LOTUS HORIZON HOLDINGS LIMITED
智中國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6063)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2026

The board (the "**Board**") of directors (the "**Directors**") of Lotus Horizon Holdings Limited (the "**Company**") is pleased to present the audited consolidated annual 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 as follows:

FINANCIAL HIGHLIGHTS

	Year ended 31 March	
	2026	2025
	HK$'000	*HK$'000*
Revenue	**225,980**	259,826
Gross profit	**20,696**	26,184
(Loss)/profit before taxation	**(3,130)**	3,637
(Loss)/profit for the year	**(3,307)**	3,193
(Loss)/earnings per share, basic *(HK cents)*	**(0.17)**	0.16

The Board of Directors does not recommend the payment of a final dividend for the year ended 31 March 2026.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2026

	NOTES	**2026** **HK$'000**	2025 *HK$'000*
Revenue	3	**225,980**	259,826
Cost of sales		**(205,284)**	(233,642)
Gross profit		**20,696**	26,184
Other income, gains and losses, net	4	**1,021**	2,587
Net impairment losses recognised under expected credit loss model	5	**(219)**	(285)
Operating and administrative expenses		**(24,300)**	(24,713)
Share of results of an associate		**(48)**	–
Finance costs	6	**(280)**	(136)
(Loss) profit before taxation	7	**(3,130)**	3,637
Income tax expense	8	**(177)**	(444)
(Loss) profit for the year		**(3,307)**	3,193
Other comprehensive income (expense) for the year:			
Item that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		**2**	(11)
Total comprehensive (expense) income for the year		**(3,305)**	3,182
(Loss) earnings per share, basic *(HK cents)*	10	**(0.17)**	0.16

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 March 2026

	NOTES	**2026** **HK$'000**	2025 *HK$'000*
Non-current assets			
Property and equipment		**5,954**	2,743
Interest in an associate		**–**	–
Loans to an associate		**8,085**	–
Rental deposits	11	**490**	–
Deferred tax assets		**3,057**	3,234
		17,586	5,977
Current assets			
Trade and other receivables	11	**46,523**	20,313
Contract assets	12	**37,340**	68,106
Pledged bank deposit		**3,000**	3,000
Bank balances and cash		**66,626**	63,372
		153,489	154,791
Current liabilities			
Trade and other payables	13	**20,664**	24,985
Contract liabilities	12	**19,904**	5,557
Lease liabilities		**1,490**	1,071
		42,058	31,613
Net current assets		**111,431**	123,178
Total assets less current liabilities		**129,017**	129,155
Non-current liabilities			
Lease liabilities		**2,119**	192
Other payables	13	**1,240**	–
		3,359	192
Net assets		**125,658**	128,963
Capital and reserves			
Share capital		**20,000**	20,000
Reserves		**105,658**	108,963
Total equity		**125,658**	128,963

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2026

1. GENERAL INFORMATION

The Company was incorporated and registered as an exempted company with limited liability in the Cayman Islands under the Companies Law Chapter 22 of the Cayman Islands on 14 November 2018 and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The Company's registered office is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business of the Company is located at Unit 2102–2107, 21/F, Delta House, 3 On Yiu Street, Shatin, New Territories, Hong Kong.

Its immediate and ultimate holding company is Platinum Lotus Holdings Limited, a limited liability company incorporated in the British Virgin Islands. The ultimate controlling shareholder of the Company is Mr. Chu Kwok Fun ("**Mr. Chu**").

The Company acts as an investment holding company and the principal activities of the Company and its subsidiaries (collectively referred to as the "**Group**") are the provision of design, supply and installation services for façade works and building metal finishing works.

The consolidated financial statements are presented in Hong Kong dollars ("**HK$**"), which is also 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 Standard as 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 an HKFRS Accounting Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the fair value of amounts received and receivable from the provision of design, supply and installation services for façade works and building metal finishing works in Hong Kong by the Group to external customers which is recognised over time using the input method and derived from long-term contracts during the year.

	2026	2025
	HK$'000	*HK$'000*
Recognised over time		
Design, supply and installation services for		
– façade works	**170,119**	186,452
– building metal finishing works	**55,861**	73,374
	225,980	259,826

The Group's operating activities are attributable to a single operating segment focusing on the provision of design, supply and installation services for façade works and building metal finishing works. This operating segment has been identified on the basis of internal management reports that are regularly reviewed by the chief operating decision maker ("**CODM**"), being Mr. Chu, the chief executive officer and executive director of the Company, for the purpose of resources allocation and performance assessment. Other than revenue analysis, no operating results and other discrete financial information is available for the assessment of performance.

The CODM reviews the overall results for the year of the Group as a whole to make decisions about resources allocation. No analysis of segment assets or segment liabilities is presented as they are not regularly provided to the CODM. The operation of the Group constitutes one single operating segment under HKFRS 8 "Operating segments" and accordingly, no separate segment information other than entity level information is prepared.

The customers of the Group are mainly property developers and main contractors in Hong Kong. All of the Group's provision of design, supply and installation services for façade works and building metal finishing works are made directly with the customers. Contracts with the Group's customers are mainly fixed-price contracts.

Geographical information

All of the Group's revenue from external customers was generated from customers located in Hong Kong and all of the Group's non-current assets (other than financial instruments and deferred tax assets) were located in Hong Kong.

Information about major customers

Revenue from customers individually contributing over 10% of the total revenue of the Group during the year are as follows:

	2026	2025
	HK\$'000	*HK\$'000*
Customer A[1]	**44,041**	81,283
Customer B[1]	**30,793**	N/A[3]
Customer C[1]	**29,521**	N/A[3]
Customer D[1]	**29,094**	N/A[3]
Customer E[2]	**N/A[3]**	59,648
Customer F[2]	**N/A[3]**	49,410

Notes:

1. Revenue from design, supply and installation services for façade works.

2. Revenue from design, supply and installation services for façade works and building metal finishing works.

3. The corresponding revenue did not contribute over 10% of the total revenue of the Group for the relevant year.

4. OTHER INCOME, GAINS AND LOSSES, NET

	2026	2025
	HK\$'000	*HK\$'000*
Other income		
Bank interest income	**977**	2,620
Other gains and losses, net		
Exchange loss	**(7)**	(33)
Gain arising from early termination of a lease contract	**51**	–
	44	(33)
	1,021	2,587

5. NET IMPAIRMENT LOSSES RECOGNISED UNDER EXPECTED CREDIT LOSS MODEL

	2026	2025
	HK\$'000	*HK\$'000*
Net impairment losses (recognised) reversed on:		
– trade receivables	**(220)**	35
– contract assets	**1**	(320)
	(219)	(285)

6. FINANCE COSTS

	2026	2025
	HK$'000	*HK$'000*
Interests on:		
– bank borrowings	**–**	6
– lease liabilities	**280**	130
	280	136

7. (LOSS) PROFIT BEFORE TAXATION

	2026	2025
	HK$'000	*HK$'000*
(Loss) profit before taxation has been arrived at after charging:		
Directors' remuneration		
Fees	**660**	637
Other emoluments	**2,950**	3,559
	3,610	4,196
Other staff costs		
Salaries and other benefits	**30,529**	31,823
Retirement benefit scheme contributions for other staffs	**877**	915
Total staff costs	**35,016**	36,934
Auditor's remuneration	**850**	880
Variable rents in respect of office equipment which are not included in lease liabilities *(Note)*	**9**	11
Depreciation on property and equipment	**2,770**	3,730

Note: The operating lease rentals for office equipment are determined according to predetermined fixed cost and the excess usage of printing pages pursuant to terms and conditions that are set out in respective rental agreements.

8. INCOME TAX EXPENSE

	2026	2025
	HK$'000	*HK$'000*
The income tax expense comprises:		
Deferred tax charge for the year	**177**	444

No provision for Hong Kong Profits Tax is made in the financial statements for the year ended 31 March 2026 and 31 March 2025 as the estimated assessment profit was wholly absorbed by tax losses brought forward.

9. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the year ended 31 March 2026 and 31 March 2025, nor has any dividend been proposed since the end of the reporting period.

The directors of the Company do not recommend the payment of a final dividend in respect of the year ended 31 March 2026.

10. (LOSS) EARNINGS PER SHARE

The calculation of basic (loss) earnings per share is based on the following data:

	2026	2025
	HK$'000	*HK$'000*
(Loss) earnings:		
(Loss) profit for the year for the purpose of calculating basic earnings per share	**(3,307)**	3,193
	'000	*'000*
Number of shares:		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	**2,000,000**	2,000,000

No diluted (loss) earnings per share is presented as the Group has no potential ordinary shares in issue during both years.

11. TRADE AND OTHER RECEIVABLES

	2026	2025
	HK$'000	*HK$'000*
Trade receivables	**46,013**	18,363
Less: Allowances for impairment	**(3,612)**	(3,392)
	42,401	14,971
Rental deposits	**490**	728
Deposits and prepayments	**2,088**	4,020
Other pledged deposit	**2,000**	–
Other receivables	**34**	594
	47,013	20,313
Less: Rental deposits classified as non-current portion	**(490)**	–
Current portion of trade and other receivables	**46,523**	20,313

The Group usually allows a credit period ranging from 30 to 74 days to its customers. Before accepting any new customers, the Group will internally assess the potential customer's credit quality and defines credit limits by customers. Recoverability of the existing customers is reviewed by the Group regularly.

The following is an ageing analysis of trade receivables, net of loss allowances, presented based on the approval dates of work certified by architects, surveyors or other representatives appointed by the customers, at the end of the reporting period, which are also the dates when the Group's right to consideration became unconditional:

	2026	2025
	HK$'000	*HK$'000*
0 to 30 days	**42,304**	6,623
31 to 60 days	**49**	7,100
61 to 90 days	**48**	1,248
	42,401	14,971

12. CONTRACT ASSETS AND CONTRACT LIABILITIES

	2026	2025
	HK$'000	*HK$'000*
Analysed for reporting purposes, on a net basis for each respective contract:		
Contract assets		
– façade works	**26,281**	55,425
– building metal finishing works	**15,804**	17,427
	42,085	72,852
Less: Allowances for impairment		
– façade works	**(4,687)**	(4,714)
– building metal finishing works	**(58)**	(32)
	(4,745)	(4,746)
	37,340	68,106
Contract assets, net of allowances for impairment		
– façade works	**21,594**	50,711
– building metal finishing works	**15,746**	17,395
	37,340	68,106
Contract liabilities		
– façade works	**(17,409)**	(2,234)
– building metal finishing works	**(2,495)**	(3,323)
	(19,904)	(5,557)

13. TRADE AND OTHER PAYABLES

	2026	2025
	HK$'000	*HK$'000*
Trade payables	**12,489**	16,509
Retention payables	**5,713**	5,359
Provision for reinstatement cost	**1,240**	750
Other payables	**113**	14
Accrued expenses	**2,349**	2,353
	21,904	24,985
Less: Provision classified as non-current portion	**(1,240)**	–
Current portion of trade and other payables	**20,664**	24,985

The following is an ageing analysis of trade payables based on the invoice date at the end of the reporting period:

	2026	2025
	HK$'000	*HK$'000*
0 to 30 days	**11,568**	16,315
31 to 60 days	**921**	194
	12,489	16,509

The credit period of trade payables is usually ranging from 0 to 30 days.

14. PERFORMANCE GUARANTEES

As at 31 March 2026, surety bonds of an aggregate balance of HK$32,611,000 (2025: HK$20,735,000) were given by financial institutions in favour of the Group's customers as security for the performance and observance of the Group's obligations under the construction contracts entered into between the Group and the customers. If the Group fails to provide satisfactory performance to the customers to whom the performance guarantees have been given, such customers may demand the financial institutions to pay to them the sum or sum stipulated in such demand. The Group will become liable to compensate such financial institutions accordingly. The performance guarantees will be released upon completion of the contract works. The performance guarantees were granted under letters of guarantees of the Group and were secured by the Group's pledged bank deposit of HK$3,000,000 and other pledged deposit of HK$2,000,000 as at 31 March 2026 (2025: not secured by any of the Group's pledged bank deposit or other pledged deposit).

As at 31 March 2026, the Company provided a guarantee (the "**Parent Company Guarantee**") for the performance of all obligations and liabilities of a wholly owned subsidiary of the Company (the "**Sub-Contract Subsidiary**") under a construction contract (the "**Sub-Contract**") entered into between the Sub-Contract Subsidiary and the contractor (the "**Main Contractor**") of the Sub-Contract. The maximum liability of the Company under the Parent Company Guarantee shall be limited to HK$22,830,000 (2025: HK$22,830,000), which is approximately 10.0% of the contract sum of the Sub-Contract. The Parent Company Guarantee will be released upon the date of completion stated in the certificate of completion in accordance with the main contract signed between the Main Contractor and the employer of the Main Contractor.

The management of the Group does not consider it is probable that a claim will be made against the Group in respect of the above performance guarantees.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

We are a subcontractor engaged in the provision of design, supply, and installation services for façade works and building metal finishing works in Hong Kong.

As at 31 March 2026, the Group had 26 projects in progress with a total original contract sum of approximately HK$966.0 million. Total revenue of approximately HK$226.0 million was recognised during the year ended 31 March 2026 (the "**Year**", "**FY2026**" or the "**reporting period**").

During the Year, the Group has been awarded 22 new projects with a total contract sum of approximately HK$410.7 million, which comprise 10 projects for façade works and 12 projects for building metal finishing works. As at 31 March 2026, the outstanding value of our projects on hand was approximately HK$518.9 million, as compared to approximately HK$323.5 million as at 31 March 2025.

OUTLOOK AND PROSPECTS

Following a sharp multi-year downturn, Hong Kong's private sector property market has recently been showing signs of bottoming out and stabilising. Hong Kong's residential property prices have seen a significant rebound in the first quarter of year 2026, driven by a relatively strong equity market recovery and a massive influx of mainland Chinese talent and buyers. Residential property developers are shifting from inventory clearance back towards cautious project activation.

Commercial property developers in Hong Kong, on the other hand, still face persistent challenges amid high office vacancy rates and high-profile liquidity strains. Market participants have actively frozen or delayed new commercial groundbreakings. An extended period of consolidation in commercial and office property market is expected.

In view of these challenges and considering the Group's healthy cash position, the Board believes it is timely and prudent to pursue selective investment opportunities to broaden the Group's income base and enhance resilience through diversification. On 23 May 2025, the Group entered into an agreement with a company incorporated in Macau for the establishment of a company to operate a North-eastern Chinese cuisine restaurant of approximately 9,500 square feet at The Venetian Macao in Macau. The restaurant is still undergoing renovation and expected to commence operation by the end of 2026.

FINANCIAL REVIEW

Revenue

The table below sets forth an analysis of our revenue by the types of services provided for the years ended 31 March 2026 and 2025:

	Year ended 31 March			
	2026		2025	
	HK$'000	***%***	*HK$'000*	*%*
Façade works	**170,119**	**75.3**	186,452	71.8
Building metal finishing works	**55,861**	**24.7**	73,374	28.2
Total	**225,980**	**100.0**	259,826	100.0

The Group's revenue decreased by approximately HK$33.8 million or 13.0% from approximately HK$259.8 million for the year ended 31 March 2025 (the "**Previous Year**" or "**FY2025**") to approximately HK$226.0 million for the Year. The decrease in revenue recognised was primarily attributable to the slowdown in the construction progress of certain key projects during the Year.

The table below sets forth an analysis of our revenue by sectors for the years ended 31 March 2026 and 2025:

	Year ended 31 March			
	2026		2025	
	HK$'000	***%***	*HK$'000*	*%*
Residential properties	**136,528**	**60.4**	158,357	60.9
Commercial properties	**7,680**	**3.4**	219	0.1
Public facilities	**81,772**	**36.2**	101,250	39.0
Total	**225,980**	**100.0**	259,826	100.0

Gross profit and gross profit margin

The table below sets forth an analysis of the amount of gross profit and the gross profit margin by types of services for the years ended 31 March 2026 and 2025:

	Year ended 31 March			
	2026		2025	
		Gross profit margin		Gross profit margin
	HK$'000	***(%)***	*HK$'000*	*(%)*
Façade works	**16,471**	**9.7**	19,205	10.3
Building metal finishing works	**4,225**	**7.6**	6,979	9.5
Total	**20,696**	**9.2**	26,184	10.1

The Group's gross profit decreased by approximately HK$5.5 million or 21.0% from approximately HK$26.2 million for the FY2025 to approximately HK$20.7 million for the FY2026. The gross profit margin decreased from approximately 10.1% for the FY2025 to approximately 9.2% for the FY2026. The decrease in the Group's gross profit margin was mainly due to lower gross profit margins on newly awarded projects as a result of fierce competition in the Hong Kong market.

The table below sets forth an analysis of the amount of gross profit and the gross profit margin by sectors for the years ended 31 March 2026 and 2025:

	Year ended 31 March			
	2026		2025	
		Gross profit margin		Gross profit margin
	HK$'000	***(%)***	*HK$'000*	*(%)*
Residential properties	**7,613**	**5.6**	16,298	10.3
Commercial properties	**626**	**8.2**	115	52.5
Public facilities	**12,457**	**15.2**	9,771	9.7
Total	**20,696**	**9.2**	26,184	10.1

The relatively high gross profit margin of public facilities projects in the FY2026 was mainly attributable to the higher-than-budgeted final account settlement agreed upon with the employers of two completed public facilities projects after lengthy negotiation.

By contrast, the gross profit margin of commercial properties projects was relatively high in the Previous Year, but returned to a normal level in the FY2026, since the variation orders of certain commercial properties projects were assessed by main contractors at amounts higher than budgeted in the FY2025.

Other income, gains and losses, net

During the FY2026, we recognised other income, gains and losses, net of approximately HK$1.0 million, as compared with other income and losses, net of approximately HK$2.6 million recognised during the FY2025. The amount recognised for the Year mainly comprised bank interest income of HK$977,000 and gain arising from early termination of a lease contract of HK$51,000, while that for the Previous Year mainly comprised bank interest income of approximately HK$2.6 million.

Net impairment losses recognised under expected credit loss model

The amounts represent impairment losses, net of reversal, made on trade receivables and contract assets. The Group recognised an impairment loss of HK$220,000 on trade receivables, net of the reversal of impairment loss on contract assets recognised in prior year of HK$1,000, resulting in net impairment losses of HK$219,000 for the Year.

The net impairment losses recognised of HK$285,000 in the Previous Year resulted from an impairment loss of HK$310,000 in respect of the entire balance of retention receivable due from a customer, net of the reversal of non-credit-impaired lifetime expected credit losses of HK$25,000.

Operating and administrative expenses

Operating and administrative expenses include staff costs, depreciation and amortisation, marketing and promotion expenses, travelling expenses, office and utility expenses, legal and professional fees and other expenses. For the FY2026, the Group's operating and administrative expenses remained stable, which were approximately HK$24.3 million, representing a slight decrease of approximately HK$0.4 million or 1.6% from approximately HK$24.7 million for the FY2025.

Share of results of an associate

The Group recognised a share of results of an associate of HK$48,000 during the Year (FY2025: Nil), which was attributed to the loss from the associate in Macau.

Finance costs

Finance costs comprise interests on bank borrowings and lease liabilities. The former refers to the interest cost incurred for borrowings raised from banks while the latter refers to interest portion included in the lease payments under the leases of renting office premises and office equipment for operating uses. For the FY2026, the finance costs were HK$280,000, increased by HK$144,000 from HK$136,000 for the FY2025. The increase in finance costs was mainly due to the increase in interest on lease liabilities arising from the new lease agreement for the Company's principal place of business in Hong Kong signed during the Year.

Income tax expense

The Group's income tax expense for the FY2026 comprises deferred tax expense of HK$177,000 (FY2025: HK$444,000). The deferred tax expense for the FY2026 and FY2025 was mainly attributed to the utilisation of tax loss recognised as deferred tax asset in prior years.

(Loss) profit and total comprehensive (expense) income for the year

As a result of the foregoing factors, the Group's net loss for the Year amounted to approximately HK$3.3 million, compared to the Group's net profit of approximately HK$3.2 million for the Previous Year.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 March 2026, the Group had net current assets of approximately HK$111.4 million (31 March 2025: approximately HK$123.2 million). The current ratio of the Group calculated based on the Group's total current assets divided by total current liabilities as at the end of the reporting period was approximately 3.6 times as at 31 March 2026 (31 March 2025: approximately 4.9 times).

The Group finances its operations primarily through a combination of cash flows generated from operations and bank borrowings. The decrease in current ratio was primarily attributable to the increase of contract liabilities during the Year.

As at 31 March 2026, the Group had bank balances and cash of approximately HK$66.6 million (31 March 2025: approximately HK$63.4 million).

Bank borrowings

As at 31 March 2026, the maximum limit of the banking facilities available to the Group amounted to approximately HK$81.8 million, out of which an amount of approximately HK$32.6 million was utilised for performance guarantees.

The Group did not utilise any banking facilities for bank borrowings as at 31 March 2026 and 31 March 2025. The gearing ratio of the Group, calculated based on the Group's total bank borrowings divided by total equity and multiplied by 100%, was zero as at 31 March 2026 and 31 March 2025.

The Group has adopted a prudent approach in financial resources management. In the management of the liquidity, the Group continues to monitor and maintain adequate cash and cash equivalents as well as banking facilities to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

Capital structure

The capital structure of the Group consists of equity attributable to the owners of the Company, comprising issued share capital and reserves. There has been no change in the capital structure of the Company throughout the Year.

Pledge of assets

As at 31 March 2026, the pledged bank deposit of approximately HK$3.0 million and other pledged deposit of approximately HK$2.0 million (31 March 2025: pledged bank deposit of approximately HK$3.0 million) have been pledged to secure banking facilities granted to the Group given by financial institutions.

As at 31 March 2026, the lease liabilities of approximately HK$3.1 million (31 March 2025: approximately HK$0.8 million) are secured by rental deposits with carrying values of approximately HK$0.5 million (31 March 2025: approximately HK$0.7 million).

Foreign exchange exposures

The Group operates mainly in Hong Kong and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to certain procurement of raw material with Renminbi. Foreign exchange risk arises when future commercial transactions, recognised assets and liabilities are denominated in a currency that is not the group entities' functional currency. The Group however considers that the currency risk of those monetary liabilities is not significant and did not engage in any derivatives agreements and did not commit to any financial instrument to hedge its foreign exchange exposure during the Year. The management of the Group will monitor foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Capital expenditure

Our principal capital expenditures relate primarily to investments in property and equipment excluding right-of-use assets. During the Year, the Group incurred capital expenditure of approximately HK$1.0 million (FY2025: approximately HK$1.5 million).

Capital commitments and contingent liabilities

The detailed information of performance guarantees of the Group as at 31 March 2026 is set out in Note 14 to the consolidated financial statements. Save as disclosed in Note 14 to the consolidated financial statements, there is no other capital commitment and contingent liabilities that the Group is aware of.

Significant investments, acquisition and disposals

There were no significant investments held, acquisitions or disposals of subsidiaries and affiliated companies by the Group during the reporting period.

Future plans for material investments and capital assets

Save as disclosed elsewhere in this announcement, the Group did not have other plans for material investments or capital assets as at 31 March 2026.

EMPLOYEE AND REMUNERATION POLICIES

As at 31 March 2026, the Group had 49 (31 March 2025: 50) full time employees (including two executive Directors but excluding three independent non-executive Directors). The Group has implemented a tight cost control and adjusts the number of project staff based on the progress and expected workload of our construction works and the expected completion dates of work projects. The numbers of project staff and administrative staff were relatively stable as at 31 March 2026 and 2025.

The remuneration package offered to employees includes salary and other employee benefits such as bonus. In general, the Group determines the salaries of its employees based on their individual performance, qualifications, experiences and position held. The Group conducts annual salary and promotion review in order to attract and retain employees. In addition, the Group provides and organises various types of training to its employees to elevate overall efficiency, employee loyalty and morale. Total staff costs for the FY2026 were approximately HK$35.0 million (FY2025: approximately HK$36.9 million).

EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting period, Mr. Chen Shu An has resigned as an executive Director and as a member of the remuneration committee of the Board (the "**Remuneration Committee**") with effect from 1 June 2026, due to his desire to devote more time to his personal endeavours. Mr. Yeung Kin Wa has been appointed as an executive Director and a member of the Remuneration Committee with effect from 1 June 2026.

Save as disclosed above and elsewhere in this announcement, the Board is not aware of any significant events, which have material effect on the Group, occurred after 31 March 2026 and up to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

No purchase, sale or redemption of the Company's listed securities was made by the Company or any of its subsidiaries during the Year.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

None of the Directors or the controlling shareholders of the Company nor their respective close associates (as defined in the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange) is interested in a business apart from the Group's business which competes or is likely to compete, directly or indirectly, with the Group's business during the Year.

SHARE OPTION SCHEME

The Company has adopted a share option scheme (the "**Share Option Scheme**") on 5 March 2020. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 17 of the Listing Rules. The main purpose of the Share Option Scheme is to motivate employees to optimize their performance efficiency for the benefit of the Company, to attract and retain best available personnel, to provide additional incentive to employees (full-time or part-time), directors, consultants, advisers of the Group and to promote success of the business of the Group.

No share options were granted, cancelled, exercised or lapsed under the Share Option Scheme since its adoption date and up to the date of this announcement.

Share options may be exercised at any time during a period as the Directors may determine which shall not exceed ten years from the date of grant. Despite the terms of the Share Option Scheme, any grant of share options by the Company will comply with the Listing Rules from time to time.

The number of options available for grant under the scheme mandate at the beginning and the end of the Year was 200,000,000.

As at the date of this announcement, the total number of shares available for issue under the Share Option Scheme was 200,000,000, representing 10% of the entire issued share capital of the Company.

CORPORATE GOVERNANCE PRACTICE

The Company's corporate governance practices are based on the principles and relevant code provisions set out under the Corporate Governance Code (the "**CG Code**"), as amended from time to time, contained in Appendix C1 to the Listing Rules. To the best of the knowledge of the Board, the Company has complied with the code provisions as set out in Part 2 of the CG Code throughout the Year except where otherwise stated. The Board will continue to review and enhance the Company's corporate governance policies to ensure compliance with statutory and professional standards and align with the latest developments.

Chairman and Chief Executive Officer

Mr. Chu is currently the chairman of the Board and the chief executive officer of the Company. Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be segregated and should not be performed by the same individual. Taking into account Mr. Chu has held the key leadership position of the Group and has been deeply involved in the overall management, strategic planning and development of the business operation since its establishment, the Board considered that the roles of chairman and chief executive officer being performed by Mr. Chu enables more effective and efficient overall business planning, decision making and implementation thereof by the Group.

Mr. Chu also takes the lead to ensure that the Board works effectively and acts in the best interest of the Company by encouraging the Directors to make active contribution in the Board's affairs and promoting a culture of openness and debate.

The Board believes that it is in the best interests of the Group and the shareholders of the Company as a whole to have Mr. Chu taking up both roles. The Board is of the view that the balance of power and authority under the present arrangement will not be impaired and this structure will enable the Company to make and implement decisions promptly and effectively.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 to the Listing Rules as a code of conduct of the Company regarding Directors' securities transactions. Having made specific enquiries of the Directors, all the Directors have confirmed that they have complied with the requirements of the Model Code throughout the Year.

AUDIT COMMITTEE

The Company has established an audit committee of the Company (the "**Audit Committee**") with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. The Audit Committee comprises three independent non-executive Directors: Mr. Ma Tsz Chun, Ms. Leung Yin Fai and Ms. Yuen Wai Yee. Mr. Ma Tsz Chun currently serves as the chairman of the Audit Committee.

The Company's audited consolidated financial statements for the Year have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the audited consolidated financial statements of the Company for the Year comply with applicable accounting standards, the Listing Rules and that adequate disclosures have been made.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 March 2026 as set out in the preliminary announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board of Directors on 23 June 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Year (FY2025: Nil).

ANNUAL GENERAL MEETING

The Company's forthcoming annual general meeting (the "**AGM**") will be held on Friday, 21 August 2026. A notice convening the AGM will be published in the Company's website at www.lotushorizonholdings.com and despatched to the shareholders of the Company in the manner as required by the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 18 August 2026 to Friday, 21 August 2026 (both days inclusive) during which period no transfer of shares of the Company (the "**Shares**") will be registered. In order to be eligible to attend and vote at the AGM, unregistered holders of Shares shall ensure that all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar 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 Monday, 17 August 2026.

PUBLICATION OF FINANCIAL RESULTS AND ANNUAL REPORT

This results announcement is published on the Company's website at www.lotushorizonholdings.com and the website of the Stock Exchange at www.hkexnews.hk. The annual report of the Company for the year ended 31 March 2026 containing all the information required by the Listing Rules will be despatched to the shareholders of the Company and available on the same websites in due course.

APPRECIATION

The Board would like to take this opportunity to express its sincere gratitude to the management team and staff for their hard work and contributions, and to our shareholders, investors and business partners for their trust and support.

By Order of the Board
Lotus Horizon Holdings Limited
CHU Kwok Fun
Chairman and Chief Executive Officer

Hong Kong, 23 June 2026

As at the date of this announcement, the board of directors of the Company comprises Mr. CHU Kwok Fun (Chairman and Chief Executive Officer) and Mr. YEUNG Kin Wa (Chief Financial Officer) as executive Directors, and Ms. LEUNG Yin Fai, Mr. MA Tsz Chun and Ms. YUEN Wai Yee as independent non-executive Directors.