshun. Mr. CHEUNG Kwan Hung is the chairperson of the Audit Committee. Meetings of the Audit Committee shall be held at least two times a year.

The Audit Committee held five meetings during the year ended 31 March 2025 to revise the Audit Committee's written terms of reference, to discuss the re-appointment of the auditor of the Company and its remuneration, and to review, with the management and the Company's external auditors, the financial results and reports, financial reporting (including cash flow forecast), the Group's significant internal control, risk management and financial matters as set out in the Audit Committee's written terms of reference and make relevant recommendations to the Board. The Company's annual results for the year ended 31 March 2025 have been reviewed by the Audit Committee.

Nomination Committee

The Nomination Committee was established to recommend to the Board on the appointment of Directors, evaluate the structure, size, composition and diversity (including but not limited to gender, age, cultural and educational background, professional experience, skills, knowledge and length of service) of the Board at least annually, agree on measurable objectives for achieving diversity on the Board, assess the independence of the independent non-executive Directors and the management of board succession, having regard to the requirements under the Listing Rules. The written terms of reference of the Nomination Committee were adopted by the Board on 13 September 2010 and revised on 30 August 2013 and have been posted on the websites of the Stock Exchange and the Company.

The Nomination Committee has adopted written nomination procedures for selection of candidates for directorship of the Company. The Nomination Committee shall, based on criteria such as skills, experience, professional knowledge, personal integrity and time commitments of such individuals, the Company's needs and other relevant statutory requirements and regulations, identify and recommend the proposed candidate to the Board for approval of appointment. Please refer to the section headed "Director Nomination Policy" above for further details.

The Nomination Committee currently consists of an executive Director and two independent non-executive Directors, namely Ms. Lam, Ms. WONG Tsui Yue Lucy and Mr. LIU Yongshun. Ms. Lam is the chairperson of the Nomination Committee. Meetings of the Nomination Committee shall be held at least once a year and as and when required or as requested by the responsible Director or the chairperson.

The Nomination Committee held four meetings during the year ended 31 March 2025 to identify suitable individual and discuss the appointment of new independent non-executive Director, and to review the structure, size, composition and diversity of the Board, the independence of the independent non-executive Directors and the measurable objectives of the board diversity policy and to consider the qualifications of the retiring Directors standing for election at the annual general meeting of the Company and make recommendation to the Board.

Remuneration Committee

The Remuneration Committee was established to recommend to the Board from time to time on the Company's remuneration policy and structure for all remuneration of the Directors and the senior management of the Company, and to ensure that the Directors and the senior management of the Company are fairly rewarded in light of their contribution to the Company and their performance and that they receive appropriate incentives to maintain high standards of performance and to improve their performance and the Company's performance. The written terms of reference of the Remuneration Committee were adopted by the Board on 13 September 2010 and revised on 29 March 2012 and 23 December 2022 and have been posted on the websites of the Stock Exchange and the Company.

The Remuneration Committee currently consists of an executive Director and two independent non-executive Directors, namely Ms. Lam, Mr. CHEUNG Kwan Hung and Mr. LIU Yongshun. Mr. LIU Yongshun is the chairperson of the Remuneration Committee. Meetings of the Remuneration Committee shall be held not less than once a year.

The Remuneration Committee held five meetings during the year ended 31 March 2025 to review and make recommendation to the Board on the remuneration policy and structure of the Company, the remuneration packages of the Directors and senior management and other related matters.

Pursuant to code provision E.1.5 of the CG Code, the annual remuneration of the members of the senior management by band for the year ended 31 March 2025 is set out below:

Remuneration band (HK$)	Number of individuals
1,500,000 – 2,000,000	1

Remuneration of Directors

The remuneration of the Directors is determined by the Remuneration Committee with reference to the qualifications, experience, duties, responsibilities, performance of the Directors and the results of the Group.

Board and Board committee meetings

The Board aims to meet in person or by means of electronic communication as appropriate. With respect to regular meetings of the Board and the Board committees, the Directors usually receive at least 14 days prior written notice of the meeting. Meeting agenda with relevant supporting documents are sent to all Directors before each Board meeting or Board committee meeting.

Senior management is invited to join all Board meetings to enhance communication between the Board and management.

The individual attendance record of each Director at the meetings of the Board and the Board committees during the year ended 31 March 2025 is set out below.

Name of Directors	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting
Ms. Lam	9/9	–	5/5	4/4
Mr. PAN Zhongshan	8/9	–	–	–
Mr. CHEUNG Kwan Hung	9/9	5/5	5/5	–
Ms. WONG Tsui Yue Lucy	9/9	5/5	–	4/4
Mr. LIU Yongshun (appointed on 18 March 2025)	0/0	0/0	0/0	0/0
Dr. CHAN Chung Bun Bunny (retired on 30 August 2024)	3/3	2/3	2/3	1/2

Auditor's remuneration

During the year ended 31 March 2025, the remuneration payable/paid to the external auditor of the Company is set out as follows:

Services rendered	Year ended 31 March 2025 US$'000
Audit services	53
Non-audit services *(Note)*	46

Note: Represents review of interim results of the Group for the six months ended 30 September 2024, as well as services provided in connection with major transaction in relation to disposal of vessel of the Group.

The Model Code

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding Directors' securities transactions.

The Directors have confirmed that, following specific enquiry by the Company, they have complied with the required standards as set out in the Model Code for the year ended 31 March 2025 and up to the date of this annual report.

Company secretary

Mr. SZE Wing Kin Pierre has been appointed as the company secretary with effect from 30 December 2022. Mr. SZE is also the Chief Financial Officer of the Company, a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. SZE has complied with Rule 3.29 of the Listing Rules by taking not less than 15 hours of relevant professional training during the year ended 31 March 2025.

Risk management and internal control

The Group recognised that risks are inherent in the business and markets in which it operates. The challenge is to identify and manage these risks so that they can be understood, minimised, avoided or transferred. This demands a proactive approach to risk management and an effective group-wide risk management framework.

The Board acknowledges that it is responsible for the risk management and internal control systems of the Group on an ongoing basis and reviewing their effectiveness at least annually. Risk management is effected by people at every level within the Group. The Group integrates its risk management into its business processes including strategy development, business planning, capital allocation, investment decisions, internal control and day-to-day operations.

During the year ended 31 March 2025, the Board, through the Audit Committee, conducted a review of the effectiveness of the risk management and internal control systems of the Group, including the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions. The Group considers its risk management and internal control systems effective and adequate. The Group's systems are designed to manage rather than eliminate the risk of failure to achieve corporate objectives and aim to provide reasonable and not absolute assurance against material misstatement, loss or fraud. The Board delegates to the management to design, implement and conduct ongoing assessment on the Group's internal control systems, while the Board through its Audit Committee oversees and reviews the effectiveness of the risk management and internal control systems of the Group, and resolves, if any, material internal control defects. Qualified professionals within the business maintain and monitor these systems of control on an ongoing basis.

Described below are the main characteristics of the Group's risk management and internal control framework.

Control Environment

The scope of internal control relates to three major areas:

- effectiveness and efficiency of operations;
- reliability of financial reporting; and
- compliance with Listing Rules and other applicable laws and regulations.

The Group operates within an established control environment, which is consistent with the principles outlined in Internal Control and Risk Management – A Basic Framework issued by the Hong Kong Institute of Certified Public Accountants.

Risk Governance Structure

The Group's risk governance structure facilitates risk identification and escalation whilst providing assurance to the Board. The Board assigns clear roles and responsibilities and facilitate the implementation of policies and guidelines. The Group's risk governance structure consists of three layers of roles and responsibilities to manage risk and internal control as below:

Role	Accountability	Responsibilities
Oversight	Audit Committee of the Board	– Oversee of material risks, corporate governance, financial reporting, risk management and internal control systems
Risk reporting and communication	Chief financial officer (the "CFO") and supporting team	– communicate and assess the Group's risk profile and material risks – identify areas for improvement of risk management and internal control systems – track progress of mitigation plans and activities of material risks and report to the Board
Risk and control ownership	Business units, support functions and individuals	– Day-to-day monitoring and execution of internal control systems – Reporting to the CFO according to the risk management framework

Risk Management Process

The Group's risk management process is embedded in its strategy development, business planning, capital allocation, investment decisions, internal controls and day-to-day operations. This includes risk identification, exposure evaluation, risk level, control gaps and priorities evaluation, control development and execution and mitigation planning. There is also a continual process with periodic monitoring, review and reporting in place.

Quarterly risk review process at group level	– Business units are required to report quarterly their material risks identification through their risk management process to the CFO. – The CFO reviews the risks identification reports, scrutinises the material risks and ensures the controls and mitigation measures are in place or in progress. – For material and having a longer term effect's emerging risks, the CFO will discuss with the Directors for the monitoring measures and mitigation plans.
Risk review process for investment decisions	– All new investments must be reviewed on the risk of the investment by the CFO. The CFO and his supporting team will provide suggestions to the Board regarding the risks of the new investment, and any actions that can be done to control and mitigate the risks.
Risk management integrated with internal control systems	– Risk management is closely linked to the Group's internal control framework. Key controls are subject to testing in order to assess their effectiveness.
Risk management in the business planning process	– Business units are required to identify all material risks that may impact their achievement of business objectives. The business units are also required to develop plans to mitigate the identified risks and for implementation and budget purpose.

Risk Management Monitoring

The CFO and his supporting team regularly monitor and update the Group's risk profile and exposure and review the effectiveness of the internal control systems in mitigating risks.

Inside Information

The Group regulates the handling and dissemination of inside information as set out in the Group's corporate governance policy and various subsidiary procedures to ensure inside information remains confidential until the disclosure of such information is appropriately approved, and the dissemination of such information is efficiently and consistently made.

Internal and External Audit Function

Internal Audit Function

The internal audit function is carried out by the internal audit team. Under the supervision of the Audit Committee, it independently reviews compliance with Group's policies and guidelines, legal and regulatory requirements, risk management and internal control systems and evaluates their adequacy and effectiveness.

The internal audit team reports all major findings and recommendations to the Audit Committee on a regular basis. The internal audit plan is linked to the Group's day-to-day operation and is reviewed and endorsed by the Audit Committee.

The principal tasks of the internal audit team include:

– Preparation of an internal audit plan using a risk-based assessment methodology that covers all the Group's operations

– Review of all operations, controls and compliance with the Group's policies, procedures, rules and regulations. The audit scope covers significant controls including financial, operational and compliance controls, and risk management policies and procedures

– Review of special areas of concerns or risks as raised by the Audit Committee and senior management

Major audit findings and recommendations from the internal audit team, and management's response to these findings and recommendations, are presented to the Audit Committee. The implementation of all recommendations is followed up on an annual basis and the status is reported to the Audit Committee at its meetings.

External Audit Function

With effect from 20 June 2022, PricewaterhouseCoopers ("PwC") resigned as the external auditor of the Company as the Company and PwC could not reach a consensus on the audit fee for the financial year ended 31 March 2022. The Board, with the recommendation of the Audit Committee, resolved to appoint SHINEWING (HK) CPA Limited ("SHINEWING") with effect from 8 July 2022 to fill the casual vacancy following the resignation of PwC as auditor of the Company.

Subsequently, SHINEWING resigned on 17 October 2023. To facilitate the audit, the external auditor attended all meetings of the Audit Committee during the year ended 31 March 2023 and up to 17 October 2023. SHINEWING noted that there was no significant internal control weakness discovered during the aforesaid period.

On 17 October 2023, the Group appointed the new external auditor, Rongcheng (Hong Kong) CPA Limited ("RCHK") (formerly known as CL Partners CPA Limited), which had performed independent statutory audits of the Group's financial statements. RCHK noted that there is no significant internal control weakness discovered in its audit for the years ended 31 March 2024 and 2025.

Management function

The management team of the Company meets regularly to review and discuss with the executive Directors on day-to-day operational issues, financial and operating performance as well as to monitor and ensure that the management is carrying out the directions and strategies set by the Board properly.

Responsibilities in respect of the consolidated financial statements

The Board is responsible for presenting a balanced, clear and comprehensible assessment of the Group's annual and interim reports, inside information announcements and other disclosures required under the Listing Rules and other regulatory requirements. To discharge this responsibility, the Board regularly reviews the reports prepared by the management on the Group's financial and operational performance as well as the development of major initiatives.

The Directors acknowledge their responsibilities for preparing the consolidated financial statements of the Group for the year ended 31 March 2025.

The statements of the external auditor of the Company about their reporting responsibilities on the consolidated financial statements is set out in the "Independent Auditor's Report" on page 105.

The external auditor of the Company draws attention to Note 2.1.1 to the consolidated financial statements, which states that the Group reported a net loss of approximately US$10,383,000 for the year ended 31 March 2025. As at 31 March 2025, the Group's current liabilities exceeded its current assets by approximately US$8,586,000, which included borrowings and loans of approximately US$109,000 and convertible bonds of approximately US$2,500,000, that are repayable within one year, while the Group's cash and cash equivalents balances was approximately US$167,000. In addition, the Group has entered into agreements which will involve capital commitments of approximately US$243,000 in respect of investment properties project as at 31 March 2025.

On 21 January 2025, the Company, the Guarantors and the Bondholder have entered into the Second Supplemental Settlement Agreement to adjust the repayment schedule of the outstanding redemption amount of the Top Build Convertible Bonds (which amounted to US$47,930,000 as at the date of the Second Supplemental Settlement Agreement). Pursuant to the Second Supplemental Settlement Agreement, the Company will settle the outstanding principal of the redemption amount of the Top Build Convertible Bonds by repaying the Bondholder in cash of (i) not less than US$300,000 within each of the second and third quarter of 2025; (ii) not less than US$1,400,000 within the fourth quarter of 2025; (iii) not less than US$500,000 within each of the first, second and third quarter of 2026; (iv) the remaining balance within the fourth quarter of 2026 and on or before 31 December 2026; (v) the outstanding accrued interest on the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 July 2022 and 31 December 2024 of US$9,893,162 on or before 31 December 2026; (vi) interest over the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 January 2025 and 31 December 2026 (calculated at an interest rate of 8% per annum) on or before 31 December 2026; and (vii) liquidated damages in respect of the default of US$87,405 on or before 31 December 2026.

The above conditions, along with other matters as set forth in Note 2.1.1 to the consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern, and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

As detailed in Note 2.1.1 to the consolidated financial statements, in view of the above circumstances, the directors of the Company have prepared a cash flow forecast of the Group which takes into account certain plans and measures covering a period of not less than twelve months from 31 March 2025. The validity of the going concern assumption is dependent on the successful and favourable outcomes of these plans and measures, as mentioned in Note 2.1.1 to the consolidated financial statements, being undertaken by the management of the Group. The directors of the Company are of the opinion that, assuming the materialisation of those plans and measures described in Note 2.1.1 which improve the liquidity and financial position of the Group, the Group would have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 March 2025 and would be able to continue as a going concern. Accordingly, the directors of the Company prepare the consolidated financial statements on a going concern basis. However, the external auditor made disclaimer of audit opinion for the year ended 31 March 2025. Please refer to the section headed "Management Discussion and Analysis - Disclaimer of Opinion" of this annual report and Note 2.1.1 to the consolidated financial statements for further details.

The Directors acknowledge their responsibilities for preparing the consolidated financial statements of the Company on a going concern basis.

Shareholders' communication and rights

The aforementioned shareholders' communication policy was established by the Company to promote effective communication with the Shareholders and encourage effective participation by the Shareholders at general meetings of the Company.

During the year ended 31 March 2025, one general meeting of the Company was held, i.e. the annual general meeting of the Company held on 30 August 2024, and the attendance of each Director at the annual general meeting of the Company is set out as follows:

Name of Directors	**General meeting of the Company**
Ms. Lam	1
Mr. PAN Zhongshan	1
Mr. CHEUNG Kwan Hung	1
Ms. WONG Tsui Yue Lucy	1
Mr. LIU Yongshun (appointed on 18 March 2025)	0
Dr. CHAN Chung Bun Bunny (retired on 30 August 2024)	1

The rights of Shareholders are contained in the Articles. A resolution put to the vote of a general meeting of the Company shall be decided by way of a poll. Poll results are published on the websites of the Stock Exchange and the Company within specified time following the meeting in accordance with the Listing Rules.

The general meetings of the Company provide an opportunity for communication between the Shareholders and the Board. Any enquiries by Shareholders requiring the Board's attention can be sent in writing to the company secretary at the Company's principal place of business in Hong Kong. Shareholders are also welcome to discuss matters of business substance with the Board and the management and to give the Company valuable advice on both operational and governance matters.

The external auditor of the Company will be invited to attend the AGM to answer any questions from the Shareholders on the audit of the Company.

In accordance with article 58 of the Articles, any one or more members of the Company holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company, on a one vote per share basis, shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business or resolution specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may convene a physical meeting at only one location which will be the principal place of the meeting, 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.

If a Shareholder wishes to make proposals at a Shareholders' meeting, the requisition must state the purpose of the meeting, and must be signed by the requisitionist(s) and deposited at the Company's principal place of business in Hong Kong attention to the company secretary of the Company. In compliance with Rule 13.51D of the Listing Rules, the Company has also published the procedures for Shareholders to propose a person for election as a Director on the Company's website.

Investor relations

The Company maintains a website at www.greatharvestmg.com where information and updates on the list of Directors and their roles and functions, constitutional documents, terms of reference of the Board committees, procedure for Shareholders to propose candidate(s) for election as Directors, and other corporate communications of the Company are posted. Information on the Company's website will be updated from time to time.

Constitutional documents

The latest versions of the constitutional documents are available on the websites of the Company and the Stock Exchange. There was no change to the Company's constitutional documents during the year ended 31 March 2025.

AUDIT COMMITTEE REPORT

For the year ended 31 March 2025, the Audit Committee's review covered the audit plans and findings of the external auditor and internal control team, external auditor's independence and performance, the Group's accounting principles and practices, Listing Rules and statutory compliance, connected transactions, internal control systems, risk management, treasury, financial reporting matters (including the interim and annual reports for the Board's approval) and the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function as well as their training programmes and budget.

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and the audited consolidated financial statements for the year ended 31 March 2025 and discussed auditing, internal control and financial reporting matters with the Group's external auditors. In carrying out this review, the Audit Committee has relied on the audit conducted by the Group's external auditor in accordance with the Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Based on this review and discussions with the management and the Group's external auditors, the Audit Committee is satisfied that the consolidated financial statements have been prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the year ended 31 March 2025. There were no disagreements from the Group's external auditors or the Audit Committee in respect of the accounting policies adopted by the Company. The Audit Committee therefore recommended the consolidated financial statements for the year ended 31 March 2025 to be approved by the Board.

The Audit Committee has also reviewed the internal control systems to ensure compliance with relevant legislations and regulations. An internal audit review has been conducted which covered the Group's internal control systems, risk management, adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function as well as their training programmes and budget.

The consolidated financial statements of the Group for the year ended 31 March 2025 have been audited by CL Partners CPA Limited.

Members of the Audit Committee
Mr. CHEUNG Kwan Hung *(Chairperson of Audit Committee)*
Ms. WONG Tsui Yue Lucy
Mr. LIU Yongshun (appointed on 18 March 2025)

Hong Kong, 26 June 2025

DIRECTORS' REPORT

The Directors are pleased to present this annual report together with the audited consolidated financial statements for the year ended 31 March 2025.

Principal activities

The principal activity of the Company is investment holding. The principal business of the Group is chartering out of the Group's own dry bulk vessels and property investment and development.

The principal activities and other particulars of the subsidiaries of the Company are set out in Note 16 to the consolidated financial statements.

Business review

Further discussion and review on the business activities of the Group as required by Schedule 5 to the Hong Kong Companies Ordinance (Cap. 622), including a description of the principal risks and uncertainties facing the Group and an indication of likely future development in the Group's business are contained in the section headed "Management Discussion and Analysis" of this annual report. This discussion forms part of this Directors' Report. In addition, details of the Group's financial risk management are disclosed in Note 3 to the consolidated financial statements.

Results and dividends

The results of the Group for the year are set out in the consolidated statement of profit or loss and other comprehensive income on page 106. The Directors did not recommend payment of any final dividend for the year ended 31 March 2025 (2024: Nil).

Environmental, social and governance matters

The Group is determined to become a responsible enterprise, and is committed to perfecting its business. At the same time, the Group has been actively improving the local community environment and taking part in community activities. The Group seeks to perform corporate citizenship, including the commitment of attaining the highest ethical standards, the provision of a safe and healthy workplace, and pay attention to the environment, resources utilisation and emissions in every aspect of its business as well as the contribution of resources to facilitate staff development training and the active involvement in charity. The Board is of the opinion that a good environmental, social and governance framework is of great importance to the development of the Group. Apart from the pursuit of business growth, the Group is also constantly perfecting in sectors such as environmental protection, social responsibilities and corporate governance. Meanwhile, the Group also hopes to achieve and improve its social responsibilities by enhancing corporate transparency. The Environmental, Social and Governance Report is set out on pages 66 to 102 of this annual report.

As far as the Board and management are aware, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Group. During the year ended 31 March 2025, there was no material breach of or non-compliance with the applicable laws and regulations by the Group.

The Group understands the importance of maintaining a good relationship with its employees, customers and suppliers to meet its immediate and long-term business goals. During the year ended 31 March 2025, there was no material and significant dispute between the Group and its employees, customers and suppliers.

Reserves

Movements in the reserves of the Group and of the Company during the year are set out in Note 21 and Note 31 to the consolidated financial statements respectively.

Property, plant and equipment

Details of the movements in property, plant and equipment of the Group are set out in Note 14 to the consolidated financial statements.

Distributable reserves

As at 31 March 2025, the Company has no distributable reserves (31 March 2024: Nil).

Pre-emptive rights

There are no provisions for pre-emptive rights under the Articles or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

Tax relief and exemption

The Directors are not aware of any tax relief and exemption available to the Shareholders by reason of their holding of the Company's securities.

Five-year financial summary

A summary of the Group's results and assets and liabilities for the preceding five financial years is set out on page 6 of this annual report.

Share capital

Details of the movements in the share capital of the Company during the year ended 31 March 2025 are set out in Note 19 to the consolidated financial statements.

Equity-linked agreements

Save for the Top Build Convertible Bonds and (i) the exercise of the outstanding options under the 2011 Share Option Scheme and/or (ii) the grant of options under the 2021 Share Option Scheme of the Company as referred to in the paragraph headed "Share Option Scheme" below, no equity-linked agreements (as defined under the Companies (Directors' Report) Regulation, Chapter 622D of the Laws of Hong Kong) that will or may result in the Company issuing Shares or that require the Company to enter into any such agreement that will or may result in the Company issuing shares were entered into by the Company during the year or subsisting at the end of the year. Please refer to the section headed "Share Option Scheme" below and Note 20 to the consolidated financial statements for further information about the 2011 Share Option Scheme and the 2021 Share Option Scheme; and the section headed "Management Discussion and Analysis – Financial Review – Convertible Bonds" and Note 24 to the consolidated financial statements for further information about the Top Build Convertible Bonds.

Charitable contributions

During the year ended 31 March 2025, the Group made charitable contributions amounted to approximately HK$5,000.

Purchase, sale or redemption of listed securities

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Shares for the year ended 31 March 2025. The Company did not hold any treasury shares during the year ended 31 March 2025.

Directors

The Directors of the Company during the year and up to the date of this annual report:

Executive Directors

Ms. LAM Kwan (林群) *(Chairperson and Chief Executive Officer)*
Mr. PAN Zhongshan (潘忠善)

Independent non-executive Directors

Mr. CHEUNG Kwan Hung (張鈞鴻)
Ms. WONG Tsui Yue Lucy (黃翠瑜)
Mr. LIU Yongshun (劉永順) (appointed on 18 March 2025)
Dr. CHAN Chung Bun Bunny (陳振彬) (retired on 30 August 2024)

According to Articles 83(3), the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or as an addition to the existing Board. Any Director so appointed shall hold office until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election. Since Mr. LIU Yongshun was appointed on 18 March 2025 as an addition to the existing Board by the Directors, Mr. LIU Yongshun will retire as Director and, being eligible, offer himself for re-election as Director at the AGM.

According to Article 84, not less than one-third of the Directors shall retire from office by rotation at each annual general meeting of the Company provided that every Director shall be subject to retirement at an annual general meeting at least once every three years. Any Director who retires under this article shall then be eligible for re-election as Director. Accordingly, Ms. Lam and Mr. PAN Zhongshan will retire as Directors at the AGM. Ms. Lam and Mr. PAN Zhongshan, being eligible, offer themselves for re-election as Directors at the AGM.

Biographical details of Directors and senior management

The biographical details of the Directors and the senior management of the Group are set out in the section headed "Board of Directors and Senior Management" of this annual report.

Directors' service contracts

Each of the executive Directors has entered into a service contract with the Company. No Director or senior management of the Company has entered into any service contract with the Company, which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

Permitted indemnity provisions

The Articles, which are currently in force and were in force during the year ended 31 March 2025, contain indemnity provisions which are permitted indemnity provisions under the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) subject to the limitations specified in sections 468 and 469 thereof, for the benefit of the Directors. Pursuant to such provisions, the Company shall indemnify and hold harmless out of its assets and profits any Directors from and against all actions, costs, charges, losses, damages and expenses which they shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty in their offices provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of them. The Company has also taken out and maintained appropriate insurance cover to indemnify the Directors for liabilities that may arise out of corporate activities. The insurance coverage is reviewed on an annual basis. During the year ended 31 March 2025, no claims were made against the Directors.

Directors' and Chief Executive interests and Short Position in Shares, underlying Shares and debentures of the Company and its associated corporation

As at 31 March 2025, the interests and short positions of the Directors and/or the chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she was taken or deemed to have under such provisions of the SFO); or (ii) recorded in the register required to be kept by the Company under section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Interests and Short Position in Shares, underlying Shares and debentures of the Company:

Name of Director	Capacity/Nature of interest	Number of Shares held *(Note 1)*	Number of underlying Shares held *(Note 1)*	Approximate percentage of interest (%) *(Note 6)*
Ms. Lam	Interest of controlled corporation *(Note 4)*	637,767,500 (L)	–	66.95%
	Beneficial owner *(Note 2)*	11,370,000 (L)	–	1.19%
	Beneficial owner *(Note 3)*	–	187,103,101 (S)	19.64%
Mr. CHEUNG Kwan Hung	Beneficial owner *(Note 5)*	–	800,000 (L)	0.08%

Notes:

(1) The letter "L" denotes the person's long position and "S" denotes the person's short position in the Shares and underlying Shares of the Company.

(2) These 11,370,000 Shares were held by Ms. Lam.

(3) These 187,103,101 Shares represented the total number of Shares which may be allotted and issued to Sfund upon the exercise of the conversion rights attaching to the Top Build Convertible Bonds for the aggregate principal amount of US$54,000,000 at the initial conversion price of HK$1.096 per Share and the exchange rate of HK$7.75 to US$1.00. Ms. Lam has granted the put option in favour of Sfund pursuant to which Sfund may request Ms. Lam to purchase the Top Build Convertible Bonds. On 15 July 2020, Sfund has exercised the put option. As at the date of this annual report, the completion of the put option has not taken place. The exercise of the conversion rights attaching to the Top Build Convertible Bonds is subject to the terms and conditions thereof, including the restriction against conversion which would cause the Company to be in breach of the minimum public float requirement under the Listing Rules.

(4) These 637,767,500 Shares were held as to 607,575,000 Shares by Ablaze Rich and as to 30,192,500 Shares by All Ages. The entire issued share capital of Ablaze Rich was owned as to 49% by Ms. Lam, who was also director of Ablaze Rich and All Ages. As such, Ms. Lam was deemed to be interested in the Shares held by Ablaze Rich by virtue of the SFO. The entire issued share capital of All Ages was owned as to 50% by Ms. Lam. As such, Ms. Lam was deemed to be interested in the Shares held by All Ages by virtue of the SFO.

(5) On 30 April 2015, Mr. CHEUNG Kwan Hung was granted share options of the Company in respect of 800,000 Shares pursuant to the 2011 Share Option Scheme. All these share options remained outstanding as at 31 March 2025.

(6) The percentage is calculated on the basis of 952,613,513 Shares in issue as at 31 March 2025.

Interest in shares and underlying shares of an associated corporation:

Name of Director	Name of associated corporation	Capacity/Nature of interest	Number of shares held *(Note)*	Approximate percentage of interest (%)
Ms. Lam	Ablaze Rich	Beneficial owner	9,800 (L)	49.00%
Ms. Lam	All Ages	Beneficial owner	5,000 (L)	50.00%

Note: The letter "L" denotes the person's long position in the shares and underlying shares of an associated corporation.

Save as disclosed above, as at 31 March 2025, none of the Directors and chief executives of the Company had any interests or 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) 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 or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

Substantial shareholders' interests and Short Position in Shares and underlying Shares of the Company

As at 31 March 2025, the interests and short positions of each person, other than a Director or chief executive of the Company, in the Shares or underlying Shares of the Company as recorded in the register kept by the Company under Section 336 of the SFO were as follows:

Name of shareholder	**Capacity/nature of interest**	**Number of Shares held** *(Note 1)*	**Number of underlying Shares held** *(Note 1)*	**Approximate percentage of interest (%)** *(Note 6)*
Ablaze Rich	Beneficial owner	607,575,000 (L)	–	63.78%
Mr. Yan	Interest of controlled corporation *(Note 2)*	607,575,000 (L)	–	63.78%
	Beneficial owner *(Note 3)*	–	194,739,963 (S)	20.44%
廣州匯垠發展投資合夥企業（有限合夥）(Guangzhou Huiyin Development Investment Partnership Enterprise (Limited Partnership))* ("Guangzhou Huiyin Development")	Beneficial owner *(Note 4)*	74,265,000 (L)	–	7.80%
Sfund	Beneficial owner *(Note 5)*	–	381,843,064 (S)	40.08%

Notes:

(1) The letter "L" denotes the person's long position and "S" denotes the person's short position in the Shares and underlying Shares of the Company.

(2) These 607,575,000 Shares were held by Ablaze Rich. The entire issued share capital of Ablaze Rich was owned as to 51% by Mr. Yan, who was also a director of Ablaze Rich. Mr. Yan was deemed to be interested in the Shares held by Ablaze Rich by virtue of the SFO.

(3) These 194,739,963 Shares represented the total number of Shares which may be allotted and issued to Sfund upon the exercise of the conversion rights attaching to the Top Build Convertible Bonds for the aggregate principal amount of US$54,000,000 at the initial conversion price of HK$1.096 per Share and the exchange rate of HK$7.75 to US$1.00. Mr. Yan has granted the put option in favour of Sfund pursuant to which Sfund may request Mr. Yan to purchase the Top Build Convertible Bonds. On 15 July 2020, Sfund has exercised the put option. As at the date of this annual report, the completion of the put option has not taken place. The exercise of the conversion rights attaching to the Top Build Convertible Bonds is subject to the terms and conditions thereof, including the restriction against conversion which would cause the Company to be in breach of the minimum public float requirement under the Listing Rules.

(4) These 74,265,000 Shares were held by Guangzhou Huiyin Development, which was controlled by 北京匯垠天然投資基金管理有限公司 (Beijing Huiyin Tianran Investment Fund Management Co., Ltd.*) ("Beijing Huiyin") as its general partner and was wholly owned by 廣州匯垠天粵股權投資基金管理有限公司 (Guangzhou Huiyin Tianyue Equity Investment Fund Management Co., Ltd.*) ("Guangzhou Huiyin Tianyue") as its limited partner. Beijing Huiyin was owned as to 40% by Guangzhou Huiyin Tianyue.

Guangzhou Huiyin Tianyue was wholly owned by 廣州科技金融創新投資控股有限公司 (Guangzhou Technology Financial Innovation Investment Holdings Limited*) ("Guangzhou Technology Financial Holdings"). Guangzhou Technology Financial Holdings was wholly owned by 廣州產業投資基金管理有限公司 (Guangzhou Industry Investment Fund Management Co., Ltd.*) ("Guangzhou Industry Investment"), which was wholly owned by 廣州市城市建設投資集團有限公司 (Guangzhou City Construction Investment Group Company Limited*) ("Guangzhou City Construction Investment").

Each of Guangzhou Huiyin Tianyue, Guangzhou Technology Financial Holdings, Beijing Huiyin, Guangzhou Industry Investment and Guangzhou City Construction Investment was deemed to be interested in all the Shares in which Guangzhou Huiyin Development is interested by virtue of the SFO.

(5) The exercise of the conversion rights attaching to the Top Build Convertible Bonds is subject to the terms and conditions thereof, including the restriction against conversion which would cause the Company to be in breach of the minimum public float requirement under the Listing Rules.

The Top Build Convertible Bonds to which these 381,843,064 underlying Shares relate were held by Sfund, which was wholly owned by Guangzhou Huiyin Tianyue. Please refer to note 4 above in respect of the relationship between Guangzhou Huiyin Tianyue and its controlling companies. By virtue of the SFO, each of Guangzhou Huiyin Tianyue, Guangzhou Technology Financial Holdings, Guangzhou Industry Investment and Guangzhou City Construction Investment was deemed to be interested in all the Shares in which Sfund is interested.

(6) The percentage is calculated on the basis of 952,613,513 Shares in issue as at 31 March 2025.

Save as disclosed above, as at 31 March 2025, no person (other than a Director or chief executive of the Company) had an interest or short position in the Shares or the underlying Shares of the Company that were recorded in the register kept by the Company under Section 336 of the SFO.

* For identification purpose only

Directors' rights to acquire Shares or debentures

Save as disclosed in the section headed "Share Option Scheme" below and the put options granted in favour of Sfund pursuant to which Sfund may request Mr. Yan and Ms. Lam to purchase the Top Build Convertible Bonds, at no time during the year ended 31 March 2025 were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any of the Directors or their respective spouses or minor children, or were any such rights exercised by them; or was the Company, its holding companies, or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

Share Option Scheme

The Company has previously adopted the 2011 Share Option Scheme on 19 August 2011, which has expired on 18 August 2021, being ten years from its commencement date. Accordingly, no further share options to subscribe for Shares may be granted or made under the 2011 Share Option Scheme from that date onwards. As at the date of this annual report, 800,000 share options were outstanding under the 2011 Share Option Scheme; the number of Shares available for issue under the 2011 Share Option Scheme was 800,000 Shares, representing approximately 0.1% of the issued Shares. For further details of the terms of the 2011 Share Option Scheme, please refer to the annual report of the Company for the year ended 31 March 2021.

The Company has adopted the 2021 Share Option Scheme on 18 August 2021 to enable the Group to grant share options to eligible participants as incentives or rewards for their contribution to the Group. A summary of the 2021 Share Option Scheme is set forth below.

Eligible participants of the 2021 Share Option Scheme includes: (a) any employee (whether full time or part time, including any executive Director but excluding any non-executive Director) of the Company, any subsidiary of the Company or any entity in which any member of the Group holds any equity interests ("Invested Entity"); (b) any non-executive Directors (including independent non-executive Directors) of the Company, any subsidiary of the Company or any Invested Entity; (c) any supplier of goods or services to any member of the Group or any Invested Entity; (d) any customer of any member of the Group or any Invested Entity; (e) any person or entity that provides design, research, development or other technological support to any member of the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group; (i) any person seconded or nominated by the Group to represent the Group's interest in any of the Invested Entity or any other company or organisation; and (j) any company wholly owned by one or more eligible participants as referred to in (a) to (i) above.

The terms of the 2021 Share Option Scheme are subject to the provisions of Chapter 17 of the Listing Rules. Subject to the early termination of the 2021 Share Option Scheme in accordance with the rules thereof, the 2021 Share Option Scheme shall remain in force for a period of ten years commencing on 18 August 2021. As at the date of this annual report, the remaining life of the 2021 Share Option Scheme is approximately 6 years.

The maximum number of Shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the 2021 Share Option Scheme and any other share option scheme of the Group shall not exceed 30% of the Shares in issue from time to time (the "Overriding Limit"). No share options may be granted under the 2021 Share Option Scheme or any other share option scheme adopted by the Group if the grant of such share options will result in the Overriding Limit being exceeded.

The total number of Shares which may be allotted and issued upon exercise of all options (excluding for this purpose options which have lapsed in accordance with the terms of the 2021 Share Option Scheme and any other share option scheme of the Group) to be granted under the 2021 Share Option Scheme and any share option scheme of the Group must not in aggregate exceed 95,261,351 Shares, representing 10% of the Shares in issue as at 18 August 2021 (i.e. the date on which the 2021 Share Option Scheme was adopted by the Company) and approximately 10% of the Shares in issue as at the date of this annual report (the "General Scheme Limit"). The General Scheme Limit is also subject to the Overriding Limit, the refreshment of the General Scheme Limit (as described below) and the grant of share options beyond the General Scheme Limit (as described below).

Subject to the Overriding Limit and the grant of share options beyond the General Scheme Limit (as described below), the Company may refresh the General Scheme Limit at any time subject to shareholders' approval by ordinary resolution at a general meeting, and the General Scheme Limit as "refreshed" must not exceed 10% of the Shares in issue as at the date of the aforesaid shareholders' approval and for the purpose of calculating the "refreshed" limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with the 2021 Share Option Scheme and any other share option scheme of the Group) previously granted under the 2021 Share Option Scheme and any other share option scheme of the Group will not be counted.

Subject to the Overriding Limit, the Company may also seek Shareholders' approval by ordinary resolution at a general meeting to grant share options under the 2021 Share Option Scheme beyond the General Scheme Limit, or, if applicable, the General Scheme Limit as "refreshed", to eligible participants specifically identified by the Company before such approval is sought.

If the Company conducts a share consolidation or subdivision, the maximum number of Shares that may be issued upon exercise of all share options to be granted under the 2021 Share Option Scheme and any other share option scheme of the Group under the General Scheme Limit as a percentage of the total number of issued Shares as at the date immediately before and after such consolidation or subdivision (i.e. 10% of the Shares in issue) shall be the same.

The total number of Shares issued and which may fall to be issued upon the exercise of options granted under the 2021 Share Option Scheme and any other share option scheme adopted by the Group (including both exercised and outstanding options) to each grantee within any 12-month period shall not exceed 1% of the Shares in issue for the time being. Any further grant of share options in excess of this limit is subject to Shareholders' approval in a general meeting. Share options granted to a Director, chief executive or substantial Shareholder of the Company, or to any of their associates (as defined under the Listing Rules), are subject to approval in advance by the independent non–executive Directors of the Company.

In addition, where any grant of share options to a substantial Shareholder or an independent non-executive Director of the Company or any of their respective associates (as defined under the Listing Rules) would result in the Shares issued or to be issued upon exercise of all share options already granted and to be granted (including share options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant (a) representing in aggregate over 0.1% of the Shares in issue and (b) having an aggregate value (based on the closing price of the Shares at the date of the grant) in excess of HK$5 million, such further grant of share options must be approved by Shareholders in general meeting. The proposed grantee, his associates and all core connected persons (as defined in the Listing Rules) of the Company must abstain from voting in favour at such general meeting.

The offer of a grant of share options may be accepted within 21 days from the date of offer, upon payment of a nominal consideration of HK$1 in total by the grantee. The exercise period of the share options granted is determinable by the Directors, which period may commence from the date of the offer of the share options, and ends on a date which is not later than ten years from the date of grant of the share options subject to the provisions for early termination thereof. The Directors will determine the minimum period, if any, for which share options must be held before such share options can be exercised (i.e. the vesting period).

The exercise price of the share options is determinable by the Directors, but shall not be less than the highest of (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Shares on the date of the offer for the grant, which must be a business day; (ii) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of offer; and (iii) the nominal value of a Share. Share options do not confer rights on the holders to dividends or to vote at Shareholders' meetings of the Company.

No share option has been granted under the 2021 Share Option Scheme since its commencement date (i.e. 18 August 2021) and up to 31 March 2025. As at 31 March 2025 and the date of this annual report, the total number of Shares available for issue under the 2021 Share Option Scheme is 95,261,351 Shares, representing approximately 10% of the Shares in issue. As at 1 April 2024 and 31 March 2025, the number of options available for grant under the General Scheme Limit is 95,261,351 Shares.

The Company is aware that under the new rule 17.03A of the Listing Rules which came into effect on 1 January 2023, participants of share schemes shall only comprise of employee participants, related entity participants and service providers (as defined in the Listing Rules). The Company will only grant the share options under the 2021 Share Option Scheme to eligible participants in compliance with the new rule 17.03A and pursuant to the transitional arrangements for share schemes existing as at 1 January 2023 as specified by the Stock Exchange.

During the year ended 31 March 2025, movements of the share options granted under the 2011 Share Option Scheme are summarised as follows:

List of grantees	Date of grant (Note 1)	Exercisable period	Closing price per Share immediately before the date of grant HK$	Exercisable price per share HK$	Number of share options: Outstanding as at 1 April 2024	Granted during the year	Exercised during the year	Lapsed during the year	Cancelled during the year	Outstanding as at 31 March 2025
Directors										
Mr. CHEUNG Kwan Hung	30 April 2015	30 April 2015–29 April 2025	$1.15	$1.20	800,000	–	–	–	–	800,000
Dr. CHAN Chung Bun, Bunny (Note 2)	30 April 2015	30 April 2015–29 April 2025	$1.15	$1.20	800,000	–	–	(800,000)	–	–
Total					1,600,000	–	–	(800,000)	–	800,000

Notes:

(1) The share options granted were vested on the date of grant.

(2) Dr. CHAN Chung Bun, Bunny ("Dr. CHAN") retired as an independent non-executive Director on 30 August 2024. As such, all remaining share options of Dr. CHAN lapsed on the same day under the terms of the 2011 Share Option Scheme.

Public float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, as at the date of this annual report, there is sufficient public float of more than 25% of the Company's issued Shares as required under the Listing Rules.

Contracts of significance

Save for the loan facility agreements entered into between Ablaze Rich and the Company dated 19 January 2017, 12 April 2017 and 23 June 2020 and the deeds of funding undertakings entered into between Ablaze Rich, Mr. Yan and Ms. Lam and the Company dated 30 September 2023 and 30 September 2024, no transaction, arrangement or contract of significance in relation to the Group's business to which the Company or its subsidiaries was a party and in which a Director or an entity connected with a Director (as defined under the Companies Ordinance) or a controlling shareholder of the Company (as defined under the Listing Rules) or any of its subsidiaries is or was materially interested, whether directly or indirectly, subsisted during the year ended, or at, 31 March 2025. Please refer to the section headed "Management Discussion and Analysis – Financial Review – Liquidity, financial resources, capital structure and gearing ratio" of this annual report for further information about the loan facility agreements and the deeds of funding undertakings.

No contract of significance for the provision of services to the Company or any of its subsidiaries by a controlling shareholder of the Company or any of its subsidiaries was entered into during the year ended 31 March 2025.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company which were not contracts of service with any Director or any person engaged in full time employment of the Company were entered into or subsisted during the year ended 31 March 2025.

Related party transactions

Details of significant related party transactions of the Group for the year ended 31 March 2025 are set out in note 30 to the consolidated financial statements. All of such transactions fall under definition of "connected transaction" in Chapter 14A of the Listing Rules. In respect of each of such transactions, the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules (where applicable).

Major customers and suppliers

For the year ended 31 March 2025, the Group's five largest customers together accounted for about 100% of the Group's total chartering revenue and the largest customer accounted for about 47.4% of the Group's total chartering revenue. The relatively high concentration of revenue attributable to a few customers during the year was due to the relatively small fleet size of the Group. Each of the five largest customers had established 1 to 4 years of business relationship with the Group.

For the year ended 31 March 2025, the Group's five largest suppliers together accounted for about 92.1% of the Group's costs of services, and the largest supplier accounted for about 64.4% of the Group's total costs of services. The Group's key suppliers include insurance underwriters, ship managers, shipbrokers, bunker fuel providers and shipyards. Each of the five largest suppliers had established 1 to 13 years of business relationship with the Group.

None of the Directors or their respective close associates, and none of the existing Shareholders who to the knowledge of the Directors owns more than 5% of the number of issued shares (excluding treasury shares) of the Company, had any interest in any of the five largest customers or suppliers of the Group during the year.

Directors and controlling Shareholders' interests in competing business

For the year ended 31 March 2025 and up to the date of this annual report, none of the Directors and controlling Shareholders of the Company (i.e. Mr. Yan, Ms. Lam and Ablaze Rich) (the "Controlling Shareholders") was interested in any business which competes or is likely to compete with the businesses of the Group.

The Company has received annual written confirmation from the Controlling Shareholders in respect of the compliance with the provisions of the deed of non-competition (the "Deed of Non-competition") entered into between the Company and the Controlling Shareholders as set out in the section headed "Relationship with the Controlling Shareholders – Deed of Non-competition" of the prospectus of the Company dated 27 September 2010.

The independent non-executive Directors had reviewed the compliance with the Deed of Non-competition during the year ended 31 March 2025 and up to the date of this annual report based on information and confirmation provided by the Controlling Shareholders, and they were satisfied that the Controlling Shareholders have duly complied with the Deed of Non-competition.

Change in Directors' biographical details

Changes in Directors' biographical details for the year ended 31 March 2025 since the disclosure made in the interim report for the six months ended 30 September 2024 and up to the date of this annual report, which are required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules are set out below:

1. Mr. LIU Yongshun has been appointed as an independent non-executive Director with effect from 18 March 2025.

2. Ms. Lam, the chairperson of the Board, the chief executive officer of the Company and an executive Director, ceased to have spousal relationship with Mr. Yan, who is one of the controlling shareholders of the Company (as defined under the Listing Rules), on 24 March 2025.

3. Ms. Wong Tsui Yue Lucy, an independent non-executive Director, has been appointed as an independent non-executive director of Classified Group (Holdings) Limited, a company listed on GEM of the Stock Exchange (stock code: 8232), on 23 December 2024.

Save as disclosed above, the Company is not aware of other changes in the Directors' information which are required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules.

Closure of register of members

The register of members of the Company will be closed from Friday, 22 August 2025 to Wednesday, 27 August 2025 (both days inclusive) for the purpose of determining the right to attend and vote at the AGM. In order to be qualified for attending and voting at the AGM, unregistered holders of Shares should ensure that all share transfer documents accompanied by the corresponding share certificates are lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, for registration not later than 4:00 p.m. on Thursday, 21 August 2025.

Corporate governance

The Company's principal corporate governance practices are set out in the Corporate Governance Report and Audit Committee Report of this annual report.

Auditor

The consolidated financial statements of the Group for the year ended 31 March 2025 have been audited by CL Partners CPA Limited. CL Partners CPA Limited will retire at the conclusion of the AGM and, being eligible, offer themselves for re-appointment.

On behalf of the Board

LAM Kwan
Chairperson

Hong Kong, 26 June 2025

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

About the Report

Great Harvest Maeta Holdings Limited (the "Company") and its subsidiaries (collectively the "Group" or "we") are pleased to present our annual Environmental, Social and Governance ("ESG") Report (the "Report"). The report provides an overview of the Group's policies, management strategies, and initiatives to showcase our unwavering dedication to sustainable development. Our aim is to ensure that all our business operations are conducted in a responsible manner that takes into account economic, social, and environmental considerations. For the information regarding the Group's corporate governance, please refer to the section of the corporate governance report from page 30 to page 49 of our annual report.

Reporting Scope

The scope of the Report covers the environmental and social performances of the Group's core businesses during the period from 1 April 2024 to 31 March 2025 (the "Year" or "2024/25"). The Report focuses mainly on the operation of the business of chartering out of dry bulk vessels in Hong Kong. During the Year, one vessel was sold due to the Company's strategic decision to enhance the Group's working capital position and further strengthen its liquidity and overall financial position in light of the complex external operating environment and the market challenges.

Reporting Standard

The Report has been prepared in accordance with the second version of the "Environmental, Social and Governance Reporting Guide" (the "ESG Reporting Guide") which is set out in Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Stock Exchange"), as well as the following reporting principles:

Materiality

- The Group identified the material ESG topics through stakeholder engagement and materiality assessment and focused on such topics for reporting disclosure.

Quantitative

- The Group disclosed the information on the standards, methodologies and source of conversion factors used for the reporting of emissions and energy consumption. Please refer to the relevant section in the Report for details.

Balance

- The ESG Report presented the Group's environmental and social performance on an impartial basis and provided an objective reporting disclosure for readers.

Consistency

- The methods of data calculation for environmental and social key performance indicators are followed with the previous reporting year for data consistency, unless otherwise stated. The methodology of the data calculation is then described in the corresponding section.

The ESG Report has been reviewed and approved by the board of directors of the Group (the "Board") on 26 June 2025.

Contact and Feedback

We value input and suggestions from our stakeholders which enable us to enhance our ESG management and performance. If you have any feedback or thoughts about this ESG Report or our sustainability initiatives, please feel free to share them with us via email at info@greatharvestmg.com.

Governance Structure

A comprehensive ESG governance structure is crucial to sustaining the Group's long-term development. The Board is responsible for 1) overseeing the Group's ESG strategies, 2) reviewing progress against ESG-related goals and targets, and 3) formulating a long-term sustainability direction across our entire business chain. As such, it provides strategic guidance on ESG-related issues.

Our ESG Task Force, chaired by our Chief Executive Officer, includes senior management such as the Chief Financial Officer, Company Secretary, and representatives from core business segments. The ESG Task Force is responsible for reviewing key international trends in legislation, regulation, and mandatory disclosure requirements relating to ESG, and ethical standards of corporate behaviour. Based on the determined ESG strategies, the Task Force recommends anticipatory measures and action plans. Furthermore, our ESG Task Force oversees stakeholder communication related to ESG issues by identifying, evaluating, and managing material ESG-related issues, and preparing for ESG reporting disclosure.

The operational departments are responsible for executing the ESG-related action plans proposed by the ESG Task Force in their daily operations. They also support stakeholder engagement activities and track performance progress and achievements in terms of the determined ESG objectives and initiatives, as well as reporting the relevant progress to the Board.

Stakeholder Engagement

We value the importance of honest and transparent communication with our stakeholders to better learn their needs and expectations regarding our business operations. Through active engagement, we aim to identify key concerns, share ideas, and improve our ESG management practices. We regularly communicate with a wide range of stakeholders, including clients, employees, government regulators, shareholders and investors, business partners, industry associations, bankers, and communities. Utilizing various communication channels, we promptly address stakeholders' concerns and take appropriate actions. The table below details the communication channels we use to engage with stakeholders and fulfil their expectations.

Stakeholders	Expectations and concerns	Communication channels
Clients	• Comprehensive operation control • Laws and regulations compliance • Safety of service provision	• Company website • Regular meetings • Customer feedback and complaints • Customer satisfaction surveys
Employees	• Employee benefits • Employee-management relationship • Labour rights • Occupational health and safety ("OHS") • Training and career development opportunities	• Emails and suggestion box • Regular meetings • Annual staff performance review • Employee training • Employee activities
Government and regulators	• Laws and regulations compliance	• Regular document submission • Regular communication with regulatory authorities • Compliance inspections and assessment • Forum, seminar and conference • Regular license renewal
Shareholders and investors	• Investment return • Business growth and development • Corporate governance • Risk management and mitigation	• Company website • Annual general meetings • Corporate announcements • Annual and interim reports
Business partners (Suppliers, service providers and contractors)	• Long-term business partnership • Business ethics and integrity • Supplier assessment and performance	• On-going direct engagement • Supplier selection and performance assessment • Procurement and tendering • Inspection on site

Stakeholders	Expectations and concerns	Communication channels
Industry associations	• Industry position enhancement • Legitimate rights protection • Economic and trade exchange and collaboration • Striving for more support and welfare from the government	• Regular meetings • Emails and phones • Forums, seminars and conferences • Circulars, press and publication • National and international fora
Bankers	• Financing • Banking solutions	• Emails and phone calls • Meetings
Community	• Understanding of community interest • Social and Economic development • Environmental conservation	• Company website • Community activities • Emails and phones • Charitable activities and voluntary services

Materiality Assessment

In FY2024/25, we conducted a materiality review with the support of an independent consultant. Our goal was to gain a deeper understanding of our stakeholders' views on the progress of our sustainability initiatives, as well as their evolving expectations and priorities for the future. These insights have allowed us to enhance our decision-making processes, accountability, and business practices, and to refine our ESG strategy and focus areas in line with the current market trends. Our materiality assessment followed a four-step process, which is outlined below:

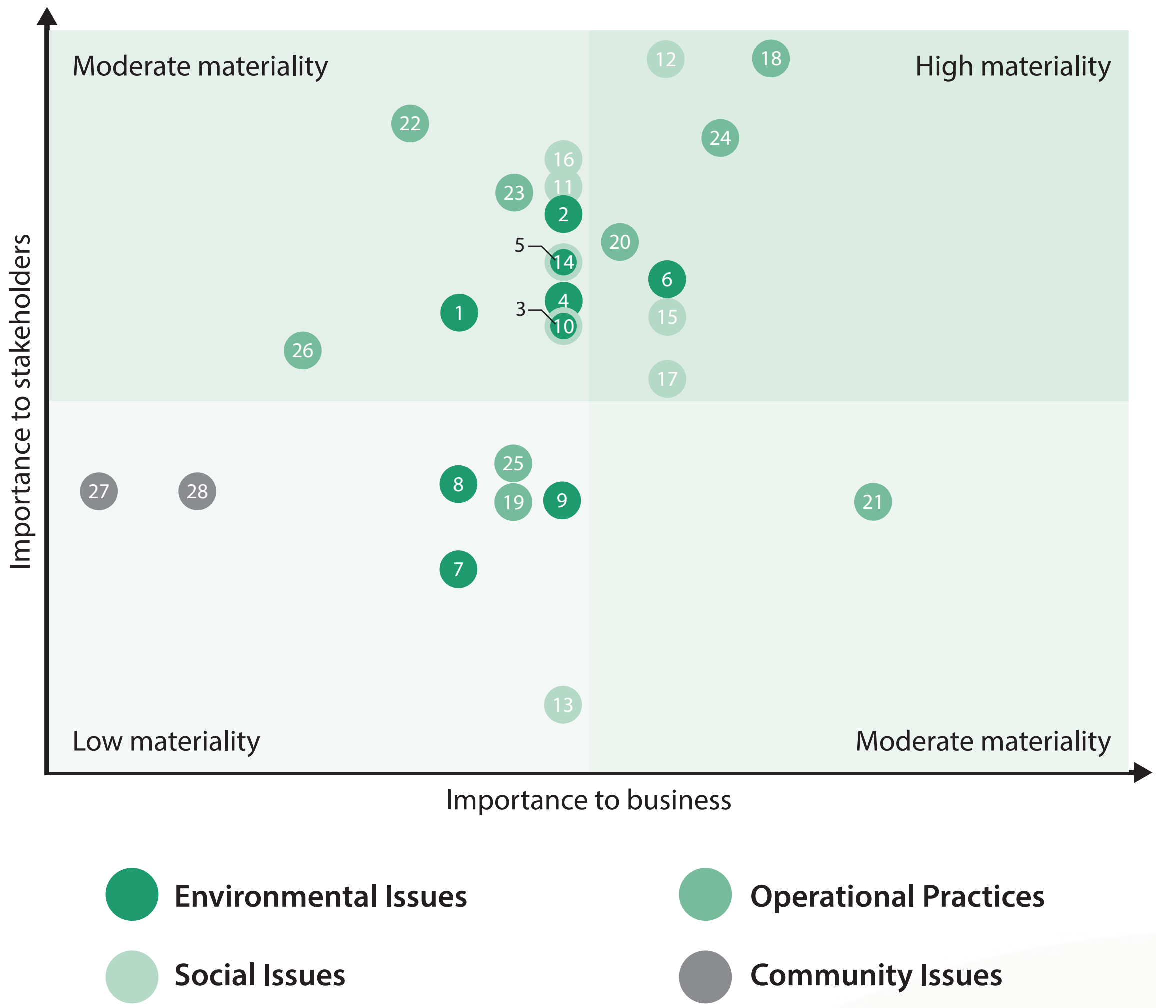
Process of materiality assessment

1	**Identification**	An in-depth review of ESG topics was conducted, which align with our ESG management approach from previous years. Also, we identified topics in line with global sustainability megatrends in the industry, peer practices, and reporting standards set by the Stock Exchange and other international organizations.
2	**Engagement**	Feedback and opinions were collected from our internal and external key stakeholders through an online survey. Our key stakeholders included, but were not limited to, the Board, shareholders and investors, employees, clients, government and regulators, business partners, industry associations, bankers, and communities. For our materiality assessment, a double materiality approach was deployed, whereby we sought both the qualitative and quantitative input from stakeholders on the identified ESG topics. This approach considered the relevance the relevance of these topics to both the stakeholders and our business.
3	**Prioritisation**	An analysis of the priority of each ESG topic was conducted based on stakeholder feedback through surveys for FY2022/23. This analysis considered our business operations, industry development trends, and ESG-related standards and guidelines. The results enabled us to create a materiality matrix that identifies the most significant ESG topics requiring our attention. Moreover, a thorough review of the results was conducted in alignment with peer benchmarking during the Year. This process ensures that our approach to addressing these ESG topics remains vigorous and consistent with industry best practices.
4	**Validation**	A validation process was undertaken to make sure the list of material ESG topics presented to the Board and senior management is precise and pertinent. The materiality matrix serves as a practical tool in guiding our ESG strategy and decision-making processes, empowering us to focus our resources and efforts on the ESG topics that matter most to our stakeholders and align them with our business objectives.

In line with our continuous dedication to responsible business practices, we have incorporated the latest market trends and carefully evaluated the feedback from our recent stakeholder survey. Based on this information, our materiality matrix has been updated to indicate the most critical environmental, social, and governance issues impacting our industry.

After careful analysis, we have identified Water and Wastewater Management, Employee Communication, Occupational Health and Safety, Elimination of Child and Forced Labor, Corporate Governance, Service Quality, and Critical Incident Risk Management as the material topics that we will be focusing on this year in our ESG management efforts.

By spotlighting these issues, we believe that meaningful progress can be made towards attaining our sustainability goals while also generating long-term value for our stakeholders. As always, we remain committed to transparency and accountability, and we will keep tracking and reporting on our progress in these key areas.



Environmental Issues

1. Air emissions
2. Energy efficiency
3. Greenhouse gas emissions
4. Climate change and response
5. Waste disposal and recycling
6. Water and wastewater management
7. Green office
8. Green procurement
9. Ecological impacts

Social Issues

10. Employment rights and benefits
11. Employee recruitment and retention
12. Employee communication
13. Diversity and equal opportunities
14. Employee engagement
15. Occupational health and safety
16. Employee training and career development
17. Elimination of child and forced labour

Operating Practice

18. Corporate governance
19. Anti-corruption
20. Service quality
21. Customer health and safety
22. Customer privacy protection
23. Customer complaint handling
24. Critical incident risk management
25. Supply chain management
26. Innovation and digitalization

Community Issues

27. Community engagement and investment
28. Industry engagement

Business Ethics and Compliance

As a leading provider of dry bulk vessel chartering services, the Group offers marine transportation services to clients worldwide by chartering out vessels for the transportation of dry bulk cargoes. It is crucial that our vessels comply with the laws and regulations of the countries in which they operate, as well as adhere to international conventions governing vessel operations. These regulations cover various aspects of vessel operation, including legal requirements, technical standards, and Health-Safety-Environmental ("HSE") procedures. We emphasized on ensuring compliance with these regulations to uphold safe and responsible vessel operations. Below are the key regulations that govern our operations:

- **International Convention for the Prevention of Pollution from Ships ("MARPOL")**

  MARPOL is a global agreement that regulates the discharge of harmful substances and pollutants from ships. It aims to protect the marine environment and human health by promoting sustainable shipping practices and reducing pollution from vessels. It covers various types of pollutants, including oil, noxious liquid substances, sewage, garbage, and emissions from ship exhausts.

- **International Convention on Standards of Training, Certification and Watchkeeping for Seafarers ("STCW Convention")**

  STCW Convention sets out standards for training, certification and watchkeeping for seafarers working onboard, especially for the vessels which operate on international voyages. It aims to ensure that seafarers have the necessary skills and knowledge to perform their duties safely and efficiently, leading to increased safety and security at sea. In accordance with this convention, vessels owned by the Group are required to be manned by sufficient officers and crew possessing sufficient sea time. Each of them must be trained and qualified accordingly to perform their respective duties on board.

- **Convention on the International Regulations for Preventing Collisions at Sea ("COLREGS")**

  COLREGS establishes rules to prevent collisions between vessels at sea. It covers various aspects of navigation, such as the use of lights and signals, the right of way, and sound signals. It also aims to promote uniformity in the application of these rules to ensure that all vessels, regardless of their flag state or nationality, operate under the same standards, reducing confusion and enhancing safety in international waters.

- **International Convention on Load Lines ("ICLL")**

  ICLL provides regulations for the design and construction of ships, focusing on their safety and seaworthiness. The convention sets standards for the maximum load a ship can carry in different conditions, such as temperature and sea state, to ensure its stability and safety. It aims to prevent accidents and improve the safety of ships and their crews.

- **International Safety Management Code for Safe Operation of Ships and for Pollution Prevention ("ISM Code")**

  ISM Code provides a framework for the safe and environmentally responsible operation of ships. The code requires ship owners and managers to establish and maintain a safety management system that includes policies and procedures for the safe operation of ships and the prevention of pollution. It also aims to improve safety at sea and reduce the environmental impact of shipping.

- **Merchant Shipping (Safety) Ordinance (CAP.369) of Hong Kong Special Administrative Region ("HKSAR")**

  It sets out safety requirements for ships operating in HKSAR waters, such as safety equipment, crew competency, and vessel construction and maintenance. The ordinance also establishes regulations for the prevention of pollution and the investigation of marine accidents, promoting the safety and protection of the marine environment in HKSAR.

The Group is dedicated to upholding the highest standards of environmental sustainability in marine transportation. We have ensured compliance with the relevant requirements of the ISM Code and the MARPOL by maintaining the necessary certificates issued by reputable classification societies such as the American Bureau of Shipping and Lloyd's Register of Shipping for each of the Group's vessels. These certifications serve as evidence of our unwavering commitment to controlling air, oil, and other forms of marine pollution.

During the Year, we have not encountered any significant breaches of laws and regulations relating to environmental protection and health and safety management in our vessel operations. We remain steadfast in our dedication to upholding high standards of environmental and safety practices across our operations. We continuously monitor and enhance our performance in these areas to ensure ongoing improvement. Our commitment to environmental protection and safety is resolute, and we will continue to prioritize these aspects in our operations.

Our Employees

The Group is dedicated to nurturing a safe and balanced workplace environment that encourages continuous improvement among our staff members. During the Year, we have prioritized offering competitive remuneration packages, a variety of employment benefits, and valuable training opportunities for our employees. We strongly believe that by enhancing employee welfare, we can retain top talent within the Company and maintain high levels of staff motivation, which are essential for the overall success of our marine transportation business.

In alignment with our human resources management policies, we strictly adhere to all relevant labour laws and regulations in both Hong Kong and the PRC. These include the Employment Ordinance (Cap.57) of Hong Kong, Employees' Compensation Ordinance (Cap.282) of Hong Kong, Mandatory Provident Fund Schemes Ordinance (Cap.485) of Hong Kong, Minimum Wage Ordinance (Cap.608) of Hong Kong.

Employment and Labour Standard

The Group provides attractive remuneration and benefits packages for our full-time staff in Hong Kong. In addition to a fixed monthly salary, we offer a wide variety of benefits including fixed working hours, allowances, medical insurance, discretionary bonuses and coverage under the Mandatory Provident Fund Schemes or social insurance. Employees are entitled to annual leave, statutory leave, marriage leave, maternity leave, paternity leave, sick leave and compassionate leave. Social insurance benefits cover pension, medical, unemployment, maternity, work-related injury, and housing for qualified employees. Furthermore, eligible employees may be rewarded with share options.

The Group regularly reviews our remuneration and benefits package to safeguard that it aligns with latest market practices and conditions, and that employees are fairly rewarded for their contributions and receive competitive compensation.

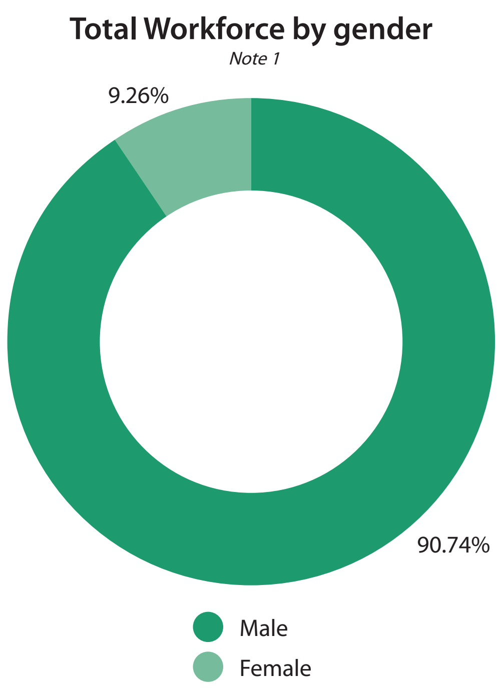
We have established human resource management policies to facilitate workplace diversity, inclusion, and equality. These policies cover all employment-related matters, including recruitment, transferal, promotion, training, performance review and dismissal, ensuring fair treatment without any form of discrimination against employees and job candidates on their gender, age, family status, sexual orientation, disability, race, and religion. The Group strictly prohibits any form of unlawful workplace harassment. We actively promote and value individuality and diversity among our employees, recognizing that their unique perspectives and experiences bring fresh ideas and improved dynamics within our operations. This philosophy is central to our commitment to maximizing our competitive edges.

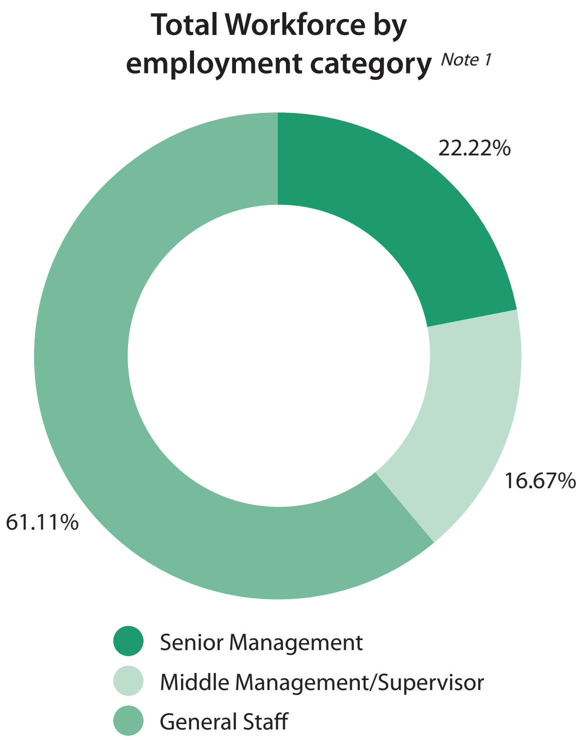
The Group is committed to protecting human rights by adhering to applicable laws regarding the cessation of child and forced labour. We implement stringent screening processes during recruitment activities to verify the eligibility of job candidates and employees for their respective positions, requiring them to provide correct personal information, academic qualification and job reference records. Additionally, we regularly review the employment practices of our supply chain partners. Any supplier or contractor found to be adopting child or forced labour will have their commercial relationship with the Group terminated.

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT

Employment Profile

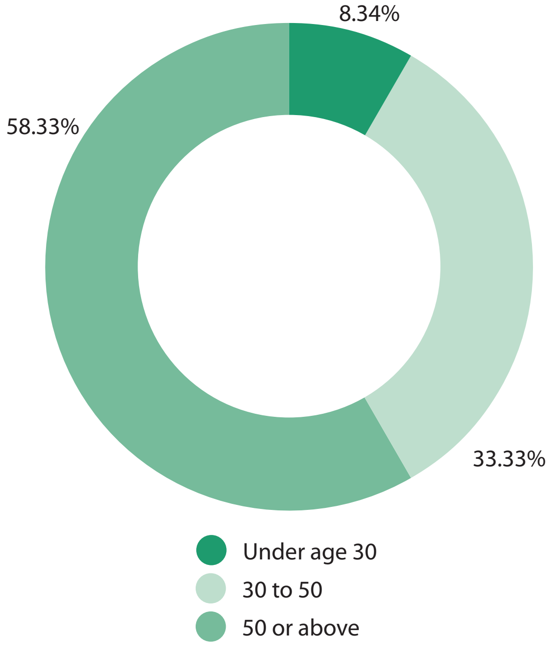
As of 31 March 2025, the Group had 54 full-time employees. The breakdown of the total workforce regarding gender, employee category, age group and geographical region are shown below.





Note 1: The figures covered both onshore and offshore staff.

Total Workforce by age group *Note 2*



Total Workforce by geographical region *Note 2*

Note 2: The figures covered only onshore staff.

Turnover rate (%) *Note 3*	**2023/24**	**2024/25**
By Gender		
Male	21	18
Female	32	27
By Age Group		
Under age 30	0	0
30 to 50	33	33
Over age 50	21	11
By Geographical Region		
Hong Kong	28	7
Mainland China	0	0

Note 3: The figures cover only onshore staff.

Employee Engagement

We consider our employees to be one of our most valuable assets, and we prioritize their well-being and satisfaction by fostering a positive working environment. During the Year, we have actively engaged our employees through different initiatives, such as department gatherings, the celebration lunch for Chinese New Year, and monthly birthday afternoon tea celebrations. We believe that by focusing on the well-being and satisfaction of our employees, we can cultivate a highly productive workforce and drive the success of our organization.

Health and Safety

Maintaining a safe and healthy workplace is essential for our staff to thrive in various work environments. Whether in our offices or aboard our vessel fleet, we prioritize occupational health and safety to foster employee well-being. Our employee manual provides clear procedures to ensure employee safety and well-being. During the Year, the Group has adhered to the Occupational Safety and Health Ordinance (Cap.509) of the HKSAR. We are pleased to announce that there were no work-related fatalities or lost days due to work injuries during the Year.

Crew Safety

To enhance the occupational health and safety of our crews, the Group continues to collaborate with a seasoned contractor specializing in maritime services. This partnership assists us with various aspects, including crew and shipment management, as well as monitoring shipboard operations to ensure safety. Together, we have implemented a comprehensive set of safety policies and management procedures aimed at identifying and mitigating potential safety risks, which includes:

- Safety and environmental protection policy;
- Instructions and procedures to ensure safe operations of ships and protection of the environment in compliance with relevant international and relevant flag states' legislation;
- Procedures for reporting accidents and non-conformities with the provisions of the ISM Code; and
- Procedures for emergency preparedness and response.

Adequate training is provided, and relevant qualifications are obtained before onboarding, ensuring that the operation of each vessel complies with the requirements of the ISM Code.

Office Safety

Despite that onshore offices involve fewer safety hazards, the Group has sought to minimize health risks and raise awareness of workplace health and safety to prevent accidents, work-related injuries, and the spread of infections. Key health and safety measures implemented in offices include:

- Prohibit smoking, alcohol and drug abuse in the workplace;
- Post reminders of proper working postures and lifting methods at strategic locations in offices to encourage employees to adopt the right posture for manual handling operations;
- Provide adjustable chairs and monitors for eye protection;
- Establish a reporting mechanism for workplace hygienic issues;
- Install air purifiers in crowded areas such as conference and meeting rooms; and
- Maintain good housekeeping in workspaces and office areas like corridors and pantries.

Fire Safety and Security

To make sure that our employees can respond promptly to a fire emergency, they are regularly invited to take part in fire drills and emergency evacuation drills organized by the property management company. In addition, we have set up a dedicated task force responsible for overseeing various aspects of office safety, including office security, fire safety, and electrical safety, etc.

	2022/23	2023/24	2024/25
Number of work-related fatalities	0	0	0
Rate of work-related fatalities	0	0	0
Number of injuries at Work	0	0	0
Lost days due to injury at work	0	0	0

We regularly evaluate our health and safety measures to ensure their alignment with the latest social context and industry standards.

Development and Training

The Group is dedicated to achieving outstanding business growth and performance through a team of skilled professionals. We prioritize our employee development by providing broad development and training opportunities to equip them with the skills needed to adapt to ever-changing industry demands. Through performance appraisals, we discern the training needs of our employees and devise tailored programs to address those needs. We firmly believe that investing in staff training and development empowers our employees with the knowledge and skills essential for effectively fulfilling their job responsibilities, thereby contributing to the achievement of our company objectives.

To assist new employees in their transition and understanding of their roles, we offer personalized mentorship and orientation programs. This approach highlights our commitment to supporting our employees and fostering a positive and efficient work environment. Additionally, our directors and senior management participate in training courses and seminars on governance and management topics, such as corporate governance, ethics and integrity, risk management, and legal and regulatory requirements. These trainings enhance the knowledge and leadership capabilities of our corporate leaders, enabling them to effectively lead and manage teams in ways that best serve the Group's interests.

To ensure our employees retain essential professional credentials and skills, the Group offers training programs through external organizations. These programs help employees stay current and relevant in their respective areas. Additionally, eligible workers receive subsidies to support their pursuit of lifelong learning, allowing them to keep enhancing their knowledge and skills throughout their careers.

Beyond our office staff, the Group further supports our seafarers in obtaining relevant certifications and undergoing maritime training. This training equips them with the necessary technical and professional skills for their daily operations, in line with the requirements of the STCW Convention. We place great emphasis on safety training for our vessel operators, upholding the highest safety standards to ensure the well-being of our crew and the security of our operations.

Development and Training Profile *Note 4*

	2023/24	2024/25
Total hours of employee training	77.3	175.5
Percentage of employees who received training (%)	31	67
Average hours of employee training	4.8	14.6

	2023/24		2024/25	
	Percentage of employees trained (%)	Average training hours (hours/employee)	Percentage of employees trained (%)	Average training hours (hours/employee)
By gender				
– Male	33	7.9	57	22.1
– Female	29	0.9	80	4.0
By employment category				
– Senior Management	50	32.6	75	37.1
– Middle Management/Supervisor	0	0	100	4.0
– General Staff	33	0.5	57	3.3

Note 4: The figures have covered only onshore staff.

Operating Practices

We are dedicated to embedding sustainability into our core business values as a component of our corporate responsibility. We strive to carry out sustainable practices and policies across all aspects of our operations, and we adjure our business partners to adopt the same, thereby fostering a shared culture of sustainability.

Supply Chain Management

The Group places emphasis on maintaining firm relationships and tight cooperation with our business partners to ensure business continuity and increase service quality. We have established a supplier management system to evaluate the business capability, material supplies and services of our key suppliers, including the contractor for vessel assets and technical management, as well as office appliances suppliers. This system allows us to assess the suppliers' qualifications, regulatory compliance, safety management, corporate background and reputation during the supplier screening process, rather than focusing solely on price. Inspections and assessments may be conducted by the Group if deemed necessary. We are obliged to terminate the cooperation contract with suppliers that may cause or have caused severe environmental or social accidents.

The Group enliven our business partners to take any initiative which promotes environmental and social conservation practices, which may include employment practices, human rights protection, environmental, health and safety management etc. We highly recognize suppliers and service contractors for their efforts to outperform and demonstrate their sustainability thought leadership.

During the Year, the Group engaged a total of 19 suppliers which were mainly located in Hong Kong.

Supplier Profile

Country/City	2024/25
Hong Kong	15
The PRC	2
Germany	1
US	1

Product Responsibility

The Group consistently engages with our clients to ensure their requirements and expectations are met. During the Year, there were no confirmed incidents of non-compliance with relevant laws or regulations that significantly impacted the Company. We are dedicated to maintaining the highest quality of our products and services through robust product quality management.

Chartering out of dry bulk vessels

The Group leases all its vessels on a time charter basis. We are responsible for the technical and maintenance management of the vessels to ensure the operational condition and safety. Regular maintenance and repairs of the vessels are conducted by qualified contractors in accordance with applicable international conventions, laws, regulations, and manufacturer requirements. This strict methodology ensures the entire safety and reliability of our vessels.

Feedback management

We offer customers multiple communication channels, including telephone hotline, email and the Company's website, to freely share their feedback and concerns about the quality of our services. Customer demands and complaints are guaranteed to be addressed with sincerity to uplift our services continuously. Throughout the Year, there had been no complaints regarding the quality of services obtained.

Protection of Data Privacy and Security

The Group is committed to safeguarding the data privacy of our employees and clients. We make every effort to protect data privacy and comply with the relevant laws and regulations, such as the Personal Data (Privacy) Ordinance (CAP. 486) of Hong Kong. All employees must adhere to the confidentiality obligations outlined in the Employee Handbook and their contracts, carefully managing the corporate confidential information, including trade secrets, employee personal data, client information and financial budgets. For example, employees are prohibited from using any confidential information for any purpose or disclosing it to third parties without prior approval from the Company. Furthermore, all data is securely encrypted and managed within the internal system to prevent unauthorized information leakage or inadvertent access, processing, erasure, or other uses. During the Year, the Group did not identify any material non-compliance with the laws and regulations related to data privacy.

Anti-corruption

The Group places great importance on business integrity and adheres to a strict code of ethical business behaviour across all our operations. We have zero tolerance for any form of bribery or corrupt behaviour and implemented a range of anti-fraud and anti-bribery policies to ensure that all business activities are conducted fairly and honestly within our corporate culture. Our employees are required to comply with applicable laws and regulations, including the Prevention of Bribery Ordinance (CAP.201) of HKSAR. For instance, engaging in any form of bribery or corruption, such as soliciting, accepting, or providing bribes from clients or business associates, or abusing authority positions for personal gain in commercial dealings, is strictly prohibited.

To avoid any misconduct, malpractice, improper, unethical, or unfair treatment, our employees are advised to report any suspected issues through our established communication channels. We take every reported incident solemnly, and our Audit Committee places high importance on such reports. The Audit Committee conducts thorough investigations and verifications for each case with meticulous attention to detail to ensure that any irregularities are addressed promptly and correctly. Our commitment to transparency and accountability is a core principle that guides our approach in all matters. The Group rigorously maintains the confidentiality of case details, including the identity of whistleblowers, to prevent any form of reprisal and victimization. Based on the severity of the situation, our Audit Committee will decide whether to refer the case to the judiciary authorities for further investigation and action.

During the Year, the Group was not aware of any breaches of relevant laws and regulations relating to bribery, extortion, fraud and money laundering in our areas of operation. Additionally, there were no concluded legal cases regarding corruption practices brought against the Group or our employees.

Our Environmental Stewardship

We recognise the importance of environmental sustainability and its impact on our long-term growth. We are devoted to implementing sustainable business practices that integrate environmental considerations into our daily operations. By adhering to all relevant regulatory and legislative environmental standards and continuously enhancing our environmental management systems, we aim to improve our environmental performance and contribute to a more sustainable future.

We have thoroughly examined the impact of enacted latest international conventions and environmental protection laws and regulations on our dry bulk vessel operations to minimize compliance risks. The regulations evaluated include MARPOL, the ISM Code, and the Waste Disposal Ordinance (CAP 354) of HKSAR. To reduce emissions and the use of natural resources, we have integrated relevant standards for energy consumption, waste disposal, air and greenhouse gas emissions (GHGs), and other material usage into our management system.

During the Year, the Group has remained in compliance with all relevant legal and regulatory requirements and has not identified any violations regarding environmental concerns, including air and greenhouse gas emissions, discharge into water and land, or the creation of hazardous and non-hazardous waste. We are dedicated to maintaining high standards of environmental performance and compliance in our operations and will continue to track and improve our performance in these areas.

Air Emissions

When chartering vessels for the transportation of dry bulk cargoes, fuel combustion can lead to the production of significant air pollutants, including Nitrogen Oxides ("NOx") and Sulphur Oxides ("SOx"). Consequently, we prioritized ensuring that our vessels comply with air emission standards outlined in international conventions and the relevant laws and regulations of the regions in which we operate.

We recognise that NOx and SOx emissions poses outstanding environmental risks. Hence, we have proactively ensured that all engines installed on our dry bulk vessels, including main and auxiliary engines, comply with the emissions limits set by the updated NOx Technical Code 2008. We regularly monitor and record the rated power and speed of vessels to secure NOx emissions remain under the specified limits. When necessary, we promptly conduct vessel maintenance to keep emissions under control.

As global air emissions standards for vessel operation continue to tighten, we remain committed to adhering to the regulations that govern our industry. For example, when operating outside of an Emission Control Area, we exclusively use low-sulfur fuel oil with a sulfur content less than 3.50% m/m (prior to 1 January 2020) or 0.50% m/m. According to regulation 14.3 of Annex VI to the MARPOL Convention, operations within an Emission Control Area are restricted to 1% m/m (prior to January 1, 2015) or 0.10% m/m. We strictly comply with these regulations. Throughout the Year, the Group did not record any incidents related to air emissions.

We are committed to continuously monitoring and reducing air emissions from our dry bulk shipping operations, even amidst challenging and uncertain shipping demands due to macro-economic shifts. While we did not set specific quantitative targets for the year, we remain conscious and are dedicated to improving our environmental performance and promoting sustainable shipping practices.

The below table summarized the Group's air emissions during the Year:

	Unit	2023/24	2024/25
Nitrogen oxides (NOx)	kg	1,045,714.6	673,634.8
Sulphur oxides (SOx)	kg	145,833.3	96,760.1
Particulate matter (PM)	kg	75,852.8	50,317.8

Note 5: Air emissions data for FY2023/24 has been restated to reflect an update in our calculation method and conversion factor. This change has been made to ensure the accuracy and consistency of our emissions reporting.

Waste Management

Hazardous Waste

Given the nature of our operations, which include the storage and transfer of fuel and oil, machinery repairs, and cargo handling, vessel operation and maintenance generate hazardous waste such as oil rag and waste engine oil. To prevent hazardous waste pollution, we ensure that waste produced during vessel operation and maintenance is properly separated and stored in designated containers to avoid leaks and mixing with incompatible trash. Nonetheless, the responsibility for the disposal and shipment of this hazardous waste to authorized waste collectors for proper management and treatment lies with our vessel operator contractor.

The Group prioritizes ensuring that all seafarers receive comprehensive training in hazardous waste safety procedures. We work closely with our contractors to confirm that they have established effective emergency response plans to address any potential incidents.

We understand the significance of effective waste management and strive to incorporate best practices into every facet of our business operations. Our office operations generate a limited amount of hazardous trash, such as toner cartridges, which we rely on our service provider for their recycling. This effort supports our goal of reducing our environmental footprint. By doing so, we aim to enhance the quality of both terrestrial and marine environments and promote health and cleanliness.

	Unit	2023/24	2024/25
Toners	piece	12	12

Non-hazardous Waste

Throughout our business operations, we generate domestic waste, primarily consisting of recyclable materials such as paper, plastic, and glass bottles. To promote proper waste management and achieve our waste reduction goals, we have implemented several initiatives. For instance, we encourage our employees to use e-fax, reuse single-sided paper, and minimize printing. To ensure effective waste management, we have established a system for sorting and sending recyclables to the property management company for recycling. We have also limited the availability of single-use disposable items to reduce unnecessary material waste.

Our commitment to waste reduction goes beyond compliance with legal and regulatory standards. We actively strive to adopt best practices in waste management across all our operations, contributing to a cleaner and more sustainable environment.

	Unit	2023/24	2024/25
Domestic waste *Note 6*	kg	5,200.0	5,880.4

Note 6: During the Year, the data collection scope on waste has been expanded, leading to a notable disparity when comparing the current data with that of the previous years.

Use of Resources

We are committed to minimizing waste generation and managing waste responsibly. To achieve this goal, we support green office practices that adhere to the 4R principles: "Reduce", "Reuse", "Replace", and "Recycle".

By following these guidelines, we aim to reduce waste at its source and encourage sustainable operations. We also recognize the importance of imparting resource optimization knowledge to our partners and staff. By fostering environmental awareness and responsibility, we strive to collaborate in reducing adverse environmental impacts throughout our value chain.

Energy Use and GHG Emissions Management

Fuel oil and electricity are the Group's main sources of energy consumption. To reduce GHG emissions from our operations, we have implemented various energy-saving strategies. These include displaying signs and posters near office equipment and workspaces to enhance employee environmental awareness and emphasise the importance of energy conservation.

We implement various actions to conserve energy, including but not limited to:

- Maintain an energy-efficient indoor temperature of 24-26 degrees Celsius;
- Design an operation schedule with on-off and zoning control of lighting and ventilation systems;
- Educate employees to turn off machines and devices when leaving or idle;
- Procure energy-efficient electrical appliances with a Grade 1 energy label;
- Lessen business-related travel by using video conference calls;
- Attach "Green Message" reminders to office equipment and workspaces to raise employees' environmental awareness;
- Substitute outdated and inefficient lighting by energy-efficient LED luminaires in our offices; and
- Upgrade old, energy-intensive air handling units and other office equipment with more efficient models to lower electricity usage.

The below table summarized the Group's energy use and GHG emissions during the Year:

Energy Consumption	Unit	2023/24	2024/25
Fuel Oil	Metric Tonne ("MT")	14,453.1	9,658.8
	Megawatt hour ("MWh")	170,747.7	114,108.1
Marine Gas Oil	MT	651	86.0
	MWh	8,184.8	1,081.6
Total	MT	15,104.2	9,744.8
	MWh	178,932.5	115,189.7
Intensity	MWh/miles	0.7	1.0

GHG Emissions	Unit	2023/24	2024/25
Scope 1 Direct emissions *Note 7*	tonne of carbon dioxide equivalent ("tCO_2e")	47,942.8	30,842.2
Scope 2 Energy indirect emissions	tCO_2e	N/A	N/A
Total GHG emissions	tCO_2e	47,942.8	30,842.2
Intensity	tCO_2e/miles	0.19	0.28

Note 7: Scope 1 Direct emissions data for FY2023/24 has been restated to reflect an update in our calculation method and conversion factor. This change has been made to ensure the accuracy and consistency of our emissions reporting.

Water Consumption

The Group is committed to water conservation and encourages all employees to use water resources responsibly. To support this goal, we have implemented several initiatives to raise awareness among our colleagues about the importance of water conservation:

- Attach water-saving signage in pantries and washrooms;
- Educate employees to tighten taps to avoid dripping;
- Conduct inspections of water facilities on a regular basis to spot and fix leaks in a prompt manner; and
- Report any water pipeline leaks to the property management company as soon as possible to ensure timely repairs.

During the Year, the Group did not face any issues with water access in our offices, as it is directly supplied by local water authorities. In addition, as the landlord covers the water rates for our Hong Kong office, we do not have access to water consumption statistics for disclosure purposes.

Paper Consumption

The Group is dedicated to promoting paperless operations in our offices in order to minimize paper consumption and reduce our environmental impact. To achieve this, we have implemented several measures, such as double-sided printing, using electronic communication and document circulation, and reusing single-sided paper for drawing or printing. These practices help decrease paper usage and reinforce our commitment to sustainability.

	Unit	2023/24	2024/25
Paper	kg	137.7	137.7

The Environment and Natural Resources

Vessel shipping significantly impacts the marine ecosystem, potentially leading to various adverse effects. These include the release of ballast water containing invasive aquatic species, pollution from the consumption of antifoulants, chemical and oil spills, and the risk of ship sinking or grounding. The Group emphasizes the need of proper vessel maintenance and operation to mitigate the environmental impact of shipping activities. Our contracted vendors are required to set up a comprehensive maintenance system that includes planning, execution, and documentation of vessel maintenance at regular intervals. This system ensures vessel safety and reliability while reducing the risk of environmental and safety problems by adhering to Class and Manufacturer standards for all maintenance activities.

The Group strictly conforms to all international regulations and the safety and environmental objectives of the ISM Code as part of our commitment to environmental sustainability. We mandate that our contractors undergo compulsory demonstrations of their environmental and safety management systems to further mitigate the environmental risks associated with our operations. This proactive approach allows us to maintain stringent environmental responsibility and minimize the negative impact of our activities on the marine ecosystem.

In addition, we place strong focus on the quality and safety of our vessels by obtaining oil pollution prevention certificates for all of them. These certificates warrant the structural integrity, equipment, fittings, arrangement, and materials of our vessels before they are chartered to our business partners, guaranteeing that our vessels meet the highest standards of safety and quality.

Our awarded certificates are summarized below:

Certificate	Vessel
International Oil Pollution Prevention Certificate under the provisions of the International Convention for the Prevention of Pollution from Ships ("IOPPC")	GH Glory GH Fortune

Furthermore, we provide our employees with comprehensive training and regularly assess our pollution control measures to ensure the reliability and safety of our vessels. This approach helps us minimize the risk of safety and environmental issues.

Climate Change

The escalating frequency of extreme weather events, attributed to climate change, has emerged as a significant concern for businesses worldwide. These events pose substantial threats to various business operations, necessitating immediate attention. In response, the Group is aware of taking crucial steps to minimize and adapt to the possible consequences of the identified physical and transition risks. Given the escalating severity and frequency of extreme weather events, it is our foremost responsibility to effectively manage climate risks to safeguard our planet and the well-being of future generations.

By actively mitigating climate risks, we can make significant contributions towards minimizing potential adverse effects. In line with this commitment, we are deeply dedicated to enhancing our resilience and preparedness in the face of climate change. To accomplish this, we are steadfast in our efforts to integrate climate-related risks into our business decision-making process. This proactive approach ensures that we are well-prepared to navigate the challenges brought forth by a changing climate, while also capitalizing on opportunities that arise in this evolving landscape, creating values for all of our stakeholders.

Physical Risks

Acute risk: The increased intensity of extreme weather occurrences (e.g. typhoons, thunderstorms, and rainstorms) would cause severe damage to our assets – both the vessels and our properties, with examples of broken windows, damaged glass doors, or even water leakage, causing disruption of business operation inevitably. In terms of our provision of services chartering out of dry bulk vessels, pose additional operating and maintenance costs due to severe physical damages, or even the loss of vessels.

Chronic risk: The longer-term shifts in extreme climatic patterns (e.g. flooding caused by rising seawater level, heatwave) generates different levels of impact. Prolonged high temperatures may pose difficulty for staff to work outdoors for extended periods of time, which affects operational efficiency.

Transition Risks

Policy risk: With the continuous and stringent policy updates from the government and institutions for regulating vessel operations in compliance with the latest global environmental emission requirement, the risk of exposure to litigation without complying with the latest obligation may be created. Moreover, the imposition of carbon emissions by the latest implementation of carbon taxes can potentially increase our operating costs.

Market risks: Operation of vessels is often associated with marine pollution, high energy and fuel consumption, and intense carbon emissions – market Investors may shift their investment focus to business with mild impacts on the environment. With the increasing awareness of climate change and environmental conservation, charters may also shift their preference for vessels to those equipped with energy-efficient facilities.

Our Responses

The Group has taken proactive steps to formulate mitigation strategies and measures to cope with the potential adverse impacts of climate change. For instance, we have integrated safety management guidelines for vessel operations during adverse weather events and developed contingency plans to minimize physical damages to vessels and avoid additional operating and maintenance costs. We understand that extreme weather conditions can disrupt our business operations, and hence, we have put in place robust contingency plans to mitigate such risks.

In addition, we constantly explore opportunities to maximize the energy efficiency of our fleets and assess the feasibility of using possible green fuels for transportation, such as methanol and ammonia. We are aware that lowering our carbon footprint is essential to lessening the effects of climate change over the long run. To remain up to speed with the most recent advancements in the field of sustainable shipping, we routinely assess the local and international market and regulatory environment and keep ourselves informed about pertinent legislation and industry news.

Our Community

The Group actively supports a variety of community projects, contributing to the well-being of community. By embracing corporate social responsibility, we strive to build a more equitable future for Hong Kong, and foster deeper connections with the underprivileged we care about.

We have made generous donations to Pok Oi Hospital to assist in their mission of delivering quality medical care and improving the well-being of individuals in need. We believe in the importance of contributing to healthcare institutions that provide essential services to the community. Through our donations, we hope to make a positive impact on the lives of patients and contribute to the overall betterment of healthcare services.

Performance Data Summary

Environmental Performance[1]

	Unit	2023/24	2024/25
Emissions[2, 3]			
Nitrogen oxides (NOx)	kg	1,045,714.6	673,634.8
Sulphur oxides (SOx)	kg	145,833.3	96,760.1
Particulate matter (PM)	kg	75,852.8	50,317.8
Total GHG emissions[4]	tCO_2e	47,942.8	30,842.2
– Scope 1 emissions	tCO_2e	47,942.8	30,842.2
– Scope 2 emissions	tCO_2e	N/A	N/A
Waste			
Hazardous waste (Toner)[5]	piece	12	12
Hazardous waste (Electrical appliances)	m^3	0.44	0.36
Non-hazardous waste (Domestic waste)[6, 7]	kg	5,200.0	5,880.4
Resource use[8]			
Energy			
– Fuel oil	MWh	170,747.7	114,108.1
– Marine gas oil	MWh	8,184.8	1,081.6
Total Energy Consumption	MWh	178,932.5	115,189.7
Energy Intensity	MWh/miles	0.7	1.0
Paper[9]	kg	137.7	137.7

Social Performance

Employee Profile[10]

	Unit	2023/24	2024/25
Employee profile			
Total workforce	Number	79	54
Employees by gender			
Male	Number	72	49
Female	Number	7	5
Employees by employment type			
Full-time	Number	79	54
Part-time	Number	0	0
Employees by employee category			
Senior	Number	14	12
Middle	Number	14	9
General staff	Number	51	33
Employees by age[11]			
Under 30	Number	1	1
Age 30-50	Number	6	4
Over age 50	Number	9	7
Employees by geographical region[12]			
Hong Kong	Number	16	12
PRC	Number	0	0
Employee turnover[13]			
By gender			
Male	%	21	18
Female	%	32	27
By age			
Under 30	%	0	0
Age 30-50	%	33	33
Over age 50	%	21	11
By geographical region			
Hong Kong	%	28	7
PRC	%	0	0

Occupational Health and Safety Profile

	2022/23	2023/24	2024/25
Work-related fatalities	0	0	0
Work-related accidents	0	0	0
Lost days of work-related injury	0	0	0

Development and Training Profile[14]

Employee Training	2023/24	2024/25
Total hours of employee training	77.3	175.5
Percentage of employees who received training (%)	31	67
Average hours of employee training	4.8	14.6

	2023/24		2024/25	
	Percentage of employees trained (%)	Average training hours (hours/employee)	Percentage of employees trained (%)	Average training hours (hours/employee)
By employment category				
– Male	33	7.9	57	22.1
– Female	29	0.9	80	4.0
By employment category				
– Senior Management	50	32.6	75	37.1
– Middle Management/Supervisor	0	0	100	4.0
– General Staff	33	5	57	3.3

Supplier Profile

Country/City	2023/24	2024/25
Hong Kong	13	15
The PRC	1	2
Germany	1	1
US	1	1

Note:

1. During the Year, one vessel was sold due to the Company's strategic decision, the data of sold vessel are not included in this table.

2. The figure is calculated with reference to 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the section of International maritime and inland navigation, national navigation, national fishing, recreational boats of EMEP/EEA air pollutant emission inventory guidebook 2019 published by European Environment Agency.

3. Air emissions and Scope 1 Direct emissions data for FY2023/24 has been restated to reflect an update in our calculation method and conversion factor. This change has been made to ensure the accuracy and consistency of our emissions reporting.

4. The figure is calculated with reference to 2006 IPCC Guidelines for National Greenhouse Gas Inventories.

5. The figure only covers the office operation of the business of chartering out of dry bulk vessels in Hong Kong.

6. During the Year, the data collection scope on waste has been expanded, leading to a notable disparity when comparing the current data with that of the previous years.

7. The figure only covers the office operation of the business of chartering out of dry bulk vessels in Hong Kong and it is estimated based on the following information -

   The amount of daily waste generation: 20kg; and

   The number of working days for 2023/24 and 2024/2025: 260.

8. The electricity and water charges of our Hong Kong offices are borne by the landlord. The electricity and water consumption data are not available. Due to the Group's business nature, no package materials are consumed during our business activities and hence there is no available data for information disclosure.

9. The figure only covers the office operation of the business of chartering out of dry bulk vessels in Hong Kong.

10. During the Year, one vessel was sold due to the Company's strategic decision, the data of sold vessel are not included in this table.

11. The figure of employee number is calculated based on the number of headcounts at Hong Kong headquarter.

12. The Group does not report the data of the seafarers by geographical region due to the limitation of data collation.

13. The figure only covers the office operation of the business of chartering out of dry bulk vessels in Hong Kong. Due to the worldwide marine transportation services of the chartered dry bulk vessels, the crews of the vessels fleet do not base in specific regions or countries and thus there is no available data for disclosure.

14. The figure only covers the office operation of the business of chartering out of dry bulk vessels in Hong Kong.

The Stock Exchange ESG Reporting Guide Index

ESG Reporting Guide		Section/Explanation
Mandatory Disclosure Requirements		
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritize and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Governance Structure
Reporting Principles	A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: **Materiality:** The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. **Quantitative:** Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed. **Consistency:** The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	Reporting Standard
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	Reporting Scope

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Reporting Guide		Section/Explanation
A. Environment		
A1 Emissions		
A1	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 air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Our Environmental Stewardship – Air Emissions Our Environmental Stewardship – Waste Management Our Environmental Stewardship – Use of Resources
KPI A1.1	The types of emissions and respective emissions data.	Performance Data Summary
KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Performance Data Summary
KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Performance Data Summary
KPI A1.4	Total non-hazardous waste produced (in tonnes and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Performance Data Summary
KPI A1.5	Description of measures to mitigate emissions and results achieved.	Our Environmental Stewardship – Air Emissions Our Environmental Stewardship – Use of Resources
KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved.	Our Environmental Stewardship – Waste Management

ESG Reporting Guide		Section/Explanation
A2 Use of Resources		
A2	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Our Environmental Stewardship – Use of Resources
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).	Performance Data Summary
KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Performance Data Summary
KPI A2.3	Description of energy use efficiency initiatives and results achieved.	Our Environmental Stewardship – Use of Resources
KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Our Environmental Stewardship – Use of Resources
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Due to the business nature, no packaging materials are used in the Group's operations.
A3 The Environment and Natural Resources		
A3	General Disclosure Policies on minimising the issuer's significant impact on the environment and natural resources.	Our Environmental Stewardship – 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.	Our Environmental Stewardship – The Environment and Natural Resources
A4 Climate Change		
A4	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Our Environmental Stewardship – Climate Change
KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Our Environmental Stewardship – Climate Change

ESG Reporting Guide		Section/Explanation
B1 Employment		
B1	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 compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Our Employees – Employment and Labour Standard
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Our Employees – Employment Profile Performance Data Summary
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Performance Data Summary
B2 Health and Safety		
B2	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 providing a safe working environment and protecting employees from occupational hazards.	Our Employees – Health and Safety
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Performance Data Summary
KPI B2.2	Lost days due to work injury.	Performance Data Summary
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Our Employees – Health and Safety

ESG Reporting Guide		Section/Explanation
B3 Development and Training		
B3	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Our Employees – Development and Training
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management/supervisor, general staff).	Performance Data Summary
KPI B3.2	The average training hours completed per employee by gender and employee category.	Performance Data Summary
B4 Labour Standard		
B4	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 preventing child and forced labour.	Our Employees – Employment and Labour Standard
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Our Employees – Employment and Labour Standard
KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Our Employees – Employment and Labour Standard

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ESG Reporting Guide		Section/Explanation
B5 Supply Chain Management		
B5	General Disclosure Policies on managing environmental and social risks of the supply chain.	Operating Practices – Supply Chain Management
KPI B5.1	Number of suppliers by geographical region.	Performance Data Summary
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Operating Practices – Supply Chain Management
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 is not one of the Group's material ESG issues. The Group would however continue to explore the feasibility of such practice and consider applying it in the Group's operation.
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 is not one of the Group's material ESG issues. –The Group would however continue to explore the feasibility of such practice and consider applying it in the Group's operation.

ESG Reporting Guide		Section/Explanation
B6 Product Responsibility		
B6	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 provided and methods of redress.	Operating Practices – Product Responsibility
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Not applicable to the Group
KPI B6.2	Number of products and service related complaints received and how they are dealt with.	No products and service-related complaints were received during the Year.
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Not applicable to the Group, as no intellectual property rights are under registered by the Group
KPI B6.4	Description of quality assurance process and recall procedures.	Operating Practices – Product Responsibility
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Operating Practices – Product Responsibility

ENVIRONMENTAL, SOCIAL AND
GOVERNANCE REPORT

ESG Reporting Guide		Section/Explanation
B7 Anti-corruption		
B7	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 bribery, extortion, fraud and money laundering.	Operating Practices – Anti-corruption
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the year and the outcomes of the cases.	Operating Practices – Anti-corruption
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Operating Practices – Anti-corruption
KPI B7.3	Description of anti-corruption training provided to directors and staff.	With our fluid combination of crew members for vessel operation, the Group would consider and look for online training materials or other training channels in the future.
B8 Community Investment		
B8	General Disclosure 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.	Our Community
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Our Community
KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Our Community

INDEPENDENT AUDITOR'S REPORT

CL Partners

TO THE SHAREHOLDERS OF GREAT HARVEST MAETA HOLDINGS LIMITED
(incorporated in Cayman Islands with limited liability)

Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of Great Harvest Maeta Holdings Limited (the "Company") and its subsidiaries (together, the "Group"), which comprise the consolidated statement of financial position as at 31 March 2025 and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

We do not express an opinion on the consolidated financial statements of the Group. Because of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Disclaimer of Opinion

Scope limitation relating to the going concern basis in the preparation of the consolidated financial statements

As described in Note 2.1.1, the Group reported a net loss of approximately US$10,383,000 for the year ended 31 March 2025. As at 31 March 2025, the Group's current liabilities exceeded its current assets by approximately US$8,586,000, which included borrowings and loans of approximately US$109,000 and convertible bonds of approximately US$2,500,000, that are repayable within one year, while the Group's cash and cash equivalents balances was approximately US$167,000. In addition, the Group has entered into agreements which will involve capital commitments of approximately US$243,000 in respect of investment properties project as at 31 March 2025.

On 21 January 2025, the Company, Mr. Yan, Ms. Lam and Ablaze Rich (as defined in Note 1) (collectively as the "Guarantors") and the Bondholder (as defined in Note 2.1.1) have entered into the second supplemental agreement ("Second Supplemental Settlement Agreement") to adjust the repayment schedule of the outstanding principal of the redemption amount of the Top Build Convertible Bonds of US$47,930,000. Pursuant to the Second Supplemental Settlement Agreement, the Company will settle the outstanding principal of the redemption amount of the Top Build Convertible Bonds (which amounted to US$47,930,000 as at the date of the Second Supplemental Settlement Agreement) by repaying the Bondholder in cash of (i) not less than US$300,000 within each of the second and third quarter of 2025; (ii) not less than US$1,400,000 within the fourth quarter of 2025; (iii) not less than US$500,000 within each of the first, second and third quarter of 2026; (iv) the remaining balance within the fourth quarter of 2026 and on or before 31 December 2026; (v) the outstanding accrued interest on the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 July 2022 and 31 December 2024 of US$9,893,162 on or before 31 December 2026; (vi) interest over the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 January 2025 and 31 December 2026 (calculated at an interest rate of 8% per annum), on or before 31 December 2026; and (vii) liquidated damages in respect of the default of US$87,405 on or before 31 December 2026.

Basis for Disclaimer of Opinion (Continued)

The above conditions, along with other matters as set forth in Note 2.1.1 to the consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt on the Group's ability to continue as a going concern, and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

As detailed in Note 2.1.1 to the consolidated financial statements, in view of the above circumstances, the directors of the Company have prepared a cash flow forecast of the Group which takes into account certain plans and measures covering a period of not less than twelve months from 31 March 2025. The validity of the going concern assumption is dependent on the successful and favourable outcomes of these plans and measures, as mentioned in Note 2.1.1 to the consolidated financial statements, being undertaken by the management of the Group. The directors of the Company are of the opinion that, assuming the materialisation of those plans and measures described in Note 2.1.1 which improve the liquidity and financial position of the Group, the Group would have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 March 2025 and would be able to continue as a going concern. Accordingly, the directors of the Company prepare the consolidated financial statements on a going concern basis.

However, we have not been able to obtain sufficient appropriate audit evidence to satisfy ourselves that the events or conditions underpinning the cash flow forecast of the Group for going concern assessment are reasonable and supportable because of the lack of sufficient appropriate audit evidence from the management on the success and feasibility of:

(i) whether the Group can improve its operation through streamlining its existing business and assets, so as to improve efficiency of assets utilisation and reducing operating costs;

(ii) the financing from ultimate holding company; and

(iii) the financing through banks and capital market, or alternative sources to finance the Settlement (as defined in Note 24).

There were no other satisfactory audit procedures that we could adopt to conclude whether it is appropriate to use the going concern assumption to prepare these consolidated financial statements.

Should the Group fail to achieve the plans and measures, as mentioned in Note 2.1.1 to the consolidated financial statements, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effect of these adjustments has not been reflected in these consolidated financial statements.

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 Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors of the Company determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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 responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing ("HKSAs") as issued by HKICPA and to issue an auditor's report. Our report is made, 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.

However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

We are independent of the Group in accordance with the Code of Ethics for Professional Accountants issued by the HKICPA (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

CL Partners CPA Limited
Certified Public Accountants
Lee Wai Chi
Practising Certificate Number: P07830

Hong Kong
26 June 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2025

	Notes	2025 US$'000	2024 US$'000
Revenue	5	14,038	13,452
Cost of services	8	(15,134)	(12,942)
Gross (loss)/profit		(1,096)	510
Other gains, net	6	3,972	600
Other income	7	86	173
General and administrative expenses	8	(2,405)	(2,685)
(Provision for)/reversal of impairment losses on property, plant and equipment	14	(6,944)	872
Operating loss		(6,387)	(530)
Finance income	9	9	37
Finance costs	9	(3,996)	(5,053)
Finance costs – net		(3,987)	(5,016)
Loss before income tax		(10,374)	(5,546)
Income tax expense	11	(9)	(1,256)
Loss for the year		(10,383)	(6,802)
Loss attributable to:			
Owners of the Company		(10,375)	(7,126)
Non-controlling interest		(8)	324
		(10,383)	(6,802)
Other comprehensive expense for the year			
Item that may be reclassified subsequently to profit or loss			
Currency translation differences		(1,268)	(1,467)
Total comprehensive expense for the year		(11,651)	(8,269)
Total comprehensive expense attributable to:			
Owners of the Company		(11,529)	(8,461)
Non-controlling interest		(122)	192
		(11,651)	(8,269)
Loss per share attributable to owners of the Company			
Basic loss per share	12	(US1.09 cents)	(US0.75 cents)
Diluted loss per share	12	(US1.09 cents)	(US0.75 cents)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Notes	2025 US$'000	2024 US$'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	**19,192**	37,273
Investment properties	15	**71,629**	73,474
Right-of-use assets	26	**82**	328
		90,903	111,075
Current assets			
Trade receivables, deposits, prepayments and other receivables	17	**1,669**	3,080
Cash and cash equivalents	18	**167**	1,058
		1,836	4,138
Total assets		**92,739**	115,213
EQUITY			
Equity attributable to owners of the Company			
Share capital	19	**1,221**	1,221
Reserves	21	**5,299**	16,828
		6,520	18,049
Non-controlling interest		**4,297**	4,419
Total equity		**10,817**	22,468

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Notes	2025 US$'000	2024 US$'000
LIABILITIES			
Non-current liabilities			
Borrowings and loans	22	1,296	6,730
Convertible bonds	24	53,088	–
Lease liabilities	26	–	84
Deferred tax liabilities	23	17,116	17,571
		71,500	24,385
Current liabilities			
Other payables and accruals	25	7,725	12,101
Borrowings and loans	22	109	105
Convertible bonds	24	2,500	55,900
Lease liabilities	26	84	248
Tax payables		4	6
		10,422	68,360
Total liabilities		81,922	92,745
Total equity and liabilities		92,739	115,213

The consolidated financial statements on pages 106 to 188 were approved by the Board of Directors on 26 June 2025 and were signed on its behalf by:

Lam Kwan	**Pan Zhongshan**
Director	*Director*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Attributable to owners of the Company										
	Share capital US$'000	Share premium US$'000	Convertible bonds reserve US$'000	Share option reserve US$'000	Merger reserve (Note 21(a)) US$'000	Other reserves (Note 21(b)) US$'000	Exchange reserve US$'000	Accumulated losses US$'000	Total US$'000	Non-controlling interest US$'000	Total equity US$'000
Balance at 1 April 2023	1,221	54,684	38,954	116	(63,808)	13,636	(4,212)	(14,081)	26,510	4,227	30,737
(Loss)/profit for the year	–	–	–	–	–	–	–	(7,126)	(7,126)	324	(6,802)
Other comprehensive expense											
Currency translation differences	–	–	–	–	–	–	(1,335)	–	(1,335)	(132)	(1,467)
Total comprehensive (expense)/income	–	–	–	–	–	–	(1,335)	(7,126)	(8,461)	192	(8,269)
Lapse/forfeit of share options (Note 20(ii))	–	–	–	(15)	–	–	–	15	–	–	–
Balance at 31 March 2024	1,221	54,684	38,954	101	(63,808)	13,636	(5,547)	(21,192)	18,049	4,419	22,468

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

	Attributable to owners of the Company										
	Share capital US$'000	Share premium US$'000	Convertible bonds reserve US$'000	Share option reserve US$'000	Merger reserve (Note 21(a)) US$'000	Other reserves (Note 21(b)) US$'000	Exchange reserve US$'000	Accumulated losses US$'000	Total US$'000	Non-controlling interest US$'000	Total equity US$'000
Balance at 1 April 2024	1,221	54,684	38,954	101	(63,808)	13,636	(5,547)	(21,192)	18,049	4,419	22,468
Loss for the year	–	–	–	–	–	–	–	(10,375)	(10,375)	(8)	(10,383)
Other comprehensive expense											
Currency translation differences	–	–	–	–	–	–	(1,154)	–	(1,154)	(114)	(1,268)
Total comprehensive expense	–	–	–	–	–	–	(1,154)	(10,375)	(11,529)	(122)	(11,651)
Lapse/forfeit of share options (Note 20(ii))	–	–	–	(51)	–	–	–	51	–	–	–
Balance at 31 March 2025	1,221	54,684	38,954	50	(63,808)	13,636	(6,701)	(31,516)	6,520	4,297	10,817

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	Notes	2025 US$'000	2024 US$'000
Cash flows from operating activities			
Loss before income tax		(10,374)	(5,546)
Adjustments for:			
Finance costs	9	3,996	5,053
Finance income	9	(9)	(37)
Depreciation of property, plant and equipment	14	3,899	4,944
Depreciation of right-of-use assets	26	246	176
Gain on disposal of subsidiaries	6	(3)	–
Gain on modification of convertible bonds	6	(3,180)	–
Reversal of expected penalty interest for convertible bonds	6	(4,002)	–
Fair value gains on investment properties	6	–	(4,986)
Loss on disposal of property, plant and equipment	6	3,213	4,386
Provision for/(reversal of) impairment losses on property, plant and equipment	14	6,944	(872)
Operating cash flows before movements in working capital		730	3,118
Decrease in trade receivables, deposits, prepayments and other receivables		1,274	330
Decrease in other payables and accruals		(565)	(582)
Cash generated from operations		1,439	2,866
Income tax paid		(11)	(8)
Net cash generated from operating activities		1,428	2,858
Cash flows from investing activities			
Purchase of property, plant and equipment		(1,470)	(667)
Proceeds from disposal of property, plant and equipment		6,000	11,005
Proceed from disposal of subsidiaries		3	–
Purchase of investment properties		(55)	(41)
Interest received		9	37
Net cash generated from investing activities		4,487	10,334

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 March 2025

	Note	2025 US$'000	2024 US$'000
Cash flows from financing activities			
Repayments of bank borrowings		**(106)**	(10,881)
Interest paid		**(522)**	(1,872)
Redemption of convertible bonds		**(1,000)**	(800)
Proceeds from loan from ultimate holding company		**70**	–
Repayments of loans from ultimate holding company		**(5,000)**	(950)
Repayments of lease liabilities		**(248)**	(188)
Decrease in pledged bank deposits		**–**	516
Net cash used in financing activities		**(6,806)**	(14,175)
Net decrease in cash and cash equivalents		**(891)**	(983)
Cash and cash equivalents at beginning of year		**1,058**	2,041
Cash and cash equivalents at end of year	18	**167**	1,058

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

Great Harvest Maeta Holdings Limited (the "Company") and its subsidiaries (together, the "Group") are principally engaged in chartering of dry bulk vessels and property investment and development. The principal activity of the Company is investment holding. Its parent is Ablaze Rich Investments Limited ("Ablaze Rich") (incorporated in British Virgin Islands) and the ultimate controlling parties are Mr. Yan Kim Po ("Mr. Yan") and Ms. Lam Kwan ("Ms. Lam").

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in United States dollars ("US$") which is also the functional currency of the Company and rounded to nearest thousand US$, unless otherwise stated.

2. Material Accounting Policy Information

The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with HKFRS Accounting Standards issued by Hong Kong Institute of Certified Public Accountants ("HKICPA"). 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 under the historical cost convention, except for investment properties that are measured at fair value, at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date regardless of whether that price is directly observable or estimated using another valuation technique. Details of fair value measurement are explained in the material accounting policy information set out below.

2. Material Accounting Policy Information (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Going concern basis

The Group reported a net loss of approximately US$10,383,000 for the year ended 31 March 2025. As at 31 March 2025, the Group's current liabilities exceeded its current assets by approximately US$8,586,000, which included borrowings and loans of approximately US$109,000 and convertible bonds of approximately US$2,500,000 that are repayable within one year, while the Group's cash and cash equivalents balance was approximately US$167,000. In addition, the Group has entered into agreements which will involve capital commitments of approximately US$243,000 in respect of investment properties project as at 31 March 2025.

Pursuant to the Supplemental Settlement Agreement (as defined in Note 24), the Company shall settle the outstanding principal of the redemption amount of the Top Build Convertible Bonds (which amounted to approximately US$55,900,000 as at 31 March 2024) and all accumulated interest, both to be paid in cash in one lump sum on 31 December 2024.

On 21 January 2025, the Second Supplemental Settlement Agreement (as defined in Note 24) was entered into by the Company, the Guarantors (as defined in Note 24) and the holder of the Top Build Convertible Bonds (the "Bondholder"). Pursuant to the Second Supplemental Settlement Agreement, the Company will settle:

(i) the outstanding principal of the redemption amount of the Top Build Convertible Bonds (which amounted to US$47,930,000 as at the date of the Second Supplemental Settlement Agreement) by repaying the Bondholder in cash of (a) not less than US$300,000 within each of the second and third quarter of 2025; (b) not less than US$1,400,000 within the fourth quarter of 2025; (c) not less than US$500,000 within each of the first, second and third quarter of 2026; and (d) the remaining balance within the fourth quarter of 2026 and on or before 31 December 2026;

(ii) the outstanding accrued interest on the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 July 2022 and 31 December 2024 of US$9,893,162 in cash on or before 31 December 2026;

(iii) interest over the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 January 2025 and 31 December 2026, calculated at an interest rate of 8% per annum, in cash on or before 31 December 2026; and

(iv) liquidated damages in respect of the default of US$87,405 in cash on or before 31 December 2026.

2. Material Accounting Policy Information (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Going concern basis (Continued)

As the financial resources available to the Group as at 31 March 2025 and up to the date of approval of these consolidated financial statements for issuance may not be sufficient to satisfy operating and financing requirements together with the payment of capital expenditure when they fall due, the Group is actively pursuing additional financing including, but not limited to, debt financing and bank borrowings.

In view of such circumstances, certain plans and measures have been taken by the Group to improve their liquidity position, which include:

(i) Various settlement proposals

The Group has been actively negotiating with the Bondholder for various alternative settlement proposals for the Settlement (as defined in Note 24), including realisation of assets to finance the Settlement. Negotiation with the Bondholder is ongoing as at the date of this report.

(ii) Financing through ultimate holding company

On 30 September 2023, the Company entered into a deed of funding undertakings that Ablaze Rich, Mr. Yan and Ms. Lam have undertaken to provide funding to the Group when funding notice issue by the Company within twenty four months of the date of the deed. On 30 September 2024, the deed has further extended to up to September 2026. The undertakings shall cease to have effect after twenty four months from the date of the deed or upon the Company or any member of the Group having obtained long-term external bank borrowings or other sources of long-term financing with a principal amount of not less than US$30 million, whichever is the earlier. As at 31 March 2025, no loan was obtained under the terms of the deed (2024: US$2.9 million).

In addition, the outstanding principal amount of the shareholders' loan granted by Ablaze Rich in 2017 amounted to approximately US$1 million as at 31 March 2025.

On 30 March 2023, Ablaze Rich extended the maturity of all these outstanding principal balance, together with related interest payable balance, to 30 June 2026 with other major terms and conditions remaining unchanged.

2. Material Accounting Policy Information (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Going concern basis (Continued)

(iii) Financing through banks and capital market

The Group has been actively negotiating with banks and other financial institutions with a view of seeking for other alternative financing and bank borrowings to refinance its existing financial obligations (including but not limited to the redemption amount of the Top Build Convertible Bonds) and to fund the Group's future operating and capital expenditures. Additionally, the Group has been conducting feasibility study on, and has been negotiating with potential investors in connection with, fundraising opportunities through the capital market, such as placement or issue of corporate bonds and/or other sources. Negotiation with potential investor(s) is ongoing as at the date of this report.

(iv) Enhancement of operation of chartering business

The Group continues its efforts to enhance its operation of chartering of dry bulk vessels to improve its cash flow from operations, and further control capital and operating expenditures to strengthen its working capital and mitigate the potential market fluctuation.

The directors of the Company have reviewed the Group's cash flow projection for a period covering not less than twelve months from 31 March 2025. Assuming that other solutions would be reached and the plans and measures as described above would be successfully implemented by the Group, the directors of the Company accordingly consider it is appropriate that the Group will have sufficient working capital to meet its cash flow requirements in the next twelve months. The directors of the Company are satisfied that it is appropriate to prepare these consolidated financial statements on a going concern basis.

2. Material Accounting Policy Information (Continued)

2.1 Basis of preparation (Continued)

2.1.1 Going concern basis (Continued)

Notwithstanding the above, material uncertainties exist as to whether the Group can achieve the plans and measures described above to generate adequate cash inflow as scheduled. The sufficiency of the Group's working capital to satisfy its present requirements for at least the next twelve months from the date of approval of these consolidated financial statements for issuance is dependent on the followings:

(i) Whether the Group can liquidate its assets on time to finance needed funding requirements;

(ii) Whether the ultimate holding company will be able to provide further funding to the Group under the above-mentioned deed of funding undertakings, as and when needed, to meet the Group's working capital and scheduled loan repayments;

(iii) Whether the Group can successfully obtain financing through banks, capital market, or agree on alternative sources to finance the Settlement with the Bondholder; and

(iv) Whether the Group can successfully improve its operation of chartering of dry bulk vessels under market fluctuation, and whether the Group can exercise stringent control on capital and operating expenditures in order to generate sufficient operating cash inflow.

Should the Group be unable to operate as a going concern, adjustments would have to be made to reduce the carrying values of the Group's assets to their realisable values, to provide for financial liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

2. Material Accounting Policy Information (Continued)

2.1 Basis of preparation (Continued)

2.1.2 Application of amendment to HKFRS Accounting Standards

In the current year, the Group has applied mandatorily the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time which are effective for the Group's annual periods beginning on 1 April 2024 for the preparation of the consolidated financial statements:

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

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

2. Material Accounting Policy Information (Continued)

2.1 Basis of preparation (Continued)

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

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

Except for the new and amendments to HKFRS Accounting Standards mentioned below, the directors of the Company anticipate that the application of all the other new and amendments to HKFRS Accounting Standards will have no material impact on the results and the financial position of the Group 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 Standards, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made. HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

2. Material Accounting Policy Information (Continued)

The material accounting policy information are set out below.

2.2 Basis of consolidation

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

Control is achieved where the Group has: (i) the power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and cease when the Group loses control of the subsidiary.

Income and expenses of subsidiaries 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 component of other comprehensive income of subsidiaries 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.

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

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

2. Material Accounting Policy Information (Continued)

2.3 Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

2.4 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 recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing at 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 at 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 foreign operations are translated into the presentation currency of the Group (i.e. US$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the year. 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 interest as appropriate).

2. Material Accounting Policy Information (Continued)

2.5 Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit or loss during the period in which they are incurred.

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

Vessels	25 years
Office equipment	3 - 5 years
Leasehold improvement	3 years
Motor vehicles	4 years

Vessel component costs include the cost of major components which are usually replaced or renewed at dry dockings. This cost is depreciated over the period to the next dry docking. Costs incurred on subsequent dry docking of vessel are capitalised as part of the cost of vessel and depreciated on a straight-line basis over the estimated period until the next dry docking.

The assets' residual values and estimated useful lives are reviewed, at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposals or retirement of an item of property, plant and equipment are determined by comparing net sales proceeds with carrying amount of the relevant assets and are recognised within "other gains, net" in the consolidated statement of profit or loss and other comprehensive income.

2. Material Accounting Policy Information (Continued)

2.6 Investment properties

Investment property, principally comprising leasehold land, is held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group. It also includes properties that are being constructed or developed for future use as investment properties. Land held under operating leases are accounted for as investment properties when the rest of the definition of an investment property is met. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at each reporting date by independent professional external valuer. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If the information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in the consolidated statement of profit or loss and other comprehensive income as part of a fair value gain or loss in "other gains, net".

2.7 Impairment losses on property, plant and equipment and right-of-use assets

At the end of the reporting period, the Group reviews the carrying amounts of its property, plant and equipment and right-of-use assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit ("CGUs") to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

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 for which the estimates of future cash flows have not been adjusted.

2. Material Accounting Policy Information (Continued)

2.7 Impairment losses on property, plant and equipment and right-of-use assets (Continued)

If the recoverable amount of an asset (or CGUs) is estimated to be less than its carrying amount, the carrying amount of the asset (or the CGUs) 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 CGUs, including the carrying amounts of the corporate assets or portion of corporate assets allocated to that group of CGUs, with the recoverable amount of the group of CGUs. 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 CGUs. 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 CGUs. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or the CGUs) 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 the CGUs) in prior years. A reversal of an impairment loss is recognised as income immediately.

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position 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 are added to or deducted from the fair values of the financial assets or financial liabilities, as appropriate, on initial recognition.

(a) 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 marketplace.

All recognised financial assets are subsequently measured in their entirety at amortised cost.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

(i) Financial assets at amortised cost (debt instruments)

The Group measures financial assets subsequently at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment.

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(a) Financial assets (Continued)

(i) Financial assets at amortised cost (debt instruments) (Continued)

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding the expected credit losses ("ECL"), through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial assets other than purchased or originated credit-impaired financial assets, 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.

Interest income is recognised in profit or loss and is included in the "finance income" line item (note 9).

(ii) Impairment of financial assets

The Group recognises a loss allowance for ECL on financial assets measured at amortised cost. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(a) Financial assets (Continued)

(ii) Impairment of financial assets (Continued)

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date.

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. The expected credit losses on these financial assets are estimated individually for customers with significant balances or credit-impaired and/or collectively using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, including other receivables, deposits, other receivables due from related companies and cash and cash equivalents, the Group measures the loss allowance equal to 12-month ECL, unless when there has a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increase in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

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

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

- an actual or expected significant deterioration in the financial instrument's external (if available) credit rating;
- significant deterioration in external market indicators of credit risk for a particular debtor, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(a) Financial assets (Continued)

(ii) Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition: (Continued)

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- 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 on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if (i) the financial instrument has a low risk of default; (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfill its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when the asset has external credit rating of "investment grade" in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of "performing". Performing means that the counterparty has a strong financial position and there is no past due amounts.

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

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(a) Financial assets (Continued)

(ii) Impairment of financial assets (Continued)

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

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

Credit-impaired financial assets

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

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- 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;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(a) Financial assets (Continued)

(ii) Impairment of financial assets (Continued)

Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of 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 adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for trade receivables for which simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(a) Financial assets (Continued)

(iii) Derecognition of financial assets

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

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.

(b) Financial liabilities and equity instruments

(i) 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.

(ii) 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 a group entity are recognised at the proceeds received, net of direct issue costs.

(iii) Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

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

2. Material Accounting Policy Information (Continued)

2.8 Financial instruments (Continued)

(b) Financial liabilities and equity instruments (Continued)

(iv) Derecognition of financial liabilities

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

Modification of financial liabilities

A substantial modification of the terms of an existing financial liability or a part of it (whether or not attributable to the financial difficulty of the Group) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The Group considers that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. Accordingly, such exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. The exchange or modification is considered as non-substantial modification when such difference is less than 10 per cent.

Non-substantial modifications of financial liabilities

For non-substantial modifications of financial liabilities that do not result in derecognition, the carrying amount of the relevant financial liabilities will be calculated at the present value of the modified contractual cash flows discounted at the financial liabilities' original effective interest rate. Transaction costs or fees incurred are adjusted to the carrying amount of the modified financial liabilities and are amortised over the remaining term. Any adjustment to the carrying amount of the financial liability is recognised in profit or loss at the date of modification.

2. Material Accounting Policy Information (Continued)

2.9 Cash and cash equivalents

In the consolidated statement of financial position, cash and cash equivalents comprise cash (i.e. cash on hand and demand deposits) and cash equivalents. Cash equivalents are 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 for investment or other purposes.

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

2.10 Borrowings costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in consolidated statement of profit or loss and other comprehensive income in the period in which they are incurred.

2. Material Accounting Policy Information (Continued)

2.11 Convertible bonds

Convertible bonds issued by the Group that contain both the liability and conversion option components are classified separately into respective items on initial recognition in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is classified as an equity instrument.

On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible debts. The difference between the gross proceeds of the issue of the convertible bonds and the fair value assigned to the liability component, representing the conversion option for the holder to convert the bonds into equity, is included into equity (convertible bonds reserve).

In subsequent periods, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The equity component, representing the option to convert the liability component into ordinary shares of the Company, will remain in convertible bonds reserve until the conversion option is exercised (in which case the balance stated in convertible bonds reserve will be transferred to share premium). Where the option remains unexercised at the expiry date, the balance stated in convertible bonds reserve will be released to the accumulated losses. No gain or loss is recognised in profit or loss upon conversion or expiration of the convertible bonds.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are charged directly to equity. Transaction costs relating to the liability component are included in the carrying amount of the liability portion and amortised over the period of the convertible bonds using the effective interest method.

2. Material Accounting Policy Information (Continued)

2.12 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "loss before income tax" as reported in the consolidated statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes 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 base 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 difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences.

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 the reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

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

2. Material Accounting Policy Information (Continued)

2.12 Taxation (Continued)

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment properties are depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties under construction over time, rather than through sale. If the presumption is rebutted, deferred tax liabilities and deferred tax assets for such investment properties under construction are measured in accordance with the general principles above as set out in HKAS 12 "Income Taxes" (i.e. based on the expected manner as to how the property will be recovered).

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 by the same taxation authority and the Group intends to settle current tax liabilities and assets on a net basis.

For the purposes 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.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 "Income Taxes" requirements to right-of-use assets and lease liabilities 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 differences can be utilised and a deferred tax liability for all taxable temporary differences.

Current and deferred tax are recognised in profit or loss.

2. Material Accounting Policy Information (Continued)

2.13 Retirement benefits cost and obligation

The Group operates the defined contribution pension plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as 'employee benefit expense' when they are due. Prepaid contribution are recognise as an asset to the extent that a cash refund or a reduction in the future payments is available.

The Group has offered a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group in funds under the control of trustees. Contributions are made by both the employer and the employees based on a certain percentage of the employees' relevant income. The Group's contributions will be fully and immediately vested in the employees' accounts as their accrued benefits in the scheme.

The employees of the Group's subsidiary which operates in the People's Republic of China (the "PRC") is required to participate in a central pension scheme operated by the local municipal government. The subsidiary is required to contribute to the central pension scheme at a fixed rate of the employees' salary costs. The contributions are charged to the consolidated statement of profit or loss and other comprehensive income as they become payable in accordance with the rules of the central pension scheme.

2.14 Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

2. Material Accounting Policy Information (Continued)

2.15 Share-based payments

(a) *Equity-settled share-based payment transactions*

Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the date of grant is expensed on a straight-line basis over the vesting period or recognised as an expense in full at the grant date when the share options granted vest immediately, with a corresponding increase in equity (share option reserve).

At the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share option reserve.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to accumulated losses.

Share options granted to non-employees

Share options issued in exchange for goods or services are measured at the fair values of the goods or services received, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The fair values of the goods or services received are recognised as expenses, with a corresponding increase in equity (share option reserve), when the Group obtains the goods or when the counterparties render services, unless the goods or services qualify for recognition as assets.

2.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

2. Material Accounting Policy Information (Continued)

2.17 Revenue from contracts with customers

Revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Group uses a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Group recognised revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to customers.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same. For contracts that contain more than one performance obligation, the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;

- The Group's performance creates and enhances an asset that the customer controls as the asset is created and enhanced; or

- The Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct goods or service.

2. Material Accounting Policy Information (Continued)

2.17 Revenue from contracts with customers (Continued)

Revenue is measured based on the consideration specified in a contract with a customer, excludes amounts collected on behalf of third parties, discounts and sales related taxes.

Contract asset and contract liability

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9 "Financial Instruments". In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration from the customer. A contract liability would also be recognised if the Group has an unconditional right to receive consideration before the Group recognises the related revenue. In such cases, a corresponding receivable would also be recognised.

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

Revenue from chartering of vessels

Revenue is recognised over time when the Group transfers control of the services over time, based on daily hire or freight rate with reference to the voyage details such as cargo quantity, port loading and discharging information. When either party to a contract has performed, the Group presents the contract in the consolidated statement of financial position as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

2. Material Accounting Policy Information (Continued)

2.18 Leasing

(a) Definition of a lease

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

(b) The Group as lessee

For contracts entered into or modified on or after the date of initial application of HKFRS 16 "Leases", the Group assesses whether a contract is or contains a lease, at inception of the contract or modification date, as appropriate. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short term leases (defined as leases with a lease term of 12 months or less from the commencement date and do not contain a purchase option) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense in profit or loss on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

Lease liabilities

At the commencement date of a lease, the Group measures lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed lease payments (including in-substance fixed payments), less any lease incentives receivable.

The lease liability is presented as a separate line in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

2. Material Accounting Policy Information (Continued)

2.18 Leasing (Continued)

(b) The Group as lessee (Continued)

Lease liabilities (Continued)

Lease liability is remeasured (and with a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using revised discount rate.
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured 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.

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date and any initial direct costs, less lease incentives received. Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, provision is recognised and measured under HKAS 37 "Provision, Contingent Liabilities and Contingent Assets". The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. They are depreciated over the shorter period of lease term and useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

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

The Group applies HKAS 36 "Impairment of Assets" to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

2.19 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 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.

2. Material Accounting Policy Information (Continued)

2.20 Fair value measurement

When measuring fair value, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. Specifically, the Group categorised the fair value measurements into three levels, based on the characteristics of inputs, as follows:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 – Valuation technique for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 – Valuation technique for which the lowest level input that is significant to the fair value measurement is unobservable.

At the end of the reporting period, the Group determines whether transfer occur between levels of the fair value hierarchy for assets and liabilities which are measured at fair value on recurring basis by reviewing their respective fair value measurement.

3. Financial Risk Management

3.1 Categories of financial instruments

	2025 **US$'000**	2024 US$'000
Financial assets		
Financial assets at amortised cost	**1,706**	3,178
Financial liabilities		
Financial liabilities at amortised cost	**64,638**	74,615

3. Financial Risk Management (Continued)

3.2 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and cash flow and fair value interest rate risk), credit risk and liquidity risk. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(a) Market risk

(i) Foreign exchange risk

Foreign currency risk is the risk that the value of a financial instrument fluctuates because of the changes in foreign exchange rates.

The operation of the Group's vessel chartering business and property investment and development business are primarily in US$ and Renminbi ("RMB") respectively, with small extent in Hong Kong dollars ("HK$"). Foreign exchange risk arises when recognised financial assets and liabilities are denominated in a currency that is not the entity's functional currency.

The financial assets and liabilities of the subsidiaries of the Group in Hong Kong and the PRC are primarily denominated in US$ and RMB, respectively. As the Group does not have significant foreign currency transactions and balances, management believes that the exchange rate risk for translation between HK$ and US$, and RMB and US$ do not have material impact to the Group. Foreign currency sensitivity analysis is not presented.

(ii) Cash flow and fair value interest rate risk

The Group is exposed to fair value interest rate risk arising from loans from the ultimate holding company (Note 22), convertible bonds (Note 24) and lease liabilities (Note 26). The Group is also exposed to cash flow interest risk arising from floating rate bank borrowings, net-off by bank deposits.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuations of Hong Kong Dollars Best Lending Rate ("Prime Rate") arising from the Group's variable-rate bank borrowings.

Except for the loans from the ultimate holding company bearing a fixed interest rate at 4% per annum, convertible bonds bearing a fixed interest rate at 8% per annum and bank borrowings bearing floating interest rates, the Group has no significant interest-bearing assets and liabilities.

3. Financial Risk Management (Continued)

3.2 Financial risk factors (Continued)

(a) Market risk (Continued)

(ii) Cash flow and fair value interest rate risk (Continued)

The Group manages its interest rate exposures by assessing the potential impact arising from any interest rate movements based on interest rate level and outlook. Sensitivity analysis is prepared assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. Bank balances are excluded from sensitivity analysis as the management considers that the exposure of cash flow interest rate risk arising from variable-rate bank balances is insignificant.

As at 31 March 2025, if interest rates on bank borrowings had been increased/decreased by 190 (2024: 190) basis points with all other variables held constant, the Group's pre-tax loss for the year would have been increased/decreased by approximately US$8,000 (2024: US$10,000), mainly as a result of fluctuation on interest expense on variable rate bank borrowings.

The management of the Group have not adjusted the sensitivity rate for assessing interest rate risk after considering the impact of the volatile financial market conditions as at 31 March 2025 (2024: 31 March 2024).

3. Financial Risk Management (Continued)

3.2 Financial risk factors (Continued)

(b) Credit risk

Credit risk is managed on a group basis. The Group's credit risk mainly arises from cash and cash equivalents, trade receivables, deposits and other receivables including amounts due from related companies. The maximum exposure to credit risk is represented by the carrying amounts of each financial asset in the consolidated statement of financial position. Management has policies in place to monitor the exposures to these credit risks on an on-going basis.

For cash and cash equivalents, they are all deposited or traded with high quality financial institutions without significant credit risk.

Apart from major customers disclosed in Note 5, management considered there is no significant concentration of credit risk. The Group has put in place policies to ensure that services are provided to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers.

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which permits the uses a lifetime expected loss allowance for all trade receivables.

The Group recognised lifetime expected loss provision for all trade receivables carried at amortised cost based on either individually customers who are long overdue with significant amounts or known insolvencies or non-response to collection activities, or collectively assessing them for likelihood of recovery based on ageing of the balances with similar credit risk characteristics taking into account the forward looking information.

3. Financial Risk Management (Continued)

3.2 Financial risk factors (Continued)

(b) Credit risk (Continued)

Management reviews the recoverable amount of each individual trade receivable regularly, if any, to ensure that adequate impairment losses are recognised for irrecoverable amounts. In this regard, the management considers that the Group's credit risk is significantly reduced. The loss allowance provision as at 31 March 2025 and 2024 is illustrated as below:

As at 31 March 2025	Lifetime expected loss rate	Gross carrying amount US$'000	Lifetime expected credit loss US$'000	Net carrying amount US$'000
Collective assessment current				
1 to 30 days past due	0%*	1,069	–	1,069
31 to 60 days past due	0%*	1	–	1
61 to 365 days past due	0%	–	–	–
Past due over 1 year	0%	–	–	–
		1,070	–	1,070

As at 31 March 2024	Lifetime expected loss rate	Gross carrying amount US$'000	Lifetime expected credit loss US$'000	Net carrying amount US$'000
Collective assessment current				
1 to 30 days past due	0%*	562	–	562
31 to 60 days past due	0%*	152	–	152
61 to 365 days past due	0%*	92	–	92
Past due over 1 year	0%*	80	–	80
		886	–	886

* Lifetime expected loss rate below 0.1% with amount less than US$1,000, thus no provision provided.

The credit quality of deposits and other receivables including amounts due from related companies have been assessed with reference to historical information about the counterparties default. Management does not believe the credit risk are significant, considering counterparties do not have defaults in the past and management does not expect any losses from non-performance by these counterparties. No impairment provision has to be recognised during the year based on 12-month ECL.

3. Financial Risk Management (Continued)

3.2 Financial risk factors (Continued)

(c) Liquidity risk

The amount of net current liabilities of the Group is approximately US$8,586,000 as at 31 March 2025, which causes the Group in significant liquidity risk. At the end of the reporting period, the Group has taken appropriate measures as set out in Note 2.1.1 to mitigate such liquidity risk.

The Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of other borrowings and loans from ultimate holding company and ensures compliance with loan covenants, if any.

Liquidity risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which the Group can be required to pay. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates except, as at 31 March 2025, convertible bonds amounted to US$2,500,000 (2024: US$55,900,000) are included in the "on demand or less than 1 year" time band in the maturity analysis below.

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

	On demand or less than 1 year US$'000	Between 1 and 2 years US$'000	Between 2 and 5 years US$'000	Over 5 years US$'000	Total undiscounted cash flows US$'000	Carrying amount US$'000
As at 31 March 2025						
Borrowings and loans	120	1,159	197	–	1,476	1,405
Convertible bonds	2,500	62,753	–	–	65,253	55,588
Other payables and accruals	7,645	–	–	–	7,645	7,645
	10,265	63,912	197	–	74,374	64,638
Lease liabilities	85	–	–	–	85	84

3. Financial Risk Management (Continued)

3.2 Financial risk factors (Continued)

(c) Liquidity risk (Continued)

Liquidity risk tables (Continued)

	On demand or less than 1 year US$'000	Between 1 and 2 years US$'000	Between 2 and 5 years US$'000	Over 5 years US$'000	Total undiscounted cash flows US$'000	Carrying amount US$'000
As at 31 March 2024						
Borrowings and loans	121	121	7,157	10	7,409	6,835
Convertible bonds	59,373	–	–	–	59,373	55,900
Other payables and accruals	11,880	–	–	–	11,880	11,880
	71,374	121	7,157	10	78,662	74,615
Lease liabilities	257	85	–	–	342	332

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

3. Financial Risk Management (Continued)

3.3 Capital risk management

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

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditure and projected strategic investment opportunities. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, repurchase the Company's shares, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total debts divided by total assets. Total debts are calculated as total borrowings, loans and convertible bonds. As at 31 March 2025, the gearing ratio is 61.5% (2024: 54.5%).

3.4 Fair value estimation

The carrying amounts for the Group's financial assets and financial liabilities approximate their fair values.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Group's accounting policies, which are described in Note 2, the directors of the Company are required to make judgements, estimates and assumptions about the amounts of assets, liabilities, equity, income and expenses reported and disclosures made in the consolidated financial statements. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

Critical judgements in applying the accounting policies

The followings are the critical judgements, 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 and disclosures made in the consolidated financial statements.

(a) Going concern consideration

In the process of applying the Group's accounting policies, apart from those involving estimations, management has prepared the consolidated financial statements on the assumption that the Group will be able to operate as a going concern in the coming year, which is a critical judgement that has the most significant effect on the amounts recognised in the consolidated financial statements. The assessment of the going concern assumption involves making a judgement by the directors of the Company, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The directors of the Company consider that the Group has the capability to continue as a going concern and the major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt upon the going concern assumption are set out in Note 2.1.1 to the consolidated financial statements.

(b) Current and deferred taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due.

Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences would impact the current and deferred tax assets and liabilities in the period in which such determination is made.

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

Key sources of estimation uncertainty

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

(a) Impairment of property, plant and equipment

At each period end of financial reporting period, the Group reviews internal and external sources of information to identify indications that the property, plant and equipment may be impaired or an impairment loss previously recognised no longer exists or may have decreased.

If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the consolidated statement of profit or loss and other comprehensive income whenever the carrying amount of an asset exceeds its recoverable amounts. If an indication of impairment is identified, the Group is required to estimate the recoverable value, representing the higher of the asset's fair value less cost to disposal or its value in use. Changes in any of these estimates could result in a material change to the asset carrying amount in the consolidated financial statements.

As at 31 March 2025, the carrying amounts of property, plant and equipment was approximately US$19,192,000 (2024: US$37,273,000). During the year ended 31 March 2025, provision for impairment losses of approximately US$6,944,000 (2024: reversal of impairment losses of US$872,000) on property, plant and equipment was recognised in profit or loss. Details of the impairment assessment of property, plant and equipment are disclosed in Note 14.

(b) Fair value of investment properties

The fair values of the investment properties are determined at the end of each reporting period by an independent professional external valuer (the "Valuer") based on a market value assessment. The Valuer has relied on the direct comparison method as the primary method, supported by the residual method. Management also determines fair value based on active market prices and adjusted if necessary for any difference in nature, location or conditions of the specific asset, and uses alternative valuation methods such as recent prices on less active markets.

As at 31 March 2025, the carrying amount of investment properties is approximately US$71,629,000 (2024: US$73,474,000).

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty (Continued)

Key sources of estimation uncertainty (Continued)

(c) Impairment of financial assets – expected credit loss

The loss allowances for financial assets are based on assumptions about risk of default and expected credit loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Changes in these assumptions and estimates could materially affect the result of the assessment and it may be necessary to make additional impairment loss to profit or loss. As at 31 March 2025, the carrying amount of financial assets is approximately US$1,706,000 (2024: US$3,178,000).

5. Revenue and Segment Information

Management has determined the operating segments based on the reports reviewed by the chief operating decision-maker ("CODM") (i.e. executive directors), that are used to make strategic decisions and allocate resources.

The operating segments comprise:

– Chartering of vessels

– Property investment and development

HKFRS 8 "Operating Segments" requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by CODM in order to allocate resources to segments and to assess their performance.

The performance of the operating segments was assessed based on their segment profit or loss before income tax expense, which is measured in a manner consistent with that in the consolidated financial statements.

Segment assets are those operating assets that are employed by a segment in its operating activities. Segment assets exclude corporate assets, which are managed on a central basis.

Segment assets reported to the CODM are measured in a manner consistent with that in the consolidated financial statements. No analysis of segment liabilities is presented as it is not regularly provided to the CODM.

5. Revenue and Segment Information (Continued)

(a) Segment revenue, results and other information

	Chartering of vessels US$'000	Property investment and development US$'000	Unallocated US$'000	Total US$'000
Year ended 31 March 2025				
Revenue recognised over time	14,038	–	–	14,038
Depreciation of property, plant and equipment	(3,899)	–	–	(3,899)
Provision for impairment losses on property, plant and equipment	(6,944)	–	–	(6,944)
Loss on disposal of property, plant and equipment	(3,213)	–	–	(3,213)
Gain on disposal of subsidiaries	–	–	3	3
Gain on modification of convertible bonds	–	3,180	–	3,180
Reversal of expected penalty interest for convertible bonds	–	4,002	–	4,002
Finance costs	(22)	(3,868)	(106)	(3,996)
Segment (loss)/profit before income tax	(13,098)	3,210	(486)	(10,374)
Income tax expense				(9)
Loss for the year				(10,383)

5. Revenue and Segment Information (Continued)

(a) Segment revenue, results and other information (Continued)

	Chartering of vessels US$'000	Property investment and development US$'000	Unallocated US$'000	Total US$'000
Year ended 31 March 2024				
Revenue recognised over time	13,452	–	–	13,452
Depreciation of property, plant and equipment	(4,944)	–	–	(4,944)
Reversal of impairment losses on property, plant and equipment	872	–	–	872
(Loss)/gain on disposal of property, plant and equipment	(4,390)	4	–	(4,386)
Fair value gains on investment properties	–	4,986	–	4,986
Finance costs	(831)	(3,961)	(261)	(5,053)
Segment (loss)/profit before income tax	(5,759)	880	(667)	(5,546)
Income tax expense				(1,256)
Loss for the year				(6,802)

Segment profit/(loss) represents the profit/(loss) from each segment without allocation of central general and administrative expenses and finance costs. This is the measure reported to CODM for the purposes of resource allocation and performance assessment.

The accounting policies of the operating segments are the same as the Group's accounting policies described in Note 2.

5. Revenue and Segment Information (Continued)

(b) Segment assets

	Chartering of vessels US$'000	Property investment and development US$'000	Unallocated US$'000	Total US$'000
As at 31 March 2025				
Segment assets	**20,516**	**72,118**	**105**	**92,739**
As at 31 March 2024				
Segment assets	41,143	74,007	63	115,213

All assets are allocated to operating segments other than certain deposits, prepayments, other receivables and certain cash and cash equivalents as these assets are managed on group basis.

(c) Revenue from major services

During the years ended 31 March 2025 and 2024, revenue is recognised over time when the Group transfers control of the services over time, based on daily hire or freight rate with reference to the voyage details such as cargo quantity, port loading and discharging information.

All unsatisfied vessel chartering service contracts are for periods of less than one year. As permitted under HKFRS 15 "Revenue from Contracts with Customers", the transaction price allocated to these unsatisfied contracts is not disclosed.

(d) Geographical information

Due to the nature of the provision of vessels chartering services, which are carried out internationally, the directors of the Company consider that it is not meaningful to provide the revenue information by geographical segment. For property investment and development business, the investment properties are still under development. Accordingly, geographical segment revenue is not presented. Information about the Group's non-current assets (other than chartering of vessels) is presented based on the geographical location of the assets.

	2025 US$'000	2024 US$'000
The People's Republic of China (the "PRC")	**71,629**	73,474
Hong Kong	**83**	329
	71,712	73,803

5. Revenue and Segment Information (Continued)

(e) Information about major customers

Revenue arising from the provision of vessels chartering for individual customers during the year contributing over 10% of total revenue of the Group is as follows:

	2025 US$'000	2024 US$'000
Customer A	–*	3,053
Customer B	3,648	3,746
Customer C	3,269	2,500

* Revenue arising from the provision of vessels chartering services for Customer A in 2025 contributed less than 10% of total revenue of the Group.

(f) Contract liabilities related to the contracts with customers

As at 31 March 2025, contract liabilities included in other payables and accruals amounted to approximately US$80,000 (2024: US$221,000) (Note 25).

Revenue recognised for the year ended 31 March 2025 that was included in the contract liabilities as at 1 April 2024 is approximately US$221,000 (2024: US$610,000).

6. Other Gains, Net

	2025 US$'000	2024 US$'000
Gain on modification of convertible bonds (Note 24)	3,180	–
Reversal of expected penalty interest for convertible bonds (Note 24)	4,002	–
Loss on disposal of property, plant and equipment	(3,213)	(4,386)
Gain on disposal of subsidiaries (Note)	3	–
Fair value gains on investment properties (Note 15)	–	4,986
	3,972	600

Note: During the year ended 31 March 2025, the Group disposed of subsidiaries with nil net assets value to an independent third party with approximately US$3,000 cash consideration. A gain on disposal of approximately US$3,000 was recognised.

7. Other Income

	2025 US$'000	2024 US$'000
Sundry income	86	173

8. Expenses by Nature

Loss before income tax is stated after charging the following:

	2025 US$'000	2024 US$'000
Depreciation of property, plant and equipment (Note 14)	3,899	4,944
Depreciation of right-of-use assets (Note 26)	246	176
Crew expenses (included in cost of services)	2,221	3,765
Auditor's remuneration – audit services	53	58
Employee benefit expenses (including directors' emoluments) (Note 10)	1,380	1,650

9. Finance Costs – Net

	2025 US$'000	2024 US$'000
Finance income		
Interest income	**9**	37
Finance costs		
Interest expense on borrowings and loans	**122**	1,085
Interest expense on convertible bonds – non-cash (Note 24)	**3,868**	3,961
Interest expense on lease liabilities (Note 26)	**6**	7
	3,996	5,053

10. Employee Benefit Expenses

	2025 US$'000	2024 US$'000
Fee, salaries and other benefits	**1,351**	1,617
Post-employment benefit – defined contribution plans	**29**	33
	1,380	1,650

Five highest paid individuals

Of the five individuals with the highest remunerations in the Group, two (2024: two) were directors of the Company whose emoluments are reflected in analysis shown in Note 32. The emoluments of the remaining three (2024: three) individuals were as follows:

	2025 US$'000	2024 US$'000
Salaries	**519**	540
Post-employment benefit – defined contribution plans	**7**	7
	526	547

There was no discretionary bonuses based on the Group's performance paid to five highest paid individuals during the year.

10. Employee Benefit Expense (Continued)

Five highest paid individuals (Continued)

The emoluments fell within the following bands:

	Number of individuals	
	2025	2024
HK$500,001 to HK$1,000,000 (equivalent to US$64,103 to US$128,205)	**1**	1
HK$1,000,001 to HK$1,500,000 (equivalent to US$128,206 to US$192,308)	**–**	–
HK$1,500,001 to HK$2,000,000 (equivalent to US$192,309 to US$256,410)	**2**	2

No emoluments were paid or payable to the directors of the Company and above highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office during the years ended 31 March 2025 and 2024.

11. Income Tax Expense

Under the two-tiered profits tax rates regime of Hong Kong profits tax, the first HK$2 million of assessable profits of qualifying corporation under Hong Kong profits tax will be taxed at 8.25%, and assessable profits above HK$2 million will be taxed at 16.5%. For the years ended 31 March 2025 and 2024, Hong Kong profits tax of the qualified entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The assessable profits of other entities of the Group not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the rate of 16.5%. The subsidiaries established in the PRC are subject to corporate income tax rate of 25% for both years.

	2025 US$'000	2024 US$'000
Current income tax		
Hong Kong profits tax	**9**	9
Deferred tax (Note 23)	**–**	1,247
Income tax expense	**9**	1,256

11. Income Tax Expense (Continued)

The income tax expense on the Group's loss before income tax differs from the theoretical amount that would arise using the tax rate of the home country of the Company as follows:

	2025 US$'000	2024 US$'000
Loss before income tax	**(10,374)**	(5,546)
Calculated at tax rate of 16.5% (2024: 16.5%)	**(1,712)**	(915)
Effect of different tax rate for the PRC entities	**(8)**	(11)
Deemed profits tax for assessable profit of a subsidiary	**19**	20
Effect of different tax rate for a Hong Kong subsidiary	**(9)**	(10)
Income not subject to tax	**(1,751)**	(1,946)
Expenses not deductible for tax purpose	**3,447**	4,084
Tax losses not recognised	**23**	34
Income tax expense	**9**	1,256

Note:

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profit is probable.

As at 31 March 2025, the Group did not recognise deferred tax assets in respect of tax losses amounting to approximately US$815,000 (2024: US$1,029,000) due to the unpredictability of future profit streams that will expire in 1 to 5 years.

12. Loss Per Share

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

	2025 US$'000	2024 US$'000
Loss		
Loss for the year attributable to owners of the Company for the purposes of basic loss per share	**(10,375)**	(7,126)

	2025 '000	2024 '000
Number of shares		
Weighted average number of ordinary shares for the purposes of basic loss per share	**952,614**	952,614

For the years ended 31 March 2025 and 2024, the computation of diluted loss per share does not assume the exercise of the Company's share options and the conversion of the Company's outstanding convertible bonds since their assumed exercise would result in a decrease in loss per share.

13. Dividends

The directors of the Company do not recommend the payment of a final dividend for the year ended 31 March 2025 (2024: same).

14. Property, Plant and Equipment

	Vessels US$'000	Office equipment US$'000	Motor vehicles US$'000	Total US$'000
Cost				
At 1 April 2023	192,173	16	17	192,206
Additions	667	–	–	667
Disposal/write-off	(25,973)	–	(16)	(25,989)
Exchange difference	–	–	(1)	(1)
At 31 March 2024 and 1 April 2024	166,867	16	–	166,883
Additions	1,470	–	–	1,470
Disposal/write-off	(71,705)	–	–	(71,705)
At 31 March 2025	**96,632**	**16**	**–**	**96,648**
Accumulated Depreciation and Impairment				
At 1 April 2023	136,999	15	17	137,031
Charge for the year	4,944	–	–	4,944
Reversal of impairment losses recognised in profit or loss	(872)	–	–	(872)
Elimination on disposal/write-off	(11,476)	–	(16)	(11,492)
Exchange difference	–	–	(1)	(1)
At 31 March 2024 and 1 April 2024	129,595	15	–	129,610
Charge for the year	3,899	–	–	3,899
Provision for impairment losses recognised in profit or loss	6,944	–	–	6,944
Elimination on disposal/write-off	(62,997)	–	–	(62,997)
At 31 March 2025	**77,441**	**15**	**–**	**77,456**
Net Book Values				
At 31 March 2025	**19,191**	**1**	**–**	**19,192**
At 31 March 2024	37,272	1	–	37,273

14. Property, Plant and Equipment (Continued)

Depreciation expenses of approximately US$3,899,000 (2024: US$4,944,000) have been charged in 'cost of services'.

Management regards each individual vessel as a separately identifiable CGUs. The Group usually enters charter hire contracts for periods of 3 to 6 months in the spot market.

In assessing impairment loss, internal and external sources of information are considered in assessing the fair market value and value-in-use. The value-in-use of the vessels is assessed based on assumptions and estimates of vessels' future earnings and appropriate pre-tax discount rates to derive the present value of those earnings. The discount rates used to the value in use calculation on owned vessels was 8.6% (2024: 11.0%), which are based on the industry sector risk premium relevant to the CGUs and the applicable gearing ratio of the CGUs.

The following describes each key assumption on which management has based its cash flow projections to undertake reversal impairment testing of vessels:

Discount rate – The discount rate used is before tax and reflects specific risks in respect of the related vessels.

Growth rate – The growth rate is based on the estimated growth rate taking into account the industry growth rate, past experience and the medium-term or long-term growth target.

The fair value less costs of disposal is based on valuations performed by a leading international company specialised in vessels valuation. The fair value of the vessels were primarily determined based on the direct comparison method with reference to recent sales of comparable vessels.

During the year ended 31 March 2025, dry bulk charter rates dropped due to the unfavorable market condition, the fair value of vessels also decreased leading to impairment. As of 31 March 2025, the aggregate recoverable amounts of vessels amounting to approximately US$19,191,000, which were determined by fair value less cost to disposal. Since the recoverable amounts of each of the two vessels were lower than their respective carrying amounts, impairment losses of approximately US$6,944,000 was recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2025.

As of 31 March 2024, the aggregate recoverable amounts of vessels amounting to approximately US$37,272,000, which were determined by fair value less cost to disposal. Since the recoverable amounts of each of the three vessels were higher than their respective carrying amounts resulted from the rebound of the dry bulk market, reversal of impairment losses of approximately US$872,000 was recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2024.

During the year ended 31 March 2025, the Group disposed a vessel with carrying amount of approximately US$8,708,000 together with prepayment of bulker oil of approximately US$505,000 form part of disposal to an independent third party at a cash consideration of approximately US$6,000,000. A loss on disposal of approximately US$3,213,000 was recognised. The details were set out in the Company's announcement dated 12 July 2024.

15. Investment Properties

	2025 US$'000	2024 US$'000
At fair value		
At 1 April	73,474	70,655
Additions	55	41
Fair value gains (Note 6)	–	4,986
Exchange difference	(1,900)	(2,208)
At 31 March	71,629	73,474

The above investment properties represented a commercial properties project being vacant in the Hainan province, the PRC.

The Group's investment properties are held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties through use. The Group has measured the deferred tax relating to the temporary differences of these investment properties using the tax rates and the tax bases that are consistent with the expected manner of recovery of these investment properties.

The fair value measurement is categorised in Level 3 fair value hierarchy.

There were no transfers into or out of Level 3 during the year (2024: same).

Valuation processes of the Group

The Group's investment properties were valued at 31 March 2025 and 2024 by an independent professionally qualified valuer who holds a recognised relevant professional qualification and has recent experience in the locations and segments of the investment properties valued.

Discussions of valuation processes and results are held between the chief financial officer and the valuer at least once every six months, in line with the Group's interim and annual reporting dates. As at 31 March 2025, the fair values of the properties have been determined by Vincorn Consulting & Appraisal Limited (2024: Ravia Global Appraisal Advisory Limited).

15. Investment Properties (Continued)

Valuation techniques

There has been no change from the valuation technique used in the prior year. In estimating the fair value of the properties, the highest and best use of the properties is their current use.

Fair values of investment properties of the Group are generally derived using the direct comparison method. Given the unique nature and lack of recent transaction of certain properties, significant adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration. The significant unobservable inputs include:

Time adjustment:	Based on market trend of similar property between the transaction date of the comparable and the valuation date.
Location adjustment:	Based on the distance to the city centre, the development of the transport network and other community facility service.
Land use right adjustment:	Based on the best use of the property for the highest value in the market.
Size adjustment:	Based on the buildable area of the property.

15. Investment Properties (Continued)

Valuation techniques (Continued)

Unobservable inputs	Range of unobservable input	Relationship of unobservable inputs to fair value
Time adjustment	-5% to 0.2% (2024: 5% to 8%)	The upward market trend will have positive impact on adjustment and thus increase in fair value.
Location adjustment	-5% to -3% (2024: -15% to -5%)	The better location will have positive impact on adjustment, thus increase in fair value.
Land use right adjustment	-9.9% to -1% (2024: -10% to 0%)	The better designated use of the property will have positive impact on adjustment, thus increase in fair value.
Size adjustment	-6.3% to -2.2% (2024: -6.3% to -6.1%)	The increase in buildable area will have positive impact on total adjustment, thus increase fair value. However, this may be partially offset by a negative impact on adjustment per unit.

There were no changes in valuation methodologies during the year.

The Group intends to use the investment properties for the development of villas, low-rise apartments, and office, retail, carparking and other ancillary facilities, which is yet to be approved by the local government and whether additional land premium is required is uncertain.

Should the intended uses be impermissible under the current legal and planning framework or additional land premium needs to be settled for achieving such intended uses, the value of the investment properties may be adjusted.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16. Subsidiaries

The following is a list of principal subsidiaries as at the end of reporting date:

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Particulars of issued share capital/ registered capital	Interest held by the Company		Interest held by the non-controlling interest
				Directly	Indirectly	
Bryance Group Limited	British Virgin Islands	Inactive (2024: Provision of international marine transportation services)	10,000 ordinary shares of US$1 each	100% (2024: 100%)	– (2024: –)	– (2024: –)
Joy Ocean Shipping Limited	British Virgin Islands	Provision of international marine transportation services	10,000 ordinary shares of US$1 each	100% (2024: 100%)	– (2024: –)	– (2024: –)
Way Ocean Shipping Limited	British Virgin Islands	Provision of international marine transportation services	10,000 ordinary shares of US$1 each	100% (2024: 100%)	– (2024: –)	– (2024: –)
Union Apex Mega Shipping Limited	Hong Kong	Provision of agency services in Hong Kong	50,000 ordinary shares of HK$1 each	100% (2024: 100%)	– (2024: –)	– (2024: –)
海南華儲實業有限公司	PRC, non-wholly foreign-owned enterprise	Property investment and development in the PRC	Registered capital of Renminbi 4,800,000	– (2024: –)	91% (2024: 91%)	9% (2024: 9%)

The above table lists the subsidiaries of the Company 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.

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

17. Trade Receivables, Deposits, Prepayments and Other Receivables

	2025 US$'000	2024 US$'000
Trade receivables	1,070	886
Prepayments	60	889
Deposits	49	45
Other receivables	464	1,234
Other receivables due from related companies (Note 30)	26	26
	1,669	3,080

As at 31 March 2025 and 2024, the ageing analysis of the trade receivables based on invoice date were as follows:

	2025 US$'000	2024 US$'000
0-30 days	1,069	562
31-60 days	1	152
61-90 days	–	43
91-365 days	–	49
Over 365 days	–	80
	1,070	886

The carrying amounts of trade receivables, deposits and other receivables approximate their fair values and are mainly denominated in US$.

17. Trade Receivables, Deposits, Prepayments and Other Receivables (Continued)

Time charter income is prepaid every 15 days in advance of the time charter hire.

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. As at 31 March 2025 and 2024, no provision of expected credit loss allowance are made on trade receivables. Information about the impairment of trade receivables and the Group's exposure to credit risk can be found in note 3.2(b).

18. Cash and Cash Equivalents

	2025 US$'000	2024 US$'000
Current		
Cash at banks and on hand	**167**	1,058

Cash at banks earns interest at floating rates based on daily bank deposit rates.

Cash and cash equivalents are denominated in the following currencies:

	2025 US$'000	2024 US$'000
US$	**89**	988
HK$	**78**	70
	167	1,058

19. Share Capital

Ordinary shares of HK$0.01 each

	2025 Number of shares (thousands)	2025 Amount HK$'000	2024 Number of shares (thousands)	2024 Amount HK$'000
Authorised	**4,000,000**	**40,000**	4,000,000	40,000

Issued and fully paid:	Number of shares (thousands)	Share capital HK$'000	Share capital US$'000
At 1 April 2023, 31 March 2024 and 31 March 2025	952,614	9,526	1,221

20. Share Option Scheme

The Company's former share option scheme ("2011 Share Option Scheme"), was adopted pursuant to a resolution passed on 19 August 2011 and expired on 18 August 2021. Details of 2011 Share Option Scheme are set out in the section headed "Share Option Scheme" in this report. The Company has adopted a new share option scheme (the "2021 Share Option Scheme") on 18 August 2021. Under the 2021 Share Option Scheme, the Board of Directors of the Company may grant options to eligible participants (the "Participants"). Participants of the 2021 Share Option Scheme includes: (a) any employee (whether full time or part time, including any executive director but excluding any non-executive director) of the Company, any subsidiary of the Company or any entity in which any member of the Group holds any equity interests ("Invested Entity"); (b) any non-executive directors (including independent non-executive directors) of the Company, any subsidiary of the Company or any Invested Entity; (c) any supplier of goods or services to any member of the Group or any Invested Entity; (d) any customer of any member of the Group or any Invested Entity; (e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; (g) any adviser (professional or otherwise) or consultant to any area of business or business development of any member of the Group or any Invested Entity; (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group; and (i) any person seconded or nominated by the Group to represent the Group's interest in any of the Invested Entity or any other company or organisation; and (j) any company wholly-owned by one or more eligible participants as referred to in (a) to (i) above.

No share options have been granted under the 2021 Share Option Scheme since its adoption.

20. Share Option Scheme (Continued)

2011 Share Option Scheme

(i) Share options outstanding under 2011 Share Option Scheme at the end of the year have the following expiry date and exercise prices:

Date of grant	Exercise price HK$	Expiry date	Number of shares (thousands) Directors of the Company 2025	2024	Others 2025	2024
30 April 2015 (Note)	1.20	29 April 2025	800	1,600	–	–

Note:

On 30 April 2015, a total of 14,100,000 share options were granted to the Participants and entitled the grantees to subscribe for ordinary shares at an exercise price of HK$1.20 per share. The options were vested immediately and may be exercisable during the period from 30 April 2015 to 29 April 2025.

(ii) Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	Weighted average exercise price in HK$ per share option		Number of shares (thousands)					
			Directors of the Company		Others		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
At 1 April	1.2	1.20	1,600	1,600	–	250	1,600	1,850
Granted	–	–	–	–	–	–	–	–
Exercised	–	–	–	–	–	–	–	–
Lapsed/Forfeited	1.2	1.20	(800)	–	–	(250)	(800)	(250)
At 31 March	1.2	1.20	800	1,600	–	–	800	1,600

All options outstanding at the end of the year were vested and exercisable. No options was exercised during the years ended 31 March 2025 and 2024.

21. Reserves

(a) Merger reserve

The merger reserve of the Group was created as a result of: (a) acquisition of the Top Build Group Ltd under common control in 2017; and (b) the difference between the aggregate nominal value of the share capital of the subsidiaries acquired pursuant to a corporate reorganisation, which was completed on 13 September 2010, in preparation for the listing of the Company's shares on The Stock Exchange of Hong Kong Limited, over the nominal value of the share capital of the Company issued in exchange thereof.

(b) Other reserves

Other reserves represent capitalisation of amounts due to certain directors, who are the ultimate controlling shareholders of the Company.

22. Borrowings and Loans

	2025 **US$'000**	2024 US$'000
Non-current		
– Bank borrowings (Note i)	**304**	414
– Loans from the ultimate holding company (Note ii)	**992**	6,316
	1,296	6,730
Current		
– Bank borrowings (Note i)	**109**	105

Notes:

(i) As at 31 March 2025, the Group's bank borrowings obtained under the SME Financing Guarantee Scheme launched by the Government of HKSAR of approximately US$413,000 (31 March 2024: US$519,000). The carrying amounts of these bank borrowings were denominated in Hong Kong dollars ("HK$"). These bank borrowings bear interest at Prime rate minus 2.25% and their fair values approximate the carrying amounts.

22. Borrowings and Loans (Continued)

Notes: (Continued)

(ii) The loans from the ultimate holding company are unsecured and bears interest at 4% per annum. On 30 March 2023, the ultimate holding company extended the maturity of the outstanding balance to 30 June 2026. The carrying amount of the Group's loans from the ultimate holding company are denominated in US$.

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings and loans are as follows:

	2025	2024
Effective interest rate:		
Fixed-rate borrowings	**4%**	4%
Variable-rate borrowings	**3% to 3.63%**	4% to 6.56%

Carrying amount repayable (based on scheduled repayment dates set out in the loan agreements):

	Bank borrowings		**Loans from the ultimate holding company**	
	2025 US$'000	2024 US$'000	**2025 US$'000**	2024 US$'000
Within 1 year	**109**	105	**–**	–
Between 1 and 2 years	**112**	108	**992**	–
Between 2 and 5 years	**192**	296	**–**	6,316
Over 5 years	**–**	10	**–**	–
	413	519	**992**	6,316

23. Deferred Tax Liabilities

The movement in deferred tax liabilities during the year is as follows:

	Investment properties US$'000
At 1 April 2023	16,851
Charged to profit or loss	1,247
Exchange difference	(527)
At 31 March 2024	17,571
Exchange difference	(455)
At 31 March 2025	**17,116**

24. Convertible Bonds

On 10 May 2016, the Company issued a convertible bond with principal amount of US$54,000,000 ("Top Build Convertible Bonds") that was to be due on 10 May 2021. The Top Build Convertible Bonds is interest-free and may be converted in full or in part (multiples of US$100,000) at the initial conversion price of HK$1.096 per conversion share (subject to anti-dilutive adjustment) any time within five years from the date of issue to 7 business days prior to maturity date. At initial recognition, the Top Build Convertible Bonds comprised two elements and were accounted for as follows:

- The debt element was treated as a financial liability and measured at amortised cost and interest expense was recognised in the consolidated statement of profit or loss and other comprehensive income using the effective interest method.

- The share conversion option element was treated as an equity component and was measured at cost.

The fair value of the liability component of Top Build Convertible Bonds approximates its carrying amount.

During the year ended 31 March 2022, the Company was in default under the terms and conditions of the relevant agreements of the Top Build Convertible Bonds for the aggregate principal amount of US$54,000,000 that were not settled in full on the maturity date of 10 May 2021 and a petition was filed by the Bondholder (as defined in Note 2.1.1) (the "Petitioner") with the Court of First Instance of the High Court of the Hong Kong Special Administrative Region (the "High Court of Hong Kong") for the winding-up of the Company under the provisions of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) on 24 February 2022.

24. Convertible Bonds (Continued)

On 29 June 2022, the Company, Mr. Yan, Ms. Lam, Ablaze Rich (as the Guarantors) and the Bondholder entered into supplemental settlement agreement ("Supplemental Settlement Agreement") in which the Bondholder has agreed, among others, to conditionally withdraw the petition and withhold taking any further litigation or claims against the Company in respect of the default. Pursuant to the Supplemental Settlement Agreement, the Company will settle the outstanding principal of the redemption amount of the Top Build Convertible Bonds by repaying the Bondholder (i) US$5,000,000 in cash in 10 quarterly instalments of US$500,000 each with the first instalment to be paid within 7 business days from the date of the order granted by the High Court of Hong Kong for the withdrawal of the Petition; and (ii) the remaining balance of US$46,230,000 and all accumulated interest (calculated at an interest rate of 8% per annum), both to be paid in cash in one lump sum on 31 December 2024. Pursuant to the Supplemental Settlement Agreement, if payment is not made in full by the schedule due date, additional finance charge will be imposed.

Upon the signing of Supplemental Settlement Agreement, a gain on modification of convertible bonds of approximately US$2,588,000 was recognised in the profit or loss during the year ended 31 March 2023.

On 15 July 2022, the Company received the order of the High Court of Hong Kong dated 14 July 2022 which ordered, among other things, that the Petition be withdrawn.

During the year ended 31 March 2023, the Company has made repayment to Bondholder for the first three quarterly instalements of a total of US$1,500,000. However, the Company has not repaid to the Bondholder the fourth quarterly instalment due on 31 March 2023, and as at such date, US$49,730,000 in the outstanding principal of the redemption amount of the convertible bonds remained outstanding.

The Company applied for an extension on its fourth quarterly instalment payment and a consent letter was issued by the Bondholder to the Company on 8 May 2023 pursuant to which the Bondholder has agreed to extend the date for the repayment of the fourth quarterly instalment and the Company shall repay the fourth quarterly instalment in three instalments whereby (i) US$100,000 before 30 April 2023; (ii) US$200,000 before 31 May 2023; and (iii) US$200,000 before 15 June 2023. During the year ended 31 March 2024, all the above said instalments have been repaid as scheduled.

On 3 July 2023, the Bondholder acknowledged receipt of the Company's payment of US$100,000 made on 30 June 2023 being partial payment of the fifth quarterly instalment due on 30 June 2023.

On 22 November 2023, the Bondholder confirmed to the Company that the Company shall repay (i) the remaining balance of US$400,000 of the fifth quarterly instalment before 31 December 2023; and (ii) the sixth quarterly instalment of US$500,000 (due on 30 September 2023) on or before 31 December 2023.

On 8 February 2024, the Bondholder acknowledged receipt of the Company's payment of US$200,000 made on 7 February 2024 being partial payment of the fifth quarterly instalment due on 30 June 2023.

On 7 May 2024, the Bondholder confirmed to the Company that the Company shall repay (i) the remaining balance of US$200,000 of the fifth quarterly instalment; (ii) the sixth quarterly instalment of US$500,000 (due on 30 September 2023); (iii) the seventh quarterly instalment of US$500,000 (due on 31 December 2023); (iv) the eighth quarterly instalment of US$500,000 (due on 31 March 2024); and (v) the ninth quarterly instalment of US$500,000 (due on 30 June 2024) on or before 31 December 2024.

24. Convertible Bonds (Continued)

On 13 September 2024, the Bondholder acknowledged receipt of the Company's payment of US$1,000,000 being (i) the remaining balance of US$200,000 for the fifth quarterly instalment due on 30 June 2023; (ii) a payment of US$500,000 for the sixth quarterly instalment due on 30 September 2023; and (iii) a partial payment of US$300,000 for the seventh quarterly instalment due on 31 December 2023.

On 21 January 2025, the Company, Mr. Yan, Ms. Lam and Ablaze Rich (as defined in Note 1) (collectively as the "Guarantors") and the Bondholder have entered into the second supplemental agreement to the Settlement Agreement ("Second Supplemental Settlement Agreement") to adjust the repayment schedule of the outstanding principal of the redemption amount of the Top Build Convertible Bonds of US$47,930,000. Pursuant to the Second Supplemental Settlement Agreement, the Company will settle the outstanding principal of the redemption amount of the Top Build Convertible Bonds (which amounted to US$47,930,000 as at the date of the Second Supplemental Settlement Agreement) by repaying the Bondholder in cash of (i) not less than US$300,000 within each of the second and third quarter of 2025; (ii) not less than US$1,400,000 within the fourth quarter of 2025; (iii) not less than US$500,000 within each of the first, second and third quarter of 2026; (iv) the remaining balance within the fourth quarter of 2026 and on or before 31 December 2026; (v) the outstanding accrued interest on the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 July 2022 and 31 December 2024 of US$9,893,162 on or before 31 December 2026; (vi) interest over the outstanding principal of the redemption amount of the Top Build Convertible Bonds for the period between 1 January 2025 and 31 December 2026 (calculated at an interest rate of 8% per annum), on or before 31 December 2026; and (vii) liquidated damages in respect of the default of US$87,405 on or before 31 December 2026 (the "Settlement").

	2025 **US$'000**	2024 US$'000
Top Build Convertible Bonds		
– Non-current	**53,088**	–
– Current	**2,500**	55,900
	55,588	55,900

24. Convertible Bonds (Continued)

The movements of the liability component of Top Build Convertible Bonds for the year are set out below:

	Liability component US$'000
As at 1 April 2023	52,739
Interest expense (Note 9)	3,961
Redemption	(800)
At 31 March 2024 and 1 April 2024	55,900
Interest expense (Note 9)	3,868
Gain on modification (Note 6)	(3,180)
Redemption	(1,000)
At 31 March 2025	**55,588**

Details of the pledged assets are set out in Note 33 to the consolidated financial statements.

25. Other Payables and Accruals

	2025 **US$'000**	2024 US$'000
Other payables and accruals (Note)	**561**	4,687
Contract liabilities	**80**	221
Other payables due to related companies (Note 30(b))	**7,084**	7,193
	7,725	12,101

The carrying amounts of other payables and accruals approximate their fair values.

The carrying amounts of other payables and accruals (excluding contract liabilities) are denominated in the following currencies:

	2025 **US$'000**	2024 US$'000
US$	**355**	4,238
HK$	**35**	314
RMB	**7,255**	7,328
	7,645	11,880

Note: Pursuant to the terms of the Second Supplemental Settlement Agreement, the other finance charge of US$4,089,000 provided for during the year ended 31 March 2023 which arose from the default under the Settlement Agreement (as supplemented by the Supplemental Settlement Agreement) was reduced to US$87,405 during the year ended 31 March 2025.

26. Leases

(i) Right-of-use assets

	2025 US$'000	2024 US$'000
Buildings	**82**	328

The lease terms are 2 years (2024: 2 years) at fixed rentals with no extension option. In addition, the weighted average lessee's incremental borrowing rates applied to the lease liabilities was 3.63% (2024: 3.63%) per annum as at 31 March 2025.

(ii) Lease liabilities

	2025 US$'000	2024 US$'000
Amounts payable under lease liabilities		
Within 1 year	**84**	248
After 1 year but within 2 years	**–**	84
	84	332
Less: Amount due for settlement within 12 months (shown under current liabilities)	**(84)**	(248)
Amount due for settlement after 12 months	**–**	84

(iii) Amounts recognised in profit or loss

	2025 US$'000	2024 US$'000
Depreciation expense on right-of-use assets		
– buildings	**246**	176
Interest expense on lease liabilities	**6**	7

(iv) Others

During the year ended 31 March 2025, the total cash outflow for leases amount to approximately US$254,000 (2024: US$195,000).

27. 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 consolidated statement of cash flows as cash flows from financing activities.

			Non-cash changes			
	1 April 2024 US$'000	Financing cash flows US$'000	Finance costs incurred US$'000	New lease arrangement US$'000	Gain on modification US$'000	31 March 2025 US$'000
Bank borrowings (Note 22)	519	(122)	16	–	–	413
Loans from the ultimate holding company (Note 22)	6,316	(5,430)	106	–	–	992
Convertible bonds (Note 24)	55,900	(1,000)	3,868	–	(3,180)	55,588
Lease liabilities (Note 26)	332	(254)	6	–	–	84
	63,067	(6,806)	3,996	–	(3,180)	57,077

			Non-cash changes		
	1 April 2023 US$'000	Financing cash flows US$'000	Finance costs incurred US$'000	New lease arrangement US$'000	31 March 2024 US$'000
Bank borrowings (Note 22)	11,431	(11,736)	824	–	519
Loans from the ultimate holding company (Note 22)	8,015	(1,960)	261	–	6,316
Convertible bonds (Note 24)	52,739	(800)	3,961	–	55,900
Lease liabilities (Note 26)	301	(195)	7	219	332
	72,486	(14,691)	5,053	219	63,067

28. Contingent Liabilities

Save as disclosed elsewhere in the consolidated financial statements, there were no other significant contingent liabilities of the Group as at 31 March 2025 (2024: same).

29. Commitments

Capital commitments

At 31 March 2025, capital expenditure contracted for but not yet incurred is as follows:

	2025 **US$'000**	2024 US$'000
Investment properties	**243**	250

30. Related Party Disclosures

(a) Significant transactions with related parties

All of the transactions were carried out in the normal course of the Group's business and on terms as agreed between the transacting parties. They were summarised as follows:

	2025 **US$'000**	2024 US$'000
Interest on loans from the ultimate holding company	**106**	261

30. Related Party Disclosures (Continued)

(b) Balances with related parties

As at 31 March 2025 and 2024, the Group had the following significant balances with its related companies:

	2025 US$'000	2024 US$'000
Other receivables due from related companies controlled by the ultimate controlling parties (Note 17)	**26**	26
Loans from the ultimate holding company (Note 22)	**(992)**	(6,316)
Others payables due to related companies controlled by the ultimate controlling parties (Note 25)	**(7,084)**	(7,193)

Other receivables due from related companies were unsecured, non-interest bearing, repayable on demand and denominated in US$ and RMB.

Other payables due to related companies were unsecured, non-interest bearing, repayable on demand and denominated in US$ and RMB.

(c) Transactions with key management personnel

Key management includes directors of the Company (executive and non-executive) and senior management. The compensation paid or payable to key management for employee services is shown below:

	2025 US$'000	2024 US$'000
Fees and salaries	**867**	928
Pension costs - defined contribution plans	**9**	9
	876	937

31. Statement of Financial Position and Reserve Movement of the Company

	2025 US$'000	2024 US$'000
Assets		
Non-current asset		
Investments in subsidiaries (Note (i))	**54,446**	54,446
Current assets		
Amounts due from subsidiaries (Note (i))	**9,651**	16,231
Deposits, prepayments and other receivables	**49**	44
Cash and cash equivalents	**49**	8
	9,749	16,283
Total assets	**64,195**	70,729
Equity		
Equity attributable to owners of the company		
Share capital	**1,221**	1,221
Reserves (note (ii))	**1,834**	(676)
Total equity	**3,055**	545
Liabilities		
Non-current liabilities		
Loans from the ultimate holding company	**992**	6,316
Convertible bonds	**53,088**	–
	54,080	6,316
Current liabilities		
Other payables and accruals	**301**	4,308
Amounts due to subsidiaries	**4,259**	3,660
Convertible bonds	**2,500**	55,900
	7,060	63,868
Total liabilities	**61,140**	70,184
Total equity and liabilities	**64,195**	70,729

The statement of financial position was approved by the Board of Directors on 26 June 2025 and was signed on its behalf by:

Lam Kwan *Director*	**Pan Zhongshan** *Director*

31. Statement of Financial Position and Reserve Movement of the Company (Continued)

Notes:

(i) For the years ended 31 March 2025 and 2024, no impairment provision was recognised for the investments in subsidiaries and amounts due from subsidiaries.

(ii) Reserves

	Share premium	Convertible bonds reserve	Share option reserve	Other reserves (Note 21(b))	Accumulated losses	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
At 1 April 2023	54,684	38,954	116	77,443	(167,258)	3,939
Loss for the year	–	–	–	–	(4,615)	(4,615)
Lapse/forfeit of share options (Note 20(ii))	–	–	(15)	–	15	–
At 31 March 2024 and 1 April 2024	**54,684**	**38,954**	**101**	**77,443**	**(171,858)**	**(676)**
Profit for the year	**–**	**–**	**–**	**–**	**2,510**	**2,510**
Lapse/forfeit of share options (Note 20(ii))	**–**	**–**	**(51)**	**–**	**51**	**–**
At 31 March 2025	**54,684**	**38,954**	**50**	**77,443**	**(169,297)**	**1,834**

32. Benefits and Interests of Directors (Disclosure Required by Section 383 of the Hong Kong Companies Ordinance (Cap. 622), Companies (Disclosure of Information About Benefits of Directors) Regulation (Cap. 622G) and Hong Kong Listing Rules)

(a) Directors' and chief executive's emoluments

The remuneration of every director and the chief executive for the year ended 31 March 2025 is set out below:

	Emoluments paid or payable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:				
Name	Fees US$'000	Salaries US$'000	Estimated money value of other benefits US$'000	Employer's contribution to a retirement benefit scheme US$'000	Total US$'000
Executive directors:					
Ms. Lam (Note i)	–	231	114	2	347
Mr. PAN Zhongshan (Note ii)	–	133	–	2	135
Independent non-executive directors:					
Mr. CHEUNG Kwan Hung	19	–	–	–	19
Dr. CHAN Chung Bun Bunny (Note iii)	8	–	–	–	8
Ms. WONG Tsui Yue Lucy	19	–	–	–	19
Mr. LIU Yongshun (Note iv)	1	–	–	–	1
	47	364	114	4	529

There was no discretionary bonuses based on the Group's performance paid to directors and the chief executive during the year.

32. Benefits and Interests of Directors (Disclosure Required by Section 383 of the Hong Kong Companies Ordinance (Cap. 622), Companies (Disclosure of Information About Benefits of Directors) Regulation (Cap. 622G) and Hong Kong Listing Rules) (Continued)

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

The remuneration of every director and the chief executive for the year ended 31 March 2024 is set out below:

	Emoluments paid or payable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking:				
Name	Fees US$'000	Salaries US$'000	Estimated money value of other benefits US$'000	Employer's contribution to a retirement benefit scheme US$'000	Total US$'000
Executive directors:					
Ms. Lam (Note i)	–	250	28	2	280
Mr. PAN Zhongshan (Note ii)	–	133	–	2	135
Independent non-executive directors:					
Mr. CHEUNG Kwan Hung	19	–	–	–	19
Dr. CHAN Chung Bun Bunny (Note iii)	19	–	–	–	19
Ms. WONG Tsui Yue Lucy	19	–	–	–	19
	57	383	28	4	472

None of the directors waived any emoluments during the years ended 31 March 2025 and 2024.

Notes:

(i) Ms. Lam is also the chief executive officer of the Company.

(ii) Mr. PAN Zhongshan was appointed as executive director of the Company with effect from 28 April 2023.

(iii) Dr. Chan Chung Bun Bunny retired as independent non-executive director of the Company with effect from 30 August 2024.

(iv) Mr. Liu Yongshun was appointed as independent non-executive director of the Company with effect from 18 March 2025.

32. Benefits and Interests of Directors (Disclosure Required by Section 383 of the Hong Kong Companies Ordinance (Cap. 622), Companies (Disclosure of Information About Benefits of Directors) Regulation (Cap. 622G) and Hong Kong Listing Rules) (Continued)

(b) Directors' retirement benefits and termination benefits

None of the directors received or will receive any retirement benefits or termination benefits in respect of their services to the Company and its subsidiaries for the year (2024: same).

(c) Consideration provided to third parties for making available directors' services

During the year, the Company has not paid any consideration to any third parties for making available directors' services to the Company (2024: same).

(d) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

There were no loans, quasi-loans and other dealings entered into by the Company or subsidiary undertakings of the Company, where applicable, in favour of the directors, or body corporate controlled by or entities connected with any of the directors at the end of the year or at any time during the year (2024: same).

(e) Directors' material interests in transactions, arrangements or contracts

Except for the disclosure in Note 30, no significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year (2024: same).

33. Pledge of Assets

As at 31 March 2025, the bank borrowing obtained under the SME Financing Guarantee Scheme is secured fully by guarantees executed by Mr. Yan, Ms. Lam and the Government of HKSAR (2024: same).

On 29 June 2022, the Group entered into the Supplemental Settlement Agreement with its Bondholder and pursuant to which the withdrawal of the petition is conditional upon, among others, the Company having delivered the following security documents for the pledge/mortgage over the following assets of the Group in favour of the Bondholder as security for the Company's performance of its repayment obligations under the settlement agreement (as supplemented by the Supplemental Settlement Agreement).

33. Pledge of Assets (Continued)

On 21 January 2025, the Group entered into the Second Supplemental Settlement Agreement with its Bondholder to adjust the repayment schedule of the outstanding principal of the redemption amount of the Top Build Convertible Bonds and the interests accrued therefrom, pursuant to which the Company will provide or procure to be provided the following additional security documents for the pledge/mortgage over the following assets of the Group in favour of the Bondholder as security for the Company's performance of its repayment obligations under the settlement agreement (as supplemented by the Supplemental Settlement Agreement and the Second Supplemental Settlement Agreement):

(i) the mortgage over the land use right of a parcel of land of approximately 103.4 mu located at Haikou, Hainan Province, the PRC held by the PRC Subsidiary (as defined below); and

(ii) the pledge over 41% of the equity interests in the PRC Subsidiary held by the Hong Kong Subsidiary (as defined below).

On 28 March 2025, the mortgage over a vessel of the Group was released.

As at 31 March 2025, the Top Build Convertible Bonds were secured by the following:

(i) the mortgage over a vessel of the Group amounting to US$8,722,000 as at 31 March 2024 (31 March 2025: Nil) (Note 14);

(ii) the mortgage over the land use right of two parcels of land of a total of near 200 mu located at Haikou, Hainan Province, the PRC held by a non-wholly owned subsidiary of the Company in the PRC (the "PRC Subsidiary") (31 March 2024: a parcel of land of approximately 95.9 mu out of a total of near 200 mu) (Note 15);

(iii) the pledge over the equity interests in the PRC Subsidiary held by a wholly owned subsidiary of the Company in Hong Kong (the "Hong Kong Subsidiary") (31 March 2024: same); and

(iv) the corporate guarantees from the PRC Subsidiary and the Hong Kong Subsidiary (31 March 2024: same).

34. Major Non-cash Transaction

During the year ended 31 March 2024, the Group entered into a new arrangement in respect of renting a director's quarter. Right-of-use assets and lease liabilities of approximately US$219,000 were recognised at the commencement of the leases.

35. Event after the Reporting Period

On 19 June 2025, Joy Ocean Shipping Limited, a wholly owned subsidiary of the Company, entered into a memorandum of agreement with Migo Shipping Co., Limited（邁高航運有限公司）to dispose of a vessel at a consideration of US$4,500,000. Please refer to the announcement of the Company dated 19 June 2025 for further details.