



Affluent Foundation Holdings Limited

俊裕地基集團有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1757

2025

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Chan Siu Cheong
(Chairman and Chief Executive Officer)
Mr. Sin Ka Pong
Ms. Chan Mei Po

Independent Non-executive Directors

Mr. Ho Chi Wai
Mr. Cheung Kwok Yan Wilfred
Mr. Lau Leong Ho

AUDIT COMMITTEE

Mr. Ho Chi Wai (Chairman)
Mr. Lau Leong Ho
Mr. Cheung Kwok Yan Wilfred

NOMINATION COMMITTEE

Mr. Chan Siu Cheong (Chairman)
Mr. Lau Leong Ho
Mr. Ho Chi Wai
Ms. Chan Mei Po
Mr. Cheung Kwok Yan Wilfred

REMUNERATION COMMITTEE

Mr. Cheung Kwok Yan Wilfred (Chairman)
Mr. Sin Ka Pong
Mr. Lau Leong Ho

COMPANY SECRETARY

Mr. Woo Yuen Ping

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 903–905, 9/F
The Octagon
No. 6 Sha Tsui Road, Tsuen Wan
New Territories, Hong Kong

REGISTERED OFFICE

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

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANK

The Hongkong and Shanghai Banking
Corporation Limited

AUDITOR

SFAI (HK) CPA Limited
Certified Public Accountants
Registered Public Interest Entity Auditor
Room 2702, 27/F, Wu Chung House
213 Queen's Road East
Wanchai, Hong Kong

LEGAL ADVISER AS TO HONG KONG LAW

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WEBSITE

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STOCK CODE

1757

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

The Group is a subcontractor engaged in the provision of services related to foundation works in Hong Kong including excavation and lateral support works, pile caps construction, and other services, such as demolition works, underground drainage works, earthworks and structural steelworks. To a lesser extent, the Group also engages in the leasing of machinery to third-party construction companies.

The Group reported a net profit of approximately HK\$191,000 for the six months ended 30 September 2025 (the "Relevant Period"), representing an increase of approximately HK\$97,000 as compared to the six months ended 30 September 2024. This growth was primarily driven by the progress of several large-scale public sector projects in areas such as Fanling, Tuen Mun, and Tung Chung during the Relevant Period.

The Group has unrecognised contract sum of approximately HK\$295.9 million as at 30 September 2025. The Group will keep bidding sizeable and remarkable projects in order to keep the operation scale and create value to our stakeholders.

The Group has been exploring other business opportunities beyond the Hong Kong market and/or expanding the geographical coverage of the principal business of the Group beyond the Hong Kong and China market in order to enhance our future development and to strengthen the revenue bases of the Group. We believe that such exploration would be worthy so that we will be well-prepared to dive into any opportunities as they arise or come to our attention. We expect that diversification of our business will provide a better return to the Shareholders.

FINANCIAL REVIEW

During the Relevant Period, the Group had been awarded 8 new contracts, with an aggregate original contract sum of approximately HK\$156.8 million and had completed 1 project with an aggregate original contract sum of approximately HK\$1.6 million. As at 30 September 2025, the Group had 31 projects on hand (including projects in progress) with an original total contract sum of approximately HK\$1.3 billion.

Revenue

The revenue from foundation works of the Group for the Relevant Period amounted to approximately HK\$234.3 million, representing an increase of approximately HK\$108.9 million or 86.8% as compared to approximately HK\$125.4 million for the six months ended 30 September 2024. The increase was primarily because certain sizable projects located in Fanling, Tuen Mun and Tung Chung were in full swing during the Relevant Period.

Gross Profit and Gross Profit Margin

The gross profit of the Group for the Relevant Period amounted to approximately HK\$3.3 million, representing a decrease of approximately HK\$0.5 million or 11.9% as compared to approximately HK\$3.8 million for the six months ended 30 September 2024. The reasons for the decrease was mainly attributable to increase in labour cost during the Relevant Period.

The Group prices its services based on various factors, including but not limited to the scope of works and the complexity of the projects. In this regard, the Group's profitability depends on the nature of projects engaged by the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW (Continued)

Other Income

The other income of the Group for the Relevant Period amounted to approximately HK\$6.8 million, representing an increase of approximately HK\$1.4 million or 26.9% as compared to approximately HK\$5.4 million for the six months ended 30 September 2024. The increase was primarily due to the over provision of legal cost during the Relevant Period.

Administrative Expenses

The administrative expenses of the Group for the Relevant Period amounted to approximately HK\$8.7 million, representing an increase of approximately HK\$0.7 million or 8.8% as compared to approximately HK\$8.0 million for the six months ended 30 September 2024. The increase was primarily due to the increase of administrative staff and compensation expense to third parties during the Relevant Period.

Finance Costs

The finance costs of the Group for the Relevant Period amounted to approximately HK\$741,000, representing a decrease of approximately HK\$59,000 or 7.4% as compared to approximately HK\$800,000 for the six months ended 30 September 2024. The decrease was primarily due to the finance charge on lease liabilities during the Relevant Period.

Profit and Total Comprehensive Income Attributable to Equity Holders of the Company

The Group reported profit and total comprehensive income attributable to equity holders of the Company of approximately HK\$191,000 for the Relevant Period as compared to approximately HK\$94,000 for the six months ended 30 September 2024. The reasons for the increase were mainly attributable to the reasons discussed in the sub-paragraph headed "BUSINESS REVIEW AND OUTLOOK" above.

RISKS AND UNCERTAINTIES

The Group's results of operation may vary significantly from period to period depending on, among other factors, the political and economic environment, level of competitiveness, the quality of service and timeliness of subcontractors, and the adequacy and efficiency of internal processes implemented by staff and systems. The Group believes that there are certain risks and uncertainties involved both in the markets and in the operations which can be summarised as below.

Operational Risks

Due to unexpected circumstances such as bad weather and geological issues, the actual time and costs incurred in construction projects may exceed our estimation at the time of tendering submission and the work in progress may be interrupted. As the result, such variation could adversely affect the Group's operations and financial results. In such situations, the Group will implement measures such as re-allocating human resources and recruiting additional manpower including subcontracting the works in order to expedite the work progress.

MANAGEMENT DISCUSSION AND ANALYSIS

RISKS AND UNCERTAINTIES (Continued)

Operational Risks (CONTINUED)

On the other hand, it is inevitable that there could be chance of industrial accidents happened. In order to minimise the rate of accidents, the Group has already recruited two qualified safety officers to regularly monitor the work environment, implementation of safety rules and regulations and establishing safety policies. In addition, the Group also appointed a registered safety auditor to conduct corporate safety audit semi-annually to maximise the effectiveness of safety management.

It is quite common in the construction industry that collection of receivables takes longer time and it may lead to late settlement by customers especially at the times of unexpected crises due to political and economic factors. To mitigate the pressure on financial liquidity, the Group produces aging analysis on regular basis and contacts the management level of the customers so as to get better understanding of their solvency status.

Market Risks

Due to the construction industry in Hong Kong being dominantly subject to the Hong Kong Government's large-scale infrastructure projects which require prolonged process of legislative approval, it is more passive toward the future's prospect of the industry. Nevertheless, the Group will not just rely on participating in projects from public sector but the Group will also be more involved in projects from the private sectors.

In the meantime, demand of residential and commercial buildings is growing continuously. The Group perceived that such demand will sustain the booming in the construction industry and attract more competitive entrants to the industry. In order to grip holding of the market shares, the Group will continue to acquire suitable machineries to cope with the demand. With its in-depth experience and knowledge in the field, the Group is capable to continue providing one-stop construction machinery service to meet the needs of various customers.

LIQUIDITY, FINANCIAL POSITION AND CAPITAL STRUCTURE

The Group has funded its liquidity and capital requirements primarily through capital contributions from shareholders and cash inflows from operating activities.

The shares of the Company were successfully listed on the Main Board of the Stock Exchange on 7 June 2018 and there has been no change in the capital structure of the Group since then.

As at 30 September 2025 and 31 March 2025, the Company's issued share capital was HK\$12 million and the number of its issued ordinary shares was 1,200,000,000 of HK\$0.01 each.

As at 30 September 2025, the Group had a total cash and cash equivalents of approximately HK\$5.6 million (31 March 2025: approximately HK\$3.8 million). The amounts of cash and cash equivalents had been remained steady throughout the Relevant Period.

As at 30 September 2025, the gearing ratio of the Group, calculated by the total debts (defined as the sum of the amount due to a director and lease liabilities) divided by the total equity, was approximately 33.7% (31 March 2025: approximately 41.8%). The decrease was primarily due to the decrease in total debts and growth of total equity from profit for the period and increase in capital reserve during the Relevant Period.

MANAGEMENT DISCUSSION AND ANALYSIS

TREASURY POLICY

The Group continues to manage its financial position carefully and maintains conservative policies in cash and financial management. The Board closely monitors the Group's liquidity position to ensure that the Group can meet its funding requirements for business development.

EXPOSURE TO FOREIGN EXCHANGE RATE RISKS

As the Group only operates in Hong Kong and almost all of the revenue and transactions arising from its operations were settled in Hong Kong dollar, the Board is of the view that the Group's foreign exchange rate risks are insignificant. Thus, the Group has not entered into any derivative contracts to hedge against the foreign exchange rate risk during the Relevant Period.

CAPITAL EXPENDITURE

During the Relevant Period, the Group invested approximately HK\$2.9 million on acquisition of property, plant and equipment. Capital expenditure was principally funded by internal resources and the advance by a Director.

CAPITAL COMMITMENTS

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
Capital expenditure in respect of the acquisition of machinery contracted for but not provided in the consolidated financial statements	–	600

CONTINGENT LIABILITIES

As at 30 September 2025, the Group did not have any significant contingent liabilities.

As at 30 September 2025, the Group has been involved in a number of claims, litigations and potential claims against the Group, as a subcontractor, in relation to work-related injuries and non-compliances. Based on the information available, the Directors considered that the insurance policies of the Group or the relevant main contractors are sufficient for coverage of the above potential claims and litigation in relation to work-related injuries and therefore the Directors are of the opinion that the claims and litigation are not expected to have a material impact on the condensed consolidated interim financial statements of the Group. Accordingly, no provision has been made as at 30 September 2025 and during the Relevant Period.

MANAGEMENT DISCUSSION AND ANALYSIS

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Relevant Period, the Group did not have any material acquisitions or disposals of subsidiaries or associated companies.

SIGNIFICANT INVESTMENT HELD

During the Relevant Period, the Group had no significant investment held.

FUTURE PLANS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

As at 30 September 2025, the Group does not have other plans for material investments and capital assets.

EMPLOYEES AND REMUNERATION POLICY

As at 30 September 2025, the Group employed a total of 193 employees (including executive Directors and independent non-executive Directors), as compared to a total of 115 employees as at 31 March 2025. Total staff costs which include Directors' emoluments for the Relevant Period were approximately HK\$63.7 million (six months ended 30 September 2024: approximately HK\$35.7 million). The salary and benefit level of the employees of the Group are competitive and individual performance is rewarded through the Group's salary and bonus system. The Group conducts annual review on salary increase, discretionary bonuses and promotions based on the performance of each employee.

The emoluments of the Directors are decided by the Board after recommendation from the remuneration committee of the Company, having considered the factors such as the Group's financial performance and the individual performance of the Directors, etc.

The Company has adopted a share option scheme (the "Share Option Scheme") on 14 May 2018 as an incentive to Directors and eligible employees.

During the Relevant Period, the Group has not experienced any significant problems with its employees due to labour disputes nor has it experienced any difficulty in the recruitment and retention of experienced staff.

INTERIM DIVIDEND

The Board has resolved not to recommend the declaration of interim dividend to the shareholders of the Company for the Relevant Period (2024: Nil).

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2025

		Six months ended 30 September	
	Notes	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Revenue	5	234,273	125,442
Direct costs		(230,968)	(121,689)
Gross profit		3,305	3,753
Other income	6	6,829	5,381
Administrative expenses		(8,667)	(7,950)
(Provision)/Reversal of expected credit loss ("ECL"), net		(399)	36
Finance costs	7	(741)	(800)
Profit before income tax	8	327	420
Income tax expense	9	(136)	(326)
Profit and total comprehensive income for the period attributable to equity holders of the Company		191	94
		HK cents	HK cents
Earnings per share attributable to equity holders of the Company			
Basic and diluted	11	0.02	0.01

The notes on pages 12 to 27 are an integral part of these condensed consolidated interim financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2025

	Notes	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	12	21,579	21,864
Right-of-use assets	13	1,619	3,353
Deposit and prepayments		330	440
		23,528	25,657
Current assets			
Trade and other receivables	14	95,200	96,494
Contract assets	15	115,700	93,243
Tax recoverable		142	–
Cash and bank balances	16	5,562	5,749
		216,604	195,486
Current liabilities			
Bank overdraft		–	1,976
Trade and other payables	17	111,352	82,707
Amount due to a director	18	28,420	33,834
Lease liabilities	19	1,659	3,033
Contract liabilities	15	5,574	6,369
		147,005	127,919
Net current assets		69,599	67,567
Total assets less current liabilities		93,127	93,224
Non-current liabilities			
Lease liabilities	19	–	392
Long service payment obligation		902	817
Deferred tax liabilities		2,894	2,877
		3,796	4,086
Net assets		89,331	89,138
EQUITY			
Share capital		12,000	12,000
Reserves		77,331	77,138
Equity attributable to equity holders of the Company		89,331	89,138

Chan Siu Cheong
Director

Sin Ka Pong
Director

The notes on pages 12 to 27 are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2025

	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Other reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000
Balance at 1 April 2024 (audited)	12,000	77,625	301	4,065	(5,906)	88,085
Profit and total comprehensive income for the period	–	–	–	2	94	96
Balance at 30 September 2024 (unaudited)	12,000	77,625	301	4,067	(5,812)	88,181
Balance at 1 April 2025 (audited)	12,000	77,625	301	4,065	(4,853)	89,138
Profit and total comprehensive income for the period	–	–	–	2	191	193
Balance at 30 September 2025 (unaudited)	12,000	77,625	301	4,067	(4,662)	89,331

The notes on pages 12 to 27 are an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2025

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Cash flows from operating activities		
Cash from operations	11,243	13,491
<i>Net cash generated from operating activities</i>	11,243	13,491
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,913)	(887)
Proceeds from disposal of property, plant and equipment	1,380	100
<i>Net cash used in investing activities</i>	(1,533)	(787)
Cash flows from financing activities		
Repayment of lease liabilities	(1,766)	(1,920)
Interest paid	(65)	(121)
Decrease in amount due to a director	(6,090)	(6,488)
<i>Net cash used in financing activities</i>	(7,921)	(8,529)
Net increase in cash and cash equivalents	1,789	4,175
Cash and cash equivalents at the beginning of period	3,773	3,869
Cash and cash equivalents at end of period (Note 16)	5,562	8,044

The notes on pages 12 to 27 are an integral part of these condensed consolidated interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

1. GENERAL INFORMATION

Affluent Foundation Holdings Limited (the "Company") was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law (as revised) of the Cayman Islands on 2 June 2017. The address of the Company's registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of the Company's principal place of business is Unit 903-905, 9/F, The Octagon, No. 6 Sha Tsui Road, Tsuen Wan, the New Territories, Hong Kong.

The Company is an investment holding company, and its subsidiaries (collectively referred to as the "Group") are principally engaged as subcontractor in the provision of services related to foundation works in Hong Kong.

As at 30 September 2025, the Company's immediate and ultimate holding company is Oriental Castle Group Limited ("Oriental Castle"), a company incorporated in the British Virgin Islands (the "BVI") and owned by Mr. Chan Siu Cheong ("Mr. Chan") and Ms. Chu Wai Ling ("Ms. Chu"). Mr. Chan, Ms. Chu and Oriental Castle are collectively referred to as the controlling shareholders (the "Controlling Shareholders") of the Company.

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 7 June 2018.

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements for the six months ended 30 September 2025 have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules") and Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The condensed consolidated interim financial statements do not include all of the information required in annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 March 2025.

The condensed consolidated interim financial statements are presented in Hong Kong dollars ("HK\$" or "HKD"), and all values are rounded to the nearest thousand (HK\$'000) except when otherwise indicated.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

3. SIGNIFICANT AND SUMMARY OF ACCOUNTING POLICIES

The condensed consolidated interim financial statements have been prepared in accordance with the accounting policies adopted in the Group's most recent annual consolidated financial statements for the year ended 31 March 2025, except for the adoption of new accounting policies as a result of the adoption of the new and amended Hong Kong Financial Reporting Standards ("HKFRSs") as set out below:

Adoption of new and amendments to HKFRSs

In the current period, the Group has adopted all the new and revised HKFRSs, including Hong Kong Accounting Standards ("HKASs") and Interpretations, issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on or after 1 April 2025. The adoption of these new and revised HKFRSs in the current period has no material effect on the Group's financial positions and performance for the current and prior years and/or on the amounts and/or disclosures set out in these unaudited condensed consolidated financial statements.

Amendments to HKAS 21

Lack of Exchangeability

New and amendments to HKFRSs in issued but not yet effective

Except for the amendments to HKFRSs mentioned above, the Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs and anticipates that the application of these new HKFRSs would have no material impact on its results of operations and financial position.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes estimates and assumptions concerning the future that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The resulting accounting estimates will, by definition, seldom equal the related actual results.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements of the Group for the year ended 31 March 2025.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

5. REVENUE AND SEGMENT INFORMATION

The Group's principal activities are disclosed in Note 1 to the condensed consolidated interim financial statements.

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Contracting revenue	234,273	125,442

All revenue represents the contracting revenue arising from provision of services related to foundation works and is recognised over time.

The chief operating decision-maker has been identified as the executive directors of the Company. The directors regard the Group's business of foundation works as a single operating and reportable segment and reviews the overall results of the Group as a whole to make decision about resources allocation. Accordingly, no segment analysis information is presented.

No separate analysis of segment information by geographical segment is presented as the Group's revenue and non-current assets are principally attributable to a single geographical region, which is Hong Kong.

Revenue from customers which individually contributed over 10% of the Group's revenue is as follows:

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Customer A	101,258	95,964
Customer B	51,870	N/A*
Customer C	49,133	N/A*

* The corresponding revenue does not contribute over 10% of total revenue of the Group.

The disaggregation of revenue from contracts with customers is as follows:

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
By types of projects:		
Private sector projects	2,518	11,264
Public sector projects	231,755	114,178
	234,273	125,442

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

6. OTHER INCOME

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Gain on disposal of property, plant and equipment	891	–
Income from sales of construction wastes	1,875	4,345
Machinery rental and transportation income	1,914	1,029
Over provision of legal cost	1,916	–
Ex-gratia payment for retirement of vehicle	90	–
Sundry income	143	7
	6,829	5,381

7. FINANCE COSTS

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Bank overdraft interest	1	–
Finance charge on lease liabilities	64	121
Effective interest in amount due to a director	676	679
	741	800

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

8. PROFIT BEFORE INCOME TAX

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Profit before income tax is stated after charging/(crediting):		
(a) Staff costs (including directors' emoluments) (Note (i))		
– Salaries, wages and other benefits	62,656	34,926
– Contributions to defined contribution retirement plans (Note (ii))	1,050	808
	63,706	35,734
(b) Other items		
Depreciation, included in:		
Direct costs		
– Owned assets	2,501	2,447
– Right-of-use assets	1,522	1,794
Administrative expenses		
– Owned assets	208	226
– Right-of-use assets	212	215
	4,443	4,682
Subcontracting charges (included in direct costs)	100,361	44,580
Services charged paid for machinery	717	1,096
Loss on disposal of property, plant and equipment	–	16
Short term leases	334	18
Net provision/(reversal) of ECL allowance on:		
– Trade and other receivables	110	(211)
– Contract assets	289	175

Notes:

(i) Staff costs (including directors' emoluments)

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Direct costs	57,939	31,014
Administrative expenses	5,767	4,720
	63,706	35,734

(ii) As at 30 September 2025, the Group had no forfeited contributions under the Mandatory Provident Fund Scheme which may be used by the Group to reduce the existing levels of contributions (2024: Nil).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

9. INCOME TAX EXPENSE

Hong Kong Profits Tax has not been provided as the Group incurred tax losses for the six months ended 30 September 2025 and 2024.

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Provision for Hong Kong profits tax		
– Current tax	–	–
– Under provision in prior years	119	–
Deferred tax	17	326
Total income tax expense	136	326

10. DIVIDENDS

The Directors did not recommend the payment of a dividend for the six months ended 30 September 2025 (2024: nil).

11. EARNINGS PER SHARE

(a) Basic earnings per share

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

	Six months ended 30 September	
	2025 (unaudited)	2024 (unaudited)
Earnings		
Profit for the period attributable to equity holders of the Company (in HK\$'000)	191	94
Number of shares		
Weighted average number of ordinary shares	1,200,000,000	1,200,000,000
Basic earnings per share (in HK cents)	0.02	0.01

(b) Diluted earnings per share

There were no dilutive potential ordinary shares outstanding during the six months ended 30 September 2025 and 2024 and therefore, diluted earnings per share equals to basic earnings per share.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 September 2025, the Group acquired approximately HK\$2,913,000 (six months ended 30 September 2024: HK\$887,000) of property, plant and equipment.

During the six months ended 30 September 2025, the Group disposed property, plant and equipment with net carrying amount of approximately HK\$489,000 (six months ended 30 September 2024: HK\$261,000), resulting in a net gain on disposal of approximately HK\$891,000 (six months ended 30 September 2024: net loss on disposal HK\$161,000) (Note 8).

13. RIGHT-OF-USE ASSETS

During the six months ended 30 September 2025, the Group incurred HK\$Nil (six months ended 30 September 2024: HK\$849,000) on the addition of right-of-use asset. The lease acquired during the six months ended 30 September 2024 runs for an initial period of two years. No contingent rentals included.

As at 30 September 2025, the carrying amount of the Group's right-of-use assets in relation to "office premise" and "warehouse" are HK\$249,000 (31 March 2025: HK\$461,000) and HK\$1,370,000 (31 March 2025: HK\$2,892,000) respectively.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

14. TRADE AND OTHER RECEIVABLES

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
Trade receivables	30,059	21,345
Less: ECL allowance	(482)	(368)
	29,577	20,977
Other receivables and prepayments	1,790	2,333
Paid in advance to sub-contractors	53,880	63,862
Occupational injury receivables	9,154	8,563
Utility and other deposits	1,166	1,240
Less: ECL allowance	(37)	(41)
	65,953	75,957
	95,530	96,934
Analysis as:		
Current	95,200	96,494
Non-current	330	440
	95,530	96,934

The directors of the Group consider that the fair values of trade and other receivables are not materially different from their carrying amounts, because their balances have short maturity periods on their inception.

As at 30 September 2025, the occupational injury receivables which are expected to be recovered over one year are HK\$9,154,000 (31 March 2025: HK\$8,563,000). The Group classified these occupational injury receivables as current because the Group expects to realise them in its normal operating cycle.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

14. TRADE AND OTHER RECEIVABLES (CONTINUED)

Trade receivables

The Group usually provides customers with a credit term of 30 to 45 days. For the settlement of trade receivables from provision of construction services, the Group usually reaches an agreement on the term of each payment with the customer by taking into account of factors such as, among other things, the credit history of the customer, its liquidity position and the Group's working capital needs, which varies on a case-by-case basis that requires the judgment and experience of the management.

As part of the Group's credit risk management, the Group uses debtors' ageing to assess the impairment for its customers because these customers consist of a large number of customers which share common risk characteristics that are representative of the customers' abilities to pay all amounts due in accordance with the contractual terms.

ECL for trade and other receivables

The loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort.

Based on the invoice dates, the ageing analysis of the trade receivables was as follows:

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
0–30 days	29,858	12,059
31–60 days	98	9,186
61–90 days	–	–
Over 90 days	103	100
	30,059	21,345

The loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort.

The movements in the ECL allowance of trade and other receivables are as follows:

	Trade receivables HK\$'000	Other receivables HK\$'000	Total HK\$'000
At the beginning of the period (audited)	368	41	409
ECL allowance recognised during the year	114	–	114
Reversal of ECL allowance during the year	–	(4)	(4)
At the end of the period (unaudited)	482	37	519

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

15. CONTRACT ASSETS AND CONTRACT LIABILITIES

15.1 Contract assets

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
Unbilled revenue (Note (a))	59,589	47,928
Retention receivables (Note (b))	57,605	46,519
Less: ECL allowance (Note (c))	(1,494)	(1,204)
	115,700	93,243

Notes:

(a) Unbilled revenue

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

(b) Retention receivables

Retention receivables included in contract assets represents the Group's right to consideration for work performed and not yet billed because the rights are conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the expiry date of the period for the provision of assurance by the Group on the service quality of the construction work performed by the Group.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

15. CONTRACT ASSETS AND CONTRACT LIABILITIES (CONTINUED)

15.1 Contract assets (CONTINUED)

Notes: (Continued)

(c) ECL allowance

The Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL. The loss rates are estimated based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information that is available without undue cost or effort.

The movements in the ECL allowance of contract assets are as follows:

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
At the beginning of the period (audited)	1,204	866
ECL allowance recognised during the period	290	176
Reversal of ECL allowance during the period	–	–
At the end of the period (unaudited)	1,494	1,042

As at 30 September 2025, the gross amount of contract assets are expected to be recovered within one year is HK\$68,788,000 (31 March 2025: HK\$57,083,000), whereas amounts expected to be recovered over one year is HK\$48,406,000 (31 March 2025: HK\$37,364,000). The Group classifies these contract assets as current because the Group expects to realise them in its normal operating cycle.

During the six months ended 30 September 2025, there is no significant change in contract asset.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

15. CONTRACT ASSETS AND CONTRACT LIABILITIES (CONTINUED)

15.2 Contract liabilities

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
Contract liabilities arising from construction wastes disposal contracts from billings in advance of performance	5,574	6,369

All of the contract liabilities are expected to be recovered/settled within one year.

Unsatisfied long-term construction contracts

The transaction price allocated to the remaining unsatisfied or partially satisfied performance obligations as at 30 September 2025 and 31 March 2025 are as follows:

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
Within one year	183,716	170,418
More than one year	112,183	191,101
	295,899	361,519

16. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include demand deposits and short-term deposits for the purpose of meeting the Group's short term cash commitments, which carry interest at floating rates based on daily bank deposit rates.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

17. TRADE AND OTHER PAYABLES

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
Trade payables (Note (a))	46,940	41,988
Retention payables (Note (b))	20,138	25,746
Accruals and other payables (Note (c))	44,274	14,963
	111,352	82,707

Notes:

All amounts are short-term and hence, the carrying values of the Group's trade payables and accruals and other payables are considered to be a reasonable approximation of fair value.

- (a) (i) The Group is usually granted by suppliers with a credit term of 30 days.
- (ii) As at 30 September 2025, included in trade payables of HK\$1,668,000 (31 March 2025: HK\$1,668,000) was related party balance due to Kam Lung Transport Co., which is a sole proprietorship established by Mr. Tsang Leung Lung, who is also the brother-in-law of Mr. Chan.

The ageing analysis of trade payables based on the invoice date is as follows:

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
0–30 days	8,411	11,213
31–60 days	6,950	4,856
61–90 days	4,028	1,576
Over 90 days	27,551	24,353
	46,940	41,998

- (b) As at 30 September 2025, included in retention payables of HK\$15,438,000 (31 March 2025: HK\$22,757,000) were expected to be repayable over one year. The Group classifies as current because the Group expects to realise them in its normal operating cycle.
- (c) As at 30 September 2025, included in accruals and other payables of HK\$810,000 (31 March 2025: HK\$388,000) was related to the purchase of property, plant and equipment and contra costs recharged by the subcontractors of HK\$16,939,000 (31 March 2025: HK\$Nil).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

18. AMOUNT DUE TO A DIRECTOR

Particulars of amount due to a director as follows:

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
Mr. Chan		
Carrying amount repayable (Note)		
Within one year	28,420	33,834
In the second year	–	–
	28,420	33,834
Less:		
– Amount due within one year	(28,420)	(33,834)
Carrying amount shown under non-current liabilities	–	–

Note: As at 30 September 2025, the loan from a director amounting HK\$28,420,000 (31 March 2025: HK\$2,996,000) is classified as current liabilities represented a non-trade in nature, unsecured, interest-free and repayable on demand.

During the six months ended 30 September 2025, an agreement was entered into between the Group and Mr. Chan in which the repayments were extended to September 2026. Mr. Chan is also one of the controlling shareholders of the Company. The Loan was carried at amortised cost using the effective interest method. The effective interest rate applied was 4.62% per annum. The difference of the principal and the fair value of the Loan at initial recognition amounting to approximately HK\$4,067,000 was credited as deemed contribution from a shareholder in equity.

19. LEASE LIABILITIES

The analysis of the Group's lease liabilities is as follows:

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
Total minimum lease payments:		
Due within one year	1,688	3,120
Due in the second to fifth year	–	397
	1,688	3,517
Future finance charges	(29)	(92)
Present value of lease obligations	1,659	3,425

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

19. LEASE LIABILITIES (CONTINUED)

	As at 30 September 2025 HK\$'000 (unaudited)	As at 31 March 2025 HK\$'000 (audited)
Present value of minimum lease payment:		
Due within one year	1,659	3,033
Due in the second to fifth year	–	392
	1,659	3,245
Less: Portion due within one year included under current liabilities	(1,659)	(3,033)
Portion due after one year included under non-current liabilities	–	392

As at 30 September 2025, the Group leases an office premise and warehouses (31 March 2025: an office premise and warehouses) to operate its business. These lease periods are for two and two years (31 March 2025: two and two years) respectively. At the end of the lease term, lease liabilities were effectively secured by the related underlying assets as the rights to the leased assets would be reverted to the lessor in the event of default by repayment by the Group. None of the leases including contingent rentals. The effective interest rate on these leases was 3.54% to 4.88% for the six months ended 30 September 2025 (six months ended 30 September 2024: 4.62% to 4.88%).

During the six months ended 30 September 2025, the total cash outflows for the leases were HK\$1,892,000 (six months ended 30 September 2024: HK\$2,161,000).

20. RELATED PARTY TRANSACTIONS

In addition to the balances and transactions detailed elsewhere in the condensed consolidated interim financial statements, the Group had the following related party transactions during the six months ended 30 September 2025 and 2024.

(a) Key management personnel remuneration

The emoluments of the directors and senior management of the Company, who represent the key management personnel during the six months ended 30 September 2025 and 2024 were as follows:

	Six months ended 30 September	
	2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Salaries, fee and allowances	2,389	1,912
Retirement benefit scheme contributions	18	9
	2,407	1,921

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2025

20. RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Material related party transactions

Name of related party	Nature	Notes	Six months ended 30 September	
			2025 HK\$'000 (unaudited)	2024 HK\$'000 (unaudited)
Ms. Chan Sze Nga	Salary and allowances	(a)	902	462
Ms. Chan Mei Po	Salary and allowances	(b)	–	300
Mr. Tsang Ue Sum	Salary and allowances	(c)	180	180
Ms. Chan Mei Lei	Salary and allowances	(d)	195	195
Mr. Lam Tak Keung	Salary and allowances	(e)	270	N/A

Notes:

- (a) Ms. Chan Sze Nga is the daughter of Mr. Chan and the niece of Mr. Tsang Leung Lung.
- (b) Ms. Chan Mei Po is the niece of Mr. Chan.
- (c) Mr. Tsang Ue Sum is the nephew of Mr. Chan and the son of Mr. Tsang Leung Lung.
- (d) Ms. Chan Mei Lei is the niece of Mr. Chan.
- (e) Mr. Lam Tak Keung ("Mr. Lam") is the husband of Ms. Chan Mei Po. For the six months ended 30 September 2024, Mr. Lam is not qualified as the related parties of the Group according to the relevant accounting standards. Therefore, his salary for the six months ended 30 September 2024 is not disclosed.

21. CONTINGENT LIABILITIES

As at 30 September 2025, the Group did not have any significant contingent liabilities.

As at 30 September 2025, the Group has been involved in a number of claims, litigations and potential claims against the Group, as a subcontractor, in relation to work-related injuries and non-compliances. Based on the information available, the Directors considered that the insurance policies of the Group or the relevant main contractors are sufficient for coverage of the above potential claims and litigation in relation to work-related injuries and therefore the Directors are of the opinion that the claims and litigation are not expected to have a material impact on the condensed consolidated interim financial statements of the Group. Accordingly, no provision has been made as at 30 September 2025 and during the Relevant Period.

CORPORATE GOVERNANCE AND OTHER INFORMATION

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

As at 30 September 2025, interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("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 to be recorded in the register required to be kept pursuant to section 352 of the SFO, or to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in Appendix C3 to the Listing Rules, were as follows:

(i) Long position in the Shares

Name of Director	Capacity/ Nature of interest	Number of Shares held/interested in	Approximate percentage of shareholding
Mr. Chan Siu Cheong ("Mr. Chan") (Note)	Interest in a controlled corporation	900,000,000	75%

Note: Oriental Castle Group Limited ("Oriental Castle") is beneficially owned as to 90% by Mr. Chan and 10% by Ms. Chu Wai Ling ("Ms. Chu"). By virtue of the SFO, Mr. Chan is deemed to be interested in the Shares held by Oriental Castle. Ms. Chu is the spouse of Mr. Chan. Accordingly, Ms. Chu is deemed or taken to be interested in the Shares Mr. Chan is interested in under the SFO.

On 15 October 2025, China VC Holdings Limited (the "Offeror") entered into a sale and purchase agreement (the "SPA") with Oriental Castle and Mr. Chan, pursuant to which Oriental Castle conditionally agreed to sell, and the Offeror conditionally agreed to purchase, 900,000,000 shares ("Sale Share(s)") of the Company, which represents 75% of the issued share capital of the Company as at the date of joint announcement dated 23 October 2025 (the "Joint Announcement") with a consideration of HK\$80,000,000 (equivalent to HK\$0.089 per Sale Share). The Offeror is beneficially owned as to 75% by China Venture Capital Foundation (wholly owned by Mr. Zhou Zhenlin), 15% by China Wicens Investment Company Limited (wholly owned by Ms. Peng Yunying) and 10% by China Tofans Investment Company Limited (wholly owned by Mr. Guo Xianjiao). Upon completion of acquisition, the Offeror and parties acting in concert with it, became collectively interested in 900,000,000 shares of the Company, representing 75% of the total issued shares immediately after the acquisition and as at the date of the Joint Announcement and Mr. Chan and the Oriental Castle ceased to be interested in such Sale Shares. Pursuant to Rule 26.1 of the Takeovers Code, a mandatory conditional general offer in cash for all the issued shares held by the Independent Shareholders is required to be made. For further details, please refer to the Joint Announcement and the composite document dated 10 December 2025.

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

Name of Director	Name of associated corporation	Capacity/ Nature of interest	Number of Share(s) held/ interested in	Approximate percentage of shareholding
Mr. Chan (Note)	Oriental Castle	Beneficial owner	90	90%

Note: Oriental Castle was the direct shareholder of the Company and is an associated corporation within the meaning of Part XV of the SFO. Upon completion of the SPA, Oriental Castle ceased to hold any Shares and ceased to be an associated corporation. For further details, please refer to the Joint Announcement and the composite document dated 10 December 2025.

Other than as disclosed above, as at 30 September 2025, none of the Directors nor chief executive of the Company had any interests or short positions in any Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that 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 to be recorded in the register required to be kept under section 352 of the SFO, or to be notified to the Company and the Stock Exchange under the Model Code.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

As at 30 September 2025, so far as it is known by or otherwise notified by any Director or the chief executive of the Company, the following persons/entities (other than a Director or chief executive of the Company) who had or were deemed or taken to have an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register required to be kept under section 336 of the SFO were as follows:

Long position in the Company

Name	Capacity/Nature of interest	Number of Shares held/interested in	Approximate percentage of shareholding
Oriental Castle	Beneficial owner (Note 1 & 3)	900,000,000	75%
Ms. Chu	Interest of a spouse (Note 2 & 3)	900,000,000	75%

Notes:

1. Oriental Castle was the direct shareholder of the Company. Oriental Castle is beneficially owned as to 90% by Mr. Chan and 10% by Ms. Chu. By virtue of the SFO, Mr. Chan is deemed to be interested in all the Shares held by Oriental Castle.
2. Ms. Chu is the spouse of Mr. Chan. Accordingly, Ms. Chu is deemed or taken to be interested in the Shares Mr. Chan is interested in under the SFO.
3. Please refer to the note above in relation to Mr. Chan's interest under the sub-paragraph headed "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" above. Upon completion of the SPA, Oriental Castle ceased to hold any Shares and thus, Oriental Castle, Mr. Chan and Ms. Chu ceased to be interested in the 900,000,000 Shares. For further details, please refer to the Joint Announcement and the composite document dated 10 December 2025.

Save as disclosed above, as at 30 September 2025, the Directors are not aware of any other corporation or individual (other than a Director or the chief executive of the Company) who had, or were deemed or taken to have, any interests or short positions in any Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register required to be kept under section 336 of the SFO.

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company adopted the code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix C1 to the Listing Rules. During the Relevant Period, the Company complied with the CG Code with the exception of code provision C.2.1 of the CG Code. According to code provision C.2.1 of the CG Code, the role of the chairman and the chief executive officer of the Company should be separate and should not be performed by the same individual. Since the Listing Date and up to the date of this report, the role of the chairman and the chief executive officer of the Company are both performed by Mr. Chan. In view of the in-depth knowledge and substantial experience of Mr. Chan in the operations of the Group and his solid experience in foundation work, the Board believes that it is more effective and efficient overall business planning and implementation of business decisions and strategies of the Group and in the best interests of the Group if Mr. Chan takes up the dual roles of chairman and chief executive officer of the Company. Therefore, the Board considers that the deviation from code provision C.2.1 of the CG Code is appropriate in such circumstance and that there are sufficient checks and balances in place by the operations of the Board, which comprises experienced and high calibre individuals and adequate independent element in the composition of the Board.

The Board will continue to review and consider splitting the roles of chairman and chief executive officer of the Company at a time when it is appropriate and suitable by taking into account the circumstances of the Group as a whole. The Directors are aware that the Company is expected to comply with the CG Code. Any deviation from the CG Code should be carefully considered and disclosed in the interim and annual report. Save as disclosed above, the Company will continue to comply with the CG Code to protect the best interests of the shareholders of the Company.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" as set out in Appendix C3 of the Listing Rules (the "Model Code") as its own code of conduct regarding securities transactions by the Directors.

The Directors are reminded of their obligations under the Model Code on a regular basis. Following specific enquiries by the Company, all the Directors have confirmed to the Company that they have fully complied with the required standard set out in the Model Code during the Relevant Period.

CORPORATE GOVERNANCE AND OTHER INFORMATION

SHARE OPTION SCHEME

The principal terms of the Share Option Scheme are summarised in Appendix V to the Prospectus. The main purpose of the Share Option Scheme is to attract and retain the best available personnel, to provide incentive to employees (full-time and part-time), directors, consultants, advisers, distributors, contractors, suppliers, agents, customers, business partners or service providers of the Group and to promote the success of the business of the Group. No share option has been granted, exercised, cancelled or lapsed under the Share Option Scheme since its adoption on 14 May 2018, and there was no outstanding share option as at 30 September 2025.

COMPETING INTERESTS

As at 30 September 2025, the Directors were not aware of any interest in a business of the Directors or any of their respective close associates (as defined in the Listing Rules) apart from the business of the Group, that competed or was likely to compete, either directly or indirectly, with the business of the Group.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S SECURITIES

Neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the listed securities (including sale of treasury shares (within the meaning of the Listing Rules)) of the Company during the Relevant Period.

EVENTS AFTER THE RELEVANT PERIOD

In October 2025, the Group entered into a settlement agreement with a service provider in relation to a claim brought by it in October 2024 for outstanding payments in relation to certain construction projects. Under the settlement agreement, the Group agreed to pay HK\$9.4 million as full and final settlement of the claim by way of 12 monthly installments.

Except as noted above, there was no material subsequent events after the Relevant Period and up to the date of this report.

CORPORATE GOVERNANCE AND OTHER INFORMATION

AUDIT COMMITTEE

The Company established the audit committee (the "Audit Committee") on 14 May 2018 with written terms of reference in compliance with Rule 3.22 of the Listing Rules and the provisions of the CG Code. The primary duties of the Audit Committee include, among others, (a) making recommendations to the Board on the appointment, re-appointment and removal of the external auditor and approving the remuneration and terms of engagement of the external auditor; (b) reviewing our financial statements, our annual report and accounts and our half-year report and significant financial reporting judgments contained therein; and (c) reviewing our financial controls, internal control and risk management systems. The Audit Committee comprises three independent non-executive Directors, namely Mr. Ho Chi Wai, Mr. Cheung Kwok Yan Wilfred and Mr. Lau Leong Ho. Mr. Ho Chi Wai is the chairman of the Audit Committee.

REVIEW OF FINANCIAL INFORMATION

The unaudited condensed consolidated interim financial statements of the Group for the Relevant Period as set out in this report have not been audited by the Company's auditor, but have been reviewed by the Audit Committee, which takes the view that the applicable accounting standards and requirements as well as the Listing Rules have been complied with by the Company and that adequate disclosures have been made.

By order of the Board of
Affluent Foundation Holdings Limited
Chan Siu Cheong
Chairman

Hong Kong, 25 November 2025

As at the date of this report, the executive Directors are Mr. Chan Siu Cheong, Mr. Sin Ka Pong and Ms. Chan Mei Po, and the independent non-executive Directors are Mr. Ho Chi Wai, Mr. Cheung Kwok Yan Wilfred and Mr. Lau Leong Ho.