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**ROYAL DELUXE HOLDINGS LIMITED**

**御佳控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 3789)**

## **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2026**

### **FINANCIAL HIGHLIGHTS**

- Revenue was approximately HK\$693.7 million for the year ended 31 March 2026, representing a decrease of approximately 5.1% as compared with the same for the year ended 31 March 2025.
- Gross profit was approximately HK\$54.1 million for the year ended 31 March 2026, representing an increase of approximately 30.2% as compared with the same for the year ended 31 March 2025.
- Gross profit margin increased from approximately 5.7% for the year ended 31 March 2025 to approximately 7.8% for the year ended 31 March 2026.
- Profit attributable to owners of the Company was approximately HK\$14.6 million for the year ended 31 March 2026 as compared with loss attributable to owners of the Company of approximately HK\$6.0 million for the year ended 31 March 2025.
- Basic earnings per share attributable to owners of the Company was approximately HK1.22 cents for the year ended 31 March 2026, and basic loss per share attributable to owners of the Company was approximately HK0.50 cents for the year ended 31 March 2025.
- The Board proposed to recommend, at the forthcoming annual general meeting of the Company, the payment of a final dividend of HK0.5 cents per ordinary share, amounting to HK\$6.0 million for the year ended 31 March 2026.

## FINAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Royal Deluxe Holdings Limited (the “**Company**”) hereby announced the consolidated results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 March 2026, together with the comparative figures for the year ended 31 March 2025.

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the year ended 31 March 2026*

	<i>Notes</i>	<b>2026</b> <b>HK\$’000</b>	2025 <i>HK\$’000</i>
Revenue from contracts with customers	3	<b>693,738</b>	730,955
Direct costs		<b>(639,636)</b>	(689,413)
Gross profit		<b>54,102</b>	41,542
Other income, other gains and losses, net	4	<b>23,380</b>	16,799
Administration and other operating expenses		<b>(55,789)</b>	(60,527)
Provision of loss allowance on trade and other receivables and contract assets		<b>(2,684)</b>	(1,187)
Impairment losses on property, plant and equipment		<b>(671)</b>	–
Finance costs	5	<b>(45)</b>	(19)
<b>Profit/(loss) before tax</b>	<b>6</b>	<b>18,293</b>	(3,392)
Income tax expense	7	<b>(3,678)</b>	(2,654)
Profit/(loss) for the year		<b>14,615</b>	(6,046)
Other comprehensive income:			
Item that will not be reclassified to profit or loss:			
Remeasurement of provision for long service payments		<b>(17)</b>	–
<b>Total comprehensive income for the year attributable to owners of the Company</b>		<b>14,598</b>	(6,046)
		<i>HK cents</i>	<i>HK cents</i>
<b>Earnings/(loss) per share attributable to owners of the Company</b>			
– Basic and diluted	9	<b>1.22</b>	(0.50)

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2026

	<i>Notes</i>	<b>2026</b> <b>HK\$'000</b>	2025 HK\$'000 (restated)
<b>Non-current assets</b>			
Property, plant and equipment		<b>15,143</b>	22,157
Right-of-use assets		<b>31,310</b>	33,113
Club membership		<b>1,188</b>	1,188
Deferred tax assets		<b>2,184</b>	868
		<b>49,825</b>	57,326
<b>Current assets</b>			
Inventories		–	1,235
Trade and other receivables	<i>10</i>	<b>88,400</b>	121,873
Contract assets	<i>11</i>	<b>219,664</b>	234,924
Bank balances and cash		<b>76,007</b>	48,640
Current tax recoverable		<b>473</b>	3,240
Assets held for sales		<b>580</b>	–
		<b>385,124</b>	409,912
<b>Current liabilities</b>			
Trade and other payables	<i>12</i>	<b>104,542</b>	136,305
Contract liabilities		–	16,838
Lease liabilities		–	295
Current tax liabilities		<b>4,506</b>	2,023
		<b>109,048</b>	155,461

	<b>2026</b>	2025
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
		(restated)
<b>Net current assets</b>	<u>276,076</u>	<u>254,451</u>
<b>Total assets less current liabilities</b>	<u>325,901</u>	<u>311,777</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	230	606
Lease liabilities	–	101
Provision for long service payments	<u>492</u>	<u>489</u>
	<u>722</u>	<u>1,196</u>
<b>Net assets</b>	<u><u>325,179</u></u>	<u><u>310,581</u></u>
<b>Capital and reserves</b>		
Share capital	12,000	12,000
Reserves	<u>313,179</u>	<u>298,581</u>
	<u><u>325,179</u></u>	<u><u>310,581</u></u>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL INFORMATION AND BASIS OF PRESENTATION

The Company was incorporated in the Cayman Islands on 12 April 2016 as an exempted company with limited liability under the companies law of the Cayman Islands. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 8 February 2017 (the “**Listing**”). Its parent company and ultimate holding company is Wang K M Limited, a company incorporated in the British Virgin Islands and is owned as to 50% by Mr. Wang Kei Ming, an executive Director, and 50% by Ms. Chao Lai Heng, spouse of Mr. Wang Kei Ming.

The addresses of the registered office and the principal place of business of the Company are Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and Unit A, 22nd Floor, T G Place, 10 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong, respectively.

The Company is an investment holding company. The Group is principally engaged in the provision of formwork erection and related ancillary services in Hong Kong.

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the “**functional currency**”). The consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), rounded to the nearest thousand, unless otherwise stated, which is the same as the functional currency of the Company.

## 2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

### ***Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year***

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 April 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21 *Lack of Exchangeability*

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

### ***New and amendments to HKFRS Accounting Standards in 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 HKAS 21	<i>Translation to a Hyperinflationary Presentation Currency<sup>3</sup></i>
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments<sup>2</sup></i>
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity<sup>2</sup></i>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture<sup>1</sup></i>
Amendments to HKAS Accounting Standards	<i>Annual Improvements to HKFRS Accounting Standards – Volume 11<sup>2</sup></i>
HKFRS 18	<i>Presentation and Disclosure in Financial Statements<sup>3</sup></i>
HKFRS 19	<i>Subsidiaries without Public Accountability: Disclosures<sup>3</sup></i>

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined by the HKICPA.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027.

Except for the new HKFRS Accounting Standards mentioned below, the Directors anticipate that the application of all these new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

***HKFRS 18 Presentation and Disclosure in Financial Statements***

HKFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 Presentation of Financial Statements. This new HKFRS, 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.

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, even though it will not impact the recognition or measurement of items in the financial statement.

The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements and will apply it from its mandatory effective date of 1 January 2027 and retrospective application is required.

### 3. REVENUE AND SEGMENT INFORMATION

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

#### *Disaggregation of revenue from contracts with customers*

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Revenue from contracts with customers		
– Provision of formwork erection and related ancillary services	<u>693,738</u>	<u>730,955</u>
Timing of revenue recognition		
– Over time	<u><u>693,738</u></u>	<u><u>730,955</u></u>

#### *Segment information*

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

#### *Geographical information*

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

***Information about major customers***

Revenue from customers contributing over 10% of the Group's total revenue during the years ended 31 March 2026 and 31 March 2025 are as follows:

	<b>2026</b>	2025
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Customer A	<b>261,111</b>	N/A <sup>1</sup>
Customer B	<b>138,655</b>	N/A <sup>1</sup>
Customer C	<b>79,136</b>	N/A <sup>1</sup>
Customer D	<b>78,772</b>	170,907
Customer E	N/A <sup>1</sup>	102,825
Customer F	–	132,611
Customer G	–	118,656
	<b><u>                    </u></b>	<b><u>                    </u></b>

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

#### 4. OTHER INCOME, OTHER GAINS AND LOSSES, NET

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
<b>Other income</b>		
Bank interest income	366	1,107
Income from sale of scrap materials	14,300	2,444
Government grants ( <i>Note</i> )	–	191
Sundry income	<u>8,653</u>	<u>13,077</u>
	<u>23,319</u>	<u>16,819</u>
<b>Other gains and losses, net</b>		
Gain/(loss) on disposal of property, plant and equipment	50	(20)
Gain on lease termination	<u>11</u>	<u>–</u>
	<u>61</u>	<u>(20)</u>
	<u><u>23,380</u></u>	<u><u>16,799</u></u>

*Note:*

During the year ended 31 March 2025, the Group successfully applied for funding support from the Technology Voucher Programme. There are no unfulfilled conditions or contingencies relating to these grants.

#### 5. FINANCE COSTS

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Interest on lease liabilities	<u><u>45</u></u>	<u><u>19</u></u>

## 6. PROFIT/(LOSS) BEFORE TAX

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Profit/(loss) before tax has been arrived at after charging/(crediting):		
Employee benefits expense ( <i>Note (i)</i> ):		
Salaries and other benefits in kind	116,261	87,012
Discretionary bonuses	4,499	4,097
Contributions to retirement benefit scheme	3,039	2,096
	<hr/>	<hr/>
Total employee benefits expense, including directors' emoluments	123,799	93,205
	<hr/>	<hr/>
Auditors' remuneration	1,100	1,100
Depreciation of property, plant and equipment ( <i>Note (ii)</i> )	5,852	9,174
Depreciation of right-of-use assets ( <i>Note (iii)</i> )	1,714	1,714
(Gain)/loss on disposal of property, plant and equipment	(50)	20
Gain on lease termination	(11)	–
Provision of loss allowance on trade and other receivables and contract assets	2,684	1,187
Write-off of retention receivables	–	537
Impairment loss on property, plant and equipment	671	–
Short-term lease expenses in respect of:		
– Land and buildings	6,871	6,001
– Plant and equipment	15,032	32,697
	<hr/> <hr/>	<hr/> <hr/>

*Notes:*

- (i) During the year ended 31 March 2026, total employee benefits expense amounting to approximately HK\$85,389,000 (2025: approximately HK\$53,357,000), was included in direct costs and amounting to approximately HK\$38,410,000 (2025: approximately HK\$39,848,000) was included in administration and other operating expenses.
- (ii) During the year ended 31 March 2026, depreciation of property, plant and equipment of approximately HK\$1,846,000 (2025: approximately HK\$5,250,000), was charged to direct costs and approximately HK\$4,006,000 (2025: approximately HK\$3,924,000), was charged to administration and other operating expenses.
- (iii) During the year ended 31 March 2026, depreciation of right-of-use assets of approximately HK\$1,714,000 (2025: approximately HK\$1,714,000), was charged to administration and other operating expenses.

**7. INCOME TAX EXPENSE**

	<b>2026</b>	2025
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Current income tax:		
– Hong Kong Profits Tax	<u>5,370</u>	<u>2,401</u>
Total current income tax	<b>5,370</b>	2,401
Deferred tax	<u>(1,692)</u>	<u>253</u>
Total income tax expense recognised in profit or loss	<b><u>3,678</u></b>	<b><u>2,654</u></b>

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

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

## 8. DIVIDEND

The Board has proposed the payment of a final dividend of HK0.5 cents (2025: Nil) per ordinary share, amounting to HK\$6,000,000 (2025: Nil) for the year ended 31 March 2026. The final dividend is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

## 9. EARNINGS/(LOSS) PER SHARE

	<b>2026</b>	2025
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
<b>Profit/(loss)</b>		
Profit/(loss) for the year attributable to owners of the		
Company for the purpose of basic earnings/(loss) per share	<b><u>14,598</u></b>	<u>(6,046)</u>
	<b>2026</b>	2025
	<b>'000</b>	<b>'000</b>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the		
purpose of basic earnings/(loss) per share	<b><u>1,200,000</u></b>	<u>1,200,000</u>

The diluted earnings/(loss) per share is equal to the basic earnings/(loss) per share as there is no potential ordinary share in issue during the years ended 31 March 2026 and 2025.

## 10. TRADE AND OTHER RECEIVABLES

	<b>2026</b>	2025
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Trade receivables	<b>86,701</b>	113,907
Less: loss allowance for trade receivables	<u>(807)</u>	<u>(645)</u>
	<b>85,894</b>	113,262
Deposits, other receivables and prepayments	<b>2,531</b>	8,729
Less: loss allowance for deposits and other receivables	<u>(25)</u>	<u>(118)</u>
	<b><u>88,400</u></b>	<u>121,873</u>

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

The ageing analysis of trade receivables presented based on the date of progress certificates issued by customers, at the end of the reporting period, are as follow:

	<b>2026</b>	2025
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
0 – 30 days	<b>75,554</b>	74,574
31 – 60 days	<b>3,318</b>	27,685
91 – 180 days	–	3,828
Over 180 days	<b>7,829</b>	7,820
	<b><u>86,701</u></b>	<u>113,907</u>

## 11. CONTRACT ASSETS

	<b>2026</b>	2025
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
<b>Analysed as current:</b>		
Retention receivables of construction contracts ( <i>Note (a)</i> )	<b>102,608</b>	94,420
Unbilled revenue of construction contracts ( <i>Note (b)</i> )	<b>123,115</b>	143,948
Less: loss allowance for contract assets	<b>(6,059)</b>	(3,444)
	<b><u>219,664</u></b>	<u>234,924</u>

*Notes:*

- (a) Retention receivables included in contract assets represent the Group's right to receive consideration for work performed and conditional on the satisfaction of the service quality by the customers over a certain period as stipulated in the contracts. The contract assets are transferred to the trade receivables when the rights become unconditional, which is typically at the expiry date of the period for the provision of assurance by the Group on the service quality of the construction work performed by the Group. The due dates for retention receivables are usually one to two years after the completion of construction work.

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

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

## 12. TRADE AND OTHER PAYABLES

	<b>2026</b> <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Trade payables	<b>28,950</b>	68,636
Retention payables	<b>17,245</b>	16,334
Other payables and accruals	<b>58,347</b>	51,335
	<u><b>104,542</b></u>	<u>136,305</u>

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

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

	<b>2026</b> <i>HK\$'000</i>	2025 <i>HK\$'000</i>
0 – 30 days	<b>21,997</b>	34,649
31 – 60 days	<b>4,915</b>	15,397
61 – 90 days	<b>1,695</b>	14,822
91 – 180 days	<b>325</b>	3,117
Over 180 days	<b>18</b>	651
	<u><b>28,950</b></u>	<u>68,636</u>

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS AND FINANCIAL REVIEW

The Group is one of the leading specialised formwork contractors in Hong Kong and principally acts as specialised subcontractors in providing erection of formworks, erection of concrete precast components, scaffolding works and other related ancillary services for construction projects across the public and private sectors in Hong Kong. The history of the Group can be traced back to 1994 as the Group is an established subcontractor with an operating history of over 30 years.

The customers of the Group's public-sector projects were generally main contractors engaged by the Hong Kong Government (the "**Government**"), Housing Authority, and the Mass Transit Railway Corporation Limited (the "**MTR**"). The Group was also engaged in private-sector projects in Hong Kong, which mainly involved private residential developments and commercial developments. The project owners of the Group's private-sector projects were generally property developers, while the customers of the Group's private-sector projects were main-contractors engaged under such projects.

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

## Business Review

The Group's overall revenue for the year ended 31 March 2026 (“**Financial Year 2026**”) amounted to approximately HK\$693.7 million, representing a decrease of approximately 5.1% or HK\$37.3 million as compared with that of approximately HK\$731.0 million for the year ended 31 March 2025 (“**Financial Year 2025**”). For the Financial Year 2026, the Group recorded a profit and total comprehensive income of approximately HK\$14.6 million as compared to a loss and total comprehensive expense of approximately HK\$6.0 million for the Financial Year 2025.

During the Financial Year 2026, the Group had been awarded twelve new projects with an aggregate contract sum of approximately HK\$536.6 million, which included four subcontracts for the formworks and placing of concrete of the Tuen Mun South Station and A16 Station projects at Tuen Mun South Extension, representing a decrease of approximately 6.8% compared to that of approximately HK\$576.0 million in the Financial Year 2025. Except for one Public Housing Development project which will commence in June 2026, all these new projects have been commenced during the Financial Year 2026. As at 31 March 2026, the Group had a total of nineteen (31 March 2025: nine) projects on hand with an estimated total outstanding value of approximately HK\$955.1 million, representing an increase of approximately 2.7% as compared with approximately HK\$930.1 million as at 31 March 2025. These contracts are expected to be completed in around one to three years.

Subsequent to the Financial Year 2026 up to the date of this announcement, the Group further secured a new formwork sub-subcontract with a total contract sum of approximately HK\$39.6 million. With this project on hand, it is expected that the outstanding value of projects on hand will remain steady for the coming years.

Year of award/project	Role	Nature of contracts	Status
<b>Year 2023-2024</b>			
KTH13 Kai Tak Area 1E Site 1 Public Housing Development	Sub-contractor	Formwork	Work-in-progress
KTH13 Kai Tak Area 1E Site 1 Public Housing Development Tower 1 to Tower 3	Sub-contractor	Formwork	Work-in-progress

<b>Year of award/project</b>	<b>Role</b>	<b>Nature of contracts</b>	<b>Status</b>
<b>Year 2023-2024</b>			
23203 Tung Chung Public Housing at Tung Chung Area 103	Sub-contractor	Formwork and installation of precast façade	Work-in-progress
20105 Re-development of former State Theatre and State Theatre building site	Sub-contractor	Formwork	Work-in-progress
C23205 LKB in Princess Margaret Hospital	Sub-contractor	Formwork	Work-in-progress
<b>Year 2024-2025</b>			
HE202403 Construction Public Housing Development at Tak Tin Street	Sub-contractor	Formwork, MIC and installation façade	Work-in-progress
H27950 New Acute Block of Northern District Hospital expansion	Sub-contractor	Formwork, installation of falsework and precast	Work-in-progress
<b>Year 2025-2026</b>			
CV/2022/08 Site Formation and Infrastructuring Works at Area 48 Faling	Sub-contractor	Formwork for retaining wall RW1 to RW8D	Work-in-progress
20250053 Construction of Public Housing Development at Tung Chung Area 119	Sub-contractor	Timber Formwork	Work-in-progress
20250053 Construction of Public Housing Development at Tung Chung Area 119	Sub-contractor	System Formwork	Work-in-progress
SSM512 Construction of Quarry Park in Anderson Road Quarry	Sub-contractor	Preparation, Erection & Dismantle of Formwork and Concrete Placing Works	Work-in-progress
CV2022/08 Retaining Walls at Part A of Area 48 Fanling	Sub-contractor	Formwork	Work-in-progress
L505 Redevelopment of Hong Kong Correctional Services Academy Multi Purpose Gymnasium at Stanley	Sub-contractor	Traditional Formwork and Concrete placing	Work-in-progress

<b>Year of award/project</b>	<b>Role</b>	<b>Nature of contracts</b>	<b>Status</b>
<b>Year 2025-2026</b>			
SP101 A16 Station (GL10-24, Pile Cap and Ground Level only) at Tuen Mun South Extension	Sub-contractor	Formwork	Work-in-progress
SP107 A16 Station and Feeder Substation at Tuen Mun South Extension	Sub-contractor	Placing of Concrete	Work-in-progress
SP108 A16 Station and Feeder Substation at Tuen Mun South Extension	Sub-contractor	Formwork	Work-in-progress
SP115 Tuen Mun South Station at Tuen Mun South Extension	Sub-contractor	Placing of Concrete	Work-in-progress
SP116 Tuen Mun South Station at Tuen Mun South Extension	Sub-contractor	Formwork	Work-in-progress
20240097 Construction of Public Housing Development at Site A Pik Wan Road Yau Tong	Sub-contractor	System Formwork and Rigger	Tender awarded

## **FINANCIAL REVIEW**

### **Revenue**

The Group's revenue decreased by approximately HK\$37.3 million, or 5.1%, from approximately HK\$731.0 million for the Financial Year 2025 to approximately HK\$693.7 million for the Financial Year 2026. The reduction in revenue was mainly attributable to the decrease in progress revenue for existing projects as a result of the decrease in work performed, which outweighed the increase in progress revenue from new projects commenced during the second half of the Financial Year 2026.

### **Direct costs**

Direct costs for the Financial Year 2026 was approximately HK\$639.6 million, representing a decrease of approximately HK\$49.8 million or approximately 7.2%, from approximately HK\$689.4 million for the Financial Year 2025. Such decrease was mainly attributable to the decrease in material costs for new and existing projects during the Financial Year 2026 and in line with the decrease in revenue.

### **Gross profit and gross profit margin**

The Group's gross profit increased by approximately HK\$12.6 million, or 30.2%, from approximately HK\$41.5 million for the Financial Year 2025 to approximately HK\$54.1 million for the Financial Year 2026. The Group's gross profit margin increased from approximately 5.7% for the Financial Year 2025 to approximately 7.8% for the Financial Year 2026.

The increase in gross profit and gross profit margin was driven by strict material cost control measures and the adoption of innovative construction technologies, such as cost-effective digital design and Building Information Modeling (BIM) solution analysis. These efforts focused on reducing material procurement and usage, increasing the reuse rate of durable construction materials, lowering complexity, and improving both material cost efficiency and assembly efficiency.

### **Other income, other gains and losses, net**

The Group's other income, other gains and losses, net recorded a significant increase of approximately HK\$6.6 million or approximately 39.2%, from approximately HK\$16.8 million for the Financial Year 2025 to approximately HK\$23.4 million for the Financial Year 2026. This growth was mainly driven by an increase of approximately HK\$11.9 million in scrap metal sales during the Financial Year 2026, benefiting from a substantial rise in market recycling prices for metal scraps (including aluminum and steel formwork used in temporary works). Furthermore, upon the progressive completion of several projects in the Financial Year 2026, the Group disposed of a higher volume of non-reusable metal scraps to authorized recyclers than in the Financial Year 2025. The increase was partially offset by decrease in sundry income of approximately HK\$4.4 million.

### **Administration and other operating expenses**

The Group's administration and other operating expenses primarily comprise of staff costs (including Directors' remuneration), depreciation, office expenses and professional fees. The Group's administration and other operating expenses decreased by approximately HK\$4.7 million or 7.8%, from approximately HK\$60.5 million for the Financial Year 2025 to approximately HK\$55.8 million for the Financial Year 2026, which was mainly due to the decrease in staff salaries and legal and professional fees recognised during the Financial Year 2026.

### **Finance costs**

The Group's finance costs remained relatively stable at approximately HK\$19,000 and HK\$45,000 for the Financial Year 2025 and the Financial Year 2026, respectively.

## **Income tax expense**

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax expenses in the Cayman Islands and the BVI. Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the Financial Years, except for one subsidiary of the Group which is a qualifying entity under the two-tiered profits tax rates regime. The first HK\$2 million of assessable profits of this subsidiary is taxed at 8.25% and the remaining assessable profits are taxed at 16.5%. The provision for Hong Kong Profits Tax for this subsidiary was calculated at the same basis in the Financial Year 2025.

The Group's income tax expense increased by approximately HK\$1.0 million from approximately HK\$2.7 million for the Financial Year 2025 to approximately HK\$3.7 million for the Financial Year 2026. The effective tax rate for the Financial Year 2026 was approximately 20.1% compared to that of approximately -78.2% for the Financial Year 2025. The increase in income tax expense and the effective tax rate for the Financial Year 2026 was primarily due to the increase in taxable income during the year.

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

The profit and total comprehensive income attributable to owners of the Company for the Financial Year 2026 was approximately HK\$14.6 million, compared to a loss and total comprehensive income attributable to owners of the Company of approximately HK\$6.0 million for the Financial Year 2025. The net profit margin also increased by approximately 2.9 percentage points from net loss margin of approximately 0.8% for the Financial Year 2025 to net profit margin of approximately 2.1% for the Financial Year 2026. The Group successfully sustained its return to profitability in the Financial Year 2026. This turnaround was driven by stringent cost control measures, the adoption of more cost-efficient Tableform formwork systems, and the strategic procurement of construction materials.

## Other payables and accruals

The following table sets forth the breakdown of the Group's other payables and accruals as at 31 March 2026 and 31 March 2025:

	<b>As at 31 March 2026 HK\$'000</b>	As at 31 March 2025 HK\$'000 (restated)
Accrued construction costs	<b>36,598</b>	35,715
Accrued staff costs and benefits expenses	<b>18,191</b>	13,346
Accrued legal and professional fees	<b>63</b>	70
Other payables	<b>3,495</b>	2,204
	<b><u>58,347</u></b>	<b><u>51,335</u></b>

The Group's other payables and accruals increased from approximately HK\$51.3 million as at 31 March 2025 to approximately HK\$58.3 million as at 31 March 2026. Such increase was mainly due to the increase in accrued staff costs and benefits expenses as a result of the increase in salaries for direct labour.

## LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

	<b>As at 31 March 2026</b>	As at 31 March 2025
Current ratio <sup>1</sup>	<b>3.5</b>	2.6
Gearing ratio <sup>2</sup>	–	0.1%
Debt to equity ratio <sup>3</sup>	N/A	N/A
Interest coverage <sup>4</sup>	<b>407.5 times</b>	-177.5 times

*Notes:*

- 1 Current ratio based on the total current assets divided by the total current liabilities.
- 2 Gearing ratio based on the total debt (summation of lease liabilities) divided by total equity and multiplied by 100%.
- 3 Debt to equity ratio is calculated as total debt (summation of lease liabilities) less cash and cash equivalents divided by total equity and multiplied by 100%.
- 4 Interest coverage based on the profit/(loss) before interest and taxation divided by the total interest expenses incurred.

As at 31 March 2026, the Group's current ratio was approximately 3.5 (31 March 2025: approximately 2.6). Debt to equity ratio figures as at 31 March 2026 and 2025 represented that the Group was in a net cash position. Interest coverage changed from approximately -177.5 times for the Financial Year 2025 to 407.5 times for the Financial Year 2026.

As at 31 March 2026, the Group had total assets of approximately HK\$434.9million (31 March 2025: approximately HK\$467.2 million), which is financed by total liabilities of approximately HK\$109.8 million (31 March 2025: approximately HK\$156.7 million) and total equity of approximately HK\$325.2 million (31 March 2025: approximately HK\$310.6 million).

As at 31 March 2026, the capital of the Group comprises of ordinary shares and the capital structure of the Company comprised mainly issued share capital and reserves of approximately HK\$325.2 million (31 March 2025: approximately HK\$310.6 million).

As at 31 March 2026, the Group did not have any indebtedness (31 March 2025: approximately HK\$0.4 million).

The Group adopts a prudent approach to cash management. As at 31 March 2026, the Group had bank balances and cash of approximately HK\$76.0 million (31 March 2025: approximately HK\$48.6 million). The Group maintains its bank credit facilities to meet requirements for working capital. Payments to settle trade payables and wages represented the significant part of the cash outflow of the Group. As at 31 March 2026, the Group has available banking facilities of approximately HK\$30.0 million (31 March 2025: approximately HK\$30.0 million), of which the unutilised and unrestricted banking facilities amounted to approximately HK\$30.0 million (31 March 2025: approximately HK\$30.0 million).

## **FINAL DIVIDEND**

The Board proposed a final dividend of HK0.5 cents per ordinary share of the Company (the “**Share**”) for the Financial Year 2026 (Financial Year 2025: Nil), amounting to HK\$6.0 million (Financial Year 2025: Nil). The final dividend is subject to approval by the shareholders of the Company in the forthcoming annual general meeting.

## **GEARING RATIO**

As at 31 March 2026, the Group has a zero gearing ratio which is calculated based on lease liabilities divided by total equity (31 March 2025: approximately 0.1%).

## **CAPITAL EXPENDITURES**

The Group generally finances its capital expenditures with internal resources and long-term bank borrowings. During the Financial Year 2026, the Group invested an aggregate of approximately HK\$0.1 million (31 March 2025: approximately HK\$0.7 million) in the acquisition of machinery and equipment, leasehold improvements, office equipment and furniture and fixtures.

## **CAPITAL COMMITMENTS**

The Group had no significant capital commitments as at 31 March 2026 (31 March 2025: Nil).

## **PLEDGE OF ASSETS**

As at 31 March 2026 and 31 March 2025, the Group had restricted time deposits of approximately HK\$10.0 million and HK\$10.0 million, respectively which were charged to bank to secure trade facilities and guarantee a line of credit granted to the Group.

As at 31 March 2026, the Group had charge over account with a bank for general banking facilities of approximately HK\$0.4 million (31 March 2025: approximately HK\$0.2 million).

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

There were no significant investments held, material acquisitions or disposals of subsidiaries and affiliated companies during the Financial Year 2026. Save as disclosed herein, there were no other plan for material investments or capital assets as at 31 March 2026.

## **CONTINGENT LIABILITIES**

Save as disclosed below, the Group had no material contingent liability as at 31 March 2026 (31 March 2025: Nil).

In the ordinary course of business activities in the construction industry, the Group has been subject to a number of claims due to personal injuries suffered by employees of the Group or of the Group's sub-subcontractors in accidents arising out of and in the course of their employment. As at 31 March 2026, the Directors were of the opinion that such claims are covered by insurance or otherwise, would not result in any material adverse impact on the financial position or results and operations of the Group.

## **EMPLOYEES AND REMUNERATION POLICY**

As at 31 March 2026, the Group had 69 full-time employees (31 March 2025: 89 full-time employees). The Group offers a competitive remuneration package that is mainly based on industry practices and individual performance and experience. Remuneration package comprises of salary, a performance-based bonus and Mandatory Provident Fund contributions. Other forms of benefits such as leave passage, staff medical, staff dental and education allowance are also provided. Share options or share awards may also be granted to eligible employees and persons of the Group. Employee bonus is distributed based on the performance of the respective employees concerned. Moreover, the Group also provides internal and external training programs which are complementary to certain job functions. The total staff cost included in administration and other operating expenses (including remuneration of Directors and Mandatory Provident Fund contributions) for the Financial Year 2026 amounted to approximately HK\$38.4 million (Financial Year 2025: approximately HK\$39.8 million).

## **TREASURY POLICY**

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

## **FOREIGN CURRENCY EXPOSURE**

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

## **SEGMENT INFORMATION**

Save as disclosed in note 3 in this announcement, the Group's business was regarded as a single operating segment and the Group had no geographical segment information presented as at 31 March 2026 and for the Financial Year 2026.

## **FUTURE PROSPECTS**

Hong Kong construction industry faces a cautiously optimistic but challenging 2026, navigating market adjustments with a strong focus on cost management and operational efficiency. While near-term margin pressures and price competition remain, long-term prospects are anchored by strategic public infrastructure and supportive government housing initiatives.

Despite a contraction in 2026, Hong Kong's construction industry is expected to grow annually by 4% from 2027 to 2030. However, heavy price competition among contractors and rising operating costs are compelling the Group to optimize operational efficiency and supply chain management.

Looking ahead, the Group will adhere to its strategy of construction technology innovation and rising focus on sustainability-linked construction development, scaling up the application of AI-driven “Digital Twins” project management to reduce onsite waste and exploring its capability in formwork design and build to lead the Sustainable Building transformation. Opportunities arise from leveraging our experience and innovative construction technology to enhance customers satisfaction and capture more business opportunities with an aim to attain profitability and sustainability so as to enhance value to the shareholders of the Group.

## **EVENT AFTER THE REPORTING PERIOD**

Save as disclosed in this announcement, there is no other important event affecting the Group since 31 March 2026 and up to the date of this announcement.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities including sale of treasury shares (as defined under the Listing Rules) during the Financial Year 2026. As at 31 March 2026, there were no treasury shares held by the Company.

## **CORPORATE GOVERNANCE PRACTICE**

The Company and the Board are devoted to achieve and maintain high standards of corporate governance, as the Board believes that good and effective corporate governance practices are fundamental to obtain and maintain trust and safeguard interest of the shareholders and other stakeholders of the Company. Accordingly, the Company has adopted sound corporate governance principles that emphasise a qualified Board, effective internal control, stringent disclosure practices and transparency and accountability to all stakeholders.

The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the “**CG Code**”) as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”). To the best knowledge of the Board, the Company has fully complied with the CG Code during the Financial Year 2026 and up to the date of this announcement.

## **DIRECTORS’ SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Companies (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by Directors. Having made specific enquiry with the Directors, all Directors have fully complied with the required standards set out in the Model Code and there was no event of non-compliance during the Financial Year 2026.

## **CLOSURE OF REGISTER OF MEMBER**

The forthcoming annual general meeting is scheduled to be held on Friday, 21 August 2026 (the “**AGM**”). For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Monday, 17 August 2026 to Friday, 21 August 2026, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited, 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Friday, 14 August 2026. The record date for attending and voting at the AGM is Friday, 21 August 2026.

In order to qualify for the entitlement to the proposed final dividend, the register of members of the Company will also be closed from Thursday, 27 August 2026 to Tuesday, 1 September 2026, both days inclusive, during which period no transfer of shares in the Company will be registered. All transfer of shares, accompanied by the relevant share certificates, must be lodged with the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Wednesday, 26 August 2026. If the resolution of the proposed final dividend is passed at the AGM, the proposed final dividend will be payable to Shareholders whose names appear on the register of members of the Company on Tuesday, 1 September 2026. The proposed final dividend is expected to be paid on or before Friday, 18 September 2026. The record date for determining the entitlement to the final dividend is Tuesday, 1 September 2026.

## **AUDIT COMMITTEE**

The audit committee of the Company (the “**Audit Committee**”) was established on 17 January 2017. The chairman of the Audit Committee is Mr. Huang Victor (appointed on 1 February 2026), an independent non-executive Director, and other members include Mr. Fok Sheung Wai (appointed on 1 March 2026) and Mr. Sio Kam Seng, the independent non-executive Directors. The written terms of reference of the Audit Committee have been revised on 28 December 2018 and are posted on the Stock Exchange’s website and the Company’s website.

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

The primary duties of the Audit Committee are to review the financial information, oversee the financial reporting system, internal control systems and risk management and relationship with external auditors, and review arrangements which employees of the Company can use in confidence to raise concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

## **REVIEW OF THIS ANNUAL RESULTS ANNOUNCEMENT**

The Audit Committee has reviewed the accounting principles adopted by the Group and the consolidated financial statements as the final results announcement of the Group for the Financial Year 2026.

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the Financial Year 2026 as set out in the preliminary announcement have been agreed by the Group's auditors, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the Financial Year 2026. The work performed by BDO Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by BDO Limited on the preliminary announcement.

## **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

The annual results announcement is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.royal-deluxe.com](http://www.royal-deluxe.com). The annual report of the Company for the Financial Year 2026 will be dispatched to the shareholders of the Company and will be published on the above websites. Should the shareholders of the Company have any difficulties in accessing the corporate communications electronically, please request the printed annual report, free of charge, at any time by writing to the Company or the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited.

## **APPRECIATION**

On behalf of the Board, Mr. Wang Kei Ming, chairman of the Board (the “**Chairman**”), would like to express his heartfelt appreciation to the Group’s management team and all employees for their dedication and their value they bring to the Group. The Chairman would also like to constantly extend his heartfelt gratitude to all shareholders and business partners of the Group for their unwavering trust and relentless support all these years.

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

Hong Kong, 26 June 2026

*As at the date of this announcement, the Board comprises Mr. Wang Kei Ming, Mr. Wang Yu Hin and Ms. Chao Lai Heng as executive Directors; and Mr. Sio Kam Seng, Mr. Huang Victor and Mr. Fok Sheung Wai as independent non-executive Directors.*